



National Bank of the Republic of North Macedonia Statistics Department

Skopje, 30 April 2019

Press Release

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

- In March, the average interest rate on the outstanding amounts of loans continued to decline and reduced to 5.26%, which is a decline of 0.02 percentage points compared to the previous month. On an annual basis, this interest rate decreased by 0.41 percentage points. The average interest rate on the outstanding amounts of deposits remained at the level of 1.42%, without changes in the last three months, while compared to March last year it decreased by 0.06 percentage points.
- During March, the average interest rate on newly granted² loans registered a monthly increase of 0.08 percentage points and amounted to 4.84%, while on an annual basis, this interest rate decreased by 0.08 percentage points. The average interest rate on newly received deposits amounted to 1.42% and decreased by 0.14 and 0.05 percentage points, respectively, on both monthly and annual basis.

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

	3.2018	6.2018	9.2018	12.2018	1.2019	2.2019	3.2019
in % on annual level							
Loans, outstanding amounts	5.67	5.57	5.46	5.33	5.30	5.28	5.26
Corporations	5.03	4.92	4.77	4.63	4.59	4.57	4.54
Households	6.35	6.25	6.17	6.08	6.03	6.02	6.01
New loans	4.92	4.97	4.86	4.49	4.77	4.76	4.84
Corporations	4.61	4.64	4.58	4.30	4.43	4.33	4.53
Households	5.56	5.53	5.39	5.03	5.41	5.54	5.49
Deposits, outstanding amounts	1.48	1.45	1.42	1.41	1.42	1.42	1.42
Corporations	1.69	1.63	1.71	1.69	1.72	1.74	1.74
Households	1.45	1.43	1.39	1.38	1.38	1.38	1.38
New deposits	1.47	1.29	1.57	1.40	1.44	1.56	1.42
Corporations	1.08	0.89	1.49	1.04	1.29	1.26	1.15
Households	1.79	1.55	1.60	1.60	1.49	1.69	1.63

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.

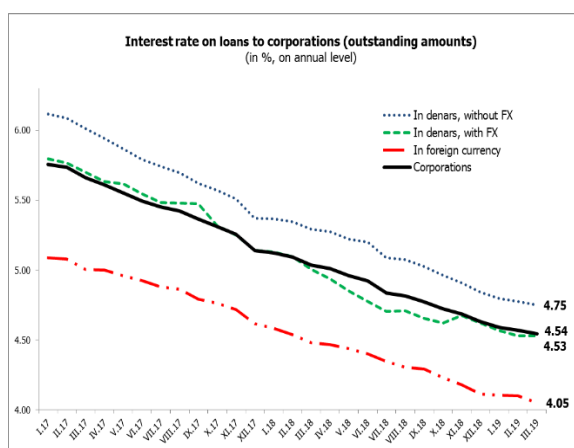
³ The effects of the changes in the methodology published in the Information on 20 July 2018 (http://www.nbrm.mk/content/statistika/informacii/Informacija_za_promeni_vo_monetarnata_statistika_eng.pdf) are not perceived in the individual categories of interest rates on deposits/loans (in denars without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



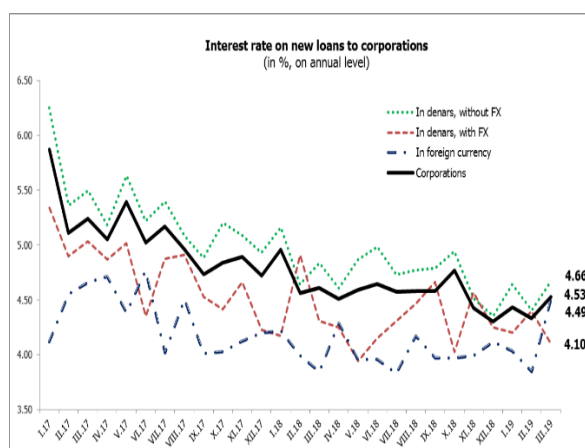
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1. Corporate interest rates⁴

- In March, the average interest rate on the outstanding amounts of loans granted to the corporate sector registered a monthly fall of 0.03 percentage points and equaled 4.54%. The fall results from the cut of interest rates on foreign currency loans and denar loans without currency clause (by 0.05 and 0.02 percentage points, respectively), amid unchanged interest rates on denar loans with currency clause. The average interest rate on the outstanding amounts of loans decreased by 0.49 percentage points compared to March 2018.



Source: NBRNM.

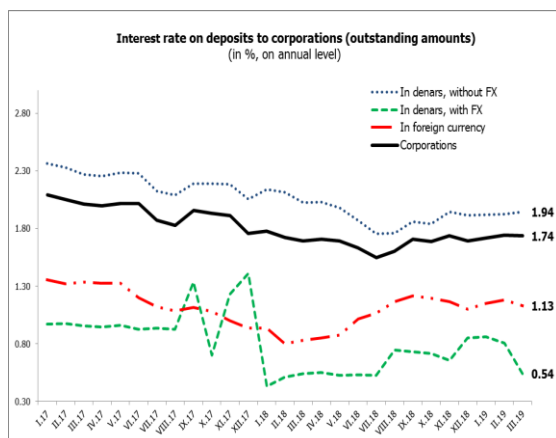


- In March, the interest rate on newly granted loans to the corporate sector increased by 0.20 percentage points compared to the previous month and amounted to 4.53%. The upward monthly change is due to the increase in the interest rates on foreign currency loans and denar loans without currency clause (of 0.64 and 0.25 percentage points, respectively), amid fall in the interest rates on denar loans with currency clause (of 0.30 percentage points). On an annual basis, this interest rate decreased by 0.08 percentage points.

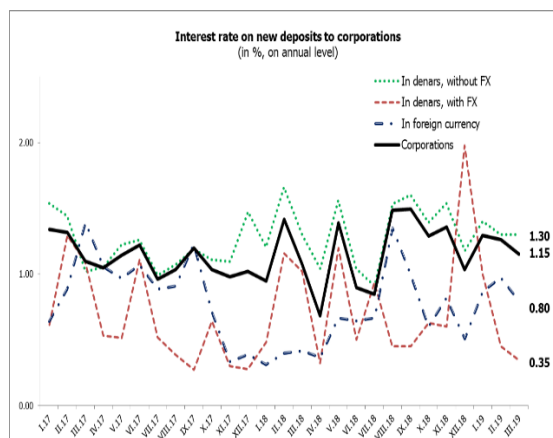
⁴ For the purposes of this press release, the corporate sector includes non-financial corporations (public and other).



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Source: NBRNM.



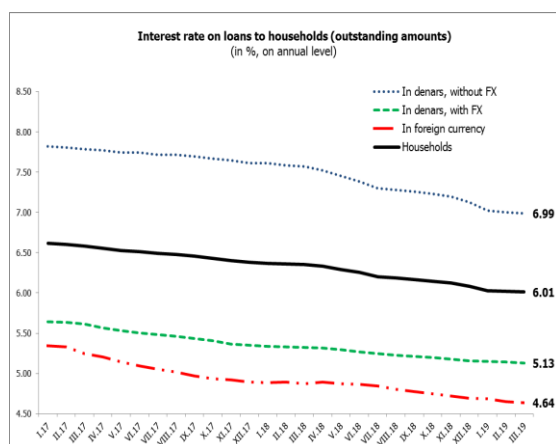
- In March, the interest rate on the outstanding amounts of corporate deposits remained unchanged compared to the previous month, at a level of 1.74%. Compared to March last year, the interest rate on the outstanding amounts of corporate deposits increased by 0.05 percentage points.
- The March average interest rate on the newly received corporate deposits⁵ decreased monthly by 0.11 percentage points and equaled 1.15%. The downward monthly change is due to the cut of interest rates on foreign currency deposits and denar deposits with currency clause (by 0.17 and 0.10 percentage points, respectively), amid unchanged interest rate on denar deposits without currency clause. On an annual basis, this interest rate increased by 0.07 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 deposit from the corporate sector.

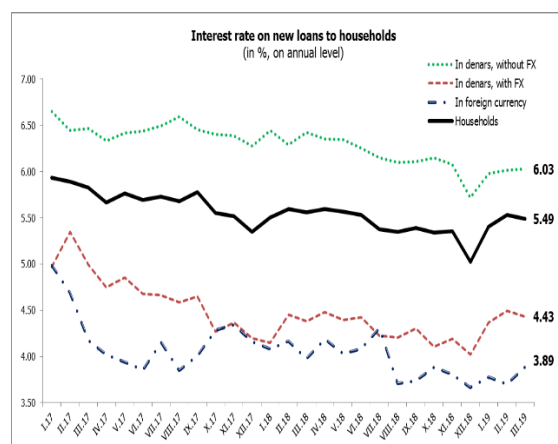


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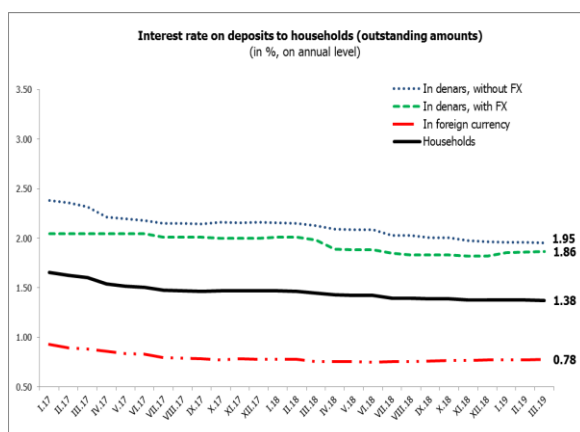
2. Interest rates for households⁶



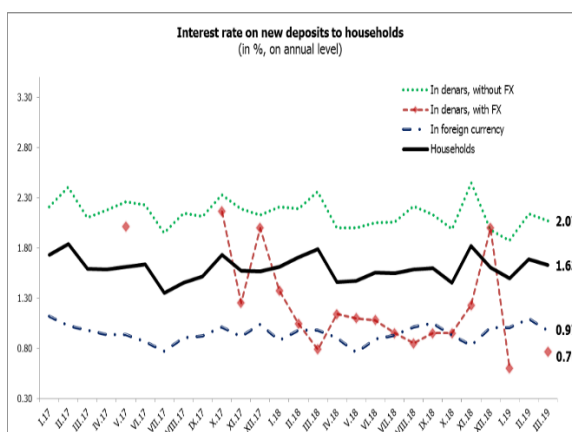
Source: NBRNM.



- In March, the interest rate on the outstanding amounts of household loans registered a minimal decrease of 0.01 percentage point and equaled 6.01%. The monthly decrease stems from the fall in all components of this category: interest rates on denar loans without and with currency clause and foreign currency loans (of 0.01 percentage points, respectively). On an annual basis, this interest rate decreased by 0.34 percentage points.
- In March, the average interest rate on newly granted household loans equaled 5.49% and registered a monthly fall of 0.05 percentage points. The downward change is entirely due to the cut of the interest rate on denar loans with currency clause (by 0.07 percentage points), amid increase in the interest rates on foreign currency loans and denar loans without currency clause (by 0.19 percentage points and 0.01 percentage points, respectively). The average interest rate on newly granted household loans decreased by 0.07 percentage points compared to March last year.



Source: NBRNM.



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 the outstanding amounts of household deposits remained at the level of 1.38% for the fifth consecutive month. On an annual basis, this interest rate decreased by 0.07 percentage points.
- In March, the average interest rate on new household deposits⁷ equaled 1.63%, which is a monthly decrease of 0.06 percentage points. The downward movement in this category is due to the changes in all components. Namely, the interest rates on foreign currency deposits and denar deposits without currency clause decreased by 0.13 and 0.07 percentage points, respectively. At the same time, the interest rate on denar deposits with currency clause equaled 0.76% in March, unlike the previous month when banks and savings houses have not accepted this kind of deposits. On an annual basis, this interest rate decreased by 0.16 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 May 2019 (reference period as of April 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).

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.