



National Bank of the Republic of North Macedonia Statistics Department

Skopje, 31 March 2020

Press Release

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

- In February 2020, the average interest rate on the outstanding amounts of loans equaled 4.91%, registering monthly and annual fall of 0.02 and 0.37 percentage points, respectively. The average interest rate on the outstanding amounts of deposits registered a minimal monthly fall of 0.01 percentage point and amounted to 1.19%, while on an annual basis, this interest rate decreased by 0.23 percentage points.
- This month, the average interest rate on the newly granted² loans amounted to 4.33%, which is a monthly and annual decrease of 0.13 and 0.43 percentage points, respectively. The average interest rate on newly received deposits registered a monthly increase of 0.03 percentage points and equaled 0.98%. Compared to February last year, this interest rate decreased by 0.58 percentage points.

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

	2.2019	3.2019	6.2019	9.2019	12.2019	1.2020	2.2020
in % on annual level							
Loans, outstanding amounts	5.28	5.26	5.19	5.09	4.94	4.93	4.91
Corporations	4.57	4.54	4.45	4.32	4.17	4.13	4.11
Households	6.02	6.01	5.92	5.81	5.70	5.69	5.67
New loans	4.76	4.84	4.70	4.46	4.15	4.46	4.33
Corporations	4.33	4.53	4.29	4.11	3.80	4.19	3.82
Households	5.54	5.49	5.22	5.10	4.71	4.91	4.95
Deposits, outstanding amounts	1.42	1.42	1.41	1.36	1.26	1.20	1.19
Corporations	1.74	1.74	1.61	1.67	1.53	1.48	1.49
Households	1.38	1.38	1.38	1.32	1.23	1.17	1.15
New deposits	1.56	1.42	1.15	1.27	1.14	0.95	0.98
Corporations	1.26	1.15	0.96	1.32	1.11	0.71	0.56
Households	1.69	1.63	1.25	1.24	1.17	1.07	1.19

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.

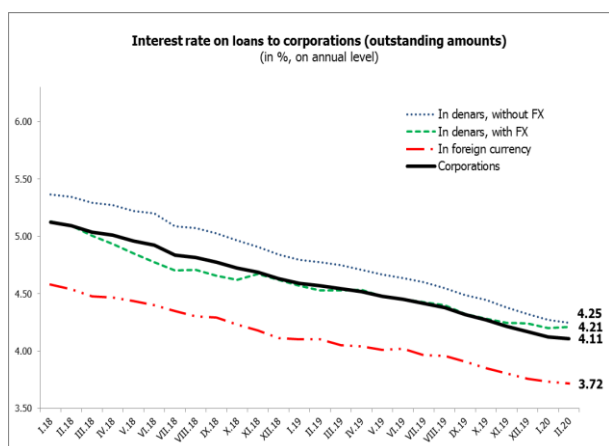
³ The effects of the changes in the methodology published in the information on 20 July 2018 (http://www.nbrm.mk/content/statistika/informacii/Informacija_za_promeni_vo_monetarnata_statistika_eng.pdf) are not perceived in the individual categories of interest rates on deposits/loans (in denars without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



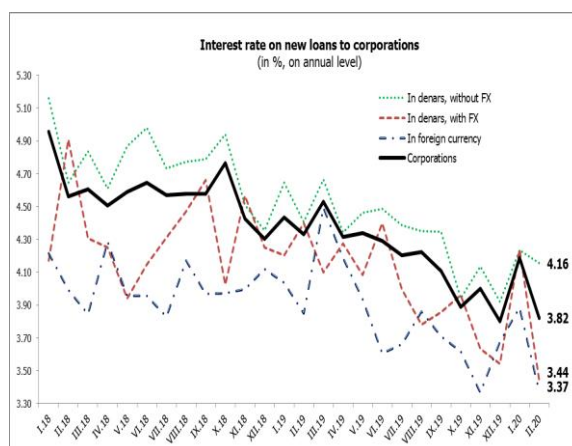
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1. Corporate interest rates⁴

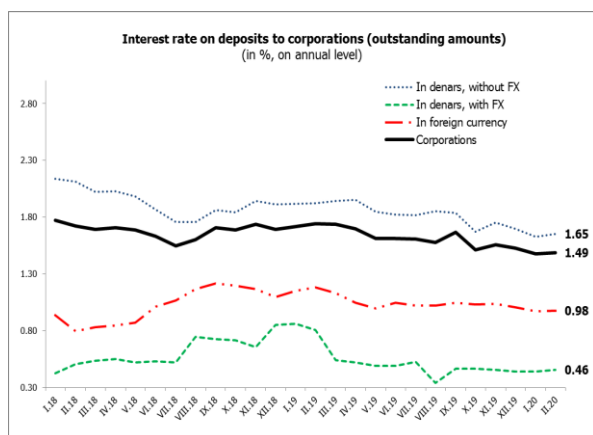
- In February, the average interest rate on the outstanding amounts of loans granted to the corporate sector registered a monthly fall of 0.02 percentage points and equaled 4.11%. The fall results from the cut of interest rates on denar loans without currency clause and interest rates on foreign currency loans (by 0.02 and 0.01 percentage points, respectively), amid increase in the interest rates on denar loans with currency clause (by 0.01 percentage point). On an annual basis, the interest rate on the outstanding amounts of loans granted to the corporate sector decreased by 0.46 percentage points.



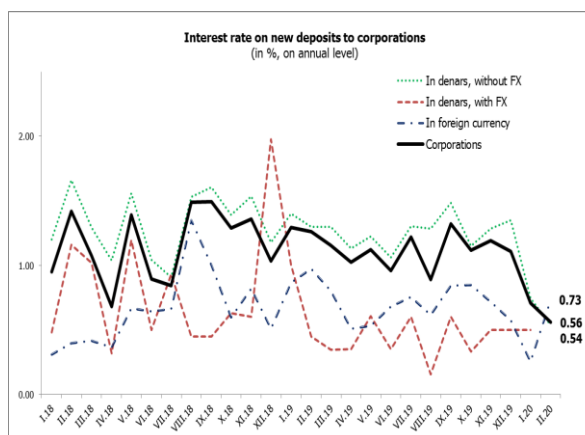
Source: NBRNM.



- In February, the interest rate on newly granted loans to the corporate sector registered a monthly decrease of 0.37 percentage points and equaled 3.82%. The downward change is due to the reduction in all its components: interest rates on denar loans with currency clause (by 0.80 percentage points), interest rates on foreign currency loans (by 0.51 percentage point) and interest rates on denar loans without currency clause (by 0.07 percentage points). Compared to February last year, this interest rate decreased by 0.51 percentage point.



Source: NBRNM.



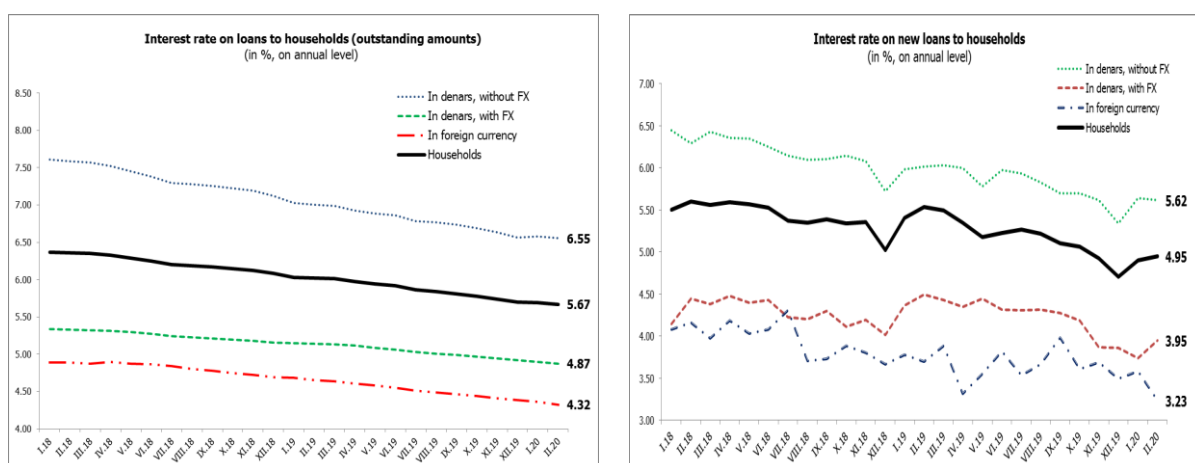
⁴ For the purposes of this press release, the corporate sector includes non-financial corporations (public and other).



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- Compared to the previous month, the interest rate on the outstanding amounts of corporate deposits registered a minimal monthly increase of 0.01 percentage point and equaled 1.49%. The growth is a result of all components: interest rates on denar deposits with and without currency clause (by 0.02 percentage points, respectively) and denar foreign currency deposits (by 0.01 percentage point). On an annual basis, the interest rate on the outstanding amounts of corporate deposits decreased by 0.25 percentage points.
- In this month, the average interest rate on the newly received corporate deposits⁵ registered a monthly decrease of 0.15 percentage points and reduced to 0.56%. Regarding the currency structure, the downward change is entirely explained by the cut of the interest rates on denar deposits without currency clause (by 0.20 percentage points, respectively), while the interest rates on foreign currency deposits increased (by 0.48 percentage points). In this month, banks and savings houses did not receive denar deposits with currency clause. Compared to February last year, this rate decreased by 0.70 percentage points.

2. Interest rates for households⁶



Source: NBRNM.

- The interest rate on the outstanding amounts of household loans equaled 5.67% in February, which is a monthly fall of 0.02 percentage points. The monthly fall is a result of the downward change in all its components, as follows: the cut of the interest rates on foreign currency loans (by 0.04 percentage points) and the interest rates on denar loans with and without currency clause (by 0.03 percentage points, respectively). On an annual basis, the interest rate on the outstanding amounts of household loans decreased by 0.35 percentage points.

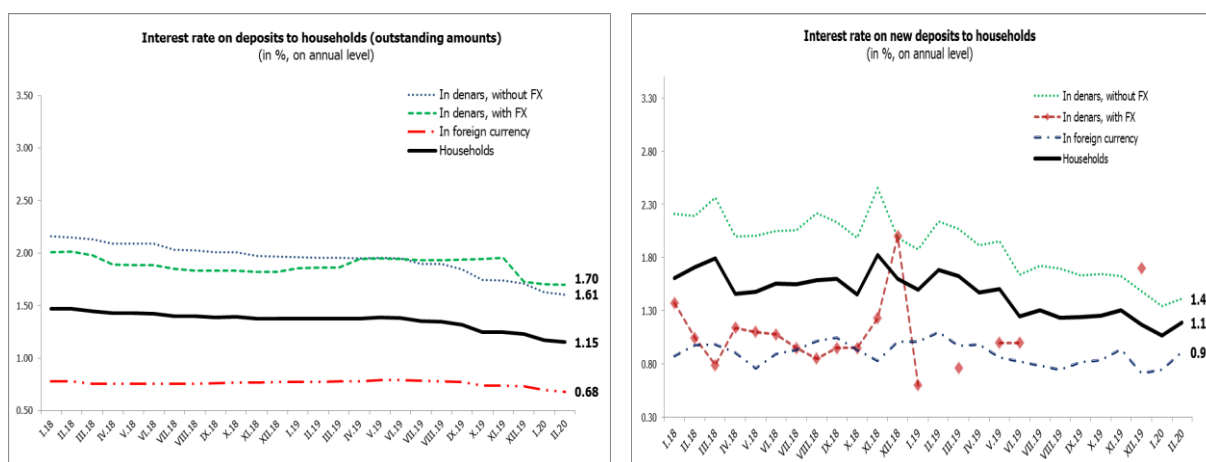
⁵ The disruption in series of data on interest rates in denars with currency clause shown in the chart referring to interest rates on newly received deposits of the corporate sector reflects fact that in some months, banks and savings houses have not received such deposits from the corporate sector.

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



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- In February, the average interest rate on newly granted household loans increased by 0.04 percentage points on a monthly basis and amounted to 4.95%. Analyzed by currency, the growth completely derives from the increase in denar loans with currency clause (by 0.21 percentage point), in circumstances of reduction of the interest rates on foreign currency loans and of the interest rates on denar loans without currency clause (0.36 and 0.02 percentage points, respectively). Compared to February last year, the average interest rate on newly granted household loans decreased by 0.59 percentage points.



Source: NBRNM.

- In February this year, the average interest rate on the outstanding amounts of household deposits equaled 1.15%, which is a monthly fall of 0.02 percentage points. The fall is due to the reduction of the interest rates on denar deposits without currency clause and the interest rates on foreign currency deposits (by 0.02 percentage points, respectively), amid unchanged interest rates on denar deposits with currency clause. On annual basis, the average interest rate on the outstanding amounts of household deposits decreased by 0.23 percentage points.
- In February, the average interest rate on newly received household deposits⁷ increased by 0.12 percentage points on a monthly basis and equaled 1.19%. The upward change is explained by the increase in the interest rates on foreign currency deposits (by 0.16 percentage points) and the interest rates on denar deposits without currency clause (by 0.07 percentage points). This month did not record newly received amounts of denar deposits with currency clause. Compared to February last year, this interest rate decreased by 0.50 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.



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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/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 April 2020 (reference period as of March 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).