



National Bank of the Republic of Macedonia Statistics Department

Skopje, 28 September 2018

Press Release

Significant developments in interest rates of banks and savings houses¹: August 2018

- The decreasing trend of the average interest rate on outstanding amounts of loans continued in August 2018 with a monthly decrease of 0.01 percentage points, thus reducing the rate to 5.49%. The interest rate on outstanding amounts of deposits remained at the level of the previous month and amounted to 1.42%.
- In August, the average interest rate on the newly granted loans² registered a monthly decrease of 0.02 percentage points and amounted 4.85%. On the other hand, the average interest rate on newly received deposits increased by 0.28 percentage points and amounted to 1.54%.

Table 1. Interest rates on loans and deposits (outstanding amounts and new business)³

	8.2017	9.2017	10.2017	11.2017	12.2017	1.2018	2.2018	3.2018	4.2018	5.2018	6.2018	7.2018	8.2018
in % on annual level													
Loans, outstanding amounts	5.93	5.89	5.86	5.82	5.73	5.72	5.70	5.67	5.65	5.61	5.57	5.50	5.49
Corporations	5.42	5.36	5.31	5.25	5.14	5.12	5.09	5.03	5.01	4.96	4.92	4.83	4.81
Households	6.48	6.46	6.43	6.40	6.38	6.37	6.36	6.35	6.33	6.29	6.25	6.20	6.18
New loans	5.18	5.06	5.09	5.10	4.88	5.13	4.98	4.92	4.94	4.93	4.97	4.87	4.85
Corporations	4.96	4.74	4.84	4.89	4.72	4.96	4.56	4.61	4.51	4.59	4.64	4.57	4.58
Households	5.68	5.78	5.55	5.52	5.35	5.50	5.60	5.56	5.59	5.57	5.53	5.38	5.35
Deposits, outstanding amounts	1.51	1.52	1.52	1.52	1.51	1.51	1.50	1.48	1.46	1.46	1.45	1.42	1.42
Corporations	1.82	1.96	1.93	1.91	1.76	1.77	1.72	1.69	1.71	1.69	1.63	1.55	1.60
Households	1.47	1.47	1.47	1.47	1.47	1.47	1.47	1.45	1.43	1.43	1.43	1.40	1.40
New deposits	1.25	1.34	1.38	1.26	1.29	1.36	1.57	1.47	1.10	1.43	1.29	1.26	1.54
Corporations	1.03	1.20	1.03	0.98	1.02	0.95	1.42	1.08	0.68	1.39	0.89	0.85	1.49
Households	1.45	1.51	1.73	1.57	1.57	1.61	1.71	1.79	1.46	1.48	1.55	1.55	1.59

Source: NBRM.

¹ Interest rate implies annual weighted average interest rate in percentage. For more details see the methodology at:

http://www.nbrm.mk/content/statistika/Monetarna%20statistika/metodologija/Metodologija_MIR_07_2018_eng.pdf

² With regard to the interest rates on newly granted loans / newly received deposits, variable movements are characteristic. Such movements in interest rates stem from changes in the volume of new deposits / loans (which can significantly vary from month to month), as well as from the newly agreed interest rate.

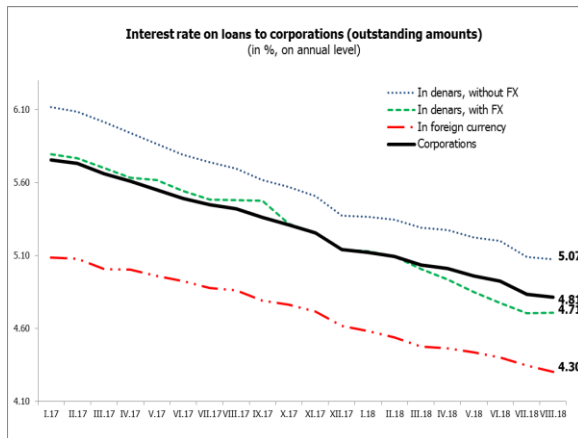
³ The effects of the changes in the methodology published in the information on 20 July 2018 (http://www.nbrm.mk/content/statistika/informacii/Informacija_za_promeni_vo_monetarnata_statistika_eng.pdf) are not perceived in the individual categories of interest rates on deposits/loans (in denars without currency clause, in denars with currency clause and in foreign currency), but only in the aggregate interest rates (in denars and in foreign currency) which are not subject to analysis in the press release, but are published on the website of the NBRM.



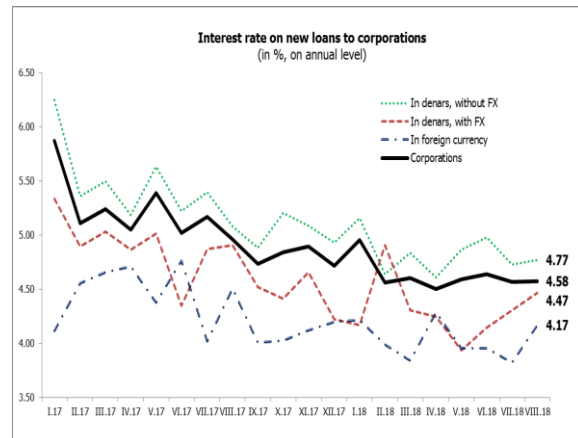
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1. Corporate interest rates⁴

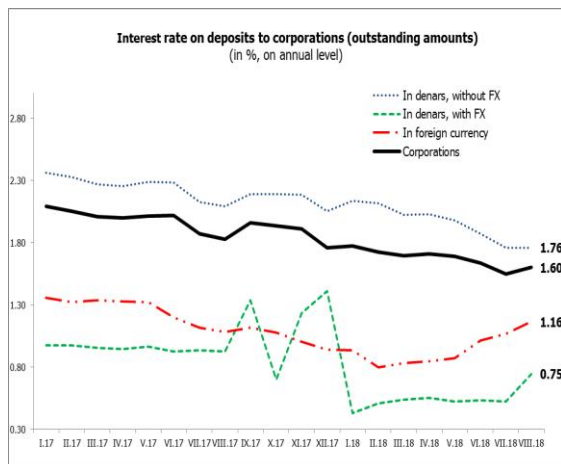
- In August, the interest rate on outstanding amounts of loans granted to the corporate sector equaled 4.81%, registering a decrease of 0.02 percentage points on a monthly basis. This change arises from interest rates on foreign currency loans and denar loans without currency clause (decline by 0.05 and 0.02 percentage points, respectively), amid a slight increase of interest rate on denar loans with currency clause (by 0.01 percentage points). Compared to August 2017, this interest rate decreased by 0.61 percentage points.



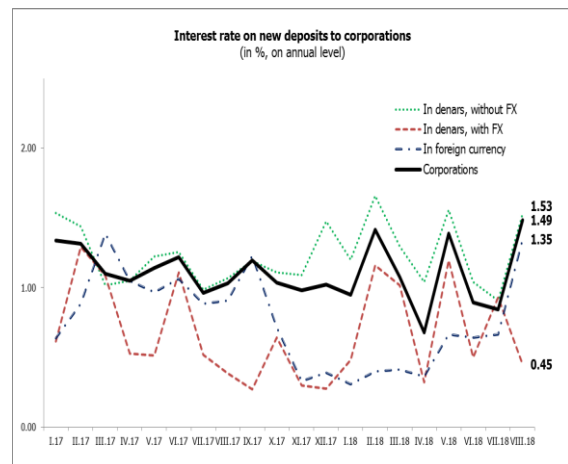
Source: NBRM.



- In August, the average interest rate on newly granted loans to the corporate sector equaled 4.58%, which is a slight monthly increase of 0.01 percentage points compared to the previous month. On an annual basis, this interest rate decreased by 0.38 percentage points.



Source: NBRM.



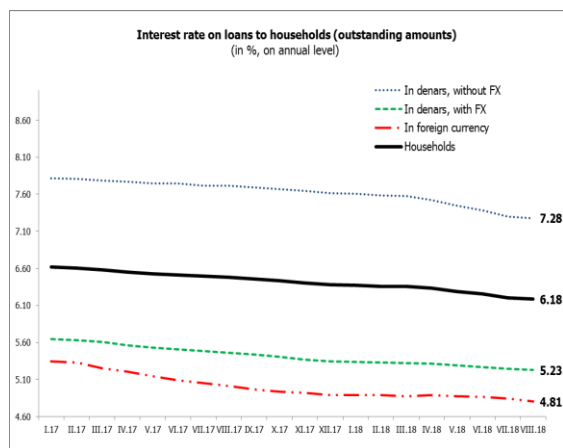
⁴ For the purposes of this press release, the corporate sector includes non-financial corporations (public and other).



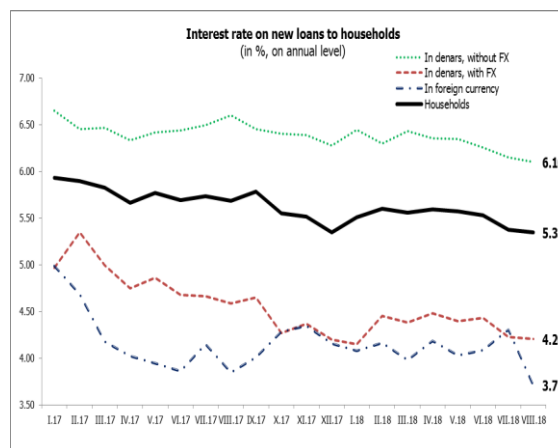
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- The average interest rate on the outstanding amounts of corporate deposits was 1.60% in August, amid a monthly increase of 0.05 percentage points. Analyzed by currency structure, the change stems from the growth of the interest rate on the received denar deposits with currency clause (of 0.23 percentage points), as well as of the interest rate on foreign currency deposits (of 0.09 percentage point). On an annual basis, the rate decreased by 0.22 percentage points.
- In August this year, the average interest rate on newly received deposits⁵ of the corporate sector amounts to 1.49% and registered a significant monthly increase of 0.64 percentage points, primarily due to the increase of interest rates on foreign currency deposits and denar deposits without currency clause (of 0.69 and 0.62 percentage points, respectively), partially offset by the decline in interest rate on denar deposits with currency clause (of 0.48 percentage points). Compared to August last year, this interest rate has increased by 0.46 percentage points.

2. Interest rates for households⁶



Source: NBRM.



- In August, the interest rate on the outstanding amounts of household loans equaled 6.18%. Compared to July, a monthly decrease of 0.02 percentage points was recorded as a result to the decline in all components in this category: interest rate on foreign currency loans (of 0.03 percentage points), as well as interest rates on denar loans with and without currency clause (of 0.02 percentage points, respectively). On an annual basis, the interest rate on the outstanding amounts of household loans decreased by 0.30 percentage points.
- In August, the average interest rate on newly granted household loans was 5.35%, given the registered monthly decline of 0.03 percentage points. Analyzed by currency structure, the decrease is due to the decline in interest rates in all currency segments, such as: interest rates on foreign currency loans, denar loans without and with currency

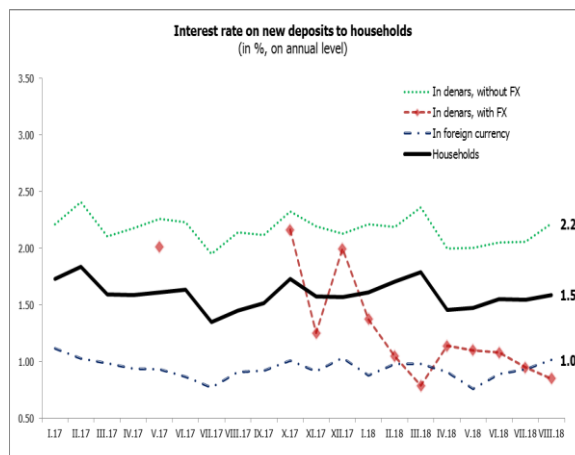
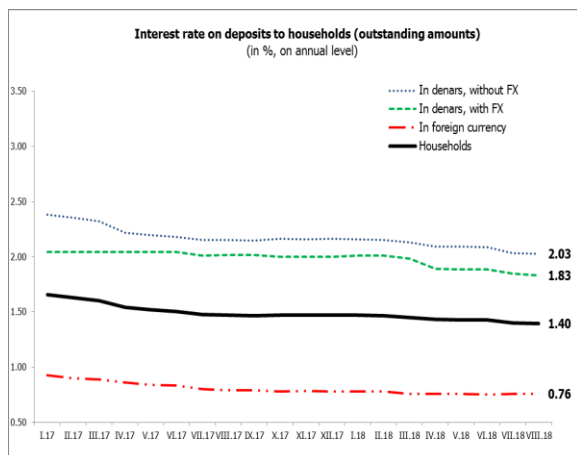
⁵ The disruption in series of data on interest rates in denars with currency clause shown in the chart referring to interest rates on newly received deposits of the corporate sector reflects fact that in some months, banks and savings houses have not received such deposits from the corporate sector.

⁶ For the purposes of this press release, households include: individuals, self-employed individuals and nonprofit institutions serving households.



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clause (of 0.60, 0.05 and 0.03 percentage points, respectively). On an annual basis, this interest rate decreased by 0.33 percentage points.



Source: NBRM.

- In August, the average interest rate on outstanding amounts of household deposits was maintained at the last month's level of 1.40%. Compared to August 2017, the interest rate has decreased by 0.07 percentage points.
- In August, the average interest rate on newly received household deposits⁷ registered a monthly decrease of 0.04 percentage points and equaled 1.59%. The monthly increase is mainly due to the growth of the interest rates on denar deposits without currency clause and foreign currency deposits (of 0.16 and 0.08 percentage points, respectively), given the decline in the interest rate on denar deposits with currency clause (of 0.10 percentage points). On an annual basis, this interest rate increased by 0.14 percentage points.

⁷ The disruption in series of data on interest rates in denars with FX clause shown in the chart referring to interest rates on newly received household deposits reflects fact that in some months, banks and savings houses have not accepted such deposits from households.



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Supporting information

Time series of data: annual, quarterly and monthly data on weighted interest rates of banks and savings houses <http://www.nbrm.mk/ns-newsarticle-ponderirani-kamatni-stapki-na-bankite-i-stedilnicite-nova-metodologija-od-januari-2015-godina.nspix>

Methodological explanations:

http://www.nbrm.mk/content/statistika/Monetarna%20statistika/metodologija/Metodologija_MIR_07_2018_eng.pdf

Next publications: Advance Release Calendar

http://www.nbrm.mk/content/statistika/kalendar/Advance_Release_Calendar.pdf

Monthly data on interest rates: 31 October 2018 (reference period as of September 2018).

We kindly ask journalists to contact the Governor's Office for any queries.

For more details about the disseminated statistical data, please contact us at contact.statistika@nbrm.mk or phone: 02 3215 181 extension 116 (or 112/110/108).