



National Bank of the Republic of North Macedonia Statistics Department

Skopje, 28 June 2019

Press Release

Significant developments in interest rates of banks and savings houses¹: May 2019

- In May, the average interest rate on the outstanding amounts of loans kept on decreasing, and registered a monthly fall of 0.03 percentage points, amounting to 5.20%. On an annual basis, this interest rate decreased by 0.41 percentage points. The average interest rate on the outstanding amounts of deposits this month remained unchanged compared to April, amounting to 1.41%, while compared to May last year it decreased by 0.05 percentage points.
- In May, the average interest rate on the newly granted² loans registered a monthly fall of 0.03 percentage points, amounting to 4.68%, while on an annual level it decreased by 0.25 percentage points. The average interest rate on newly received deposits increased by 0.04 percentage points on a monthly basis and it equaled 1.31%. On an annual basis, the interest rate decreased by 0.12 percentage points.

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

	5.2018	6.2018	9.2018	12.2018	1.2019	2.2019	3.2019	4.2019	5.2019
in % on annual level									
Loans, outstanding amounts	5.61	5.57	5.46	5.33	5.30	5.28	5.26	5.23	5.20
Corporations	4.96	4.92	4.77	4.63	4.59	4.57	4.54	4.52	4.48
Households	6.29	6.25	6.17	6.08	6.03	6.02	6.01	5.98	5.94
New loans	4.93	4.97	4.86	4.49	4.77	4.76	4.84	4.71	4.68
Corporations	4.59	4.64	4.58	4.30	4.43	4.33	4.53	4.31	4.34
Households	5.57	5.53	5.39	5.03	5.41	5.54	5.49	5.35	5.18
Deposits, outstanding amounts	1.46	1.45	1.42	1.41	1.42	1.42	1.42	1.41	1.41
Corporations	1.69	1.63	1.71	1.69	1.72	1.74	1.74	1.70	1.61
Households	1.43	1.43	1.39	1.38	1.38	1.38	1.38	1.38	1.38
New deposits	1.43	1.29	1.57	1.40	1.44	1.56	1.42	1.27	1.31
Corporations	1.39	0.89	1.49	1.04	1.29	1.26	1.15	1.02	1.12
Households	1.48	1.55	1.60	1.60	1.49	1.69	1.63	1.48	1.50

Source: NBRNM.

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.

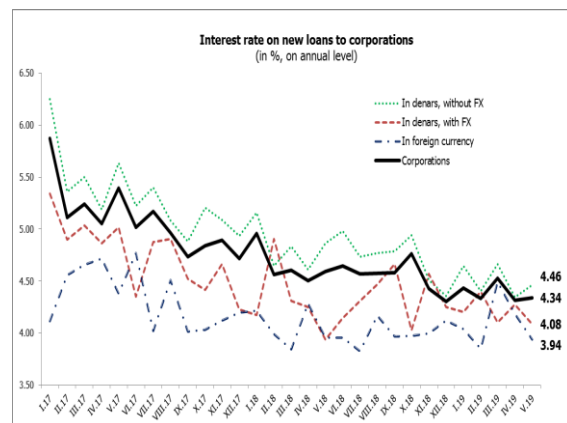
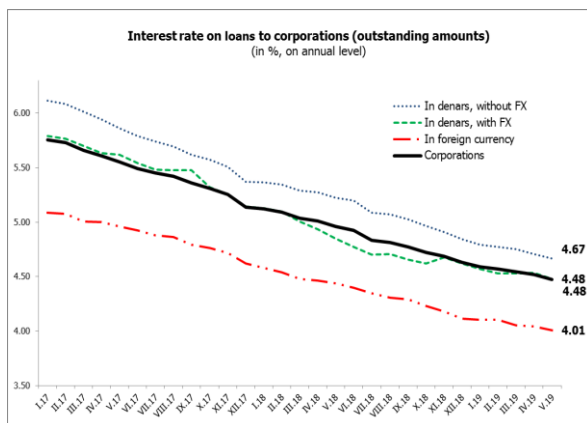
³ The effects of the changes in the methodology published in the information on 20 July 2018 (http://www.nbrm.mk/content/statistika/informacii/Informacija_za_promeni_vo_monetarnata_statistika_eng.pdf) are not perceived in the individual categories of interest rates on deposits/loans (in denars without 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 NBRNM.



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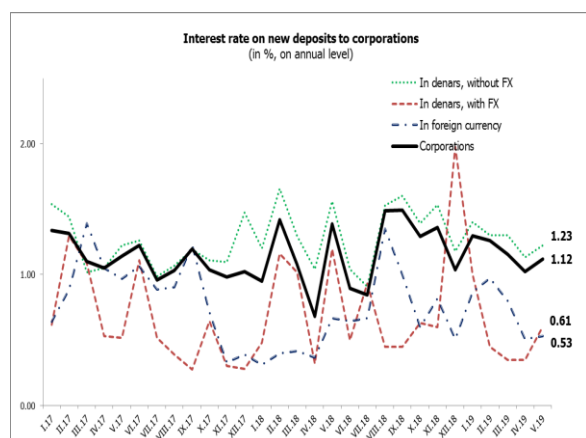
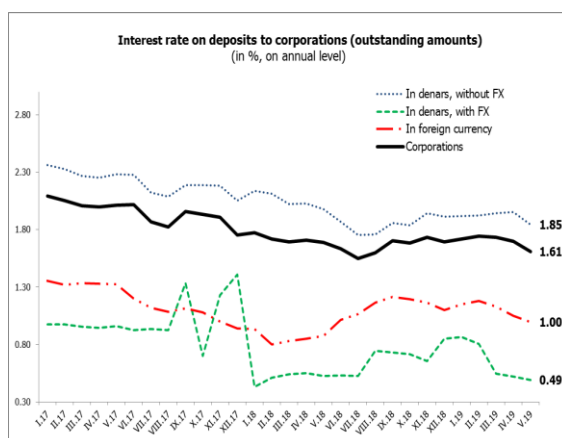
1. Corporate interest rates⁴

- In May, the average interest rate on the outstanding amounts of loans granted to the corporate sector registered a monthly fall of 0.04 percentage points and equaled 4.48%. The downward change is due to the reduction in all its components: interest rates on denar loans with a currency clause (of 0.05 percentage points), denar loans without a currency clause (of 0.04 percentage points) and foreign currency loans (of 0.03 percentage points). The average interest rate on the outstanding amounts of loans granted to the corporate sector decreased by 0.48 percentage points compared to May 2018.



Source: NBRNM.

- In May, the interest rate on newly granted loans to the corporate sector amounted to 4.34%, which is a monthly increase of 0.03 percentage points. Analyzing the currency structure, the monthly increase entirely results from the growth of the interest rate on denar loans without currency clause (of 0.12 percentage points), amid fall in the interest rates on foreign currency loans and denar loans with currency clause (of 0.25 and 0.20 percentage points, respectively). On an annual basis, this interest rate decreased by 0.25 percentage points.



Source: NBRNM.

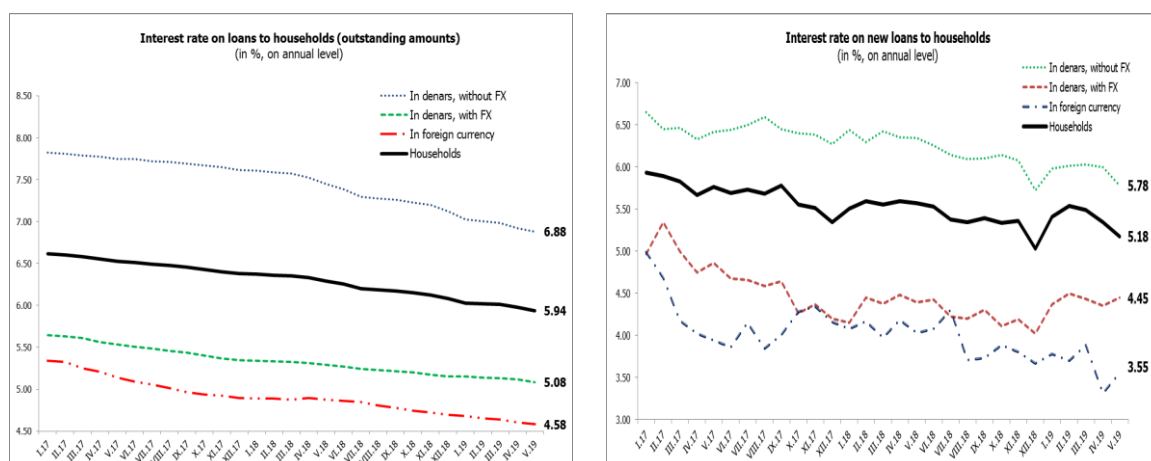
⁴ For the purposes of this press release, the corporate sector includes non-financial corporations (public and other).



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- In May 2019, the average interest rate on the outstanding amounts of corporate deposits equaled 1.61% and recorded a decrease of 0.09 percentage points, compared to last month. The decrease is the result of all components in this category, as follows: interest rate on denar deposits without a currency clause (by 0.10 percentage points), interest rate on foreign currency deposits (by 0.05 percentage points), and the interest rate on denar deposits with a currency clause (by 0.03 percentage points). Compared to the same month last year, the interest rate on the outstanding amounts of corporate deposits decreased by 0.08 percentage points.
- In May this year, the average interest rate on the newly received corporate deposits⁵ increased by 0.10 percentage points and equaled 1.12%. The increase is the result of all components within this category: interest rates on denar deposits with and without currency clause, as well as interest rate on foreign currency deposits (of 0.26, 0.10 and 0.02 percentage points, respectively). On an annual basis, this interest rate decreased by 0.27 percentage points.

2. Interest rates for households⁶



Source: NBRNM.

- In May, the interest rate on the outstanding amounts of household loans registered a decrease of 0.04 percentage points and equaled 5.94%. The monthly decrease stems from the fall in all interest rates, as follows: denar loans without and with a currency clause (by 0.04 percentage points, respectively), and the foreign currency loans (by 0.02 percentage points). On an annual basis, this interest rate decreased by 0.35 percentage points.

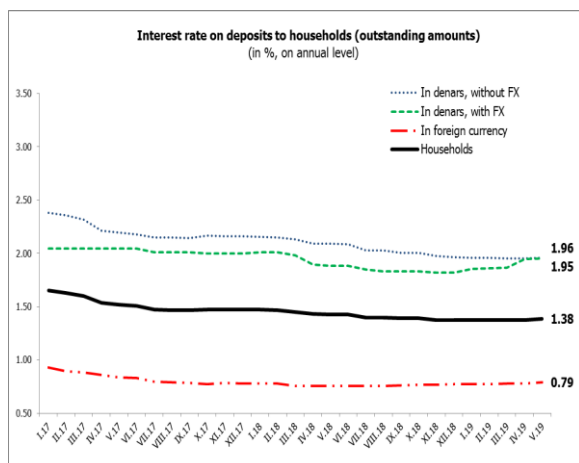
⁵ The disruption in series of data on interest rates in denars with currency clause shown in the chart referring to interest rates on newly received deposits of the corporate sector reflects fact that in some months, banks and savings houses have not received such deposits from the corporate sector.

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

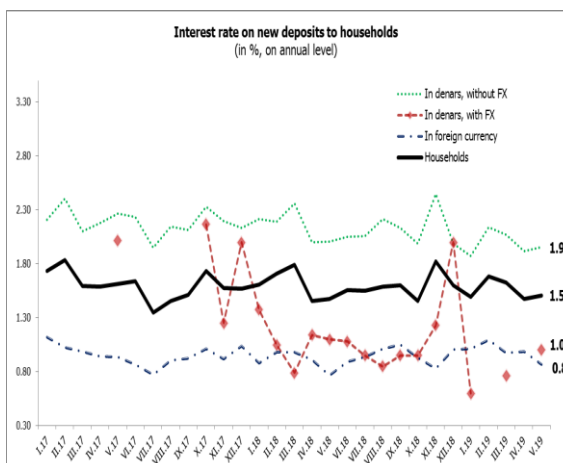


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- In May, the average interest rate on newly granted loans to households decreased by 0.17 percentage points on a monthly basis and it equaled 5.18%. The monthly fall entirely results from the decrease in the interest rate on denar loans without currency clause (of 0.22 percentage points), which exceeds the growth of the interest rates on foreign currency loans and denar loans with currency clause (of 0.24 and 0.10 percentage points, respectively). Compared to May 2018, the interest rate on newly granted loans to households decreased by 0.39 percentage points.



Source: NBRNM.



- In May, the average interest rate on the outstanding amounts of household deposits did not register a monthly change and it remained at the same level of 1.38% for the seventh consecutive month. On an annual level, this interest rate decreased by 0.05 percentage points.
- In May, the average interest rate on newly received household deposits⁷ equaled 1.50% and registered a small monthly growth of 0.02 percentage points. The upward change is a result of the growth in the interest rate on denar deposits without currency clause (of 0.03 percentage points), given the fall in the interest rate on foreign currency deposits (of 0.12 percentage points). Also, the interest rate on denar deposits with currency clause equaled 1.00% in May, unlike the previous month when banks and savings houses have not received this type of deposits. On an annual basis, the interest rate on newly received household deposits increased by 0.02 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](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 July 2019 (reference period as of June 2019).

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).