



CENTRAL BANK OF  
MONTENEGRO

# **Journal of Central Banking Theory and Practice**

Volume 2, Number 3

Podgorica, 2013

**PUBLISHED BY:**

Central Bank of Montenegro

**EDITORIAL BOARD****Editor-in-Chief**

*Mr. Nikola Fabris*

(Vice-Governor for Financial Stability and Payment Systems, CENTRAL BANK OF MONTENEGRO and Professor, Faculty of Economics UNIVERSITY OF BELGRADE)

**Secretary General**

*Ms. Darja Milić*

(CENTRAL BANK OF MONTENEGRO)

**Editorial Board**

*Mr. Arbutov Sergiy* (Governor, NATIONAL BANK OF UKRAINE)

*Mr. Aysan Ahmet Faruk* (Board Member, CENTRAL BANK OF REPUBLIC OF TURKEY and Professor, Department of Economics, BOĞAZIÇI UNIVERSITY)

*Mr. Bogetić Željko* (Lead Economist and Coordinator for Economic Policy for Western Balkans at the World Bank)

*Mr. Bogov Dimitar* (Governor, NATIONAL BANK OF THE REPUBLIC OF MACEDONIA)

*Mr. Dakić Milojica* (Governor, CENTRAL BANK OF MONTENEGRO)

*Mr. Fullani Ardian* (Governor, BANK OF ALBANIA)

*Mr. Hurnik Jaroslav* (Adviser, Board of the CZECH NATIONAL BANK and Professor, Institute for Economic Studies CHARLES UNIVERSITY)

*Mr. Javadyan Arthur* (Governor, CENTRAL BANK OF ARMENIA)

*Mr. Knot Klaas* (President, De Nederlandsche Bank)

*Mr. Kozarić Kemal* (Governor, CENTRAL BANK OF BOSNIA AND HERZEGOVINA and Professor, Department of Economics, UNIVERSITY OF SARAJEVO)

*Mr. Makúch Jozef* (Governor, NATIONAL BANK OF SLOVAKIA and Professor, UNIVERSITY OF ECONOMICS IN BRATISLAVA)

*Mr. Milošević Velibor* (Vice-Governor, CENTRAL BANK OF MONTENEGRO and Doc. Dr at BELGRADE BANKING ACADEMY)

*Mr. Pugh Geoff* (Professor, STAFFORDSHIRE UNIVERSITY)

*Mr. Rhu Hookyu* (Executive Director, The SEACEN Centre)

*Mr. Sokić Alexandre* (Professor, Ecole Supérieure du Commerce Extérieur POLE UNIVERSITAIRE LEONARD DE VINCI)

*Mr. Šoškić Dejan* (Professor, Faculty of Economics, UNIVERSITY OF BELGRADE)

*Mr. Vujčić Boris* (Governor, CROATIAN NATIONAL BANK)

*Mr. Weidmann Jens* (President, DEUTSCHE BUNDESBANK)

*Mr. Žugić Radoje* (Minister of Finance, GOVERNMENT OF MONTENEGRO)

**PROOF READER:**

Lidija Ćirović-Popadić

**DESIGN & DTP:**

Andrijana Vujović

Nikola Nikolić

**PRINTED BY:**

Printing Stock Company OBOD

**PRINTED IN:**

200 copies

# CONTENTS

<b>General Aspects of Monetary and Fiscal Policy Coordination</b> <i>Damir Šehović</i> .....	5
<b>Quantitative Analysis of Business Success Indicators in the Banking Sector of the Republic of Serbia</b> <i>Jelena Stanković, Vesna Janković-Milić, Snežana Radukić</i> .....	29
<b>The Key Characteristics of Financial Reporting in the European System of Central Banks</b> <i>Valentina Ivanović</i> .....	47
<b>Unemployment Gap in the Currency Board Regime</b> <i>Novak Kondić, Borivoje D. Krušković</i> .....	71
<b>Measures of Financial Stability in Macedonia</b> <i>Magdalena Petrovska, Elena Mucheva Mihajlovska</i> .....	85
<b>Implications of Fiscal Irresponsibility on Financial Stability</b> <i>Milutin Ješić</i> .....	111