

PRESS RELEASE

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INTEREST RATES STATISTICS ^{1,2}

March 2024

Key Interest Rates and LTIR

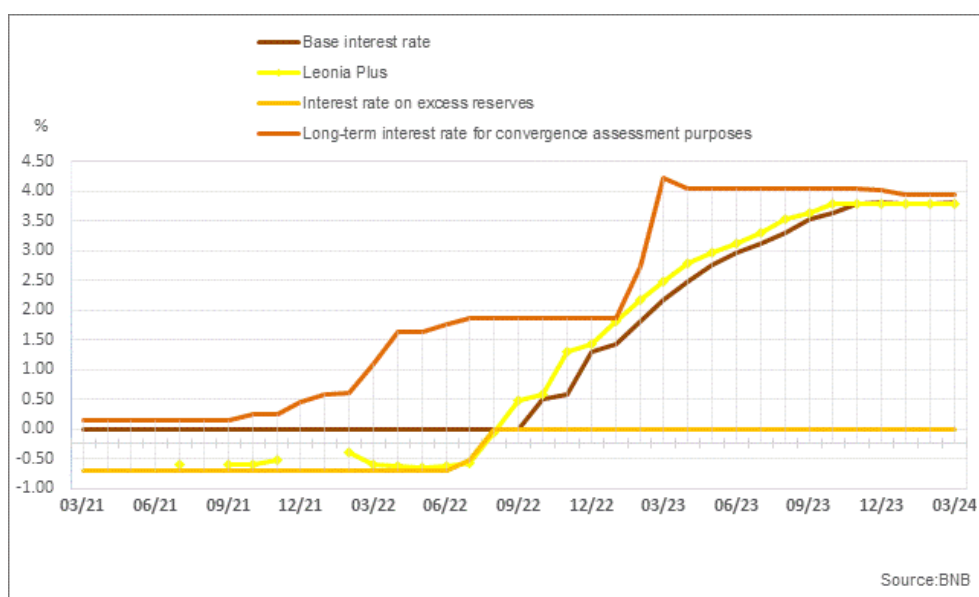
The *Base Interest Rate (BIR)*³ in March 2024 was 3.80%, increasing by 0.01 percentage points in comparison with February 2024.

In March 2024 the *LEONIA Plus*⁴ reference rate decreased by 0.01 percentage points to 3.79%.

The *Interest Rate on Excess Reserves* was 0.00% and retained its level compared to February 2024.

The *long-term interest rate for convergence assessment purposes (LTIR)* was 3.93% in March 2024 and remained unchanged in comparison with February 2024.

FIGURE 1: INTEREST RATES ON SELECTED INSTRUMENTS*



*Breaks in the series indicate the non-availability of the LEONIA Plus reference rate.

¹ The complete set of tables of interest rate statistics on deposits and loans to *Non-financial corporations* and *Households* sectors and the methodological notes are available on the website of the Bulgarian National Bank under section *Statistics/ Monetary and Interest Rate Statistics/ Interest Rate Statistics*. Based on additional information provided by banks the data on credits for the months of November and December 2023 have been revised. The revisions are indicated in the explanatory notes of the respective data tables.

² Cited changes refer to the previous period. Changes of less than 0.01 percentage points are not cited.

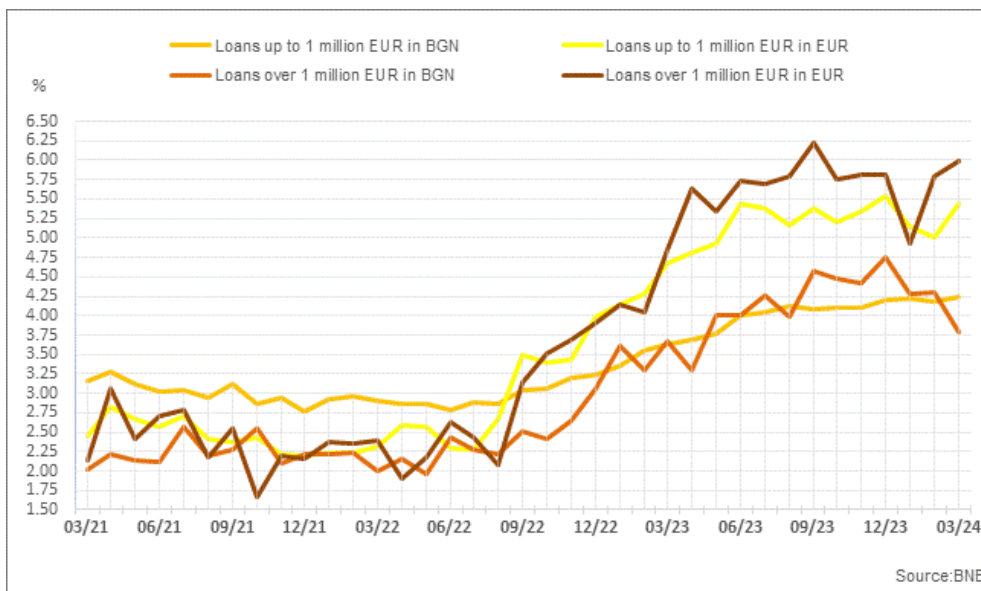
³ The *BIR* for the current month equals the simple average of the values of the index *LEONIA Plus* for the business days of the preceding calendar month, and when this simple average amounts to a value less than zero, the *BIR* is set to a value equal to zero.

⁴ A reference rate of concluded and effected BGN unsecured overnight deposit transactions in the interbank market in Bulgaria. Monthly values are calculated as a simple average of daily values. The *LEONIA Plus* reference rate is not available (n/a) in the cases in which no overnight unsecured deposit transactions have been effected in Bulgarian lev on the interbank market during the reporting period. Effective as of 1 July 2017 *LEONIA* was replaced by the *LEONIA Plus* reference rate as the basis for the calculation of the *Base Interest Rate*.

Loans

Non-financial corporations sector. In March 2024 the average interest rate on *loans up to 1 million EUR* agreed in BGN increased by 0.07 percentage points to 4.25%, while that on *loans over 1 million EUR* decreased by 0.52 percentage points to 3.79%. The average interest rate on *loans up to 1 million EUR* agreed in EUR rose by 0.43 percentage points to 5.45% and that on *loans over 1 million EUR* – by 0.20 percentage points to 6.00%. In March 2024, the average interest rate on BGN *overdraft* increased by 0.01 percentage points to 3.60% and that on EUR *overdraft* – by 0.03 percentage points to 5.45%.

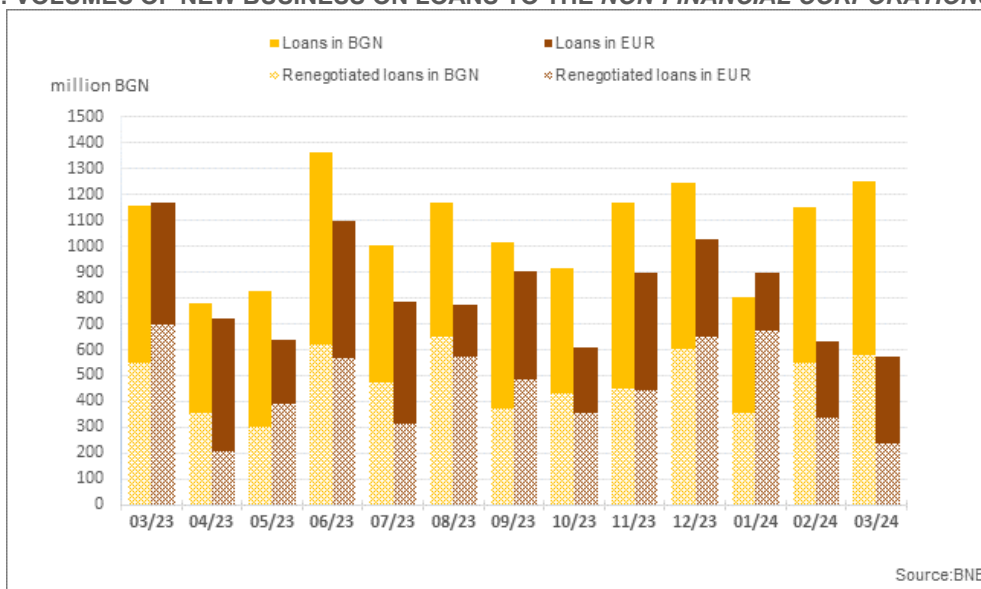
FIGURE 2: INTEREST RATES ON NEW BUSINESS ON LOANS TO THE NON-FINANCIAL CORPORATIONS SECTOR



The new business volume on *loans up to 1 million EUR* agreed in BGN increased by 4.8% (BGN 19.8 million) to BGN 432 million and that on *loans over 1 million EUR* – by 11.4% (BGN 83.9 million) to BGN 820.9 million. The volume of *renegotiated loans and loans for refinancing* agreed in BGN rose by 5.5% (BGN 30.1 million) to BGN 581.1 million.

The new business volume on *loans up to 1 million EUR* agreed in EUR increased by 34.5% (BGN 22.9 million) to BGN 89.1 million, while that on *loans over 1 million EUR* decreased by 14.4% (BGN 81.8 million) to BGN 485 million. The volume of *renegotiated loans and loans for refinancing* agreed in EUR declined by 29.1% (BGN 97.9 million) to BGN 238.1 million.

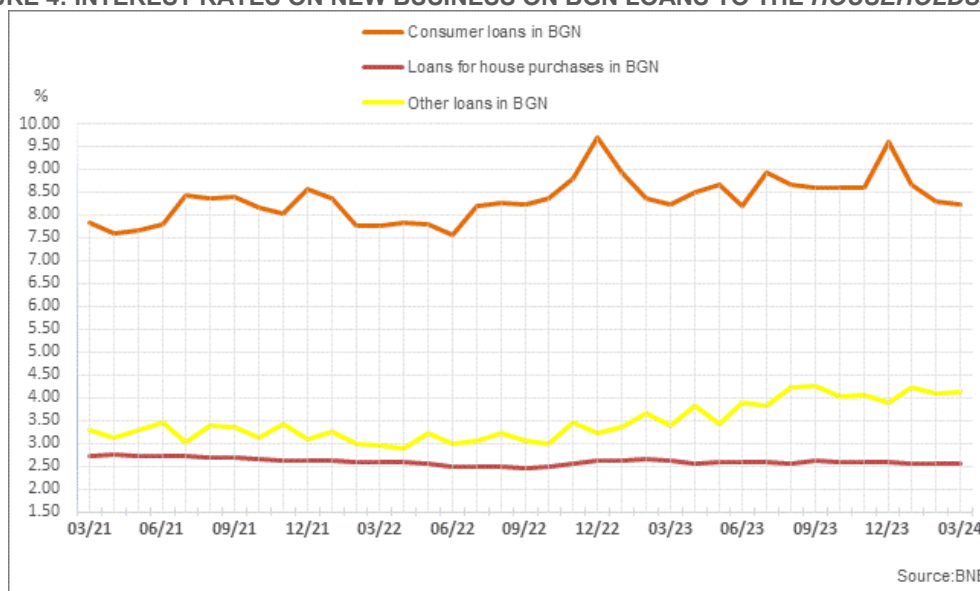
FIGURE 3: VOLUMES OF NEW BUSINESS ON LOANS TO THE NON-FINANCIAL CORPORATIONS SECTOR*



*The renegotiated loans include loans for refinancing.

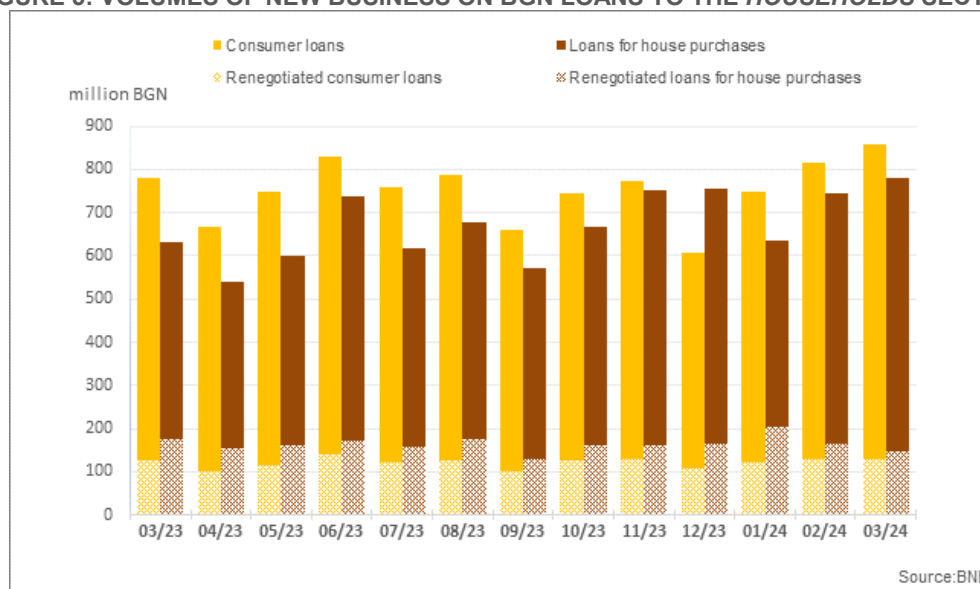
Households sector⁵. In March 2024 the average interest rate on BGN *consumer loans* decreased by 0.09 percentage points to 8.22% and the *Annual Percentage Rate of Charge (APRC)* on these loans – by 0.10 percentage points to 8.77%. The average interest rate on BGN *loans for house purchases* rose by 0.02 percentage points to 2.56%, while the respective *APRC* declined by 0.01 percentage points to 2.85%. The average interest rate on BGN *other loans*⁶ increased by 0.04 percentage points to 4.13%. The average interest rate on BGN *other loans* to *Sole Proprietors* declined by 0.14 percentage points to 3.99%. In March 2024 the average interest rate on BGN *overdraft* decreased by 0.02 percentage points to 14.78%, while that on BGN *extended credit card credit* increased by 0.05 percentage points to 21.05%.

FIGURE 4: INTEREST RATES ON NEW BUSINESS ON BGN LOANS TO THE HOUSEHOLDS SECTOR



The new business volume on BGN *consumer loans* rose by 5.3% (BGN 43.2 million) to BGN 859.6 million of which the volume of *renegotiated loans and loans for refinancing* – by 2.3% (BGN 3 million) to BGN 131 million. The volume of new business on BGN *loans for house purchase* increased by 4.3% (BGN 32.1 million) to BGN 778.6 million, while that of *renegotiated loans and loans for refinancing* decreased by 9.2% (BGN 15 million) to BGN 148.9 million. The new business volume of BGN *other loans* rose by 7.2% (BGN 1.4 million) to BGN 21.1 million and that of *renegotiated loans and loans for refinancing* – by 112.3% (BGN 4.2 million) to BGN 8 million. The volume of new business on BGN *other loans* to *Sole Proprietors* declined by 3.9% (BGN 0.7 million) to BGN 17 million.

FIGURE 5: VOLUMES OF NEW BUSINESS ON BGN LOANS TO THE HOUSEHOLDS SECTOR*



*The renegotiated loans include loans for refinancing.

⁵ The *Households* sector also includes the *Non-profit institutions serving households (NPISHs)* sector. Data on *consumer loans* and *loans for house purchases* refer to the *Households* sector only.

⁶ The *other loans* indicator also includes loans granted to associations of owners in accordance with the *National Programme for Energy Efficiency of Multi-family Residential Buildings*.

Deposits

Non-financial corporations sector. In March 2024 compared to February 2023 the average interest rate on BGN *deposits with agreed maturity* decreased by 0.70 percentage points to 1.37% and that on EUR *deposits with agreed maturity* – by 0.10 percentage points to 2.54%. The average interest rates on BGN *overnight deposits* rose by 0.01 percentage points to 0.05% and that on EUR *overnight deposits* – by 0.02 percentage points to 0.09%.

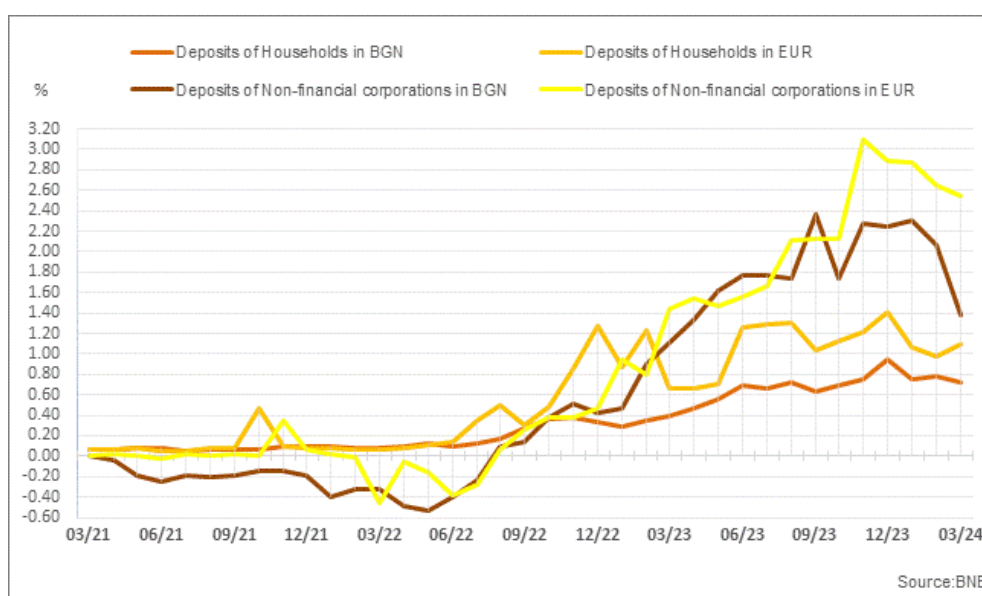
The new business volume on BGN *deposits with agreed maturity* decreased by 19.7% (BGN 92.7 million) to BGN 377.2 million, while that on EUR *deposits with agreed maturity* increased by 25.7% (BGN 115.5 million) to BGN 565.9 million.

Households sector⁵. In March 2024 the average interest rate on BGN *deposits with agreed maturity* declined by 0.05 percentage points to 0.72%, while that on EUR *deposits with agreed maturity* rose by 0.12 percentage points to 1.10%. The average interest rates on both BGN and EUR *overnight deposits* retained their levels at 0.01%.

The average interest rates on both BGN and EUR *deposits redeemable at notice* retained their previous month levels of respectively 0.10% and 0.15%.

The volume of new business on BGN *deposits with agreed maturity* decreased by 6.1% (BGN 14.5 million) to BGN 223.3 million, while that on EUR *deposits with agreed maturity* increased by 19.1% (BGN 31.5 million) to BGN 196.3 million.

FIGURE 6: INTEREST RATES ON NEW BUSINESS ON DEPOSITS WITH AGREED MATURITY OF THE NON-FINANCIAL CORPORATIONS AND HOUSEHOLDS SECTORS



INTEREST RATE STATISTICS

Selected Indicators

Key Interest Rates and LTIR					
	2023 March	2024 February	2024 March	Annual change	Monthly change
Base Interest Rate (<i>BIR</i>) ¹	2.17	3.79	3.80	1.63	0.01
LEONIA Plus ²	2.47	3.80	3.79	1.32	-0.01
Interest rates on Excess Reserves ³	0.00	0.00	0.00	0.00	0.00
Long-term interest rate for convergence assessment purposes (<i>LTIR</i>) ⁴	4.21	3.93	3.93	-0.28	0.00

¹ The *BIR* for the current month equals the simple average of the values of the index *LEONIA Plus* for the business days of the preceding calendar month, and when this simple average amounts to a value less than zero, the *BIR* is set to a value equal to zero.

² A reference rate of the concluded and effected BGN unsecured overnight deposits transactions in the interbank market in Bulgaria. Monthly values are calculated as the simple average of daily values. The index is not available (n/a) in the cases in which no overnight unsecured deposit transactions have been effected in Bulgarian leva on the interbank market during the reporting period. Effective as of 1 July 2017 *LEONIA* is replaced by the *LEONIA Plus* reference rate as the basis for the calculation of the *BIR*. Data up to June 2017 are for the *LEONIA* reference rate. As of July 2017 data are for *LEONIA Plus* reference rate.

³ The reporting period corresponds to the maintenance period, according to art. 8 (2) of Ordinance № 21 of the BNB of 26 November 2015 on the required minimum reserves that banks maintain with the BNB.

⁴ The *LTIR* is determined on the basis of the secondary market yield to maturity of a long-term government bond (benchmark bond) issued by the Ministry of Finance (*Central Government* sector) and denominated in the national currency. Monthly values are calculated as a simple average of daily values.

Loans ¹					
Non-financial corporations					
	2023 March	2024 February	2024 March	Annual change*	Monthly change*
<i>New business on loans other than overdraft agreed in BGN</i>					
Loans up to 1 million EUR, interest rates	3.63	4.18	4.25	0.61	0.07
Loans up to 1 million EUR, volumes in million BGN	426.8	412.2	432.0	1.2	4.8
Loans over 1 million EUR, interest rates	3.67	4.30	3.79	0.12	-0.52
Loans over 1 million EUR, volumes in million BGN	730.9	737.0	820.9	12.3	11.4
<i>renegotiated loans and loans for refinancing agreed in BGN, volumes</i>	548.4	550.9	581.1	6.0	5.5
<i>New business on loans other than overdraft agreed in EUR</i>					
Loans up to 1 million EUR, interest rates	4.68	5.02	5.45	0.76	0.43
Loans up to 1 million EUR, volumes in million BGN	102.2	66.2	89.1	-12.9	34.5
Loans over 1 million EUR, interest rates	4.84	5.80	6.00	1.16	0.20
Loans over 1 million EUR, volumes in million BGN	1069.1	566.8	485.0	-54.6	-14.4
<i>renegotiated loans and loans for refinancing agreed in EUR, volumes</i>	694.7	336.0	238.1	-65.7	-29.1
<i>Interest rates on outstanding amounts on overdraft and credit card credits</i>					
Overdraft ² in BGN	2.89	3.59	3.60	0.71	0.01
Overdraft ² in EUR	4.29	5.42	5.45	1.16	0.03
Households ³					
	2023 March	2024 February	2024 March	Annual change*	Monthly change*
<i>New business on loans other than overdraft agreed in BGN</i>					
consumer loans, interest rates	8.25	8.31	8.22	-0.03	-0.09
consumer loans, APRC	8.76	8.86	8.77	0.01	-0.10
consumer loans, volumes in million BGN	779.6	816.4	859.6	10.3	5.3
<i>o/w renegotiated loans and loans for refinancing, volumes</i>	124.8	128.0	131.0	5.0	2.3
loans for house purchases, interest rates	2.62	2.54	2.56	-0.07	0.02
loans for house purchases, APRC	2.85	2.86	2.85	0.00	-0.01
loans for house purchases, volumes in million BGN	630.9	746.5	778.6	23.4	4.3
<i>o/w renegotiated loans and loans for refinancing, volumes</i>	177.0	164.0	148.9	-15.9	-9.2
other loans, interest rates	3.39	4.09	4.13	0.74	0.04
other loans, volumes in million BGN	19.3	19.6	21.1	9.2	7.2
<i>o/w renegotiated loans and loans for refinancing, volumes</i>	1.9	3.8	8.0	320.7	112.3
<i>o/w loans other than overdraft to Sole Proprietors, interest rates</i>	3.28	4.12	3.99	0.71	-0.14
<i>o/w loans other than overdraft to Sole Proprietors, volumes in million BGN</i>	17.1	17.7	17.0	-0.5	-3.9
<i>Interest rates on overdraft and credit card credits, outstanding amounts</i>					
Overdraft ²	14.62	14.81	14.78	0.16	-0.02
of which credit card credit ³	20.74	21.00	21.05	0.31	0.05

¹ The interest rates are effective annual rates. They are average weighted with the volumes of new business throughout the reporting period or the outstanding amounts as of the end of the reporting period. Based on additional information provided by banks the data on credits for the months of November and December 2023 have been revised. The revisions are indicated in the explanatory notes of the respective data tables.

² Interest rates and volumes on new business and on outstanding amounts for overdraft coincide.

³ The *Households* sector also includes the *Non-profit institutions serving households (NPISHs)* sector. Data on *consumer loans* and *loans for house purchases* refer to the *Households* sector only.

⁴ The APRC comprises all the interest payments on a loan, as well as all fees, commissions and other charges a client must pay in order to obtain the loan.

⁵ Extended Credit Card Credit.

* Changes in volumes are expressed in percentage.

Source: BNB

Deposits¹

Non-financial corporations					
	2023 March	2024 February	2024 March	Annual change*	Monthly change*
Deposits with agreed maturity in BGN, new business					
interest rates	1.11	2.07	1.37	0.26	-0.70
volumes in million BGN	432.6	470.0	377.2	-12.8	-19.7
Deposits with agreed maturity in EUR, new business					
interest rates	1.43	2.64	2.54	1.11	-0.10
volumes in million BGN	482.4	450.4	565.9	17.3	25.7
Interest rates on overnight deposits, outstanding amounts					
Overnight ² deposits in BGN	0.01	0.04	0.05	0.04	0.01
Overnight ² deposits in EUR	0.01	0.07	0.09	0.08	0.02
Households ³					
	2023 March	2024 February	2024 March	Annual change*	Monthly change*
Deposits with agreed maturity in BGN, new business					
interest rates	0.40	0.78	0.72	0.33	-0.05
volumes in million BGN	175.6	237.8	223.3	27.2	-6.1
Deposits with agreed maturity in EUR, new business					
interest rates	0.67	0.98	1.10	0.43	0.12
volumes in million BGN	200.3	164.8	196.3	-2.0	19.1
Interest rates on overnight deposits, outstanding amounts					
Overnight deposits ² in BGN	0.01	0.01	0.01	0.00	0.00
Overnight deposits ² in EUR	0.01	0.01	0.01	0.00	0.00
Interest rates on deposits redeemable at notice, outstanding amounts					
Deposits redeemable at notice ² in BGN	0.11	0.10	0.10	-0.01	0.00
Deposits redeemable at notice ² in EUR	0.16	0.15	0.15	0.00	0.00

¹ The interest rates are effective annual rates. They are average weighted with the volumes of new business throughout the reporting period or the outstanding amounts as of the end of the reporting period.

² Interest rates and volumes on new business and on outstanding amounts coincide for overnight deposits and deposits redeemable at notice.

³ The *Households* sector also includes the *Non-profit institutions serving households (NPISHs)* sector.

* Changes in volumes are expressed in percentage.

Source: BNB.