



National Bank of the Republic of North Macedonia Statistics Department

Skopje, 30 September 2019

Press Release

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

- In August, the average interest rate on the outstanding amounts of loans continued to decline and was reduced to 5.13%, which is a monthly and annual decline of 0.02 and 0.36 percentage points, respectively. The average interest rate on the outstanding amounts of deposits remained at 1.38%, while dropping by 0.04 percentage points on an annual level.
- During August, the average interest rate on newly granted² loans decreased by 0.07 percentage points and amounted to 4.61%, while on an annual basis, this interest rate decreased by 0.24 percentage points. The average interest rate on newly received deposits amounted to 1.10% and decreased by 0.17 and 0.44 percentage points, respectively, on both monthly and annual basis.

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

	8.2018	9.2018	12.2018	1.2019	2.2019	3.2019	4.2019	5.2019	6.2019	7.2019	8.2019
in % on annual level											
Loans, outstanding amounts	5.49	5.46	5.33	5.30	5.28	5.26	5.23	5.20	5.19	5.15	5.13
Corporations	4.81	4.77	4.63	4.59	4.57	4.54	4.52	4.48	4.45	4.42	4.38
Households	6.18	6.17	6.08	6.03	6.02	6.01	5.98	5.94	5.92	5.86	5.84
New loans	4.85	4.86	4.49	4.77	4.76	4.84	4.71	4.68	4.70	4.68	4.61
Corporations	4.58	4.58	4.30	4.43	4.33	4.53	4.31	4.34	4.29	4.20	4.22
Households	5.35	5.39	5.03	5.41	5.54	5.49	5.35	5.18	5.22	5.27	5.22
Deposits, outstanding amounts	1.42	1.42	1.41	1.42	1.42	1.42	1.41	1.41	1.41	1.38	1.38
Corporations	1.60	1.71	1.69	1.72	1.74	1.74	1.70	1.61	1.61	1.61	1.58
Households	1.40	1.39	1.38	1.38	1.38	1.38	1.38	1.38	1.38	1.35	1.35
New deposits	1.54	1.57	1.40	1.44	1.56	1.42	1.27	1.31	1.15	1.27	1.10
Corporations	1.49	1.49	1.04	1.29	1.26	1.15	1.02	1.12	0.96	1.22	0.89
Households	1.59	1.60	1.60	1.49	1.69	1.63	1.48	1.50	1.25	1.30	1.23

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.

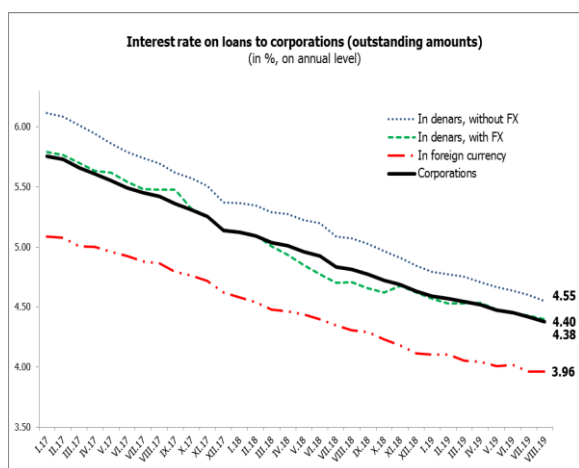
³ The effects of the changes in the methodology published in the information on 20 July 2018 (http://www.nbrm.mk/content/statistika/informacii/Informacija_za_promeni_vo_monetarnata_statistika_eng.pdf) are not perceived in the individual categories of interest rates on deposits/loans (in denars without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



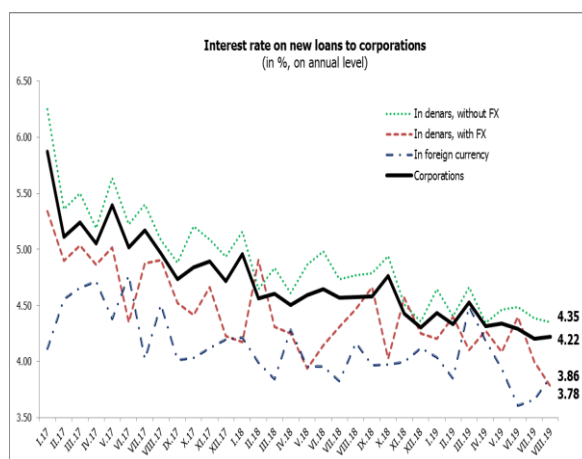
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1. Corporate interest rates⁴

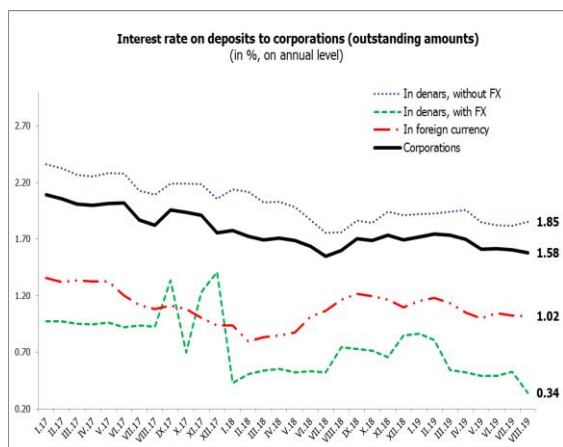
- In August, the average interest rate on the outstanding amounts of loans granted to the corporate sector registered a decrease of 0.04 percentage points and equaled 4.38%. The downward movement is due to the decrease in the interest rates on denar loans without and with currency clause (by 0.05 and 0.03 percentage points, respectively), amid unchanged interest rate on foreign currency loans. On an annual basis, this interest rate decreased by 0.43 percentage points.



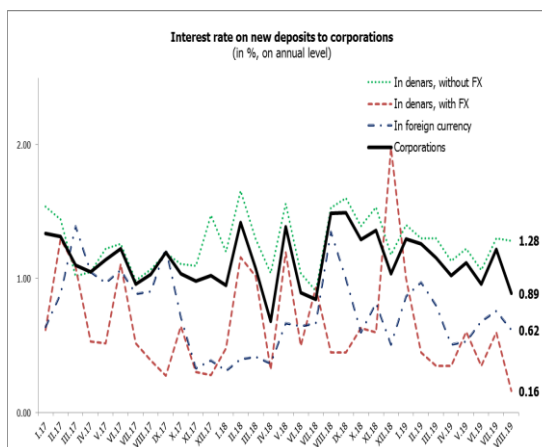
Source: NBRNM.



- This month, the interest rate on the newly granted loans to the corporate sector equals 4.22%, which is a monthly drop of 0.02 percentage points. The decrease is due to the reduction of the interest rates on denar loans with and without currency clause (by 0.21 and 0.04 percentage points, respectively), amid increased interest rate on foreign currency loans (by 0.20 percentage points). The interest rate on newly granted loans to the corporate sector decreased by 0.36 percentage points compared to August last year.



Source: NBRNM.



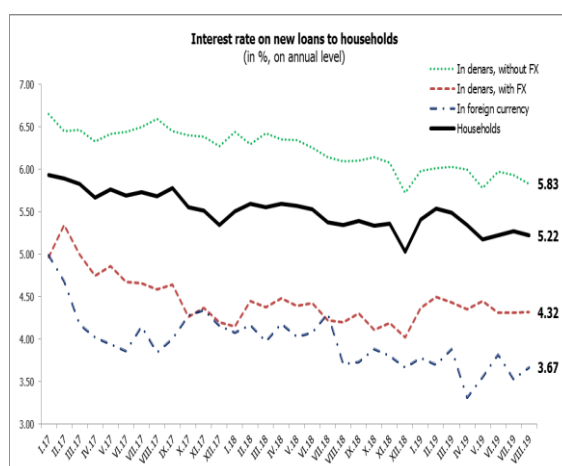
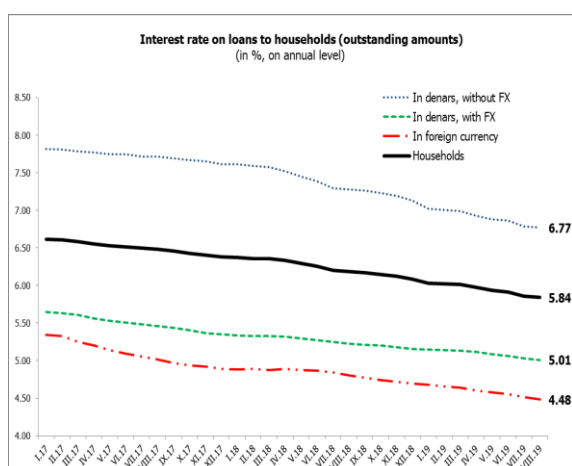
⁴ For the purposes of this press release, the corporate sector includes non-financial corporations (public and other).



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- After a three-month unchanged level, the interest rate on the outstanding amounts of corporate deposits decreased by 0.03 percentage points and equaled 1.58% in August. The downward monthly change is entirely due to the drop of the interest rate on denar deposits with currency clause (of 0.19 percentage points), amid unchanged interest rate on foreign currency deposits and growth of the interest rate on denar deposits without currency clause (of 0.03 percentage points). On an annual basis, this interest rate decreased by 0.02 percentage points.
- In August this year, the average interest rate on newly received corporate deposits⁵ was 0.89%, which is a decline of 0.33 percentage points compared to the previous month. The decrease is as a result of the downward shift in all components within this category: interest rates on denar deposits with currency clause, interest rates on foreign currency deposits and interest rates on denar deposits without currency clause (of 0.44, 0.14 and 0.02 percentage points, respectively). Compared to August last year, this interest rate registered an annual decrease of 0.60 percentage points.

2. Interest rates for households⁶



Source: NBRNM.

- In August, the interest rate on the outstanding amounts of household loans equaled 5.84% and registered a monthly drop of 0.02 percentage points. The downward change is due to the decrease in all components within this category: interest rates on foreign currency loans (of 0.03 percentage points) and denar loans without and with currency clause (of 0.02 percentage points, respectively). On an annual basis, the interest rate on the outstanding amounts of household loans decreased by 0.34 percentage points.

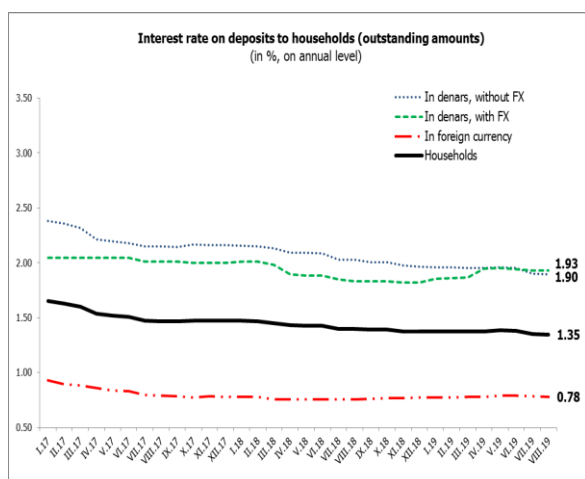
⁵ The disruption in series of data on interest rates in denars with currency clause shown in the chart referring to interest rates on newly received deposits of the corporate sector reflects fact that in some months, banks and savings houses have not received such deposits from the corporate sector.

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

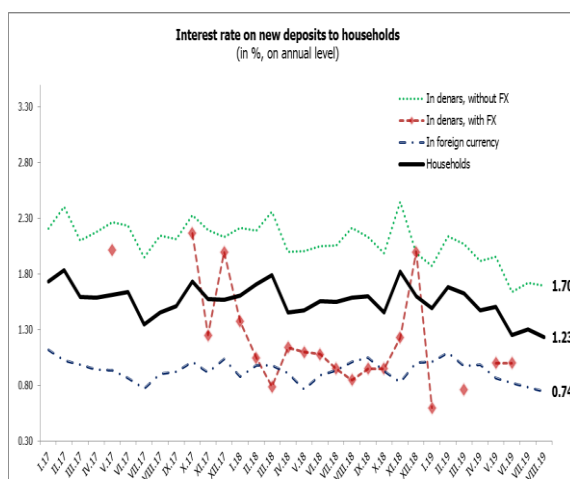


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- The average interest rate on newly granted household loans registered a monthly decrease of 0.05 percentage points and equaled 5.22%. The monthly drop is entirely due to the downward change in the interest rate on denar loans without currency clause (of 0.11 percentage points), while interest rates on foreign currency loans and denar loans with currency clause registered an increase (of 0.14 and 0.01 percentage points, respectively). On annual basis, this interest rate registers a decrease of 0.13 percentage points.



Source: NBRNM.



- This month, the average interest rate on the outstanding amounts of household deposits did not register a monthly change and remained at 1.35%. On an annual basis, this interest rate decreased by 0.05 percentage points.
- In August, the average interest rate on newly received household deposits⁷ registered a monthly drop of 0.07 percentage points and thus reducing it to 1.23%. The downward change is due to the decline in the interest rates on foreign currency deposits and denar deposits without currency clause (of 0.04 and 0.02 percentage points, respectively), amid absence of receipt of denar deposits with currency clause. The average interest rate on newly received household deposits decreased by 0.36 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>

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 October 2019 (reference period as of September 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).