



National Bank of the Republic of North Macedonia Statistics Department

Skopje, 31 July 2019

Press Release

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

- In June, the average interest rate on the outstanding amounts of loans decreased insignificantly, and reduced to 5.19%, which is a decline of 0.01 percentage points compared to the previous month. On an annual basis, this interest rate decreased by 0.38 percentage points. The average interest rate on the outstanding amounts of deposits remained at the level of 1.41%, same as in the previous two months, while on an annual level, it dropped by 0.04 percentage points.
- During June, the average interest rate on the newly granted² loans registered a small monthly growth of 0.02 percentage points and amounted to 4.70%, while on an annual basis, it dropped by 0.27 percentage points. The average interest rate on newly received deposits amounted to 1.15%, and decreased by 0.16 and 0.14 percentage points, respectively, on both monthly and annual level.

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

	6.2018	9.2018	12.2018	1.2019	2.2019	3.2019	4.2019	5.2019	6.2019
in % on annual level									
Loans, outstanding amounts	5.57	5.46	5.33	5.30	5.28	5.26	5.23	5.20	5.19
Corporations	4.92	4.77	4.63	4.59	4.57	4.54	4.52	4.48	4.45
Households	6.25	6.17	6.08	6.03	6.02	6.01	5.98	5.94	5.92
New loans	4.97	4.86	4.49	4.77	4.76	4.84	4.71	4.68	4.70
Corporations	4.64	4.58	4.30	4.43	4.33	4.53	4.31	4.34	4.29
Households	5.53	5.39	5.03	5.41	5.54	5.49	5.35	5.18	5.22
Deposits, outstanding amounts	1.45	1.42	1.41	1.42	1.42	1.42	1.41	1.41	1.41
Corporations	1.63	1.71	1.69	1.72	1.74	1.74	1.70	1.61	1.61
Households	1.43	1.39	1.38	1.38	1.38	1.38	1.38	1.38	1.38
New deposits	1.29	1.57	1.40	1.44	1.56	1.42	1.27	1.31	1.15
Corporations	0.89	1.49	1.04	1.29	1.26	1.15	1.02	1.12	0.96
Households	1.55	1.60	1.60	1.49	1.69	1.63	1.48	1.50	1.25

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.

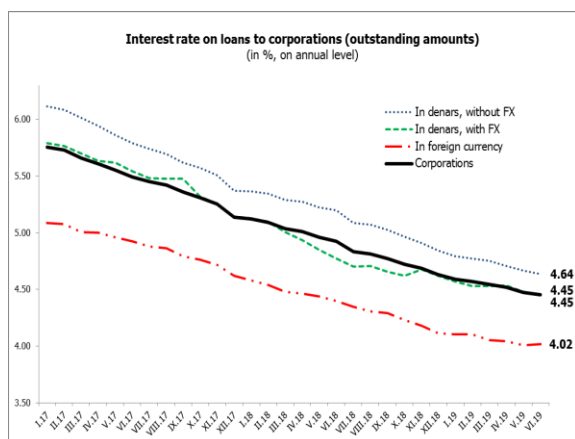
³ The effects of the changes in the methodology published in the information on 20 July 2018 (http://www.nbrm.mk/content/statistika/informacii/Informacija_za_promeni_vo_monetarnata_statistika_eng.pdf) are not perceived in the individual categories of interest rates on deposits/loans (in denars without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



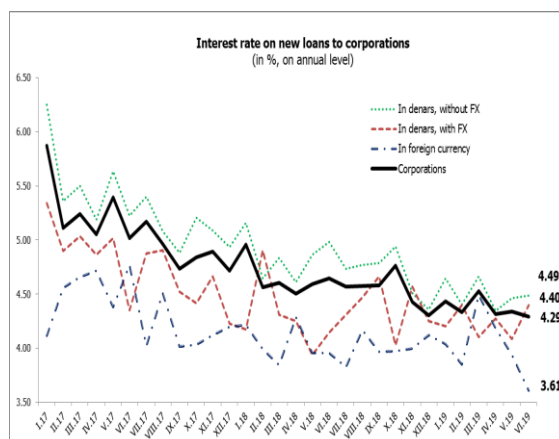
National Bank of the Republic of North Macedonia Statistics Department

1. Corporate interest rates⁴

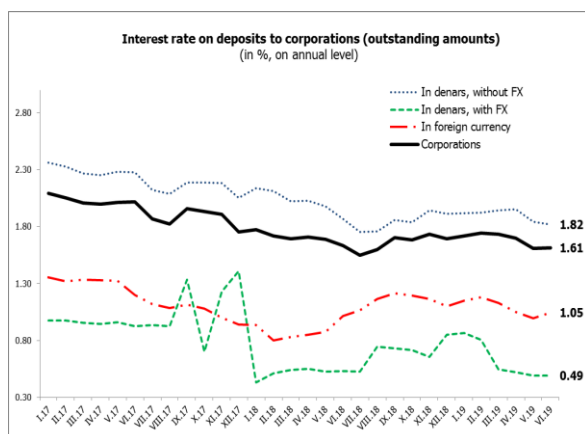
- In June, the interest rate on the outstanding amounts of loans granted to the corporate sector registered a monthly decrease of 0.03 percentage points and equaled 4.45%. The downward monthly movement is the result of the reduction of the interest rates on denar loans without a currency clause and loans with a currency clause (identical fall of 0.03 percentage points, respectively), amid minimal growth (of 0.01 percentage points) of foreign currency loans. Compared to June last year, the interest rate on the outstanding amounts of corporate loans decreased by 0.47 percentage points.



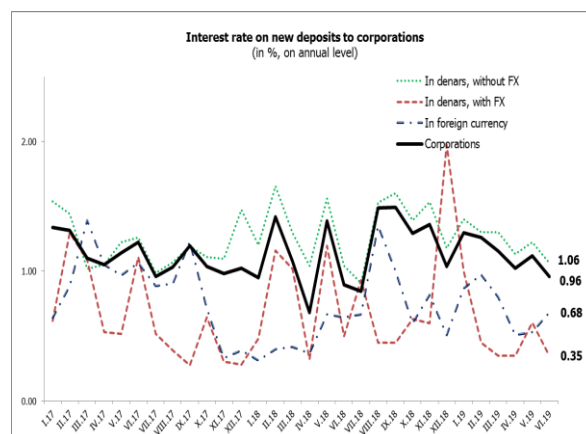
Source: NBRNM.



- In June, the average interest rate on the newly granted loans to the corporate sector equaled 4.29%, which is a decline of 0.05 percentage points. Considering the currency structure, the decrease is entirely due to the fall in the interest rate on foreign currency loans (of 0.33 percentage points), in circumstances of growth in the interest rates on denar loans with and without a currency clause (of 0.32 and 0.03 percentage points, respectively). On an annual basis, the interest rate on newly granted loans to the corporate sector decreased by 0,35 percentage points.



Source: NBRNM.



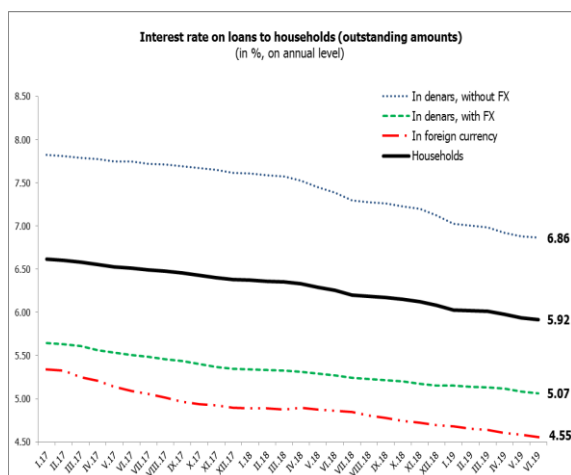
⁴ For the purposes of this press release, the corporate sector includes non-financial corporations (public and other).



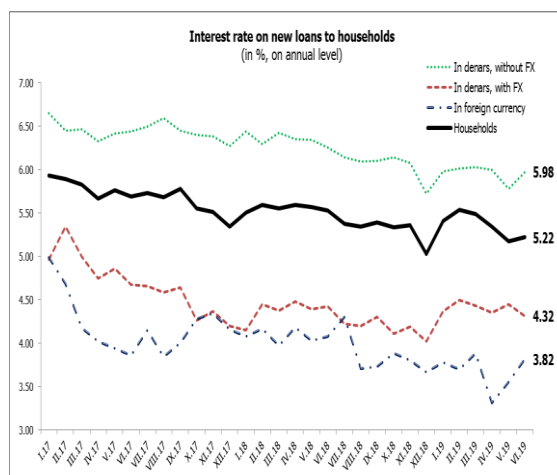
National Bank of the Republic of North Macedonia Statistics Department

- During June this year, the interest rate on the outstanding amounts of corporate deposits remained unchanged compared to the previous month and amounted to 1.61%. Compared to the same month last year, the interest rate on the outstanding amounts of corporate deposits moderately decreased by 0.02 percentage points.
- In June, the average interest rate on newly received corporate deposits⁵ equaled 0.96% and registered a monthly fall of 0.16 percentage points. The lower interest rates on denar deposits with and without currency clause (by 0.26 and 0.17 percentage points, respectively), contributed to its reduction, while the interest rate on foreign currency loans increased by 0.15 percentage points.

2. Interest rates for households⁶



Source: NBRNM.



- Compared to last month, in June, the interest rate on the outstanding amounts of household loans decreased by 0.02 percentage points and equaled 5.92%. The downward change is due to the reduction in all its components: interest rates on foreign currency loans (of 0.03 percentage points), denar loans without a currency clause (of 0.02 percentage points) and denar loans with a currency clause (of 0.01 percentage points). On an annual basis, this interest rate decreased by 0.33 percentage points.

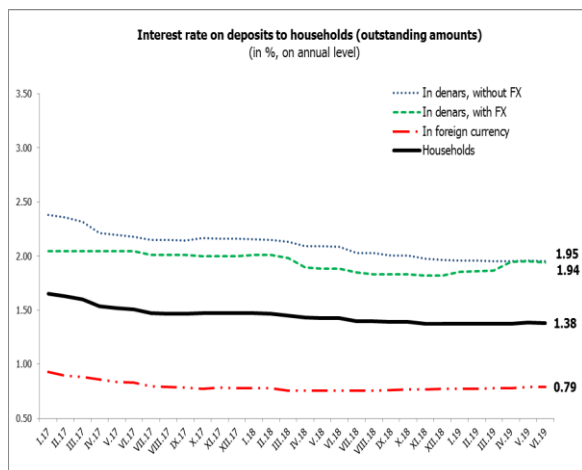
⁵ The disruption in series of data on interest rates in denars with currency clause shown in the chart referring to interest rates on newly received deposits of the corporate sector reflects fact that in some months, banks and savings houses have not received such deposits from the corporate sector.

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

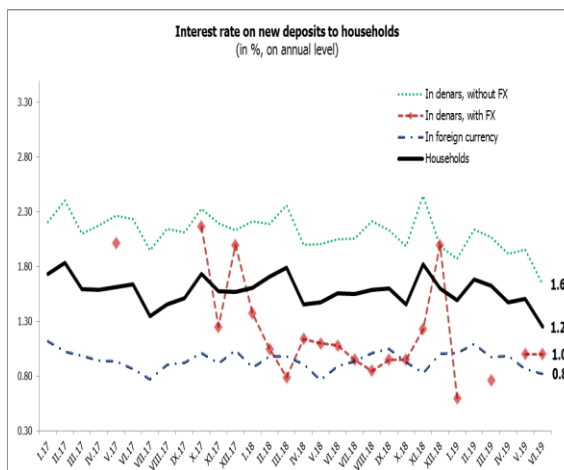


National Bank of the Republic of North Macedonia Statistics Department

- During June, the average interest rate on newly granted loans to households increased by 0,04 percentage points and equaled 5,22%. The monthly growth is the result of the increase in the interest rates on foreign currency loans and denar loans without a currency clause (of 0.27 and 0.20 percentage points, respectively), while denar loans with a currency clause registered a monthly fall (of 0.13 percentage points). Compared to June 2018, this rate decreased by 0.31 percentage points.



Source: NBRNM.



- The average interest rate on the outstanding amounts of household deposits remained unchanged for the eighth consecutive month and amounted to 1.38% in June. Compared to the same month last year, this interest rate decreased by 0.05 percentage points.
- In June, the interest rate on newly received household deposits⁷ equaled 1.25%, which is a monthly decrease of 0.25 percentage points. The downward movement in this category is due to the fall in the interest rates on denar deposits without a currency clause and foreign currency deposits (of 0.31 and 0.04 percentage points, respectively), while denar deposits with a currency clause remained unchanged. On an annual basis, the interest rate on newly received household deposits increased by 0.30 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.



National Bank of the Republic of North Macedonia Statistics Department

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: 30 August 2019 (reference period as of July 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).