



11 June 2020

PRESS RELEASE

Household and non-financial corporate sector interest rates: April 2020¹

In April 2020, the average APRC on new housing loans fell slightly and that on personal loans declined more strongly due to regulatory changes. Seasonally adjusted new business volumes of both housing loans and personal loans fell significantly. Average interest rates on lending of up to EUR 1 million to non-financial corporations fell and those on loans of larger amounts rose.

Table 1: New business of loans and deposits to households

	Average interest rates on new business ² (percentage points)			New business volumes (HUF billions: non-seasonally adjusted data)			New business volumes (HUF billions: seasonally adjusted data)		
	Apr 2020	Month-on month change	Apr 2019	Apr 2020	Mar 2020	Apr 2019	Apr 2020	Mar 2020	Apr 2019
Forint housing loans	4,25	-0,02	5,03	69,1	85,1	84,4	72,1	89,4	88,1
up to one year initial rate fixation	3,42	-0,01	3,51	0,6	1,3	2,3			
over one year initial rate fixation	4,26	-0,02	5,07	68,6	83,8	82,1			
Forint general purpose mortgage loans	5,65	-0,20	6,98	5,6	7,1	5,8	6,1	6,5	6,3
up to one year initial rate fixation	5,50	1,09	4,95	0,1	0,2	0,4			
over one year initial rate fixation	5,65	-0,24	7,13	5,5	6,9	5,4			
Forint personal loans	5,88	-6,34	13,53	13,0	36,4	49,0	14,5	36,3	49,2
Forint deposits	0,37	0,07	0,27	233,5	209,4	214,0	221,9	206,4	209,3
Euro deposits with maturity up to 1 year	0,05	0,01	0,05	9,5	12,3	10,2	9,3	11,6	9,8

1) Loans with floating rate and up to 1 year initial rate fixation.

2) The table contains the average APRC for loans.

In April 2020, the average **APRC** on new *housing loans* fell slightly. Households concluded the large majority of new housing loan contracts with initial rate fixation of over one year. The average length of interest rate fixation was 114 months. The APRC on *personal loans* fell sharply relative to the previous month. This already reflected the effect of a discount APRC, effective until 31 December 2020, provided in a Government Decree on unsecured consumer loans concluded after 18 March 2020 (see the Methodological notes).

Seasonally adjusted **new business volumes** of *housing loans* and *personal loans* fell significantly, mainly reflecting the decline in demand caused by the Covid-19 pandemic.

Pursuant to Government Decree 44/2019 (III.12), new business volumes of loans to retail customers linked to the baby-expecting support amounted to HUF 46 billion in April. From the beginning of the Programme to the end of April households entered into such contracts with credit institutions in a total amount of HUF 689 billion.

¹ New lending to households and non-financial corporations does not include restructured loans. (For more details, see the Methodological notes.)

Average interest rates on households' *forint deposits* rose strongly and those on *euro deposits* increased slightly. Seasonally adjusted **new business volumes** of *forint deposits* increased and those of *euro deposits* fell.

Table 2: New business of loans and deposits to non-financial corporations

	Average interest rates on new business (percentage points)			New business volumes (HUF billions: non-seasonally adjusted data)			New business volumes (HUF billions: seasonally adjusted data)		
	Apr 2020	Month-on month change	Apr 2019	Apr 2020	Mar 2020	Apr 2019	Apr 2020	Mar 2020	Apr 2019
	Forint loans up to 1 million EUR ¹	2,94	-0,02	2,93	29,2	37,3	41,6	33,7	36,8
Euro loans up to 1 million EUR ¹	1,61	-0,35	1,89	5,2	5,8	4,1	5,5	5,9	4,3
Forint loans over 1 million EUR ^{1,2}	2,15	0,47	1,08	55,2	126,8	98,1	60,4	112,0	106,4
Forint loans over 1 million EUR excluding the impact of interest rates of money market contracts	2,15	0,24	1,53						
Euro loans over 1 million EUR ¹	1,70	0,06	1,41	23,4	34,1	70,3	30,6	36,5	90,3
Forint deposits	0,67	0,25	0,06	785,4	521,4	415,9	799,8	519,5	423,7
Euro deposits with maturity up to 1 year	0,02	0,00	0,01	10,9	8,3	32,8	8,5	7,8	25,8

1) Loans with floating rate and up to 1 year initial rate fixation.

2) The category of forint loans over 1 million EUR includes low-rates contracts - so-called money market contracts - as well. The proportion of these transactions changes from month to month, and the actual proportion largely influences the average interest rate developments.

Average interest rates on *forint* and *euro loans* of up to EUR 1 million to non-financial corporations fell. Average interest rates in the category of *forint* and *euro loans* of over EUR 1 million increased.

Seasonally adjusted **new business volumes** of both *forint* and *euro loans* of up to and over EUR 1 million to non-financial corporations fell.

Average interest rates on non-financial corporations' *forint deposits* rose and those on *euro deposits* were unchanged relative to the previous month. Seasonally adjusted **new business volumes** of *forint* and *euro deposits* rose.

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Detailed tables: [Time series](#)

Notes: [Methodological notes](#):

Charts: [Chart pack](#)

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