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PRESS RELEASE

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

In July 2020, the average APRC on new housing loans fell and that on personal loans decreased, consistent with the level maximised by regulatory standards. Seasonally adjusted new business volumes of housing loans increased. Average interest rates on forint lending to non-financial corporations fell and those on the sector's euro loans increased.

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)		
	Jul 2020	Month-on month change	Jul 2019	Jul 2020	Jun 2020	Jul 2019	Jul 2020	Jun 2020	Jul 2019
Forint housing loans	4,31	-0,08	5,02	79,6	67,6	77,9	66,0	58,4	64,6
up to one year initial rate fixation	3,21	-0,67	3,93	0,9	0,9	1,9			
over one year initial rate fixation	4,32	-0,07	5,05	78,6	66,7	76,0			
Forint general purpose mortgage loans	5,86	-0,10	6,76	7,3	7,3	6,1	6,9	6,2	5,7
up to one year initial rate fixation	3,43	-2,45	4,30	0,2	0,2	0,2			
over one year initial rate fixation	5,92	-0,04	6,87	7,1	7,1	5,8			
Forint personal loans	5,72	-0,15	13,77	27,9	23,9	53,0	25,8	24,4	48,0
Forint deposits	0,32	-0,21	0,25	324,6	518,2	227,1	298,9	395,0	215,3
Euro deposits with maturity up to 1 year	0,05	-0,01	0,07	12,4	10,6	10,3	12,5	11,2	10,2

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

2) The table contains the average APRC for loans.

In July 2020, the average **APRC** on new *housing loans* to the household sector 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 110 months. The APRC on *personal loans* fell, following the change in the central bank base rate, mainly reflecting 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).

Seasonally adjusted **new business volumes** of both *housing loans* and *personal loans* to the household sector increased in July.

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

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 55 billion in July. From the beginning of the Programme to the end of July households entered into such contracts with credit institutions amounting to a total of HUF 842 billion.

Average interest rates on households' *forint* and *euro deposits* fell in the month. Seasonally adjusted **new business volumes** of the sector's *forint deposits* decreased and that those of *euro deposits* increased slightly 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)		
	Jul 2020	Month-on month change	Jul 2019	Jul 2020	Jun 2020	Jul 2019	Jul 2020	Jun 2020	Jul 2019
Forint loans up to 1 million EUR ¹	2,83	-0,10	2,81	28,3	27,4	54,4	26,2	25,6	49,8
Euro loans up to 1 million EUR ¹	2,09	0,31	1,86	2,9	5,3	6,6	2,7	4,6	6,1
Forint loans over 1 million EUR ^{1,2}	1,34	-0,81	1,70	67,6	55,8	57,1	82,4	60,0	69,2
Forint loans over 1 million EUR excluding the impact of interest rates of money market contracts	1,59	-0,67	2,23						
Euro loans over 1 million EUR ¹	1,99	0,16	2,03	23,4	64,4	54,3	27,7	47,5	63,3
Forint deposits	0,48	-0,14	0,13	848,4	747,2	463,1	822,4	756,7	449,0
Euro deposits with maturity up to 1 year	0,12	0,13	0,28	24,1	22,3	25,3	22,6	28,7	25,0

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 and over EUR 1 million to non-financial corporations fell. By contrast, average interest rates on *euro loans* increased.

Seasonally adjusted **new business volumes** of *forint loans* of up to and over EUR 1 million to non-financial corporations increased. By contrast, seasonally adjusted **new business volumes** of *euro loans* in both value categories fell.

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

MAGYAR NEMZETI BANK
DIRECTORATE STATISTICS

Detailed tables: [Time series](#)

Notes: [Methodological notes:](#)

Charts: [Chart pack](#)

Contact information:

Phone: + 36 (1) 428-2750

Fax: + 36 (1) 429-8000

Email: sajto@mnb.hu