



National Bank of the Republic of Macedonia Statistics Department

Skopje, 30 November 2018

Press Release

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

- The average interest rate on outstanding amounts of loans continued to decline in October and was reduced down to 5.42% (monthly decline of 0.04 percentage points). On the other hand, the average interest rate on outstanding amounts of deposits registered a monthly increase of 0.01 percentage points and amounted to 1.43%.
- In October, the average interest rate on the new² loans equaled 4.92%, amid a monthly increase of 0.06 percentage points, while the average interest rate on newly received deposits decreased by 0.19 percentage points on a monthly basis and equaled 1.38%.

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

	10.2017	11.2017	12.2017	1.2018	2.2018	3.2018	4.2018	5.2018	6.2018	7.2018	8.2018	9.2018	10.2018
in % on annual level													
Loans, outstanding amounts	5.86	5.82	5.73	5.72	5.70	5.67	5.65	5.61	5.57	5.50	5.49	5.46	5.42
Corporations	5.31	5.25	5.14	5.12	5.09	5.03	5.01	4.96	4.92	4.83	4.81	4.77	4.72
Households	6.43	6.40	6.38	6.37	6.36	6.35	6.33	6.29	6.25	6.20	6.18	6.17	6.15
New loans	5.09	5.10	4.88	5.13	4.98	4.92	4.94	4.93	4.97	4.87	4.85	4.86	4.92
Corporations	4.84	4.89	4.72	4.96	4.56	4.61	4.51	4.59	4.64	4.57	4.58	4.58	4.77
Households	5.55	5.52	5.35	5.50	5.60	5.56	5.59	5.57	5.53	5.38	5.35	5.39	5.34
Deposits, outstanding amounts	1.52	1.52	1.51	1.51	1.50	1.48	1.46	1.46	1.45	1.42	1.42	1.42	1.43
Corporations	1.93	1.91	1.76	1.77	1.72	1.69	1.71	1.69	1.63	1.55	1.60	1.71	1.69
Households	1.47	1.47	1.47	1.47	1.47	1.45	1.43	1.43	1.43	1.40	1.40	1.39	1.39
New deposits	1.38	1.26	1.29	1.36	1.57	1.47	1.10	1.43	1.29	1.26	1.54	1.57	1.38
Corporations	1.03	0.98	1.02	0.95	1.42	1.08	0.68	1.39	0.89	0.85	1.49	1.49	1.29
Households	1.73	1.57	1.57	1.61	1.71	1.79	1.46	1.48	1.55	1.55	1.59	1.60	1.45

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.

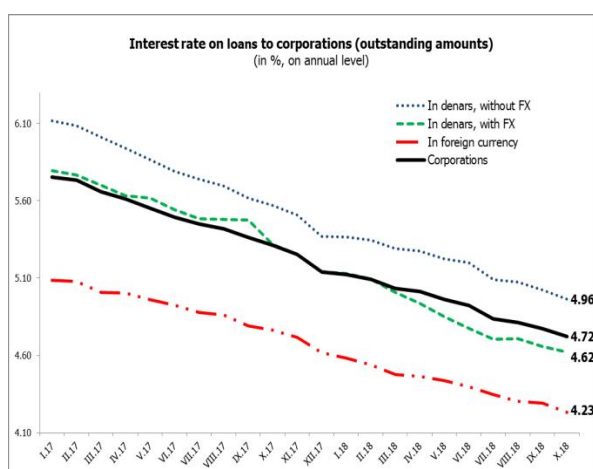
³ The effects of the changes in the methodology published in the information on 20 July 2018 (http://www.nbrm.mk/content/statistika/informacii/Informacija_za_promeni_vo_monetarnata_statistika_eng.pdf) are not perceived in the individual categories of interest rates on deposits/loans (in denars without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



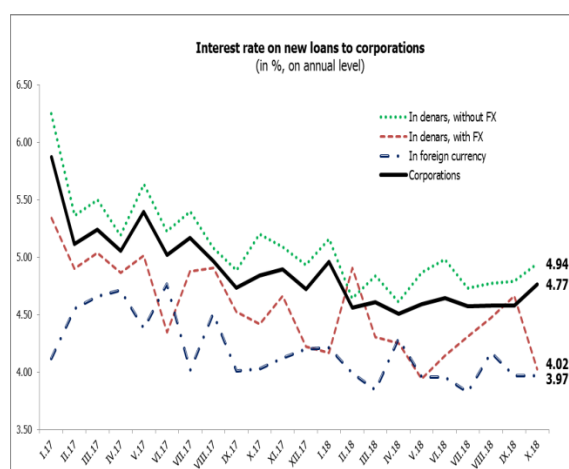
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1. Corporate interest rates⁴

- The interest rate on the outstanding amounts of loans granted to the corporate sector in October registered a monthly decrease of 0.05 percentage points and equaled 4.72%. The downward monthly shift is due to the decrease in all its components. Namely, interest rates on denar loans without currency clause and foreign currency loans registered an identical decline of 0.06 percentage points, respectively, while the decline in the interest rate on denar loans with currency clause equaled 0.04 percentage points. Compared to October last year, the interest rate on the outstanding amounts of loans granted to the corporate sector registered a decrease of 0.59 percentage points.



Source: NBRM.

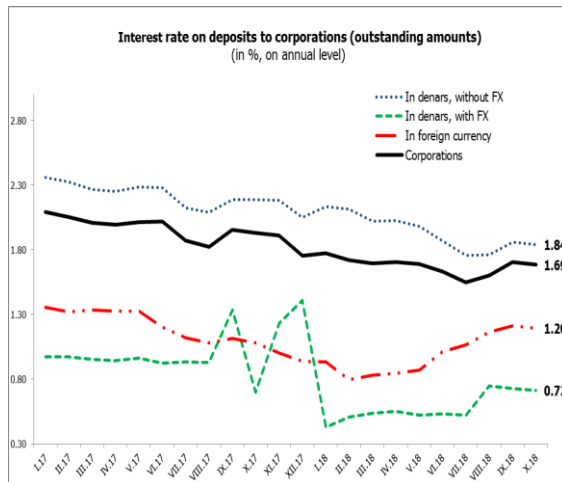


- In October, the average interest rate on new loans granted to the corporate sector equaled 4.77% and it increased by 0.19 percentage points compared to the previous month. Analyzing the currency structure, the upward change was due to the increase in the interest rate of denar loans without currency clause (by 0.15 percentage points), in conditions when the interest rate on denar loans with currency clause registers a decline (of 0.64 percentage points) and interests on foreign currency loans are unchanged. On annual basis, the interest rate on newly granted loans to corporate sector decreased by 0.07 percentage points.

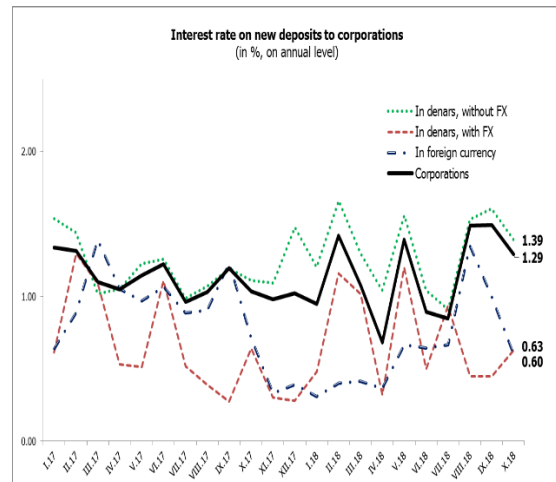
⁴ For the purposes of this press release, the corporate sector includes non-financial corporations (public and other).



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Source: NBRM.



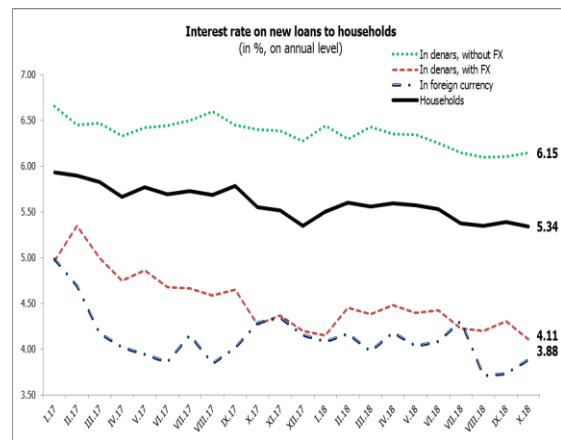
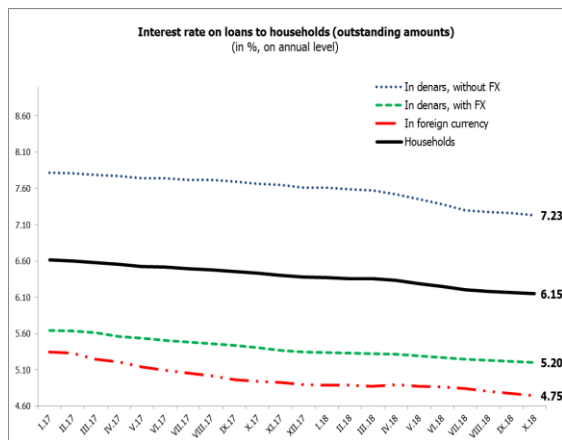
- After the increase in the interest rate on outstanding amounts of corporate deposits last month, in October it registered a minor decline by 0.02 percentage points and equaled 1.69%. The decrease is the result of all the components within this category: interest rates on denar deposits without currency clause and foreign currency deposits (by 0.02 percentage points, respectively), as well as interest rates on denar deposits with currency clause (by 0.01 percentage points). Compared to the same month last year, the interest rate on outstanding amounts of corporate deposits decreased by 0.24 percentage points.
- In October, the average interest rate on the newly received corporate deposits⁵ was reduced to 1.29%, which is a monthly drop of 0.20 percentage points. The decline in this category is due to the decrease of the interest rates on foreign currency deposits and denar deposits without currency clause (by 0.40 and 0.21 percentage points, respectively), amid increase of the interest rates on denar deposits with currency clause (by 0.18 percentage points). On an annual basis, this interest rate increased by 0.26 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.



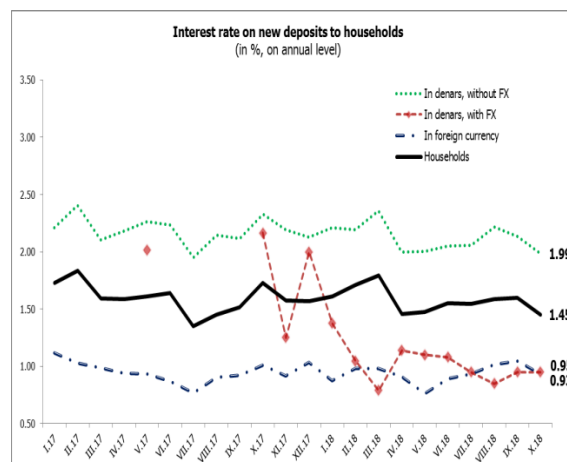
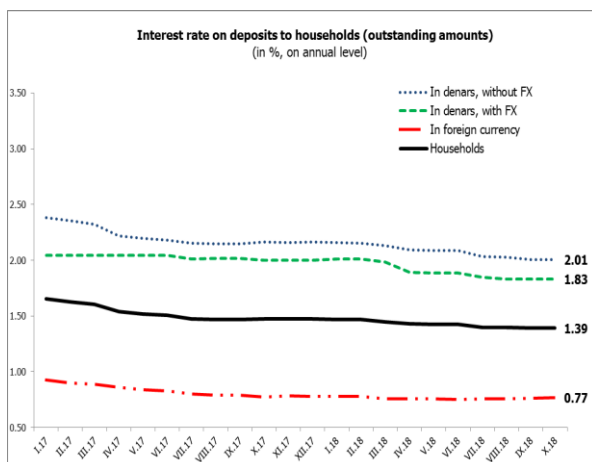
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2. Interest rates for households⁶



Source: NBRM.

- Compared to last month, the interest rate on outstanding amounts of household loans in October decreased by 0.02 percentage points and equaled 6.15%. Thus, the downward change is due to the interest rates on denar deposits without currency clause and foreign currency deposits that registered an identical decline of 0.03 percentage points, respectively, as well as the minor change of 0.01 percentage points in the interest rate on denar deposits with currency clause. On an annual basis, this interest rate decreased by 0.28 percentage points.
- In October, the average interest rate on newly granted household loans registered a monthly decrease of 0.05 percentage points and equaled 5.34%. The monthly decrease is entirely due to the decline in the interest rate on denar loans with currency clause (of 0.19 percentage points), amid increase in the interest rates on foreign currency loans and denar loans without currency clause (of 0.15 and 0.04 percentage points, respectively). Compared to October 2017, this interest rate decreased by 0.21 percentage points.



Source: NBRM.

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



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- In October, the average interest rate on outstanding amounts of household deposits remained at the level of 1.39%. On an annual basis, this interest rate decreased by 0.08 percentage points.
- This month, the average interest rate on newly received deposits⁷ from households registered a monthly decline of 0.15 percentage points and equaled 1.45%, influenced by the decrease in the interest rates on denar deposits without currency clause and foreign currency deposits (of 0.14 and 0.12 percentage points, respectively). On an annual basis, this interest rate decreased by 0.28 percentage points.

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 December 2018 (reference period as of November 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).

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.