



National Bank of the Republic of North Macedonia Statistics Department

Skopje, 31 May 2019

Press Release

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

- In April, the average interest rate on the outstanding amounts of loans was 5.23%, continuing its monthly and annual decreasing trend (0.03 and 0.42 percentage points, respectively). After three months without changes, a slight monthly decline of 0.01 percentage points was registered in the average interest rate of outstanding amounts of deposits reducing the interest rate to the level of 1.41%. On an annual basis, this interest decreased by 0.05 percentage points.
- During April, the average interest rate on newly granted² loans decreased by 0.13 percentage points on a monthly basis and reached 4.71%. Analyzed on an annual basis, the interest rate decreased by 0.23 percentage points. The average interest rate on newly received deposits decreased by 0.15 percentage points, while annually it registered an increase of 0.17 percentage points due to the lower base effect (in April 2018, a relatively lower rate of 1.10% was registered compared to the interest rates in other months during 2018).

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

	4.2018	6.2018	9.2018	12.2018	1.2019	2.2019	3.2019	4.2019
in % on annual level								
Loans, outstanding amounts	5.65	5.57	5.46	5.33	5.30	5.28	5.26	5.23
Corporations	5.01	4.92	4.77	4.63	4.59	4.57	4.54	4.52
Households	6.33	6.25	6.17	6.08	6.03	6.02	6.01	5.98
New loans	4.94	4.97	4.86	4.49	4.77	4.76	4.84	4.71
Corporations	4.51	4.64	4.58	4.30	4.43	4.33	4.53	4.31
Households	5.59	5.53	5.39	5.03	5.41	5.54	5.49	5.35
Deposits, outstanding amounts	1.46	1.45	1.42	1.41	1.42	1.42	1.42	1.41
Corporations	1.71	1.63	1.71	1.69	1.72	1.74	1.74	1.70
Households	1.43	1.43	1.39	1.38	1.38	1.38	1.38	1.38
New deposits	1.10	1.29	1.57	1.40	1.44	1.56	1.42	1.27
Corporations	0.68	0.89	1.49	1.04	1.29	1.26	1.15	1.02
Households	1.46	1.55	1.60	1.60	1.49	1.69	1.63	1.48

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.

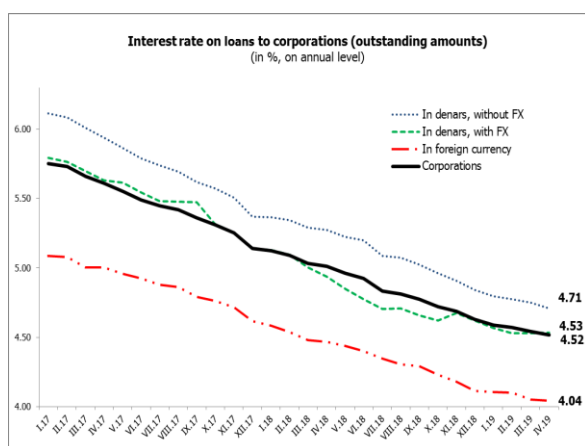
³ The effects of the changes in the methodology published in the Information on 20 July 2018 (http://www.nbrm.mk/content/statistika/informacii/Informacija_za_promeni_vo_monetarnata_statistika_eng.pdf) are not perceived in the individual categories of interest rates on deposits/loans (in denars without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



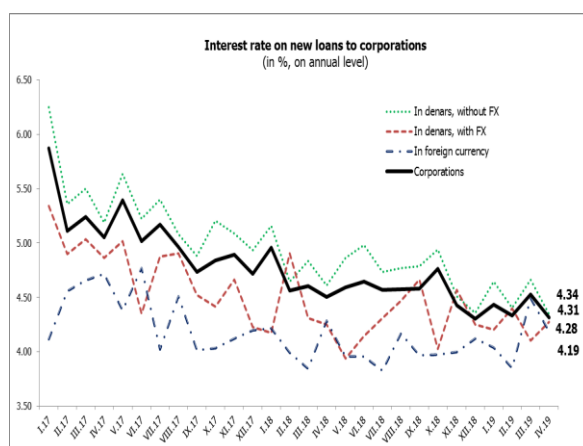
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1. Corporate interest rates⁴

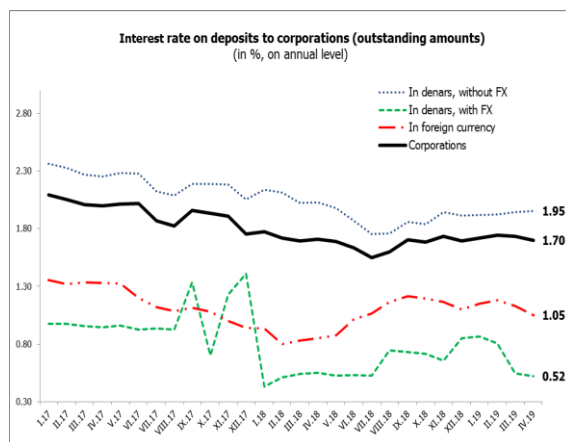
- In April, the interest rate on outstanding amounts of loans granted to the corporate sector was 4.52% registering a monthly decrease of 0.02 percentage points. The decline stems from the lower interest rates on denar loans without currency clause and foreign currency loans (of 0.04 and 0.01 percentage points, respectively), while the interest rate on denar loans with currency clause remained on the previous month level. Observed annually, the average interest rate on outstanding amounts of loans decreased by 0.51 percentage points.



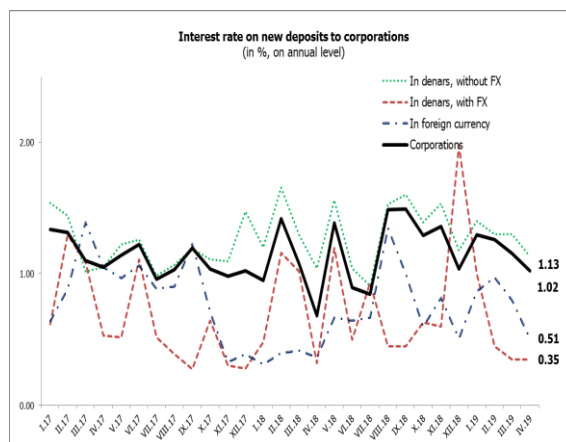
Source: NBRNM.



- The April interest rate on newly granted loans to the corporate sector was 4.31% and it decreased by 0.22 percentage points, compared on a monthly basis. The decrease is a result of the lower interest rates on denar loans without currency clause and foreign currency loans (by 0.32 and 0.30 percentage points, respectively), partially offset by the increase in the interest rates on denar loans with currency clause (of 0.18 percentage points). In April, the interest rate on newly granted loans to the corporate sector registered an annual decrease of 0.20 percentage points.



Source: NBRNM.



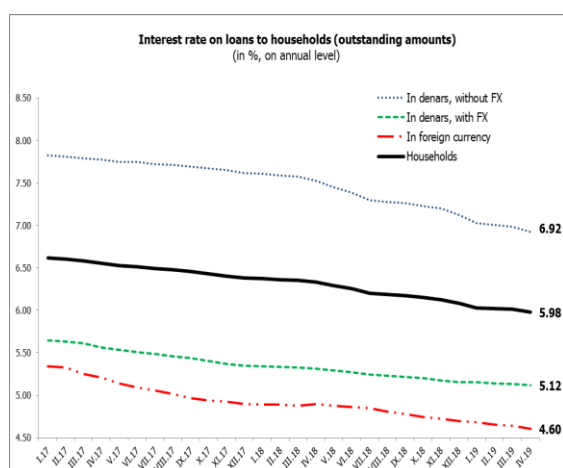
⁴ For the purposes of this press release, the corporate sector includes non-financial corporations (public and other).



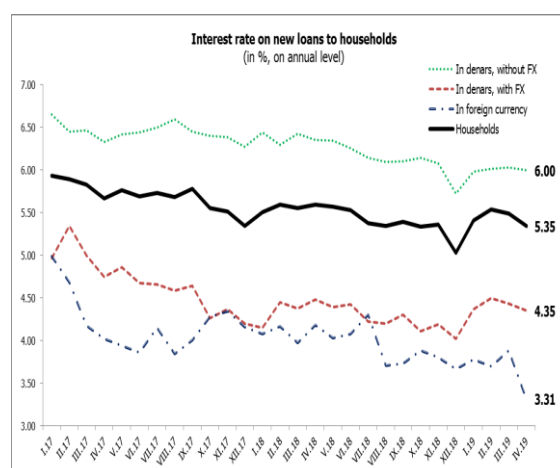
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- In April, the interest rate on the outstanding amounts of corporate deposits was 1.70%, down by 0.04 percentage points compared to March this year. The decrease is due to the reduced interest rates on foreign currency deposits and denar deposits with currency clause by 0.08 and 0.02 percentage points, respectively, amid a slight increase of the interest rates on denar deposits without currency clause (by 0.01 percentage points). On an annual basis, the interest rate on outstanding amounts of corporate deposits is lower by 0.01 percentage points.
- During April, the average interest rate on newly received corporate deposits⁵ registered a monthly decline of 0.13 percentage points and was reduced to 1.02%. Thus, the lower interest rates on foreign currency deposits and denar deposits without currency clause (by 0.29 and 0.17 percentage points, respectively), contributed to its decline, while the interest rates on denar deposits with currency clause remained the same. Compared to April last year, the interest rate on newly received corporate deposits registers an increase of 0.34 percentage points as a result to the base effect.

2. Interest rates for households⁶



Source: NBRNM.



- In April, the average interest rate on outstanding amounts of household loans decreased by 0.03 percentage points, on a monthly basis and it amounts to 5.98%. The lower interest rate is a result of the decline in the interest rates on denar loans without and with currency clause of 0.07 and 0.01 percentage points, respectively, as well as on foreign currency loans of 0.04 percentage points. Compared to April 2018, this rate is lower by 0.35 percentage points.

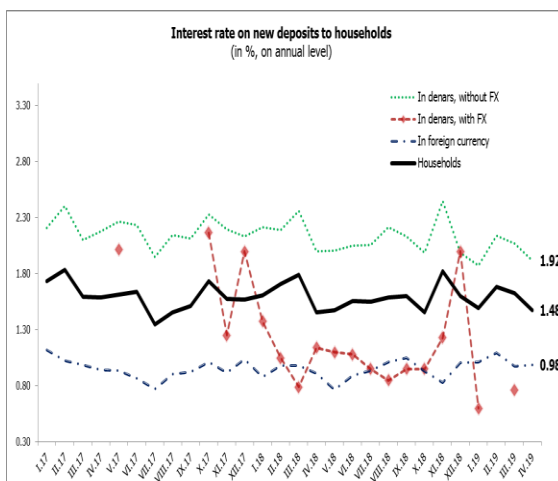
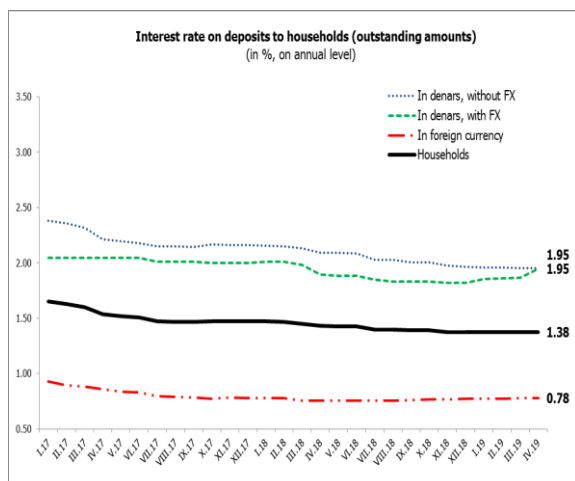
⁵The disruption in series of data on interest rates in denars with currency clause shown in the chart referring to interest rates on newly received deposits of the corporate sector reflects fact that in some months, banks and savings houses have not received such deposit from the corporate sector.

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



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- The April average interest rate on newly granted household loans is lower by 0.14 percentage points compared to the previous month reaching 5.35%. The decrease is due to the decline in all interest rates, with the largest contribution of interest rate on foreign currency loans (of 0.58 percentage points) followed by the decline in interest rates on denar loans with and without currency clause (of 0.08 and 0.03 percentage points). On an annual basis, the average interest rate on newly granted household loans registered a decline of 0.24 percentage points.



Source: NBRNM.

- The average interest rate on the outstanding amounts of household deposits remained unchanged for six consecutive months and amounted to 1.38% in April. Compared to the same month last year, this interest rate decreased by 0.05 percentage points.
- In April, the average interest rate on new household deposits⁷ registered a monthly decline of 0.15 percentage points and was reduced to 1.48%. The decline is a result of the decrease of interest rates on denar deposits without currency clause (of 0.15 percentage points), given the slight increase in the interest rate on foreign currency deposits (of 0.01 percentage points). In April, banks and savings houses did not receive denar deposits with foreign clause. The average interest rate on new household deposits increased by 0.02 percentage points on an annual basis.

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 June 2019 (reference period as of May 2019).

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

For more detailed information regarding the disseminated statistical data, please contact us on: contact.statistika@nbrm.mk or on the telephone number 02 3215 181 extension 116 (or 112/ 110/108).