



3 November 2020

PRESS RELEASE

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

In September 2020, the average APRC on new *housing and personal loans* fell slightly with higher lending activity. *Seasonally adjusted new business volumes of housing and personal loans increased. Average interest rates on forint lending to non-financial corporations 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)		
	Sep 2020	Month-on month change	Sep 2019	Sep 2020	Aug 2020	Sep 2019	Sep 2020	Aug 2020	Sep 2019
Forint housing loans	4,28	-0,05	4,91	91,4	70,3	75,4	82,3	70,4	71,5
up to one year initial rate fixation	3,28	-0,33	3,96	0,9	0,7	1,8			
over one year initial rate fixation	4,29	-0,04	4,93	90,5	69,7	73,5			
Forint general purpose mortgage loans	5,98	-0,06	6,45	6,1	5,5	6,9	5,9	5,5	6,6
up to one year initial rate fixation	3,26	-2,07	4,93	0,3	0,0	0,6			
over one year initial rate fixation	6,12	0,08	6,59	5,8	5,4	6,3			
Forint personal loans	5,68	-0,01	13,70	28,8	24,5	50,6	25,8	25,4	47,2
Forint deposits	0,31	0,00	0,27	281,8	243,0	203,8	286,2	262,9	211,2
Euro deposits with maturity up to 1 year	0,05	0,00	0,07	12,3	11,7	10,7	11,6	11,5	11,0

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

2) The table contains the average APRC for loans.

In September 2020, the average APRC on new *housing loans* to the household sector fell. 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 115 months. The APRC on *personal loans* declined slightly.²

Seasonally adjusted **new business volumes** of *housing loans* rose more strongly than those of *personal loans* to the household sector, where the increase was less pronounced.

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).

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 53 billion in September. From the beginning of the Programme to the end of September households entered into such contracts with credit institutions amounting to a total of HUF 941 billion.

The **average interest rate** on households' *forint and euro deposits* remained unchanged. Seasonally adjusted **new business volumes** of *forint and euro deposits* rose 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)		
	Sep 2020	Month-on month change	Sep 2019	Sep 2020	Aug 2020	Sep 2019	Sep 2020	Aug 2020	Sep 2019
Forint loans up to 1 million EUR ¹	2,76	0,06	2,91	28,7	29,0	46,2	26,4	28,3	44,2
Euro loans up to 1 million EUR ¹	1,45	-0,46	2,37	4,0	2,6	4,1	3,8	2,7	3,9
Forint loans over 1 million EUR ^{1,2}	1,85	0,58	1,25	47,4	65,7	70,5	58,4	65,5	86,1
Forint loans over 1 million EUR excluding the impact of interest rates of money market contracts	2,40	0,88	1,74						
Euro loans over 1 million EUR ¹	0,88	-1,20	1,16	15,0	12,1	76,2	17,8	14,5	88,5
Forint deposits	0,45	-0,03	0,12	920,2	749,1	486,6	871,0	788,0	476,2
Euro deposits with maturity up to 1 year	-0,04	0,02	0,01	12,5	10,2	4,9	15,0	12,4	5,8

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 lending* to non-financial corporations rose relative to the previous month; however, those on *euro lending* declined in both threshold categories.

Seasonally adjusted **new business volumes** of *forint lending* to non-financial corporations fell, and those of *euro lending* rose.

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 and euro deposits* rose.

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Detailed tables: [Time series](#)

Notes: [Methodological notes:](#)

Charts: [Chart pack](#)

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