



National Bank of the Republic of North Macedonia Statistics Department

Skopje, 30 September 2020

Press Release

Significant developments in interest rates of banks and savings houses¹: August² 2020

- In August 2020, the average interest rate on the outstanding amounts of loans equaled 4.73% and registered monthly and annual decline of 0.02 and 0.40 percentage points, respectively. The average interest rate on the outstanding amounts of deposits decreased by 0.06 percentage points on a monthly level and amounted to 0.99%. On an annual level, this interest rate decreased by 0.39 percentage points.
- This month, the average interest rate on the newly granted³ loans equaled 3.94% and registered a monthly and annual decrease of 0.04 and 0.67 percentage points, respectively. The average interest rate on newly received deposits registered a monthly drop of 0.15 percentage points and reduced to 0.54%. Compared to the same period last year, it decreased by 0.56 percentage points.

Table 1. Interest rates on loans and deposits (outstanding amounts and new business)^{4,5}

	8.2019	9.2019	12.2019	1.2020	2.2020	3.2020	4.2020	5.2020	6.2020	7.2020	8.2020
in % on annual level											
Loans, outstanding amounts	5.13	5.09	4.94	4.93	4.91	4.89	4.86	4.83	4.80	4.75	4.73
Corporations	4.38	4.32	4.17	4.13	4.11	4.08	4.01	3.97	3.93	3.89	3.85
Households	5.84	5.81	5.70	5.69	5.67	5.64	5.65	5.64	5.63	5.56	5.55
New loans	4.61	4.46	4.15	4.46	4.33	4.12	3.77	3.92	3.94	3.98	3.94
Corporations	4.22	4.11	3.80	4.19	3.82	3.79	3.66	3.71	3.68	3.64	3.58
Households	5.22	5.10	4.71	4.91	4.95	4.83	4.38	4.43	4.42	4.48	4.37
Deposits, outstanding amounts	1.38	1.36	1.26	1.20	1.19	1.11	1.11	1.10	1.09	1.05	0.99
Corporations	1.58	1.67	1.53	1.48	1.49	1.24	1.28	1.24	1.27	1.29	1.15
Households	1.35	1.32	1.23	1.17	1.15	1.10	1.09	1.08	1.07	1.03	0.98
New deposits	1.10	1.27	1.14	0.95	0.98	0.54	0.61	0.62	0.64	0.69	0.54
Corporations	0.89	1.32	1.11	0.71	0.56	0.20	0.37	0.34	0.43	0.57	0.41
Households	1.23	1.24	1.17	1.07	1.19	0.94	1.01	0.91	0.85	0.79	0.66

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² The interest rate data as of August 2020 do not include data on a bank whose founding and operating license was revoked and who went into bankruptcy in August 2020. The exclusion of data on this bank for August affects the monthly and annual growth analyzed herein.

³ 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.

⁴ 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.

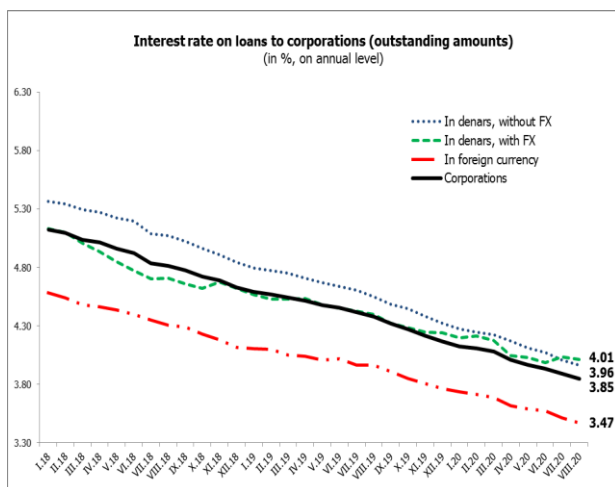
⁵ In August 2020, the National Bank revoked the license for founding and operating one bank. Interest rate data for July 2020 include the June interest rate data for this bank.



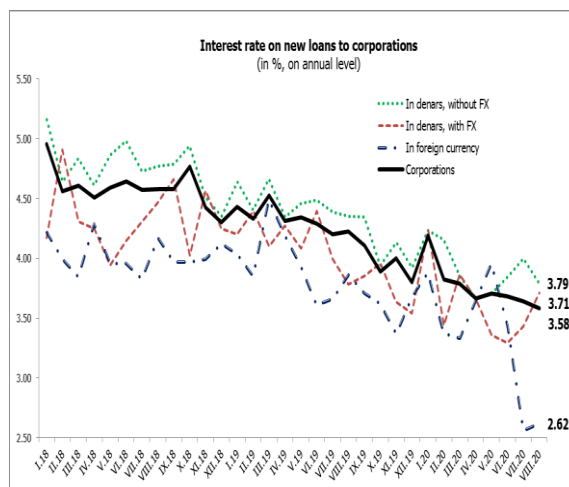
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1. Corporate interest rates⁶

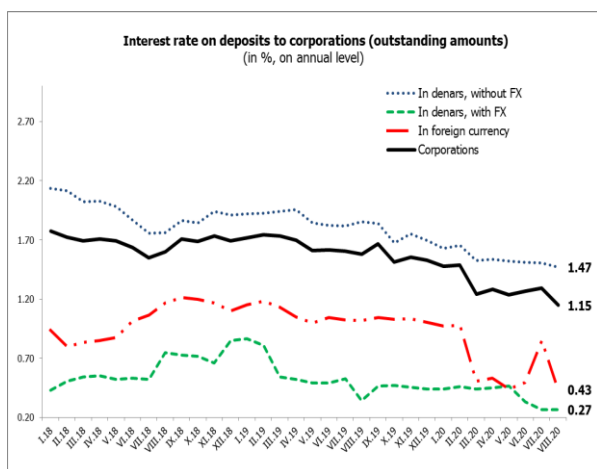
- This month, the average interest rate on the outstanding amounts of loans granted to the corporate sector equaled 3.85% and decreased by 0.04 percentage points on a monthly basis. The downward change is due to the fall in all components of this interest rate: interest rates on denar loans without currency clause (by 0.05 percentage points), interest rates on foreign currency loans (by 0.04 percentage points) and interest rates on denar loans with currency clause (by 0.02 percentage points). Compared to the same period last year, this interest rate decreased by 0.53 percentage points.



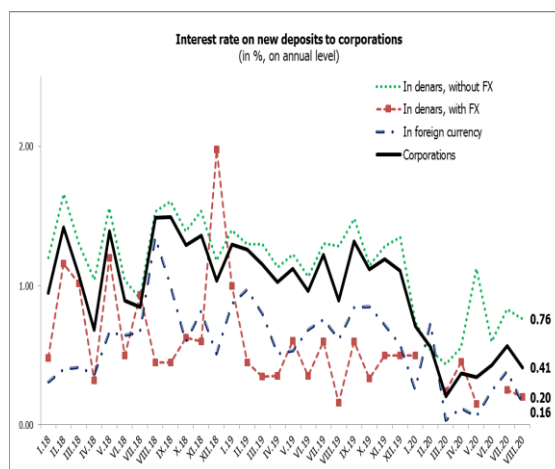
Source: NBRNM.



- In August this year, the interest rate on newly granted loans to the corporate sector registered a monthly fall of 0.06 percentage points and equaled 3.58%. Moreover, the fall fully arises from the reduction of the interest rates on denar loans without currency clause (of 0.21 percentage point), in circumstances of growth in the interest rates on denar loans with currency clause (of 0.28 percentage points) and the interest rates on foreign currency loans (of 0.06 percentage points). On an annual level, the interest rate on newly granted loans to the corporate sector decreased by 0.64 percentage points.



Source: NBRNM.



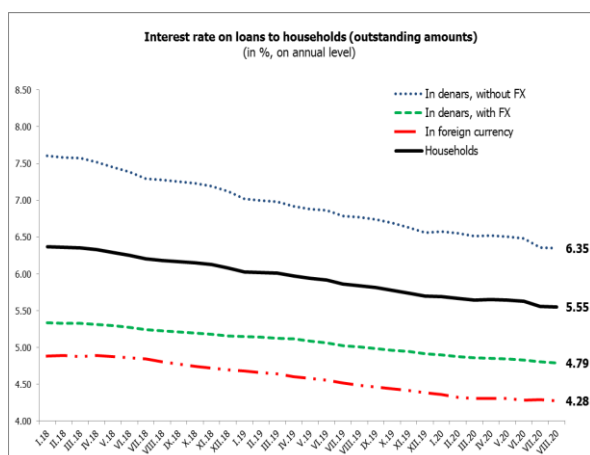
⁶ For the purposes of this press release, the corporate sector includes non-financial corporations (public and other).



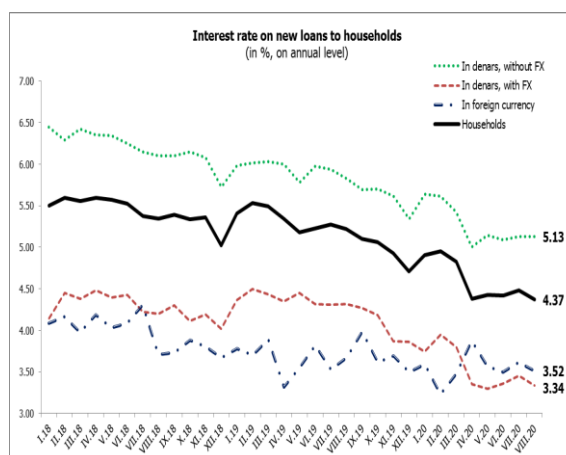
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- In August, the average interest rate on the outstanding amounts of corporate deposits decreased by 0.14 percentage points on a monthly level and amounted to 1.15%. The monthly fall results from the decrease in the interest rates on foreign currency deposits (of 0.42 percentage points) and the interest rates on denar deposits without currency clause (of 0.04 percentage points), amid unchanged interest rate on denar deposits with currency clause. Compared to August last year, this interest rate decreased by 0.43 percentage points.
- This month, the interest rate on newly received corporate deposits⁷ equaled 0.41% and registered a monthly decrease of 0.16 percentage points compared to July. Regarding the currency structure, the fall is explained by the reduction of all components of this interest rate, as follows: interest rates on foreign currency deposits (of 0.23 percentage points) and interest rates on denar deposits without and with currency clause (of 0.07 and 0.05 percentage points, respectively). The interest rate on newly received corporate deposits decreased by 0.48 percentage points, on an annual level.

2. Interest rates for households⁸



Source: NBRNM.



- In August, the interest rate on the outstanding amounts of household loans registered a monthly fall of 0.01 percentage point and equaled 5.55%. The downward change is as a result of the lower interest rates on denar loans with currency clause (by 0.02 percentage points) and the interest rates on foreign currency loans (by 0.01 percentage points), amid unchanged interest rate on denar loans without currency clause. On an annual basis, this interest rate decreased by 0.29 percentage points.

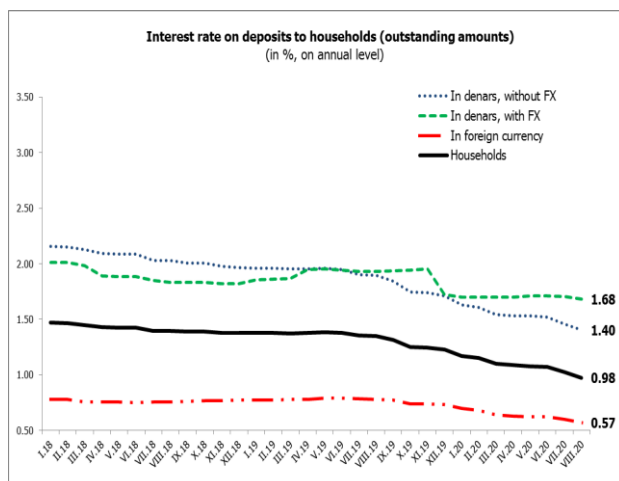
⁷ The disruption in series of data on interest rates in denars with currency clause shown in the chart referring to interest rates on newly received deposits of the corporate sector reflects fact that in some months, banks and savings houses have not received such deposits from the corporate sector.

⁸ For the purposes of this press release, households include: individuals, self-employed individuals and nonprofit institutions serving households.

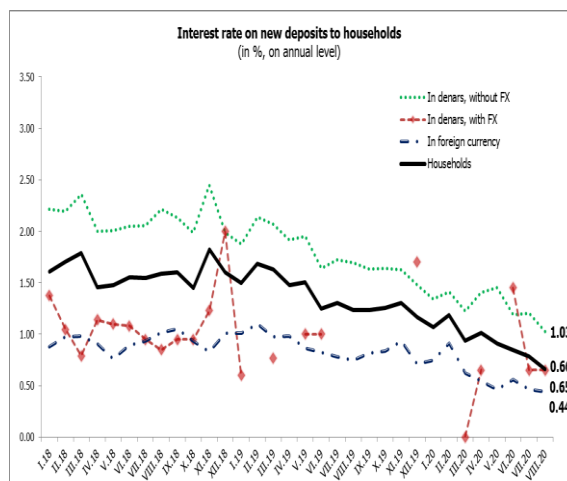


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- In August, the average interest rate on newly granted household loans equaled 4.37%, which is a monthly decrease of 0.11 percentage points. The monthly change is due to the reduction of the interest rates on denar loans with currency clause (of 0.11 percentage points) and the interest rates on foreign currency loans (of 0.09 percentage points), amid unchanged interest rate on denar loans without currency clause. On an annual basis, the average interest rate on newly granted household loans decreased by 0.85 percentage points.



Source: NBRNM.



- In August, the average interest rate on the outstanding amounts of household deposits recorded a monthly decrease of 0.05 percentage points and equaled 0.98%. Analyzed by currency, the downward monthly change results from the reduction of all components of this interest rate: interest rates on denar deposits without currency clause (of 0.06 percentage points), interest rates on foreign currency deposits (of 0.03 percentage points) and interest rates on denar deposits with currency clause (of 0.02 percentage points). Compared to August last year, this interest rate decreased by 0.37 percentage points.
- In August, the average interest rate on newly received household deposits⁹ equaled 0.66% and decreased by 0.13 percentage points compared to July this year. The fall is as a result of the reduction of the interest rates on denar deposits without currency clause (of 0.17 percentage points) and foreign currency deposits (of 0.02 percentage points), in circumstances when the interest rate on denar deposits with currency clause remained unchanged. On an annual basis, the average interest rate on newly received household deposits decreased by 0.57 percentage points.

⁹ 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

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 October 2020 (reference period as of September 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 or phone: 02 3215 181 extension 116 (or 112/110/108).