CHAMBER OF COMMERCE AND INDUSTRY OF SERBIA
1857

SERBIAN ECONOMY

Macroeconomic Overview

2025

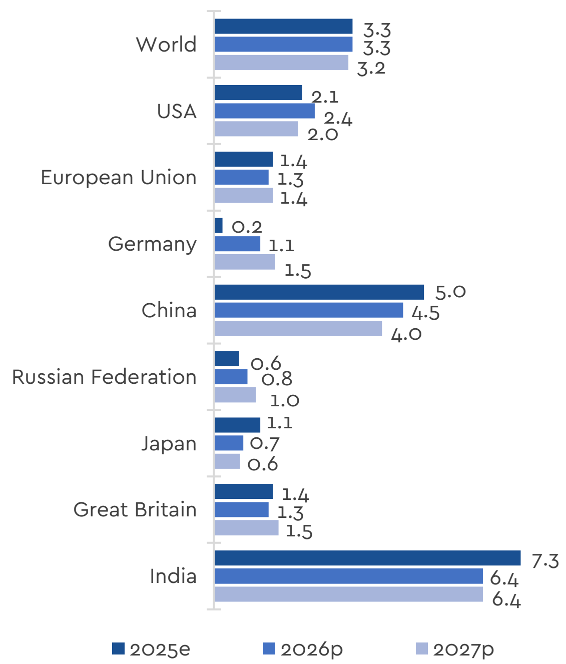
ECONOMIC ACTIVITY

Macroeconomic Overview

Trade barriers and economic turbulence limited global economic growth in 2025, which, according to the International Monetary Fund, was 3.2%, and an identical rate is expected in 2026. These rates are among the lowest in the period after the global financial crisis of 2008. The economic slowdown has also resulted in slower dynamics in the industry, which will be below initial expectations in terms of growth rate in 2026. In addition to industry, the services sector is expected to provide relatively stronger support to growth, while sectors such as energy and technology will play an increasingly important role in shaping long-term productivity and economic resilience. The main drivers of global economic growth will continue to be emerging economies, primarily China and India. These countries are expected to continue to make significant progress in terms of per capita income, which will gradually contribute to reducing the gap with the world's most developed economies. On the other hand, the world's leading developed economies are facing the adverse consequences of the worsening geopolitical situation around the world, as well as potentially high inflationary pressures, which have not yet given clear signals for a significant easing of monetary policy. Central banks are expected to maintain relatively restrictive monetary policies, limiting the scope for stronger short-term growth while attempting to ensure price stability. Data on inflation and the labor market in the US show that the world's largest economy is less affected by the global economic slowdown, and, according to IMF projections for 2025, the YoY growth in economic activity in the US is estimated at around 2.0%.

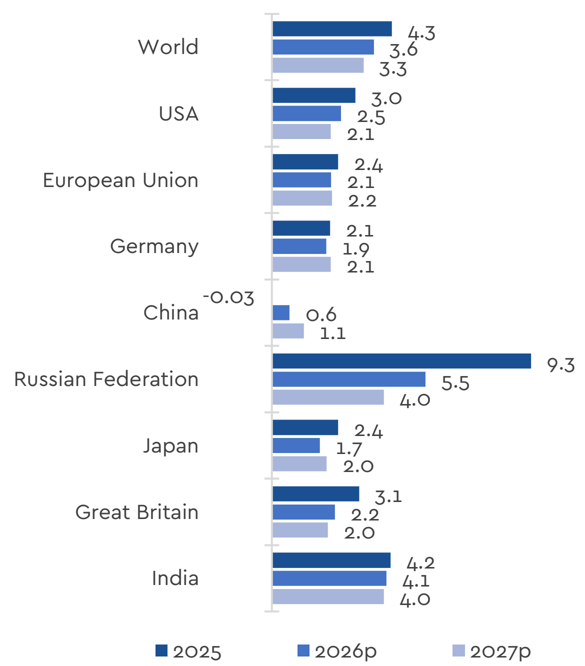
The US's largest economic rival, China, recorded a real GDP growth rate of around 5.0% in 2025, which is in line with the medium-term economic policy goals of the Chinese government. On the other hand, the European economy faces numerous structural challenges, including technological and innovative lagging behind the US and China, high production costs, limited access to certain critical raw materials, weaker demand for industrial products, as well as growing political risks. These factors have led to the stagnation of the European, and primarily, German economy, whereas there are currently no clear signs of a stronger economic recovery in the short term.

GDP Growth/Decline Projections for the World's Leading Economies for 2025, 2026 and 2027 (%)



Source: IMF.
(e – estimate, p – projection)

Consumer Prices in the World's Leading Economies (% Change Compared to the Same Period of the Previous Year)

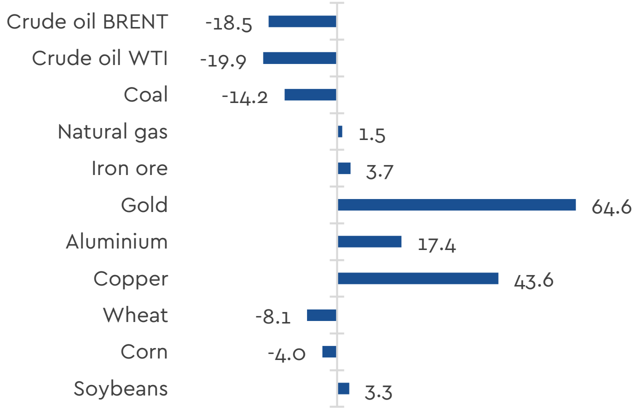


Source: IMF.
(p – projection)

The economy of Serbia, measured by the real **growth rate of gross domestic product**, achieved growth of 2.0% in 2025, which is substantially lower than the initial expectation of 4.2%, as estimated at the beginning of last year. The National Bank of Serbia expects growth to accelerate in 2026, which should be contributed to by further growth in production and exports of the automotive industry, as well as intensified implementation of infrastructure projects planned under the "Leap into the Future" program. Taking into account the weaker effect of the trends transferred from 2025, the GDP growth projection for 2026 is 3.5%, whereas for 2027, due to the specialized international exhibition Expo, the National Bank of Serbia expects growth to additionally accelerate to around 5%. In the coming period, domestic demand will continue to be the main driver of economic activity growth, which will be contributed to by the growth of disposable income of the population, as well as the continued implementation of significant infrastructure projects. However, the realization of these projections will largely depend on external factors, including developments in key trading partners in the European Union, global financial conditions, and potential geopolitical uncertainties, which may pose risks to the projected growth path.

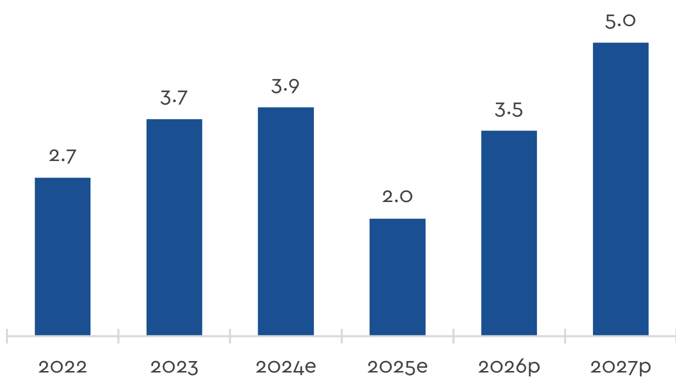
The risks of reaching the target growth rate in 2026 are numerous: the slow recovery of the European economy, especially in countries that are key foreign trade partners of Serbia; energy situation and current uncertainty regarding the functioning of NIS; the impact of inflation on the part of the population with low and below-average incomes; sensitive power production system; relatively high lending costs for both citizens and business; lack of labour force in certain industries; foreign political pressures and regional political disputes; stagnation of EU integration, as well as geopolitical tensions at the global level. Despite the above risks, the domestic economy is expected to maintain stable growth dynamics in the medium term, supported by investments, infrastructure projects and a gradual strengthening of external demand. Further improvements in the business environment, digitalization and structural reforms, which would increase the productivity and competitiveness of the economy, could also make a positive contribution.

Change in Prices of Energy, Metals and Key Agricultural Products in December 2025 Compared to the Beginning of the Year (%)



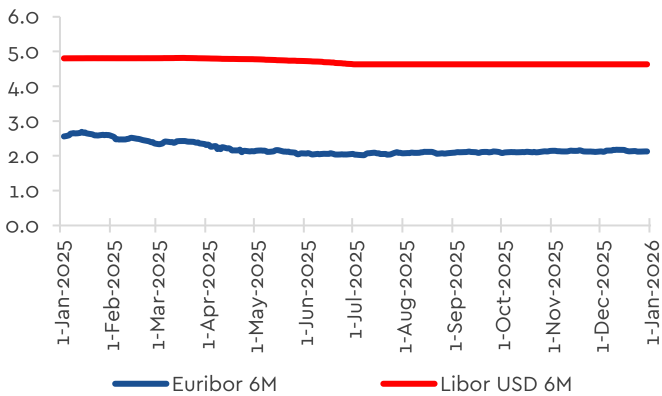
Source: Bloomberg L.P.

Real GDP Growth of the Republic of Serbia (%)



Source: SORS, NBS.
(e – SORS estimate, p – NBS projection)

Interest Rate Trends in the Republic of Serbia in 2025



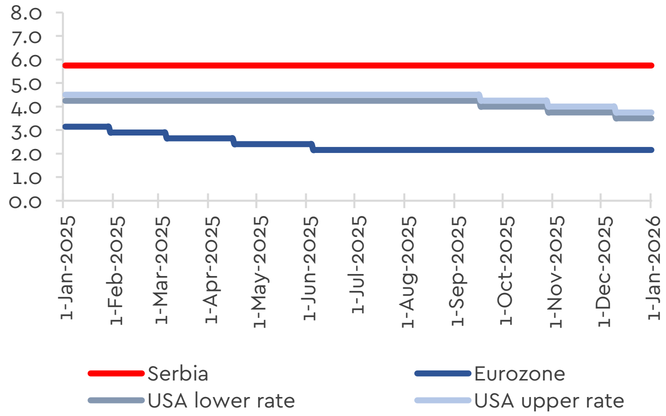
Source: Bloomberg L.P.

The **reference interest rate** was kept at 5.75% in December 2025 where it has been since September 2024. When making this decision, the Executive Board of the National Bank of Serbia primarily took into account several factors, primarily actual and expected inflation trends. At the same time, it was assessed that conducting monetary policy requires caution, primarily due to higher tariffs, increasing protectionism and uncertainty regarding global economic and political developments. It was also noted that significant support for economic growth has already been provided through more favorable financial conditions and the acceleration of credit activity.

In the period January-December 2025, **the inflation** amounted to 3.8%, which is within limit of the NBS target interval (3.0% ± 1.5 percentage points). In December 2025, as compared to the same month in 2024, the YoY inflation amounted to 2.7%. In 2025, inflation had a downward trend until May, when it stood at 3.8%, only to increase in the following three months, primarily under the influence of rising food prices amid unfavorable weather conditions. As a result of the implementation of the Government of the Republic of Serbia's Regulation on the Limitation of Trade Margins, the YoY inflation slowed to 2.9% in September. Inflation remained at similar levels in October and November. Since the beginning of 2024, the financial sector's inflation expectations have been within the target range. According to the data for November 2025 they amounted to 3.4% one year ahead, whereas expectations according to the December Bloomberg survey were 4.0%.

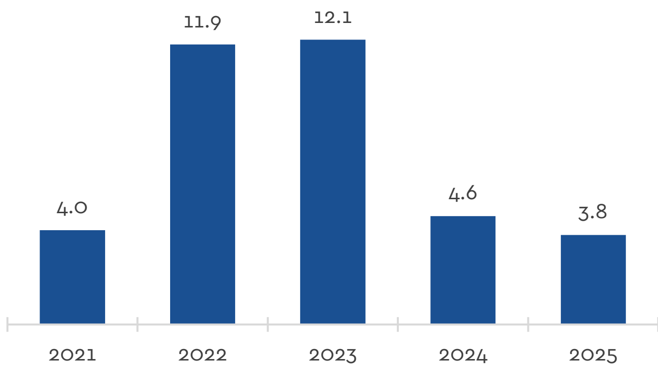
According to the data of the Ministry of Finance, a **consolidated budget deficit** of about EUR 2.2 billion was recorded in the period January-December 2025. The achieved fiscal result is primarily a consequence of increased state expenditures conditioned by increased allocations for pensions, public sector salaries, social benefits, as well as investments in infrastructure and capital projects. Overall, despite temporary inflationary pressures and increased fiscal expenditures, macroeconomic developments in 2025 remained broadly stable and within expected policy frameworks, supported by anchored inflation expectations and continued policy coordination.

Key Interest Rate Trends in Serbia, Eurozone and USA in 2025



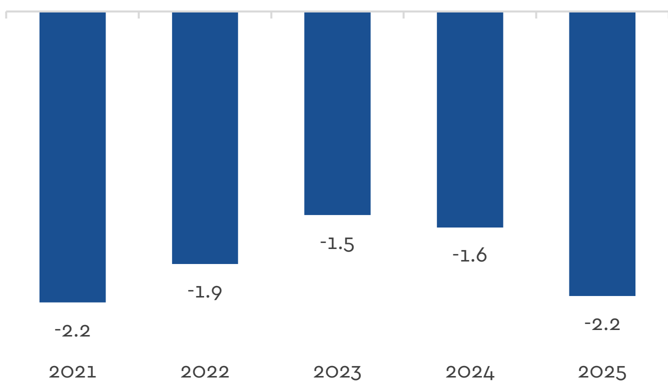
Source: Bloomberg L.P.

Consumer Prices (% Change Compared to the Same Period of the Previous Year)



Source: SORS.

Consolidated Fiscal Balance of the Republic of Serbia (EUR billion)



Source: Ministry of Finance, precalculation by CCIS.

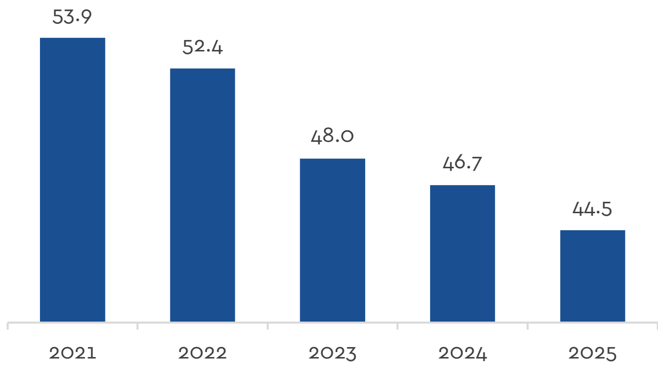
At the end of December 2025, the **share of public debt in the GDP of Serbia** was 44.5% which is a decrease of about 2.2 percentage points as compared to the level in December 2024. According to the Revised Fiscal Strategy for 2026, in the medium term, a deficit of 3.0% of GDP is projected, with a key share from capital expenditures, in line with the implementation of the "Leap into the Future" development plan, and maintaining the share of public debt in GDP below the Maastricht limit (60%).

In 2024, Serbia was ranked among the countries with an investment grade credit rating for the first time in its history. In October, *Standard and Poor's* increased Serbia's credit rating to the level of "BBB-", whereas the *Fitch Ratings* ("BB+") and *Moody's* ("Ba2") increased the outlook of increasing a credit rating from stable to positive. Given such trends, in the coming period we might expect these agencies to rate Serbia with an investment grade, as well. Key factors that contributed to the improvement of the investment rating include relatively high real GDP growth compared to the pre-pandemic level, substantial increase in foreign exchange reserves, a decrease in the share of public debt in GDP, as well as responsible management of monetary and fiscal policy.

In the period January-December 2025, **the industrial production** increased by 0.9%, as compared with the same period of 2024. The highest growth in production was recorded in the mining sector (4.7%), whereas the manufacturing industry recorded a growth (1.1%). A 1.8% decrease was recorded in the electricity supply sector in the same period.

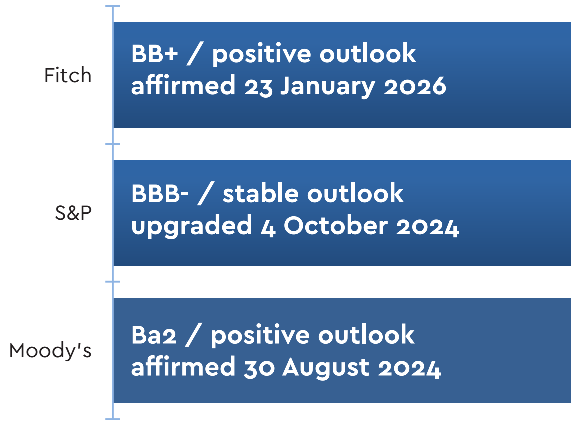
The total **foreign commodity trade** of Serbia, in the period January-December 2025, amounted to EUR 74.9 billion, which is an increase of 7.2% as compared with the same interval of 2024. Goods were exported in the value of EUR 33.1 billion, with a year-on-year increase of 8.4%, while the imports of goods amounted to EUR 41.9 billion, with an increase of 7.3%. The commodity trade deficit amounted to about EUR 8.8 billion, whereas the coverage of imports by exports amounted to about 79.0%. If compared with the previous year, the deficit increased by 3.4% year-on-year, primarily because of the import of raw and production materials for the purposes of the current investment.

Public Debt of the Republic of Serbia (Central Government, % of GDP)



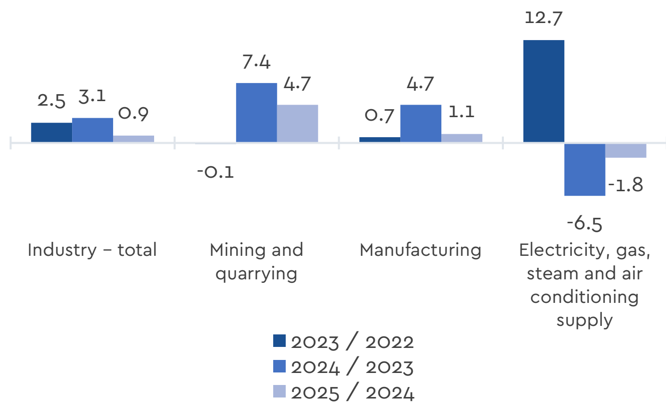
Source: Ministry of Finance.

Long-Term Credit Rating of the Republic of Serbia



Source: NBS.

Increase/Decline in Industrial Production, Total and by Sector (%)



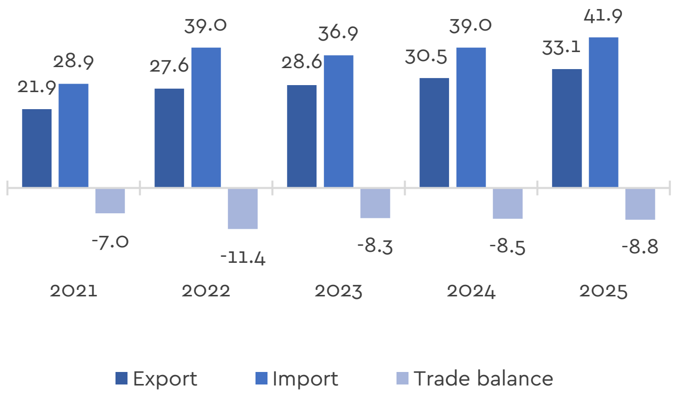
Source: SORS.

Observed individually by country, a higher surplus was achieved with the neighbouring countries: Montenegro (electricity and medicines for retail sale are exported, whereas electricity and dried pork are imported the most), Bosnia and Herzegovina (gas oils and electricity are exported the most, whereas electricity and non-agglomerated lignite are imported), and North Macedonia (electricity and electrical conductors are exported, and electricity and catalysts on the carrier are imported the most). Of the other countries, the dominant surplus is recorded with Bulgaria, Slovakia and the Czech Republic. The highest deficit occurs in trade with China due to the extensive import of consumer goods.

In the period January-December 2025, Serbia reached the **surplus in trade in services** of EUR 2.3 billion, with the year-on-year drop of 17.6%. ICT sector in Serbia, except for recording excellent export results, increasingly contributes to the total growth in turnover, total number of employees and gross added value, i.e. increasing gross domestic product. In addition to the ICT sector, business services, primarily management counselling, research and development, and other technical services, make the largest contribution to reducing the deficit in trade and payment balance of the country.

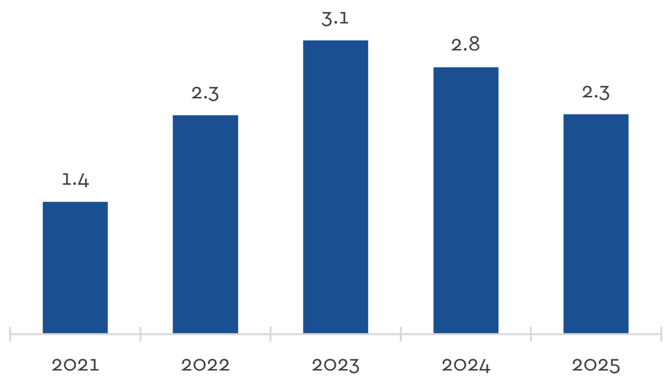
In the period January-December 2025, Serbia attracted totally EUR 2.3 billion of **net foreign direct investments**, which is the year-on-year decrease of 50.5%. This drop in FDI inflows is largely a consequence of the slowdown in economic activity in countries that are Serbia's key foreign trade partners in the European Union, primarily Germany, but also increased uncertainty in the international and domestic economic environment. In addition, the decrease in investment activity was influenced by tightened financing conditions on the global market, as well as more cautious behaviour of investors due to increased geopolitical risks and instability of the energy sector. At the same time, the decline can be partly explained by the postponement or slow realization of certain major investment projects in conditions of intensified uncertainty.

Foreign Trade in Goods (EUR billion)



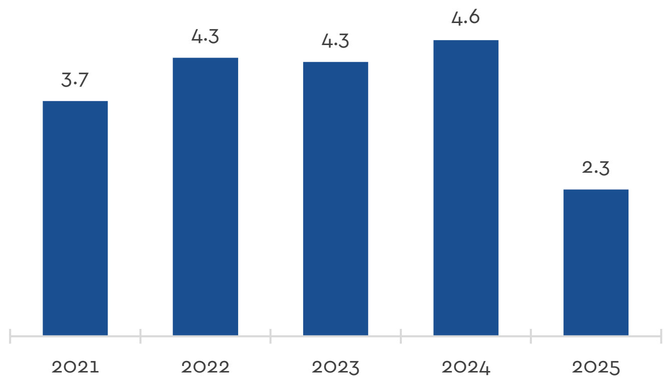
Source: SORS.

Surplus in Services Trade (EUR billion)



Source: NBS.

Net FDI (EUR billion)



Source: NBS.

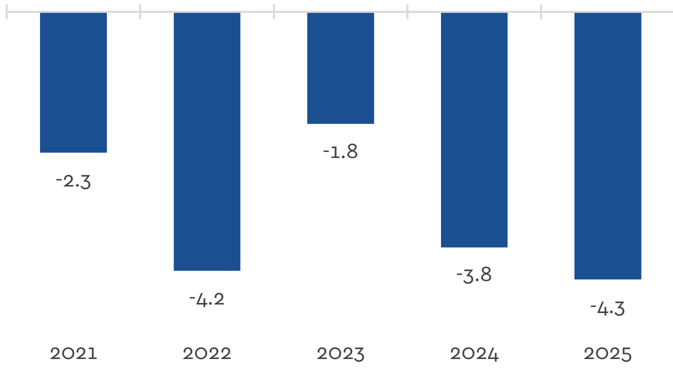
According to the data of the National Bank of Serbia, in the period January-December of 2025, the **current account balance of payment deficit** amounted to EUR 4.3 billion, which represents an increase of 13.6% compared to the same period of the previous year. The National Bank of Serbia expects that the current account balance of payment deficit in 2025 and 2026 will range from about 5.0% to 5.5% of GDP, after which, as a result of higher exports of services due to the specialized international exhibition Expo, it could be reduced to about 4.0% of GDP. In the same period, an inflow of remittances from abroad was recorded in the amount of EUR 4.3 billion, with the year-on-year growth of 12.8%, mainly from the German-speaking countries - Germany, Austria and Switzerland.

The **average gross salary** calculated for the period January-December 2025 amounted to RSD 151,086 (EUR 1,289), while the **average net salary** amounted to RSD 109,462 (EUR 934). As compared with the same period of the previous year, the salaries were higher in real terms by 7.4%. In addition, medial net salary for December 2025 amounted to RSD 90,819 (EUR 775), which means that 50% of employees earned the salary lower than the above amount.

According to the Labour Force Survey, in the fourth quarter of 2025, the number of employees amounted to about 2.8 million, whereas 276.9 thousand unemployed persons were registered, which is lower by 66.7 thousand as compared with the same quarter of 2024. The total rate of informal employment was 11.0%, with the rate of informal employment in the agricultural sector being 49.8%, and 6.0% in non-agricultural sectors.

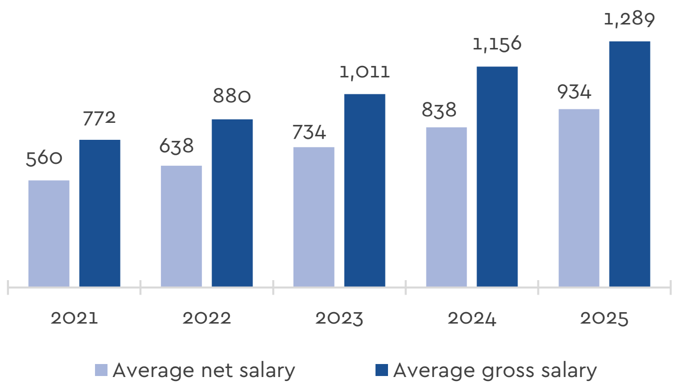
The **employment rate** of the population aged 15 and over, in the fourth quarter of 2025, amounted to 50.5%, whereas the **unemployment rate** was 8.9%. In the service sectors, including the hospitality, transport, construction, the lack of labour was compensated by the import of labour force from abroad, which contributed to preserving the labour productivity. The labour market in 2025 can be characterized as stable.

Balance of Payments of the Republic of Serbia (EUR billion)



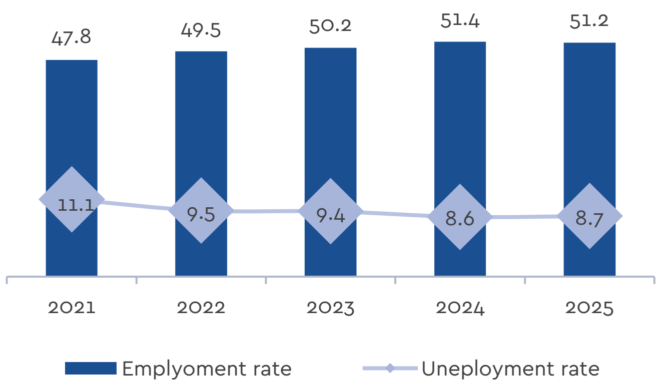
Source: NBS.

Average Net and Gross Salary (EUR)



Source: SORS, precalculation by CCIS.

Employment/Unemployment Rate for Population Aged 15 and Over, According to the Labour Force Survey (%)

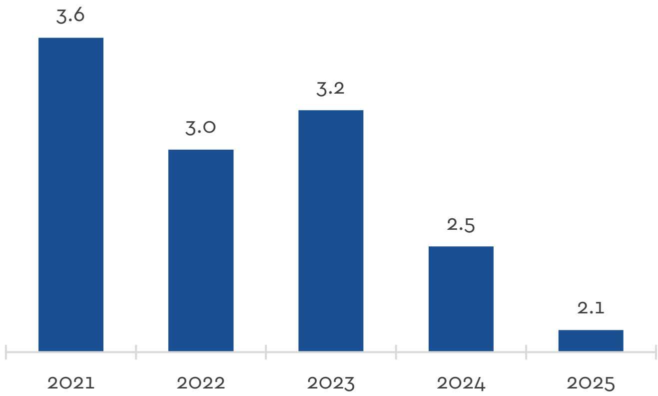


Source: SORS.

According to the data of the National Bank of Serbia, the domestic **lending activity** in 2025 further accelerated year-on-year growth in December, to 15.4%, with personal loans accelerating growth to 19.5%, and corporate loans to 11.3%. Personal loans are driven by the growth of cash and housing loans, which increased by 22.3% and 19.0%, respectively, and is also contributed to by the implementation of the Housing Loans for Youth program and measures that ensure lending to citizens with lower incomes. Within corporate loans, the growth is mainly recorded with investment loans (12.8%) and loans for liquidity and working capital (11.8%). The stability of the banking sector in Serbia has been preserved and additionally strengthened, and the share of non-performing loans in total loans amounted to 2.1% at the end of 2025. Foreign exchange reserves reached EUR 29.0 billion.

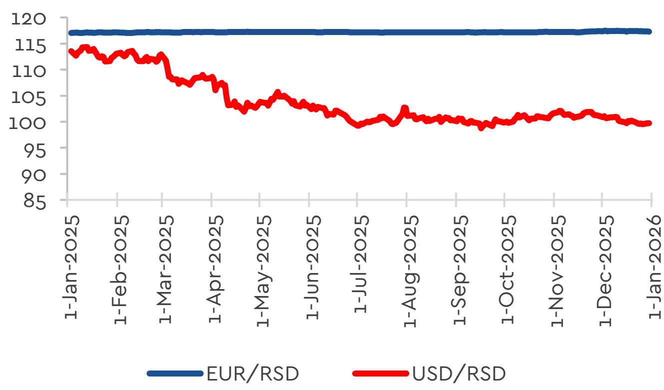
The **average foreign exchange rate**, in the period January-December 2025, amounted to 117.2026 dinars to one euro, as well as 103.7860 dinars to one American dollar. Despite numerous economic and geopolitical challenges in the course of the year, dinar has shown stability against the leading currency of the Eurozone, whereas it has shown certain level of oscillations against American dollar, which has been caused primarily by the current monetary policy in the global level. The National Bank of Serbia states that the stable foreign exchange rate should be expected in the coming period without larger fluctuations against the leading currencies.

Non-Performing Loans (NPL) Share in Total Loans (%)



Source: NBS.

Trends in Exchange Rates in 2025



Source: Bloomberg L.P.

Macroeconomic Overview edited by the Chamber of Commerce and Industry of Serbia is yearly and quarterly overview of the most important macroeconomic indicators of the national economy. It contains the main macroeconomic performances, current trends, and economic activities shown through the main statistical, monetary and fiscal indicators in a textual or graphical manner.

For more details, please visit the website of the Chamber of Commerce and Industry of Serbia.

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02
03
01
B
04
PLO 6,350 (-200)
EER 10,985 (+580)
QRT 665 (-15)
OPY 6,800 (-115)
PON 7,654 (+169)
NFR 6,522 (+122)
UGH 1,632 (-54)
OMJ 3,652 (+182)
IIT 7,150 (-150)
KLM 782 (+74)
CCX 1,901 (+101)
EMH 3,280 (-120)
TDS
PPO
D05
A04

METHODOLOGICAL NOTES

From 2018, the Statistical Office of the Republic of Serbia calculates **average wages** on the basis of data from the records the Tax Administration. The study of wages is based on the data from the Tax Return for withholding tax (form PPP-PD). Average wages are calculated based on the amount of calculated wages for the reporting month, and the number of employees, which is shown in the full-time equivalent – FTE. All categories of employees are included, for whom their employers, i.e. economic entities, submitted to the Tax Administration a completed electronic tax return form PPP-PD, with the calculated wages. Since 1999, the Statistical Office of the Republic of Serbia has not disposed of some specific data for the Autonomous Province of Kosovo and Metohija, and therefore, they are not included in the scope of data for the Republic of Serbia (total).

The term **employees** implies persons who have a formal and legal employment contract, i.e. the established labour relationship with the employer, for a fixed or indefinite period; persons working outside the labour relationship, based on an engagement contract or a contract on temporary and occasional jobs; persons engaged in self-employment, or founders of companies or sole trade businesses; and persons engaged in agricultural activities, who are in the records of the Central Registry of Compulsory Social Insurance. The study on the **registered employment** is based on the combination of data of the Central Registry of Compulsory Social Insurance (CROSO) and the Statistical Business Register (SBR). The data on payers of the compulsory social insurance contribution and the insured, based on the work, are obtained from CROSO. The data on business entities and their main characteristics are obtained from SBR. Distribution of employees by activity, in the context of a business entity, is done according to the structures that are formed on the basis of data on local units.

Labour Force Survey (LFS) is a survey that based on a random selected sample of households compiles the data on the main characteristics of labour force, with the aim to estimate thereby the labour force volume in our country. LFS is conducted in compliance with the standards and recommendations of the International Labour Organization (ILO), and the regulations of the European Statistical Office (Eurostat), which ensures the LFS data to be compared with the equivalent data from other (particularly European) countries. Starting from January 2021, Labour Force Survey is implemented in accordance with the new Regulation by the European Parliament and the Council, thus ensuring the improvement of the overall quality of data and their international comparability. According to LFS, employed persons comprise persons aged 15 to 89 who during the reference week worked for at least one hour for pay or profit, as well as persons with a job or business who were temporarily not at work during the reference week. **Unemployed population** includes persons aged from 15 – 74 that did not perform any paid job during the reference week, were actively seeking work in the four week period ending with the reference week, and are currently available for employment within a period of two weeks from the end of the reference week.

Data on **foreign direct investments** the National Bank of Serbia receives from the banks, which means that these data are classified by country of payment and not by the country of investment, and therefore depend on the country in which the particular company has a bank account through which payment is made, ie. investment. National Bank of Serbia, in accordance with the guidelines of the IMF in the framework of EU accession, has changed the methodology of calculating foreign direct investment (using the "Manual for balance of payments and international investment position Nos. 6 IMF") and according to the new methodology, the net foreign direct investment is obtained as the difference between the net increase in financial assets (total inflow from withdrawal of residents' investments abroad and investments of domestic capital abroad) and a net increase in financial liabilities (total investments of nonresidents in Serbia and the outflow from withdrawal of investments by non-residents in Serbia) and include investments in money, goods, conversion of debt to equity, intercompany loans and reinvested profit.

Some of the values shown in the Bulletin, are rounded up to millions or billions, with one decimal place and, therefore, the total values (summaries) do not always coincide with the sum of individual data, due to the fact that non-rounded up figures were used (which gives more accurate data).

Foreign exchange rates: All conversions in the Bulletin were made according to the average medium rates of the National Bank of Serbia:

Time:	2018	2019	2020	2021	2022	2023	2024	2025
EUR/RSD	118.2716	117.8524	117.5778	117.5733	117.4588	117.2513	117.0851	117.2026
USD/RSD	100.2784	105.2762	103.0272	99.4925	111.8607	108.4143	108.1965	103.7860

Source: NBS.

Abbreviations used: GDP – Gross Domestic Product, GVA – Gross value Added, FDI – Foreign Direct Investment, CA (2010) – Classification of Activities (2010), Ø – Average for Period, LFS – Labour Force Survey, NPL – Non-performing loan, MSMEs – Micro, small and medium enterprises, p.p. – percentage point, RSD – Serbian dinar, EUR – Euro, USD – American dollar.

The sources of data: Statistical Office of the Republic of Serbia (SORS), National Bank of Serbia (NBS), Business Registers Agency (BRA), Chamber of Commerce and Industry of Serbia (CCIS), Customs Administration (CA), Ministry of Finance (MF), Central Registry of Compulsory Social Insurance (CROSO), International Monetary Fund (IMF), World Bank, Bloomberg L.P.

CENTRE
for Strategic Analyses, Analytics, Planning and Publications

The provision of reliable and timely information in a modern and dynamic economic environment constitutes one of the key services of the Chamber of Commerce and Industry of Serbia (CCIS). The analyses prepared by CCIS are based on an integrated database developed in cooperation with enterprises, the Statistical Office of the Republic of Serbia, the Serbian Business Registers Agency, the Customs Administration, the Central Registry of Compulsory Social Insurance and other relevant institutions. In addition, CCIS makes use of international databases, including Eurostat, the World Bank, the International Monetary Fund, UN Comtrade, Trade Map, the International Trade Centre and the Observatory of Economic Complexity. Information on international financial and commodity markets is provided to CCIS through Bloomberg, thereby further strengthening its business intelligence capacity. Through continuous communication with business entities and access to comprehensive databases, the Centre for Strategic Analyses, Analytics, Planning and Publications develops a set of economic indicators and prepares and coordinates the publication of a wide range of regular economic reports and analyses, including:

Macroeconomic Overview and Analyses – comprehensive insight into macroeconomic developments in the Republic of Serbia, based on systematised data, analytical reviews and expert publications. This includes an overview of key economic indicators, analyses of macroeconomic performance and trends, as well as professional content in the field of macroeconomic research.

Newsletters of the CCIS Associations – detailed sectoral overviews of economic activities, business support measures, current developments, initiatives, regulations and key topics by economic sectors in the Republic of Serbia, presented through electronic newsletters of eighteen CCIS associations. The newsletters are published quarterly (*only in Serbian*) and annually (*in Serbian and English*).

Business Activity of Companies in the Republic of Serbia – a CCIS survey-based report on trends in business activity, providing insight into current conditions in the domestic market.

Benefits for Investing in Serbia – the brief overview of different benefits for investing in Serbia.
Business and Economic Information (in Serbian **and** in English**)** – a concise overview of key business and economic insights relevant to the business community.

Upon specific request, CCIS members may also obtain market research information on the Republic of Serbia (analyses by economic sectors, regions and municipalities, as well as information on bilateral economic cooperation with foreign markets), as well as updates on current developments and trends in international financial and commodity markets.

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