

The gross foreign exchange reserves of the National Bank of Serbia at the end of August this year amounted to 15 billion and 875.6 million euros and were 852.7 million euros more than at the end of the previous month, the NBS announced.

At this level of foreign exchange reserves, coverage of the M1 money supply of 144 percent and almost five months of imports of goods and services is ensured, which is almost twice the standard.

At the end of August, net foreign exchange reserves (foreign exchange reserves less the foreign currency assets of banks based on mandatory reserves and other bases) amounted to 13.13 billion euros and compared to the end of the previous month, they were 796.7 million euros more.

The increase in foreign exchange reserves is primarily the result of NBS activities on the domestic foreign exchange market (net inflow based on the purchase of foreign currency and swap transactions in the amount of EUR 430 million) and inflow based on the sale of government foreign exchange securities in the amount of EUR 336.6 million.

The increase in foreign exchange reserves in August was additionally influenced by net inflows based on mandatory foreign exchange reserves of banks in the amount of 39.2 million euros, based on donations 36.9 million euros, as well as net inflows based on the management of foreign exchange reserves and on other grounds (net 22.9 million euros). The effect of market factors in August was negative in the net amount of 12.9 million euros. The volume of realized foreign exchange trade on the interbank foreign exchange market in August amounted to EUR 896.3 million and was EUR 167.9 million less than in the previous month.

In the first eight months of this year, a total of around 6.2 billion euros was realized in interbank trade.

The value of the dinar against the euro in August was almost unchanged, while since the beginning of the year the dinar has nominally strengthened against the euro by 0.2 percent. The NBS bought 450 million euros on the interbank foreign exchange market in August, while it net sold 905 million euros since the beginning of the year, in order to maintain the relative stability of the exchange rate of the dinar against the euro, N1 reports.