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PRESS RELEASE

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

In August 2020, the average APRC on new housing loans to the household sector remained unchanged and that on personal loans fell slightly. Seasonally adjusted new business volumes of housing loans increased. Average interest rates on forint lending to non-financial corporations fell.

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)		
	Aug 2020	Month-on month change	Aug 2019	Aug 2020	Jul 2020	Aug 2019	Aug 2020	Jul 2020	Aug 2019
Forint housing loans	4,33	0,01	5,03	70,2	79,6	68,6	69,9	66,1	64,8
up to one year initial rate fixation	3,70	0,49	3,59	0,6	0,9	2,0			
over one year initial rate fixation	4,33	0,01	5,08	69,6	78,6	66,6			
Forint general purpose mortgage loans	6,06	0,21	6,51	5,4	7,3	5,0	5,5	6,8	5,0
up to one year initial rate fixation	5,34	1,90	4,10	0,0	0,2	0,5			
over one year initial rate fixation	6,07	0,15	6,77	5,4	7,1	4,5			
Forint personal loans	5,69	-0,03	13,59	24,5	27,9	49,3	25,4	25,7	48,2
Forint deposits	0,31	-0,01	0,27	243,0	324,6	206,8	264,5	288,6	214,2
Euro deposits with maturity up to 1 year	0,05	0,00	0,04	11,7	12,4	10,7	11,4	12,5	11,1

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

2) The table contains the average APRC for loans.

In August 2020, the average **APRC** on new *housing loans* to the household sector remained unchanged. 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 112 months. The APRC on *personal loans* declined slightly.²

Seasonally adjusted **new business volumes** of *housing loans* rose and those of *personal loans* to the household sector decreased in August.

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 45.5 billion in August. From the beginning of the Programme to the end of August households entered into such contracts with credit institutions amounting to a total of HUF 888 billion.

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

²The low APRC on personal loans mainly reflects the effect of a discount APRC specified in a Government Decree on unsecured consumer loans concluded after 18 March 2020, effective until 31 December 2020 (see Methodological notes).

The **average interest rate** on households' *forint deposits* fell slightly and that on *euro deposits* remained unchanged. Seasonally adjusted **new business volumes** of *forint and euro deposits* fell relative to the previous month.

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)		
	Aug 2020	Month-on month change	Aug 2019	Aug 2020	Jul 2020	Aug 2019	Aug 2020	Jul 2020	Aug 2019
	Forint loans up to 1 million EUR ¹	2,64	-0,21	2,87	27,9	28,8	46,0	27,7	26,8
Euro loans up to 1 million EUR ¹	1,91	-0,17	2,32	2,6	2,9	3,6	2,7	2,7	3,7
Forint loans over 1 million EUR ^{1,2}	1,27	-0,07	0,92	65,0	67,6	113,0	65,5	81,7	113,3
Forint loans over 1 million EUR excluding the impact of interest rates of money market contracts	1,53	-0,06	1,28						
Euro loans over 1 million EUR ¹	2,08	0,09	1,06	12,1	23,4	67,9	14,7	27,1	79,7
Forint deposits	0,48	0,00	0,16	749,1	848,4	555,3	785,7	821,7	563,6
Euro deposits with maturity up to 1 year	-0,06	-0,18	0,01	10,2	24,1	10,3	12,4	20,9	12,5

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.

The **average interest rate** on *forint and euro loans* to non-financial corporations declined relative to the previous month, excluding the category of *euro loans* of over EUR 1 million. Conversely, the **average interest rate** on *euro loans* of over EUR 1 million rose.

Seasonally adjusted **new business volumes** of non-financial corporations' *forint loans* of up to EUR 1 million increased, and those of *euro loans* remained at the level seen in the previous month. By contrast, seasonally adjusted **new business volumes** of *forint and euro loans* of over EUR 1 million declined.

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

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Detailed tables: [Time series](#)

Notes: [Methodological notes:](#)

Charts: [Chart pack](#)

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