



National Bank of the Republic of North Macedonia Statistics Department

Skopje, 30 June 2020

Press Release

Significant developments in interest rates of banks and savings houses¹: May 2020

- In May 2020, the average interest rate on the outstanding amounts of loans was 4.83%, thereby continuing the trend of monthly and annual fall of 0.03 and 0.37 percentage points, respectively. The average interest rate on the outstanding amounts of deposits equaled 1.10%, registering monthly and annual fall of 0.01 and 0.31 percentage points, respectively.
- In May this year, the average interest rate on the newly granted² loans increased by 0.15 percentage points on a monthly level and amounted to 3.92%, while on an annual level it decreased by 0.76 percentage points. The average interest rate on newly received deposits equaled 0.62% and registered a minimal monthly growth of 0.01 percentage point. Compared to May last year, this interest rate decreased by 0.69 percentage points.

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

| | 5.2019 | 6.2019 | 9.2019 | 12.2019 | 1.2020 | 2.2020 | 3.2020 | 4.2020 | 5.2020 |
|--------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| in % on annual level | | | | | | | | | |
| Loans, outstanding amounts | 5.20 | 5.19 | 5.09 | 4.94 | 4.93 | 4.91 | 4.89 | 4.86 | 4.83 |
| Corporations | 4.48 | 4.45 | 4.32 | 4.17 | 4.13 | 4.11 | 4.08 | 4.01 | 3.97 |
| Households | 5.94 | 5.92 | 5.81 | 5.70 | 5.69 | 5.67 | 5.64 | 5.65 | 5.64 |
| New loans | 4.68 | 4.70 | 4.46 | 4.15 | 4.46 | 4.33 | 4.12 | 3.77 | 3.92 |
| Corporations | 4.34 | 4.29 | 4.11 | 3.80 | 4.19 | 3.82 | 3.79 | 3.66 | 3.71 |
| Households | 5.18 | 5.22 | 5.10 | 4.71 | 4.91 | 4.95 | 4.83 | 4.38 | 4.43 |
| Deposits, outstanding amounts | 1.41 | 1.41 | 1.36 | 1.26 | 1.20 | 1.19 | 1.11 | 1.11 | 1.10 |
| Corporations | 1.61 | 1.61 | 1.67 | 1.53 | 1.48 | 1.49 | 1.24 | 1.28 | 1.24 |
| Households | 1.38 | 1.38 | 1.32 | 1.23 | 1.17 | 1.15 | 1.10 | 1.09 | 1.08 |
| New deposits | 1.31 | 1.15 | 1.27 | 1.14 | 0.95 | 0.98 | 0.54 | 0.61 | 0.62 |
| Corporations | 1.12 | 0.96 | 1.32 | 1.11 | 0.71 | 0.56 | 0.20 | 0.37 | 0.34 |
| Households | 1.50 | 1.25 | 1.24 | 1.17 | 1.07 | 1.19 | 0.94 | 1.01 | 0.91 |

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.

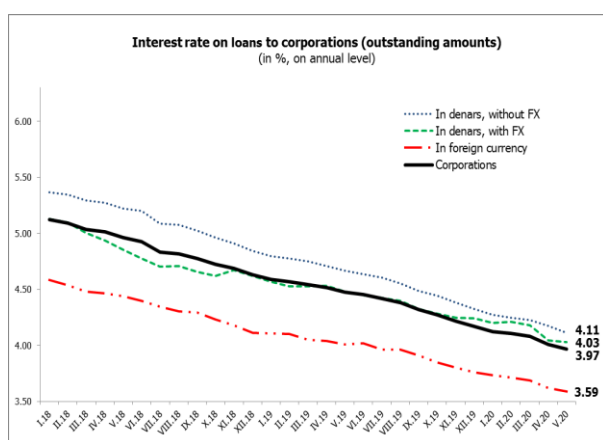
³ The effects of the changes in the methodology published in the information on 20 July 2018 (http://www.nbrm.mk/content/statistika/informacii/Informacija_za_promeni_vo_monetarnata_statistika_eng.pdf) are not perceived in the individual categories of interest rates on deposits/loans (in denars without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



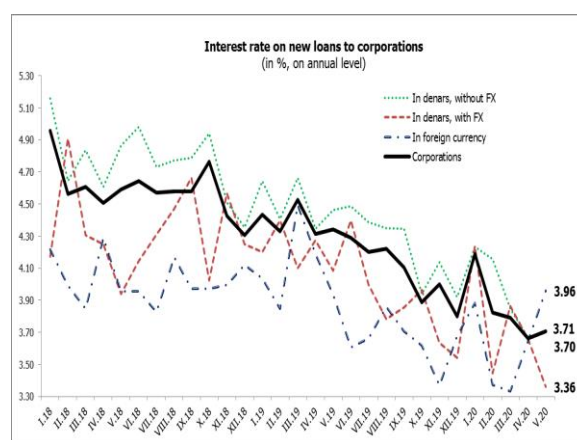
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1. Corporate interest rates⁴

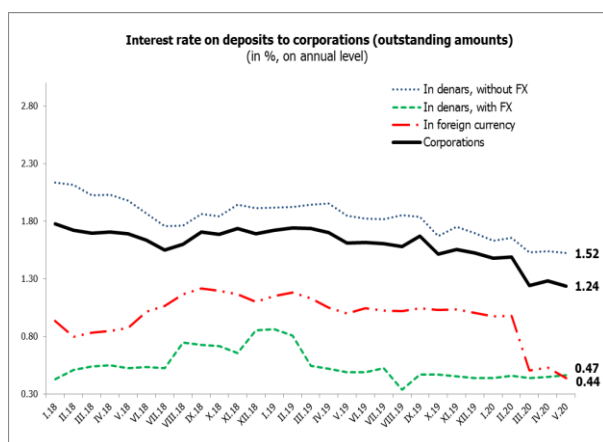
- In May, the average interest rate on the outstanding amounts of loans granted to the corporate sector decreased by 0.04 percentage points compared to the previous month and equaled 3.97%. The downward change is a result of the reduction of all components, as follows: interest rates on denar loans without currency clause (by 0.06 percentage points), interest rates on foreign currency loans (by 0.03 percentage points) and interest rates on denar loans with currency clause (by 0.02 percentage points). On an annual basis, the average interest rate on the outstanding amounts of loans granted to the corporate sector decreased by 0.51 percentage points.



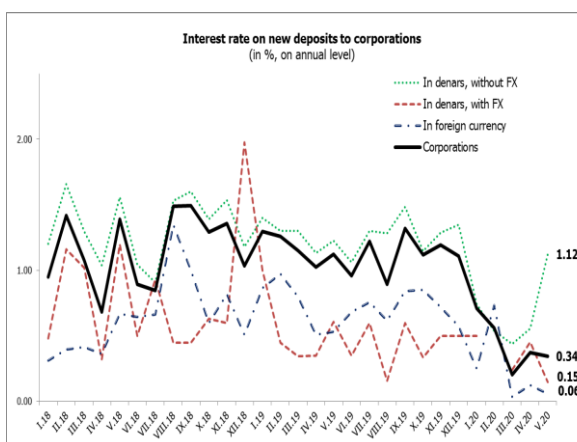
Source: NBRNM.



- This month, the interest rate on newly granted loans to the corporate sector was 3.71% and increased by 0.05 percentage points on a monthly basis. Analyzed by currency structure, the growth is due to the increase in the interest rates on foreign currency loans (by 0.32 percentage points) and the interest rates on denar loans without currency clause (by 0.03 percentage points), amid a decline in the interest rates on denar loans with currency clause (by 0.30 percentage points). On an annual basis, this interest rate decreased by 0.63 percentage points.



Source: NBRNM.



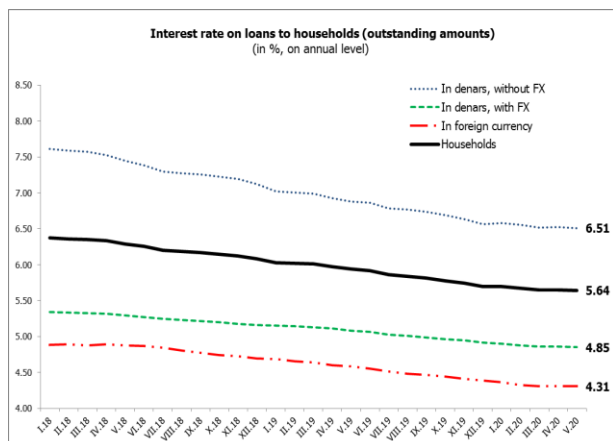
⁴ For the purposes of this press release, the corporate sector includes non-financial corporations (public and other).



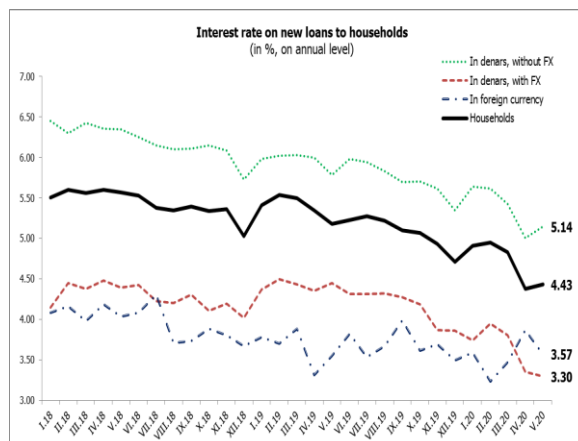
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- In May, the average interest rate on the outstanding amounts of corporate deposits registered a monthly fall of 0.04 percentage points and equaled 1.24%. The downward change results from the decrease in the interest rates on foreign currency deposits (of 0.09 percentage points) and the interest rates on denar deposits without currency clause (of 0.02 percentage points), amid growth of the interest rates on denar deposits with currency clause (of 0.02 percentage points). The interest rate on the outstanding amounts of corporate deposits decreased by 0.37 percentage points, compared to May 2019.
- This month, the interest rate on newly received corporate deposits⁵ was 0.34% and decreased by 0.03 percentage points on a monthly level. The fall is a result of the decrease in the interest rates on denar deposits with currency clause (of 0.30 percentage points) and the interest rates on foreign currency deposits (of 0.06 percentage points), amid growth of the interest rates on denar deposits without currency clause (of 0.56 percentage points). On an annual basis, the interest rate on newly received corporate deposits decreased by 0.78 percentage points.

2. Interest rates for households⁶



Source: NBRNM.



- In May, the average interest rate on the outstanding amounts of household loans recorded a minimal monthly decrease of 0.01 percentage point and equaled 5.64%. The monthly fall is due to the lower interest rates on denar loans without and with currency clause (by 0.01 percentage point, respectively), in circumstances when the interest rates on foreign currency loans are unchanged. Compared to May 2019, this interest rate decreased by 0.30 percentage points.

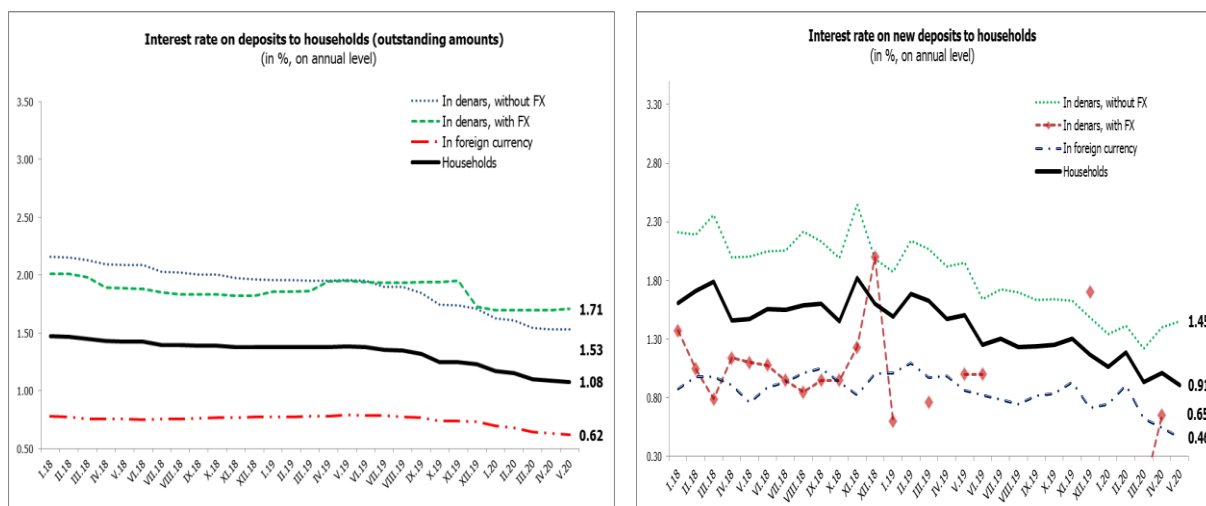
⁵ The disruption in series of data on interest rates in denars with currency clause shown in the chart referring to interest rates on newly received deposits of the corporate sector reflects fact that in some months, banks and savings houses have not received such deposits from the corporate sector.

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



National Bank of the Republic of North Macedonia Statistics Department

- In May this year, the interest rate on newly granted loans to households was 4.43% and increased by 0.05 percentage points on a monthly basis. The monthly growth is completely a result of the interest rates on denar loans without currency clause (by 0.14 percentage points), amid a decline in the interest rates on foreign currency loans (by 0.30 percentage points) and the interest rates on denar loans with currency clause (by 0.05 percentage points). On an annual basis, the interest rate on newly granted loans to households decreased by 0.75 percentage points.



Source: NBRNM.

- In May, the average interest rate on the outstanding amounts of household deposits was 1.08% and decreased by 0.01 percentage point compared to last month, which is explained by the minimal decline in the interest rates on foreign currency deposits (of 0.01 percentage point), amid growth of the interest rates on denar deposits with currency clause (of 0.01 percentage point) and unchanged interest rates on denar deposits without currency clause. On an annual basis, this interest rate decreased by 0.30 percentage points.
- This month, the interest rate on newly received household deposits⁷ registered a monthly decrease of 0.10 percentage points and reduced to 0.91%. The monthly decrease results from the lower interest rates on foreign currency deposits (by 0.08 percentage points), amid growth in denar deposits without currency clause (by 0.05 percentage points). In May, banks and savings houses did not record newly received denar deposits with currency clause. The interest rate on newly received household deposits decreased by 0.59 percentage points, compared to the same period last year.

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/statistika_na_kamatni_stapki-en.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 2020 (reference period as of June 2020).

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).