



# National Bank of the Republic of North Macedonia Statistics Department

Skopje, 30 April 2020

## Press Release

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

- In March 2020, the average interest rate on the outstanding amounts of loans was 4.89% and registered monthly and annual fall of 0.02 and 0.37 percentage points, respectively. The average interest rate on the outstanding amounts of deposits equaled 1.11% and decreased by 0.08 percentage points on a monthly basis. On an annual basis, this interest rate decreased by 0.31 percentage points.
- In March, the average interest rate on newly granted<sup>2</sup> loans decreased by 0.21 percentage point on a monthly basis and amounted to 4.12%. On an annual basis, this interest rate decreased by 0.72 percentage points. The average interest rate on newly received deposits registered a monthly decrease of 0.44 percentage points and amounted to 0.54%, while compared to March last year this interest rate decreased by 0.88 percentage points.

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

	3.2019	6.2019	9.2019	12.2019	1.2020	2.2020	3.2020
in % on annual level							
<b>Loans, outstanding amounts</b>	<b>5.26</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>
Corporations	4.54	4.45	4.32	4.17	4.13	4.11	4.08
Households	6.01	5.92	5.81	5.70	5.69	5.67	5.64
<b>New loans</b>	<b>4.84</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>
Corporations	4.53	4.29	4.11	3.80	4.19	3.82	3.79
Households	5.49	5.22	5.10	4.71	4.91	4.95	4.83
<b>Deposits, outstanding amounts</b>	<b>1.42</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>
Corporations	1.74	1.61	1.67	1.53	1.48	1.49	1.24
Households	1.38	1.38	1.32	1.23	1.17	1.15	1.10
<b>New deposits</b>	<b>1.42</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>
Corporations	1.15	0.96	1.32	1.11	0.71	0.56	0.20
Households	1.63	1.25	1.24	1.17	1.07	1.19	0.94

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.

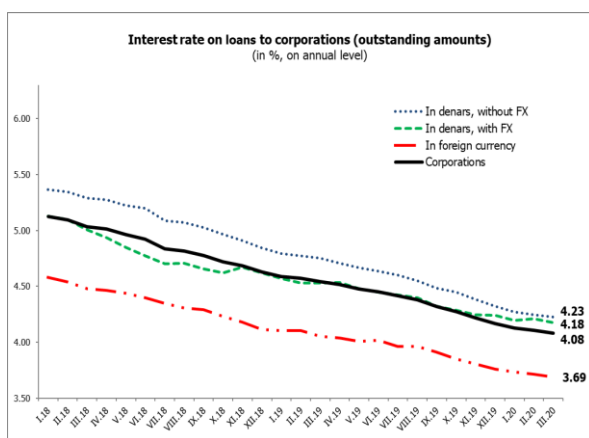
<sup>3</sup> The effects of the changes in the methodology published in the information on 20 July 2018 ([http://www.nbrm.mk/content/statistika/informacii/Informacija\\_za\\_promeni\\_vo\\_monetarnata\\_statistika\\_eng.pdf](http://www.nbrm.mk/content/statistika/informacii/Informacija_za_promeni_vo_monetarnata_statistika_eng.pdf))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



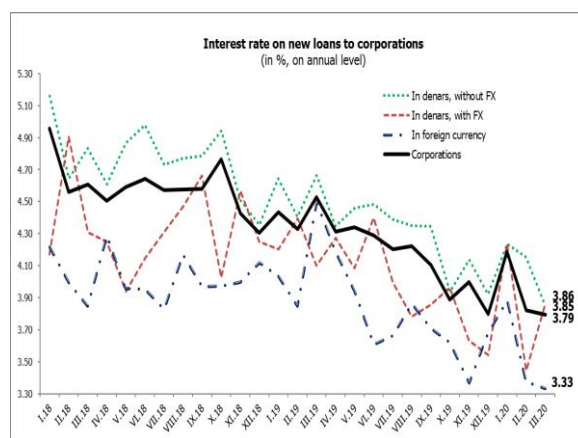
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### 1. Corporate interest rates<sup>4</sup>

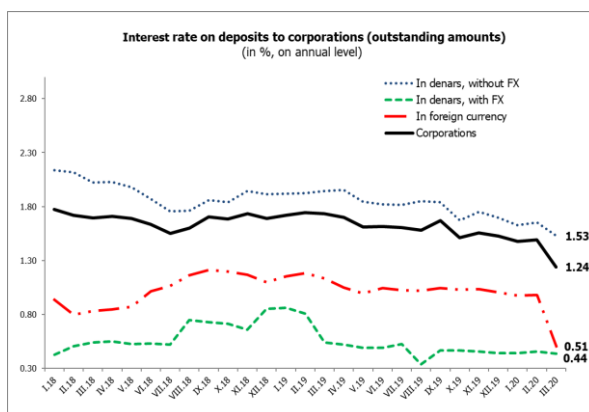
- In March, the average interest rate on the outstanding amounts of loans granted to the corporate sector registered a monthly fall of 0.03 percentage points and equaled 4.08%. The downward change is due to the fall in all components of this interest rate: interest rates on foreign currency loans and interest rates on denar loans with currency clause (of 0.03 percentage points, respectively), as well as interest rates on denar loans without currency clause (of 0.02 percentage points). On an annual basis, the interest rate on the outstanding amounts of loans granted to the corporate sector decreased by 0.46 percentage points.



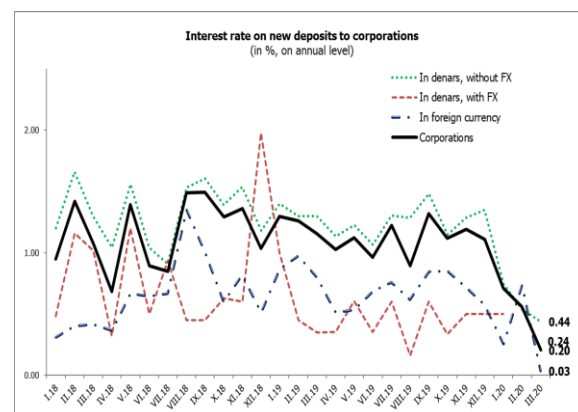
Source: NBRNM.



- This month, the interest rate on newly granted loans to the corporate sector decreased by 0.03 percentage points compared to the previous month and amounted to 3.79%. The monthly fall is explained by the cut of interest rates on denar loans without currency clause and interest rates on foreign currency loans (by 0.31 and 0.04 percentage points, respectively), while the interest rates on denar loans with currency clause increased (by 0.42 percentage points). On an annual basis, this interest rate decreased by 0.74 percentage points.



Source: NBRNM.



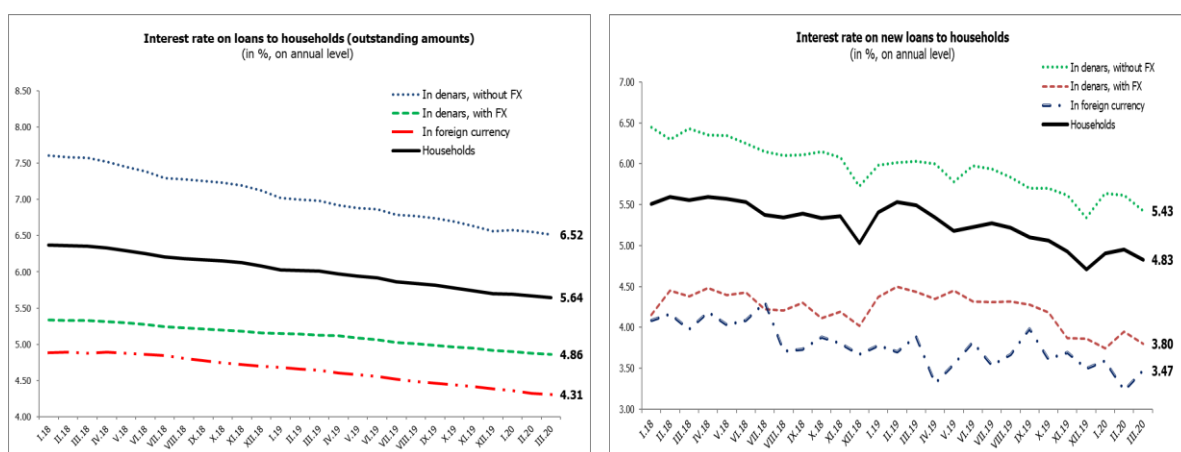
<sup>4</sup> For the purposes of this press release, the corporate sector includes non-financial corporations (public and other).



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- In March, the average interest rate on the outstanding amounts of corporate deposits equaled 1.24% and decreased by 0.25 percentage points, compared to last month. The decrease is a result of the decline in all components in this category, as follows: interest rates on foreign currency deposits (of 0.47 percentage points) and interest rates on denar deposits without and with currency clause (of 0.12 percentage points and 0.02 percentage points, respectively). On an annual basis, the interest rate on the outstanding amounts of corporate deposits decreased by 0.50 percentage points.
- In March, the interest rate on the newly received corporate deposits<sup>5</sup> decreased by 0.36 percentage points on a monthly basis and equaled 0.20%. The monthly decrease is due to the fall in the interest rates on foreign currency deposits and the interest rates on denar deposits without currency clause (of 0.70 percentage points and 0.10 percentage points). At the same time, the interest rate on denar deposits with currency clause equaled 0.24% in March, unlike the previous month when banks and savings houses have not received this type of deposits. Compared to the same period last year, this interest rate decreased by 0.95 percentage points.

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



Source: NBRNM.

- In March 2020, the average interest rate on the outstanding amounts of household loans equaled 5.64%, after a monthly fall of 0.03 percentage points. Analyzing the currency structure, the monthly change is explained by the reduction in all its components: interest rates on denar loans without currency clause (of 0.03 percentage points), interest rates on denar loans with currency clause and interest rates on foreign currency loans (of 0.01 percentage points, respectively). On an annual basis, the average interest rate on the outstanding amounts of household loans decreased by 0.37 percentage points.

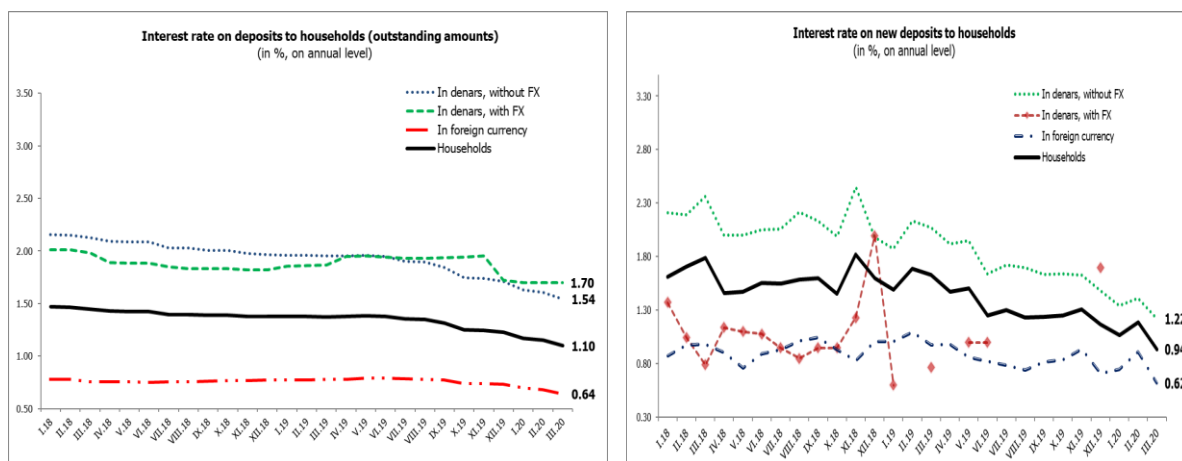
<sup>5</sup> The disruption in series of data on interest rates in denars with currency clause shown in the chart referring to interest rates on newly received deposits of the corporate sector reflects fact that in some months, banks and savings houses have not received such deposits from the corporate 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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- Compared to the previous month, the March interest rate on newly granted household loans decreased by 0.12 percentage points and equaled 4.83%. The fall results from the cut of interest rates on denar loans without and with currency clause (of 0.19 and 0.15 percentage points, respectively), in conditions of growth of interest rates on foreign currency loans (of 0.24 percentage points). On an annual basis, the average interest rate on newly granted household loans decreased by 0.66 percentage points.



Source: NBRNM.

- In March, the interest rate on the outstanding amounts of household deposits decreased by 0.05 percentage points on a monthly basis and amounted to 1.10%. The downward monthly change is completely a result of the lower interest rates on denar deposits without currency clause and interest rates on foreign currency deposits (by 0.07 and 0.04 percentage points), in circumstances when the interest rate on denar deposits with currency clause is unchanged. Compared to March last year, this interest rate decreased by 0.28 percentage points.
- In March, the interest rate on newly received household deposits<sup>7</sup> equaled 0.94%, after a monthly fall of 0.25 percentage points. The monthly decline is due to the reduced interest rates on foreign currency deposits (by 0.29 percentage points) and the reduced interest rates on denar deposits without currency clause (by 0.19 percentage points). This month, third in a row, banks and savings houses have not recorded newly received denar deposits with currency clause. On an annual basis, the average interest rate on newly received household deposits decreased by 0.69 percentage points.

<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 accepted such deposits from households.



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Statistics Department**

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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: 29 May 2020 (reference period as of April 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).