



National Bank of the Republic of Macedonia Statistics Department

Skopje, 31 August 2018

Press Release

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

- In July, the average interest rates on the outstanding amounts of both loans and deposits, which registered a monthly drop of 0.07 and 0.03 percentage points and amounted to 5.50% and 1.42%, respectively, kept on decreasing.
- In July, the average interest rate on the newly² granted loans registered a monthly decrease of 0.10 percentage points and reduced to 4.87%, while the average interest rate on newly received deposits decreased by 0.03 percentage points and equaled 1.26%.

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

	7.2017	8.2017	9.2017	10.2017	11.2017	12.2017	1.2018	2.2018	3.2018	4.2018	5.2018	6.2018	7.2018
in % on annual level													
Loans, outstanding amounts	5.95	5.93	5.89	5.86	5.82	5.73	5.72	5.70	5.67	5.65	5.61	5.57	5.50
Corporations	5.45	5.42	5.36	5.31	5.25	5.14	5.12	5.09	5.03	5.01	4.96	4.92	4.83
Households	6.49	6.48	6.46	6.43	6.40	6.38	6.37	6.36	6.35	6.33	6.29	6.25	6.20
New loans	5.38	5.18	5.06	5.09	5.10	4.88	5.13	4.98	4.92	4.94	4.93	4.97	4.87
Corporations	5.17	4.96	4.74	4.84	4.89	4.72	4.96	4.56	4.61	4.51	4.59	4.64	4.57
Households	5.73	5.68	5.78	5.55	5.52	5.35	5.50	5.60	5.56	5.59	5.57	5.53	5.38
Deposits, outstanding amounts	1.52	1.51	1.52	1.52	1.52	1.51	1.51	1.50	1.48	1.46	1.46	1.45	1.42
Corporations	1.87	1.82	1.96	1.93	1.91	1.76	1.77	1.72	1.69	1.71	1.69	1.63	1.55
Households	1.47	1.47	1.47	1.47	1.47	1.47	1.47	1.47	1.45	1.43	1.43	1.43	1.40
New deposits	1.16	1.25	1.34	1.38	1.26	1.29	1.36	1.57	1.47	1.10	1.43	1.29	1.26
Corporations	0.96	1.03	1.20	1.03	0.98	1.02	0.95	1.42	1.08	0.68	1.39	0.89	0.85
Households	1.35	1.45	1.51	1.73	1.57	1.57	1.61	1.71	1.79	1.46	1.48	1.55	1.55

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.

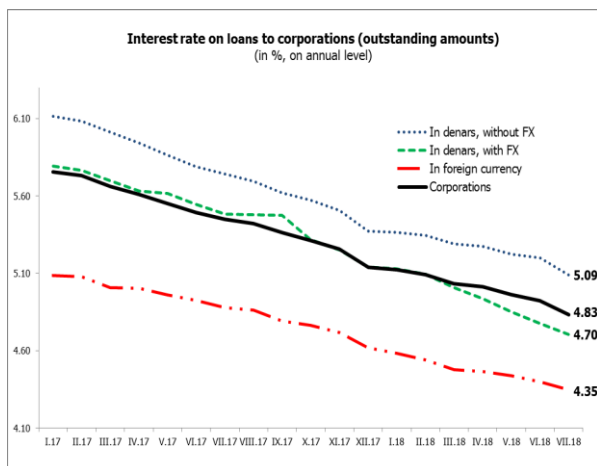
³ The effects of the changes in the methodology published in the information on 20 July 2018 (http://www.nbrm.mk/content/statistika/informacii/Informacija_za_promeni_vo_monetarnata_statistika_eng.pdf) are not perceived in the individual categories of interest rates on deposits/loans (in denars without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



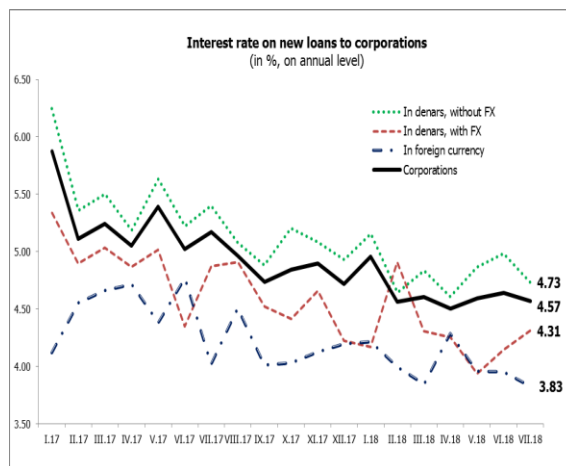
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1. Corporate interest rates⁴

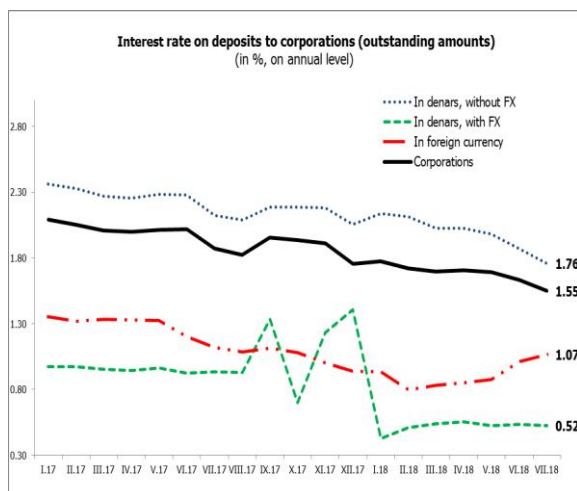
- In July, the interest rate on the outstanding amounts of loans granted to the corporate sector decreased by 0.09 percentage points and equaled 4.83%. This downward movement is due to the decrease in all components of this category: interest rates on denar loans without and with currency clause (by 0.11 and 0.07 percentage points, respectively), as well as interest rates on foreign currency loans (by 0.05 percentage points). On an annual basis, this interest rate decreased by 0.62 percentage points.



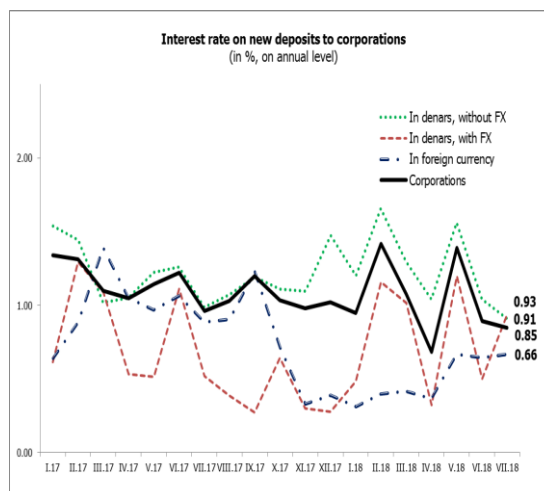
Source: NBRM.



- In July, the interest rate on newly granted loans to the corporate sector amounted to 4.57% and decreased by 0.07 percentage points compared to June. The monthly drop entirely results from the reduced interest rates on denar loans without currency clause and foreign currency loans (of 0.25 and 0.12 percentage points, respectively), in conditions when the interest rate on denar loans with currency clause registers an increase of 0.16 percentage points. Compared to July last year, this interest rate decreased by 0.60 percentage points.



Source: NBRM.



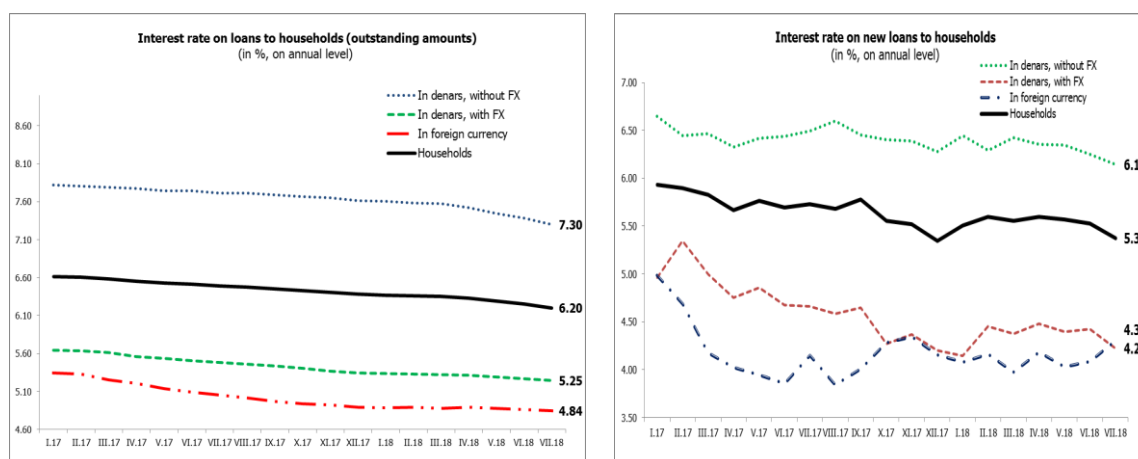
⁴ For the purposes of this press release, the corporate sector includes non-financial corporations (public and other).



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- In July, the average interest rate on the outstanding amounts of corporate deposits equaled 1.55%. The monthly decrease of 0.08 percentage points is a result of the downward change in the interest rates on denar deposits without and with currency clause (of 0.11 and 0.01 percentage point, respectively), partially offset by the monthly growth of the interest rate on foreign currency deposits (of 0.06 percentage points). On an annual basis, the rate decreased by 0.32 percentage points.
- Compared to the previous month, the average interest rate on the newly received corporate deposits⁵ dropped by 0.04 percentage points and reduced to 0.85%. The drop in this category is entirely due to the reduced interest rate on denar deposits without currency clause (by 0.13 percentage points), amid growth in the interest rates on denar deposits with currency clause and foreign currency deposits (of 0.43 and 0.02 percentage points, respectively). Compared to the same month last year, this interest rate decreased by 0.11 percentage point.

2. Interest rates for households⁶



Source: NBRM.

- In July, the interest rate on the outstanding amounts of household loans equaled 6.20% and decreased by 0.05 percentage points compared to the previous month. The fall has been determined by the decrease in the interest rates on denar loans without currency clause (of 0.08 percentage points), as well as in the interest rates on denar loans with currency clause and on foreign currency loans (of 0.02 percentage points, respectively). On an annual basis, the interest rate on the outstanding amounts of household loans decreased by 0.29 percentage points.
- In July, the new lending to households was made at an average interest rate of 5.38%, by 0.15 percentage points lower compared to the previous month. Analyzing the currency structure, the decrease results from the fall in the interest rates on denar loans,

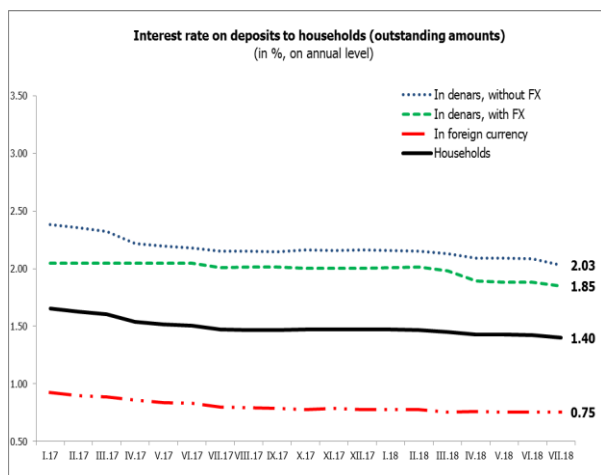
⁵ The disruption in series of data on interest rates in denars with currency clause shown in the chart referring to interest rates on newly received deposits of the corporate sector reflects fact that in some months, banks and savings houses have not received such deposits from the corporate sector.

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

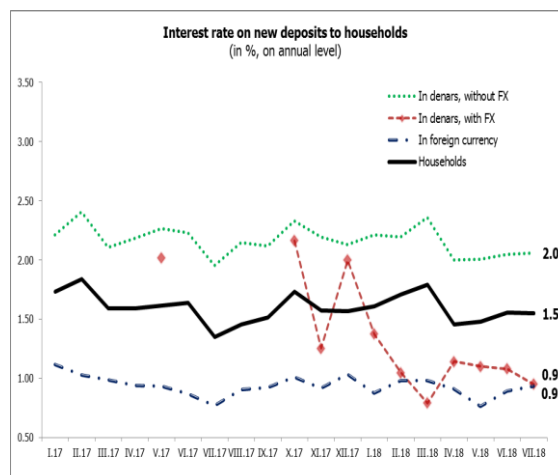


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with and without currency clause (of 0.20 and 0.10 percentage points, respectively), amid growth of the interest rate on foreign currency loans of 0.23 percentage points. Compared to July 2018, this interest rate decreased by 0.35 percentage points.



Source: NBRM.



- In July, the average interest rate on the outstanding amounts of household deposits equals 1.40%, amid a monthly fall of 0.03 percentage points which stems from the downward movements in the interest rates on denar deposits, without and with currency clause (of 0.06 and 0.03 percentage points, respectively). On an annual basis, the interest rate decreased by 0.07 percentage points.
- In July, the average interest rate on newly received household deposits⁷ remained at a level of 1.55%, without any changes on a monthly basis. Compared to July last year, this interest rate decreased by 0.20 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: 28 September 2018 (reference period as of August 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).