



## National Bank of the Republic of North Macedonia Statistics Department

Skopje, 31 January 2020

### Press Release

#### Significant developments in interest rates of banks and savings houses<sup>1</sup>: December 2019

- In December, the average interest rate on the outstanding amounts of loans continued to decline and reduced to 4.94%, which is a monthly and annual decline of 0.06 and 0.39 percentage points, respectively. The average interest rate on the outstanding amounts of deposits equaled 1.26% decreasing by 0.02 percentage points compared to the previous month, while on an annual level is lower by 0.15 percentage points.
- In December, the average interest rate on newly granted<sup>2</sup> loans registered a monthly fall of 0.13 percentage points, amounting to 4.15%, while on an annual level it decreased by 0.34 percentage points. The average interest rate on newly received deposits equaled 1.14%, after a decline of 0.12 and 0.26 percentage points, respectively on a monthly and annual basis.

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

	12.2018	3.2019	6.2019	9.2019	11.2019	12.2019
in % on annual level						
<b>Loans, outstanding amounts</b>	<b>5.33</b>	<b>5.26</b>	<b>5.19</b>	<b>5.09</b>	<b>5.00</b>	<b>4.94</b>
Corporations	4.63	4.54	4.45	4.32	4.22	4.17
Households	6.08	6.01	5.92	5.81	5.74	5.70
<b>New loans</b>	<b>4.49</b>	<b>4.84</b>	<b>4.70</b>	<b>4.46</b>	<b>4.28</b>	<b>4.15</b>
Corporations	4.30	4.53	4.29	4.11	4.00	3.80
Households	5.03	5.49	5.22	5.10	4.93	4.71
<b>Deposits, outstanding amounts</b>	<b>1.41</b>	<b>1.42</b>	<b>1.41</b>	<b>1.36</b>	<b>1.28</b>	<b>1.26</b>
Corporations	1.69	1.74	1.61	1.67	1.56	1.53
Households	1.38	1.38	1.38	1.32	1.25	1.23
<b>New deposits</b>	<b>1.40</b>	<b>1.42</b>	<b>1.15</b>	<b>1.27</b>	<b>1.26</b>	<b>1.14</b>
Corporations	1.04	1.15	0.96	1.32	1.19	1.11
Households	1.60	1.63	1.25	1.24	1.31	1.17

Source: NBRNM

<sup>1</sup> 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](http://www.nbrm.mk/content/statistika/Monetarna%20statistika/metodologija/Metodologija_MIR_07_2018_eng.pdf)

<sup>2</sup> Variable movements are characteristic with respect to interest rates on newly granted loans/newly received deposits. 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.

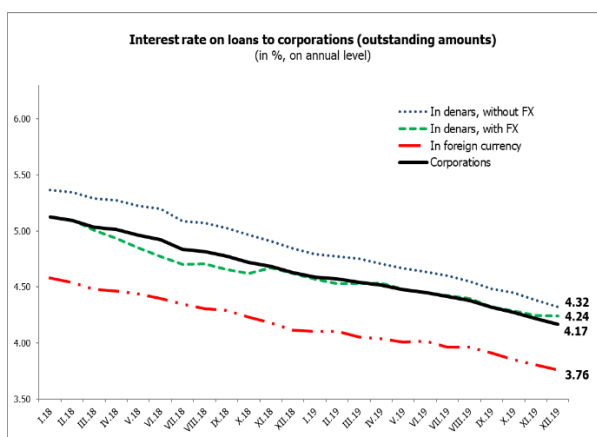
<sup>3</sup> The effects of the changes in the methodology published in the information on 20 July 2018 ([http://www.nbrm.mk/content/statistika/informacii/Informacija\\_za\\_promeni\\_vo\\_monetarnata\\_statistika\\_eng.pdf](http://www.nbrm.mk/content/statistika/informacii/Informacija_za_promeni_vo_monetarnata_statistika_eng.pdf)) 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.



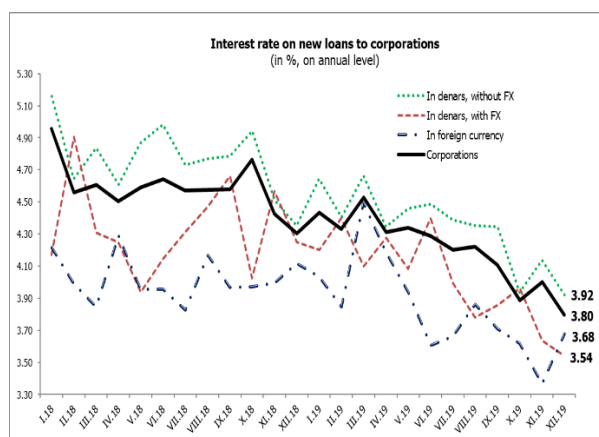
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### 1. Corporate interest rates<sup>4</sup>

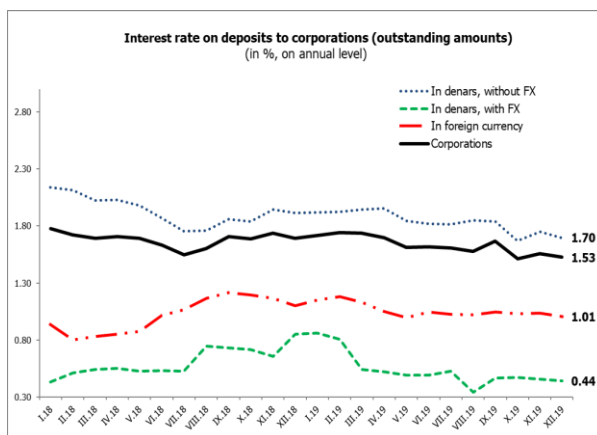
- This month, the average interest rate on the outstanding amounts of loans granted to the corporate sector decreased by 0.05 percentage points and equaled 4.17%. Thus, the downward change is due to the reduction in all its components: interest rate on denar loans without currency clause (by 0.06 percentage points), interest rate on foreign currency loans (by 0.04 percentage points), and the interest rate on denar loans with currency clause (by 0.01 percentage points). This interest rate is lower by 0.46 percentage points compared to the same period of the previous year.



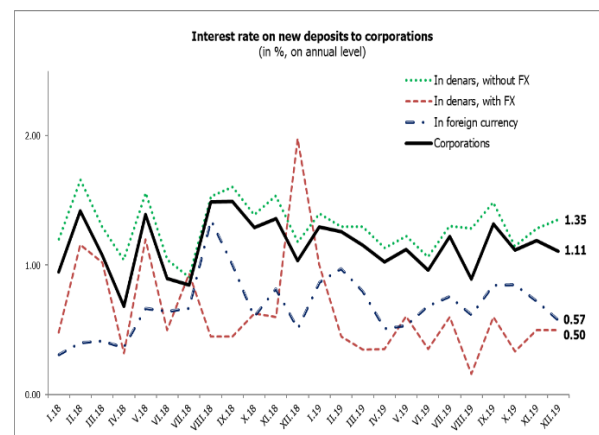
Source: NBRNM



- During December 2019, the interest rate on newly granted corporate loans registered a monthly decrease of 0.20 percentage points and was reduced to 3.80%. The monthly decline is due to the downward shift in interest rates on denar loans without and with currency clause (of 0.22 and 0.09 percentage points, respectively), while interest rates on foreign currency loans increased (by 0.31 percentage points). On an annual basis, this interest rate decreased by 0.50 percentage points.



Source: NBRNM



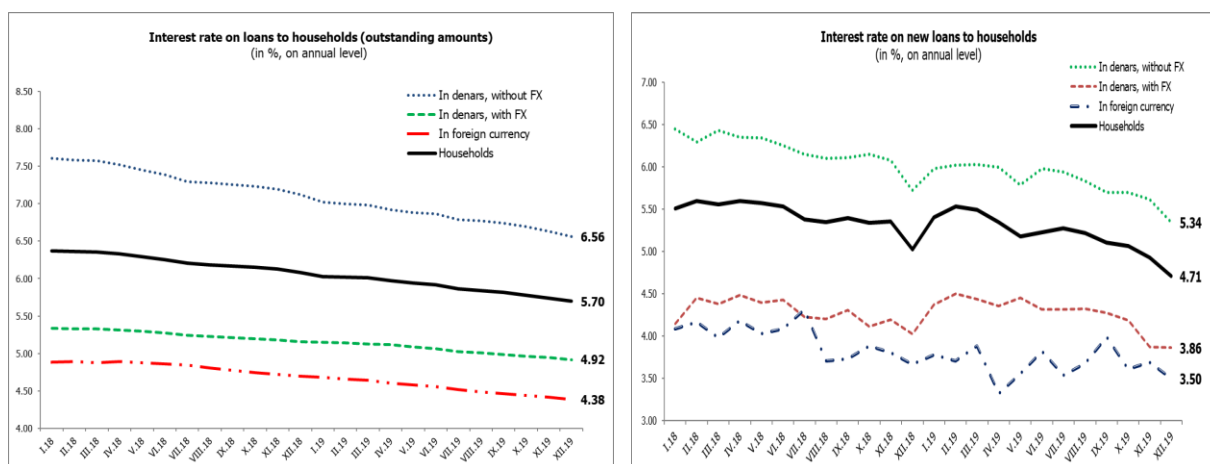
<sup>4</sup> For the purposes of this press release, the corporate sector includes non-financial corporations (public and other).



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- In December, the average interest rate on the outstanding amounts of corporate deposits registered a monthly downward change of 0.03 percentage points and it equaled 1.53%. The downward change is due to the decline in the interest rates in all its components, as follows: denar deposits without currency clause (of 0.05 percentage points), foreign currency deposits (of 0.03 percentage points), and denar deposits with currency clause (of 0.02 percentage points). The average interest rate on the outstanding amounts of corporate deposits is lower by 0.16 percentage points compared to December 2018.
- This month, the average interest rate on newly received corporate deposits<sup>5</sup> was reduced to 1.11% and decreased by 0.08 percentage point compared to the previous month. The decrease is entirely due to the decrease in the interest rate on foreign currency deposits (of 0.15 percentage points), amid increased interest rate on denar deposits without currency clause (by 0.07 percentage points) and unchanged interest rates on denar deposits with currency clause. On an annual basis, this interest rate increased by 0.07 percentage points.

### 2. Interest rates for households<sup>6</sup>



Source: NBRNM

- In December, the interest rate on the outstanding amounts of household loans recorded a monthly decrease of 0.04 percentage points and equaled 5.70%. Analyzing the currency structure, the monthly change is explained by the reduction in all its components: interest rates on denar loans without currency clause (of 0.07 percentage points), as well as interest rates on denar loans with currency clause and foreign currency loans (of 0.03 percentage points, respectively). On an annual basis, the interest rate on the outstanding amounts of household loans decreased by 0.38 percentage points.

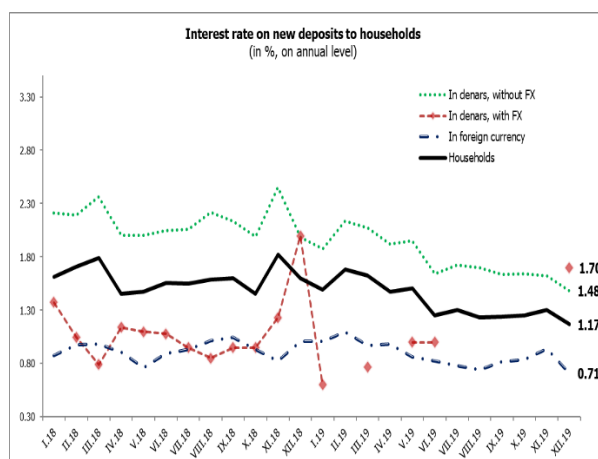
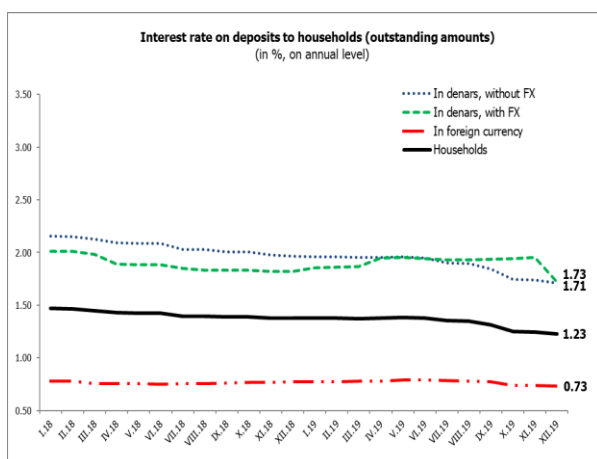
<sup>5</sup> The disruption in series of data on interest rates in denars with currency clause shown in the chart referring to interest rates on newly received deposits of the corporate sector reflects fact that in some months, banks and savings houses have not received such deposits from the corporate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

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



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- In December, the average interest rate on newly granted household loans registered a monthly decline of 0.22 percentage points and equaled 4.71%. This decline is due to the fall in all its components, as follows: interest rate on denar loans with currency clause (by 0.28 percentage points), interest rate on foreign currency loans (by 0.19 percentage points), and interest rate on denar loans without currency clause (by 0.01 percentage points). Compared to the same period last year, the interest rate on newly granted household loans decreased by 0.32 percentage points.



Source: NBRNM

- This month, the average interest rate on the outstanding amounts of household deposits equaled 1.23% after a monthly decline of 0.02 percentage points. The monthly change is due to the decline in all the components of this interest rate: interest rates on denar deposits with and without currency clause (of 0.22 and 0.03 percentage points, respectively) and foreign currency deposits (of 0.01 percentage points). On an annual basis, this interest rate is lower by 0.15 percentage points.
- In December, the average interest rate on newly received household deposits<sup>7</sup> registered a monthly decline of 0.14 percentage points and was reduced to 1.17%. The monthly decline is due to the reduced interest rates on foreign currency deposits (by 0.23 percentage points) and reduced interest rates on denar deposits without currency clause (by 0.15 percentage points). At the same time, the interest rate on denar deposits with currency clause equaled 1.70% in December, unlike the previous five months when banks and savings houses did not receive such deposits. On annual basis, the average interest rate on the outstanding amounts of household deposits is lower by 0.43 percentage points.

<sup>7</sup> 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](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](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](http://www.nbrm.mk/content/statistika/kalendar/Advance_Release_Calendar.pdf)

Monthly data on interest rates: 28 February 2020 (reference period as of January 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](mailto:contact.statistika@nbrm.mk) or phone: 02 3215 181 extension 116 (or 112/110/108).