



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

Skopje, 29 May 2020

### Press Release

#### Significant developments in interest rates of banks and savings houses<sup>1</sup>: April 2020

- In April 2020, the average interest rate on the outstanding amounts of loans equaled 4.86%, thereby continuing the trend of its monthly and annual decline of 0.03 and 0.37 percentage points, respectively. The average interest rate on the outstanding amounts of deposits equaled 1.11% and remained unchanged on a monthly basis, while on an annual basis it decreased by 0.30 percentage points.
- In April, the average interest rate on the newly granted<sup>2</sup> loans amounted to 3.77% and decreased by 0.35 and 0.94 percentage points on a monthly and annual basis, respectively. The average interest rate on newly received deposits registered a monthly growth of 0.07 percentage points and amounted to 0.61%, while on an annual basis this interest rate decreased by 0.66 percentage points.

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

	4.2019	6.2019	9.2019	12.2019	1.2020	2.2020	3.2020	4.2020
in % on annual level								
<b>Loans, outstanding amounts</b>	<b>5.23</b>	<b>5.19</b>	<b>5.09</b>	<b>4.94</b>	<b>4.93</b>	<b>4.91</b>	<b>4.89</b>	<b>4.86</b>
Corporations	4.52	4.45	4.32	4.17	4.13	4.11	4.08	4.01
Households	5.98	5.92	5.81	5.70	5.69	5.67	5.64	5.65
<b>New loans</b>	<b>4.71</b>	<b>4.70</b>	<b>4.46</b>	<b>4.15</b>	<b>4.46</b>	<b>4.33</b>	<b>4.12</b>	<b>3.77</b>
Corporations	4.31	4.29	4.11	3.80	4.19	3.82	3.79	3.66
Households	5.35	5.22	5.10	4.71	4.91	4.95	4.83	4.38
<b>Deposits, outstanding amounts</b>	<b>1.41</b>	<b>1.41</b>	<b>1.36</b>	<b>1.26</b>	<b>1.20</b>	<b>1.19</b>	<b>1.11</b>	<b>1.11</b>
Corporations	1.70	1.61	1.67	1.53	1.48	1.49	1.24	1.28
Households	1.38	1.38	1.32	1.23	1.17	1.15	1.10	1.09
<b>New deposits</b>	<b>1.27</b>	<b>1.15</b>	<b>1.27</b>	<b>1.14</b>	<b>0.95</b>	<b>0.98</b>	<b>0.54</b>	<b>0.61</b>
Corporations	1.02	0.96	1.32	1.11	0.71	0.56	0.20	0.37
Households	1.48	1.25	1.24	1.17	1.07	1.19	0.94	1.01

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> 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.

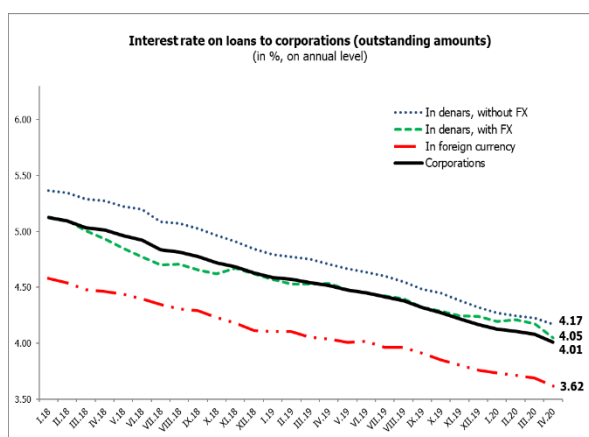
<sup>3</sup> The effects of the changes in the methodology published in the information on 20 July 2018 ([http://www.nbrm.mk/content/statistika/informacii/Informacija\\_za\\_promeni\\_vo\\_monetarnata\\_statistika\\_eng.pdf](http://www.nbrm.mk/content/statistika/informacii/Informacija_za_promeni_vo_monetarnata_statistika_eng.pdf))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



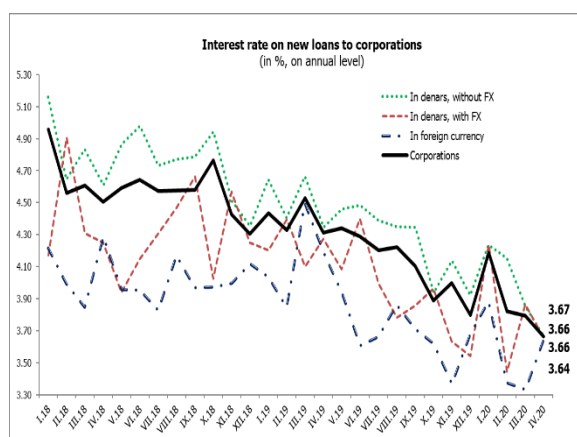
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### 1. Corporate interest rates<sup>4</sup>

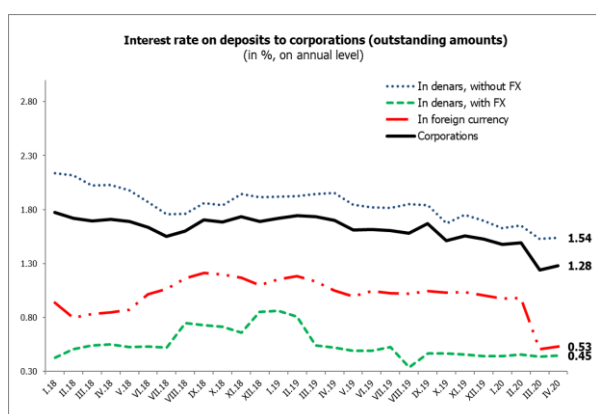
- In April, the average interest rate on the outstanding amounts of loans granted to the corporate sector equaled 4.01%, after a monthly fall of 0.07 percentage points. The monthly fall is a result of the reduction of all components, as follows: interest rates on denar loans with currency clause (by 0.13 percentage points), interest rates on foreign currency loans (by 0.07 percentage points) and interest rates on denar loans without currency clause (by 0.06 percentage points). On an annual basis, this interest rate decreased by 0.51 percentage point.



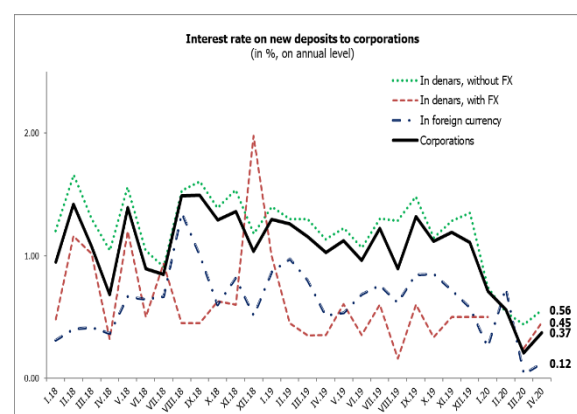
Source: NBRNM.



- The April interest rate on the newly granted loans to the corporate sector was 3.66% and decreased by 0.13 percentage points on a monthly basis. The fall results from the lower interest rates on denar loans with and without currency clause (by 0.20 and 0.18 percentage points, respectively), given the growth in the interest rate on foreign currency loans (by 0.31 percentage point). Compared to April last year, the interest rate on newly granted loans to the corporate sector decreased by 0.65 percentage points.



Source: NBRNM.



- This month, the average interest rate on the outstanding amounts of corporate deposits equaled 1.28% and registered a monthly increase of 0.04 percentage points. The growth is due to the increase in all components of this category: interest rates on foreign currency deposits (of 0.02 percentage points) and interest rates on denar deposits without and with

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

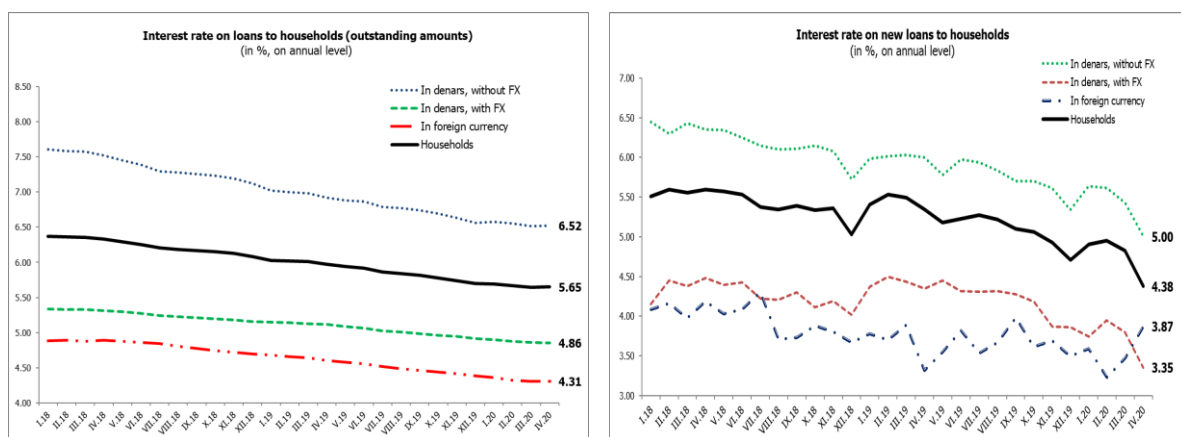


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currency clause (of 0.01 percentage point, respectively). On an annual basis, the interest rate on the outstanding amounts of corporate deposits decreased by 0.42 percentage points.

- In April, the interest rate on the newly received corporate deposits<sup>5</sup> increased by 0.17 percentage points compared with the previous month and equaled 0.37%. The upward change is a result of the growth of all components of this interest rate, as follows: interest rates on denar deposits with and without currency clause (by 0.21 and 0.12 percentage points) and interest rate on foreign currency deposits (by 0.09 percentage points). On an annual basis, this interest rate decreased by 0.65 percentage points.

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



Source: NBRNM.

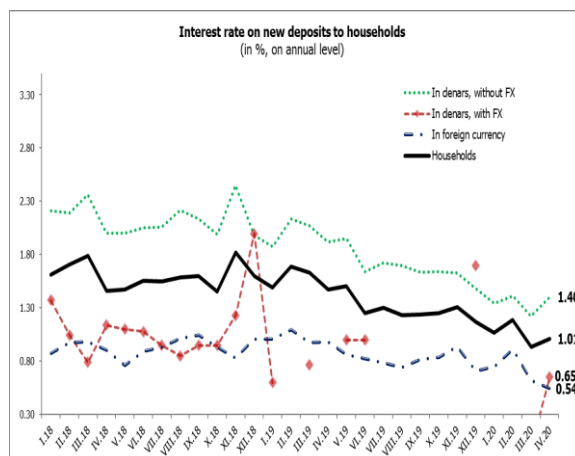
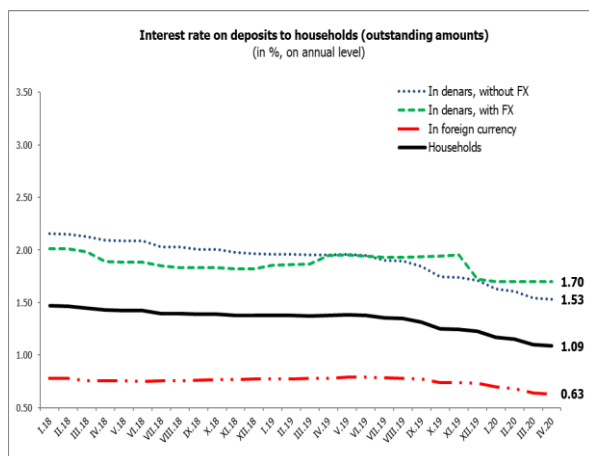
- In April, the average interest rate on the outstanding amounts of household loans equaled 5.65% and registered a minimal monthly growth of 0.01 percentage point, which is due to the higher interest rates on denar loans without currency clause (by 0.01 percentage point), amid unchanged interest rates of the other components of this category. On an annual basis, the average interest rate on the outstanding amounts of household loans decreased by 0.33 percentage points.
- In April, the interest rate on newly granted loans to households decreased by 0.45 percentage points on a monthly basis and equaled 4.38%. Analyzed by currency structure, the monthly decrease results from the lower interest rates on denar loans with and without currency clause (by 0.45 and 0.43 percentage points, respectively), amid growth of interest rates on foreign currency loans (by 0.40 percentage points). The average interest rate on newly granted household loans decreased by 0.97 percentage points, compared to April 2019.

<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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Source: NBRNM.

- This month, the average interest rate on the outstanding amounts of household deposits registered a minimal monthly decrease of 0.01 percentage point and equaled 1.09%. The monthly change is due to the minimal decline in the interest rates on denar deposits without currency clause and foreign currency deposits (of 0.01 percentage point, respectively), in circumstances when the interest rate on denar deposits with currency clause remained unchanged. On an annual basis, the average interest rate on the outstanding amounts of household deposits decreased by 0.29 percentage points.
- In April, the interest rate on newly received household deposits<sup>7</sup> registered a monthly growth of 0.07 percentage points and equaled 1.01%. The monthly growth is a result of the higher interest rates on denar deposits without currency clause (by 0.18 percentage points), given the decline in the interest rates on foreign currency deposits (by 0.08 percentage points). At the same time, the interest rate on denar deposits with currency clause equaled 0.65% in April, unlike the previous three months when banks and savings houses have not received this type of deposits. On an annual basis, this interest rate decreased by 0.47 percentage points.

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<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 received 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: 30 June 2020 (reference period as of May 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).