National Bank of Serbia

ECONOMIC RESEARCH AND STATISTICS DEPARTMENT

TRENDS IN LENDING

Second Quarter Report 2025

Belgrade, August 2025

Introductory note

Trends in Lending is an in-depth analysis of the latest trends in lending, which aims to ensure better understanding of the conditions prevailing in the domestic lending market. It looks into lending developments, cost of borrowing by households and corporates and lending market conditions, by examining factors behind loan supply and demand.

Credit aggregates, as a quantified expression of movements in the lending market, are calculated based on banking sector balance sheet statistics as a source of data on the balance of domestic banks' loan receivables. Given the relatively high share of foreign currency-indexed loans in loan portfolios, the increment and growth rates are calculated excluding the effect of changes in the dinar exchange rate against other currencies in the loan portfolio.

The report also draws on the results of the bank lending survey conducted by the National Bank of Serbia (NBS) since early 2014. Participation in the survey is voluntary. This survey has greatly improved the understanding of developments in the domestic lending market, allowing insight into bankers' perception of actual and expected changes with regard to loan supply and private sector loan demand.

The report also relies on the results of the survey developed by the European Investment Bank in the context of the Vienna Initiative 2 to monitor deleveraging by cross-border banking groups and the resultant constraints on lending activity. This survey, conducted since October 2012 on a semi-annual basis, monitors subsidiaries of international banking groups in Central and South-Eastern Europe, focusing on their strategies, market conditions and expectations. The purpose of the survey is to observe the effects of movement in supply and demand on lending activity, and to gauge the impact of domestic and international factors on supply and demand conditions. Assets of banks participating in the survey on average account for 50% of total bank assets in the region.

ABBREVIATIONS

GDP– gross domestic product
ECB– European Central Bank
mn– million
bn– billion
y-o-y – year-on-year
NPL – non-performing loan
pp – percentage point
Q – quarter

Other generally accepted abbreviations are not cited.

Contents

Overview

Lending to the non-monetary sector recorded double-digit y-o-y growth rates in Q2, on account of more favourable borrowing costs and relaxed credit standards. Excluding the exchange rate effect, **in June, total domestic loans increased by 10.8% y-o-y**. The growth was driven **by household lending**, the y-o-y growth of which accelerated to 14.0%, and **corporate lending**, which went up by 7.1% in June from a year ago.

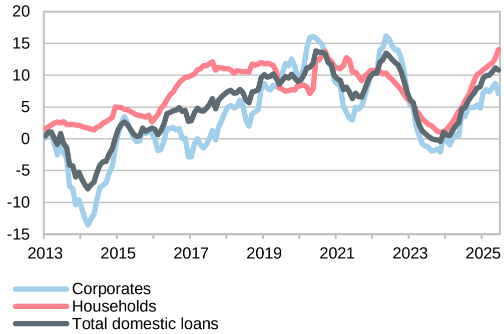
Total domestic bank receivables from the non-monetary sector (which, in addition to receivables under loans, include receivables under securities, interests and charges, as well as other receivables) posted similar y-o-y growth as loans (10.9% in June).

Corporate loans, excluding the exchange rate effect, rose RSD 65.6 bn or 3.9% in Q2, owing primarily to high disbursements in June. The rise in lending was driven entirely by corporate borrowing, specifically liquidity and working capital loans, followed by investment loans. By sector, trade companies borrowed the most, followed by companies operating in manufacturing, construction and real estate business. A cutback in borrowing was registered only for transport companies. A larger portion of the increment in Q2 (around 55%) pertained to loans to large enterprises, which pushed down the share of loans to micro, small and medium sized enterprises in total corporate loans to 60.3% in June, while their y-o-y rise decelerated to 9.0%.

Excluding the exchange rate effect, **household loans** increased by 5.5% or by RSD 90.9 bn in Q2, marking the highest quarterly increase since Q3 2008. This was a result of record high disbursements of cash loans, followed by the rise in housing loans which was supported by the approval of loans under the government programme of housing loans for youth. The rise in household loans was aided by mitigated lending standards, lower interest rates, banks' promotional offers, as well as the rise in wages.

In terms of quarterly averages, the interest rates on dinar and euro loans went further down in Q2, influenced by the previous NBS monetary policy easing and additional ECB rates lowering.

Total domestic loans recorded double-digit y-o-y growth in Q2
(y-o-y growth rates at the programme exchange rate, in %)



Source: NBS.

The average interest rate on dinar household loans in Q2 2025 dropped to 9.7% (from 10.0% in Q1), and on dinar corporate loans to 6.5% (from 6.7%). The average interest rate on euro loans went down for both households and corporates, to 4.9% in Q2, from 5.4% and 5.3%, respectively, in Q1.

The dinarisation of the total stock of corporate and household receivables increased in Q2, by 0.7 pp, to 38.5% in June, led by **higher dinar lending**. At the same time, the degree of dinarisation of corporate receivables went up to 22.0% in June (from 21.2% in March) and the degree of dinarisation of household receivables to 55.8% (from 55.5%). The growth in dinar corporate loans was favourably affected by the provisions of the Decision on Capital Adequacy of Banks, which sets out that starting from 2025, when calculating capital adequacy ratios, banks are required to reduce capital if the share of FX-indexed and FX loans and debt securities in total loans to the non-financial and non-government sector, approved after 1 July 2023, increased by the stock of the debt securities portfolio, exceeds the established threshold (71% in 2025).[1]

A rise in lending, coupled with the preserved bank asset quality, helped maintain the **share in NPLs in total loans in Q2 at the level of the March**

[1] It is stipulated that this threshold will further decrease to 64% in 2026, 57% in 2027, and 50% afterwards.

minimum (2.3%). This is yet another proof of the banking sector's financial soundness – a result of the strong regulatory framework for banks and adopted macroprudential policy measures, which were synchronised with monetary policy measures. NPL coverage remained high – allowances for impairment of total loans measured 112.4% of gross NPLs in June, while allowances for impairment of NPLs stood at 61.0% of gross NPLs.

The capital adequacy ratio at end-Q2 equalled 21.3%, indicating high capitalisation (regulatory minimum – 8.0%) and resilience of the banking sector to external and domestic risks.

I. Corporate sector

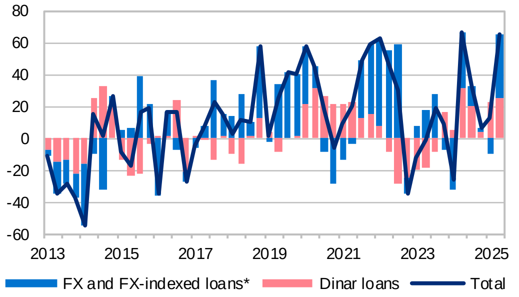
1. Corporate loans

The y-o-y rise in corporate loans measured 7.1% in June, excluding the exchange rate effect, **decelerating slightly from March (7.4%).** The rise in lending was a result of favourable borrowing costs and relaxed credit standards, while the negative impact of the maturity of guarantee scheme loans on the stock of loans weakened further. However, even though in June 2025, corporate loan growth was pronounced, it was still lower than in June 2024 (RSD 48.7 bn relative to RSD 70.0 bn), causing a deceleration in the y-o-y rise in corporate loans. Corporate loans account for 49.1% of bank receivables from the non-monetary sector. Nominally, their stock measured RSD 1,767.6 bn in June, while their share in GDP came at 17.8%, up by 0.4 pp from end-March.

Reflecting ample disbursements in June, **corporate loans added RSD 65.6 bn in Q2,** excluding the exchange rate effect. This growth refers entirely to companies' borrowing (RSD 75.9 bn), while loans to public enterprises decreased by RSD 10.3 bn. **By purpose**, the increase was driven by liquidity and working capital loans (RSD 42.0 bn), followed by investment loans (RSD 20.6 bn). Current account borrowing also went up. After a while, export loans were also approved, while import loan receivables dropped. As a result, the share of liquidity and working capital in total corporate loans went up by 0.6 pp in Q2, to 47.9% in June, while their stock was 8.2% higher than a year ago. At the same time, the share of investment loans declined by 0.4 pp, to 42.1%, while their y-o-y rise accelerated to 11.8% in June.

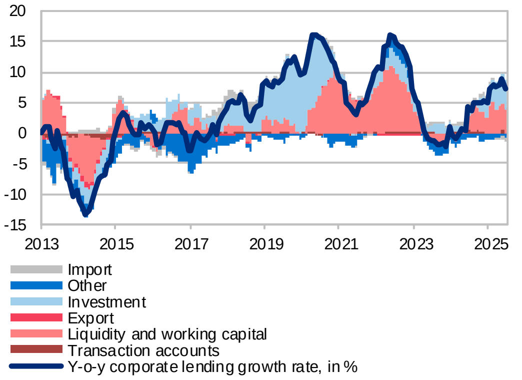
By sector, trade companies borrowed the most in Q2, followed by companies operating in manufacturing, construction and real estate business, while a fall in borrowing was recorded only for companies in the transport sector. The share of long-term loans in total corporate loans (with over one-year original maturity) declined to 81.9% in June (from 82.9% in March). **By enterprise size**, a larger portion of increment in Q2 (around 55%) pertained to loans to large enterprises, which pushed down the share of loans to micro, small and medium-sized enterprises in total corporate loans by 0.6 pp, to 60.3% in June, while their y-o-y rise decelerated to 9.0%.

Q2 saw a relatively high growth in corporate lending, around two-fifths of which relating to dinar loans
(increment, in RSD bn)



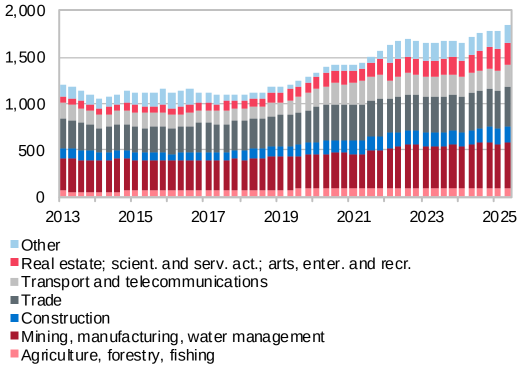
Source: NBS.
* Excluding the exchange rate effect.

Investment and working capital loans provided the highest contribution to the y-o-y growth in corporate loans in Q2
(in pp, excluding the exchange rate effect)



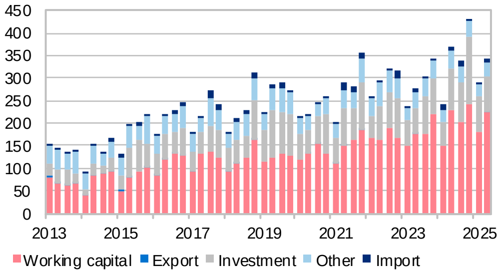
Source: NBS.

Loans to the manufacturing and trade sectors accounted for the bulk of receivables from corporates
(stock, in RSD bn)



Source: NBS.

Working capital and investment loans prevailed in Q2
(new loans, in RSD bn)



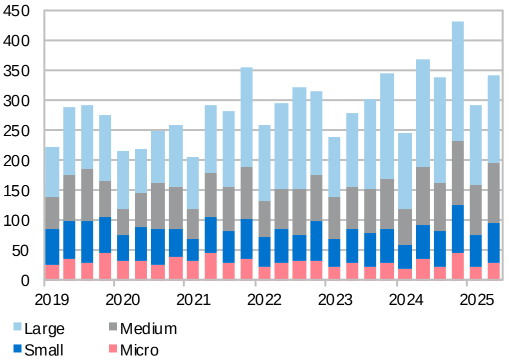
Source: NBS.

The volume of new corporate loans in Q2 amounted to RSD 341.8 bn, down by 7.7% compared to the same period of 2024. Liquidity and working capital loans remained dominant, accounting for two-thirds of new corporate loans. More than a half of these (54%) were used by small and medium-sized enterprises. Investment loans accounted for 22% of new loans and 72% of them were absorbed by micro, small and medium-sized enterprises.

Dinar loans accounted for around two-fifths of the increment in Q2, intensifying the **degree of dinarisation of corporate receivables** by additional 0.8 pp, to 22.0% in June. The growth in dinarisation was affected by the provisions of the Decision on Capital Adequacy of Banks, which sets out that starting from 2025, when calculating capital adequacy ratios, banks are required to reduce capital if the share of FX-indexed, FX loans and debt securities in total loans to the non-financial and non-government sector, approved after 1 July 2023, increased by the stock of the debt securities portfolio, exceeds the established threshold (71% in 2025).[2] The share of euro-indexed and euro receivables dropped to 78.0% in June (from 78.7% in March). In June, EURIBOR-linked loans accounted for almost 80% of FX and FX-indexed loans, with the bulk of them attached to the three-month EURIBOR. As for dinar corporate loans, 23% were linked to BELIBOR, mostly one- and three-month.

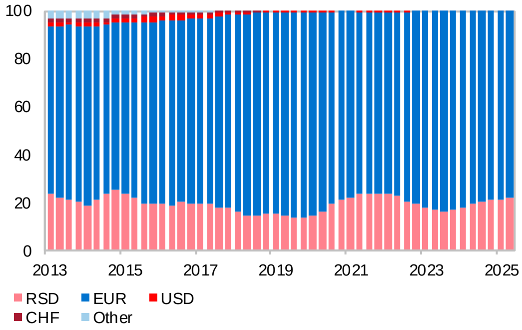
The share of NPLs in total corporate loans went slightly up in Q2, by 0.1 pp, to 1.7% in June. Looking at companies only, the share of NPLs in total loans increased by 0.1 pp to 1.9% in June. By sector, the share of NPLs moved between 0.3% for real estate businesses and 4.0% for agriculture. These low shares of NPLs indicate that economic support measures during the pandemic and beyond were adequate and timely. Hence, banks' asset quality was preserved even after they expired and the rise in the costs of repayment of outstanding corporate loans during the monetary policy tightening cycle did not push the NPLs up. **Relative to July 2015,**[3] i.e. immediately before the start of implementation of NPL Resolution Strategy, **the share of NPLs in total corporate loans went down by 23.3 pp.**

Loans to micro, small and medium-sized enterprises accounted for 43% of new loans in Q2
(in RSD bn)



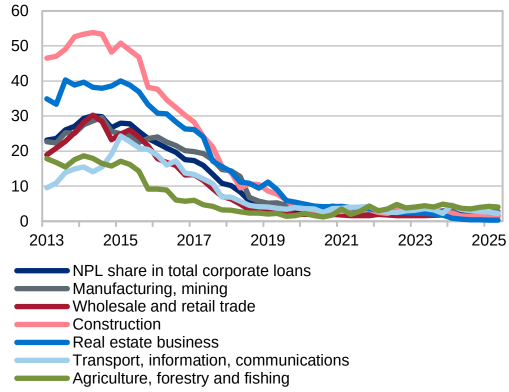
Source: NBS.

The rise in dinar loans contributed to a further increase in the dinarisation of receivables in Q2
(currency structure, in %)



Source: NBS.

NPL share continued to record low values in Q2
(gross principle, in %)



Source: NBS.

[2] It is stipulated that this threshold will further decrease to 64% in 2026, 57% in 2027, and 50% afterwards.

[3] Important factors contributing to the sharp fall in NPLs from 2016 onwards were the successful implementation of the NPL Resolution Strategy and implementation of the Decision on the Accounting Write-Off of Bank Balance Sheet Assets. In accordance with the Strategy, the NBS adopted the Action Plan (https://nbs.rs/en/scripts/showcontent/index.html?id=8678), aimed at strengthening banks' capacity for NPL resolution and contributing to the development of the NPL market. The activities envisaged by the Action Plan have been fully implemented, in some cases even before the deadline.

2. Cost of corporate borrowing

In terms of quarterly averages, the interest rates on dinar and euro loans went further down in Q2, influenced by the previous NBS monetary policy easing and additional ECB rate cuts. The decline in interest rates started already at end-2023 owing to banks' expectations that the NBS and the ECB would soon open the monetary policy relaxation cycle. The decline intensified in June 2024 when the monetary policy relaxation commenced.

The weighted average rate on new dinar corporate loans went down by 0.2 pp in Q2, to 6.5%.[4] The fall was driven by lower interest rates on liquidity and working capital loans (by 0.1 pp, to 6.3%) and other non-categorised loans (by 0.5 pp, to 7.0%), while the rate on investment loans stayed unchanged (7.3%). By the enterprise size, the cost of borrowing for enterprises of all sizes dropped. The average interest rate moved from 6.0% for medium-sized enterprises, over 6.3% for small and 6.5% for large enterprises, to 7.9% for micro enterprises.

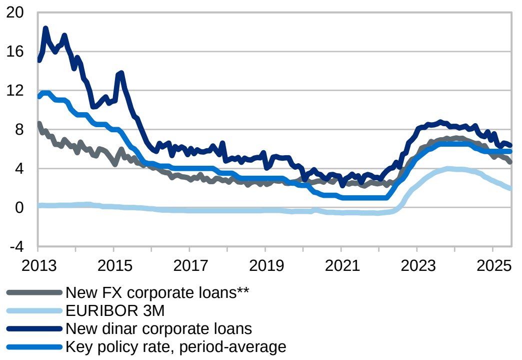
The weighted average interest rate on new euro and euro-indexed corporate loans dropped in Q2, by 0.4 pp, to 4.9%, along with the decline in interest rates on loans for all purposes. The interest rates on liquidity and working capital loans went down by 0.5 pp, to 4.7%, on investment loans by 0.1 pp, to 5.4%, on import loans by 0.7 pp, to 4.2% and on other non-categorised loans by 0.4 pp, to 5.0%. By company size, the cost of borrowing went down for enterprises of all sizes, with the average interest rate ranging from 4.6% for large to 6.1% for micro enterprises.

3. Assessment of loan supply and demand – based on the results of bank lending survey

The July NBS bank lending survey shows that banks relaxed their credit standards for dinar corporate loans in Q2, while tightening the standards for FX-indexed loans. Though most factors worked towards standards tightening, some banks assessed that special campaigns targeting clients and the provision of funds from more favourable sources (within "other factors") worked towards standard easing. This resulted in the **overall assessment that corporate standards were eased**. Banks expect similar standard easing into Q3.

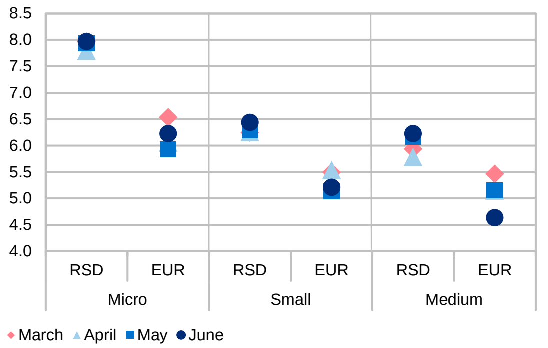
In Q2, banks further lowered their interest margins and fees and commissions for enterprises of all sizes and some banks extended loan maturity. On the other

Corporates continued to borrow at favourable interest rates in Q2*
(weighted average values, p.a., in %)



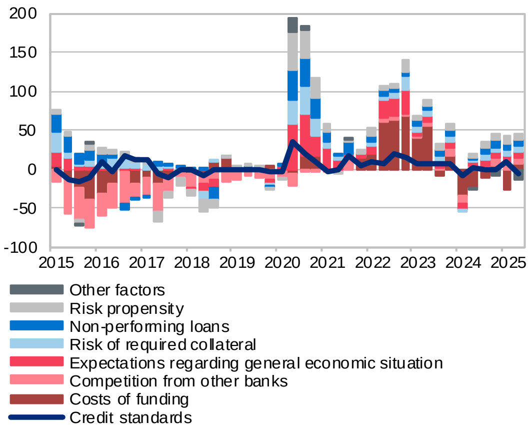
Sources: NBS and European Banking Federation.
* Excluding revolving loans, current account overdrafts and credit card debt.
** Euro and euro-indexed.

The sharpest drop in the cost of borrowing in Q2 was recorded for medium-sized enterprises's borrowing in euros
(weighted average values, p.a., in %)



Source: NBS.

Targeted campaigns and the provision of funds from more favourable sources were the factors behind the overall assessment that corporate credit standards were eased in Q2
(in net %)



Source: NBS.
Note: Growth indicates the tightening and decline indicates the easing of credit standards.

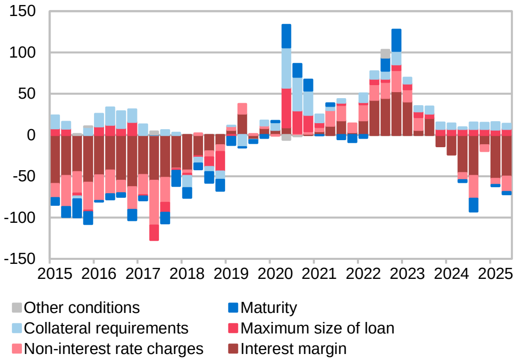
[4] End-of-period, the weighted average interest rate on dinar corporate loans went slightly up in Q2, by 0.1 pp, to 6.4% in June.

hand, collateral requirements were tightened additionally and the maximum loan amount was reduced.

Banks estimated that in Q2 **corporate demand for dinar and FX-indexed loans increased almost equally**, with the rise in demand driven by the financing of working capital and being more pronounced in the segment of small and medium-sized enterprises. On the other hand, internal company financing and loans from other banks and non-bank institutions worked in the opposite direction. Banks anticipate that corporate loan demand will go up in Q3 on account of financing of working capital and investments.

Interest margins declined in Q2, as well as fees and commissions, while loan maturity was extended

(in net %)

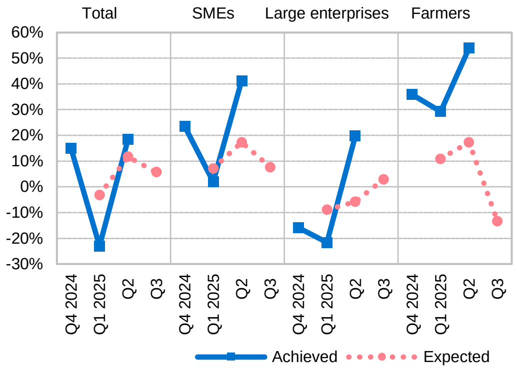


Source: NBS.

Note: Growth indicates the tightening and decline indicates the easing of credit standards.

Corporate loan demand rose in Q2 above expectations from the previous survey

(in net %)



Source: NBS.

* Positive value indicates an increase in demand, and negative value indicates a decrease.

II. Household sector

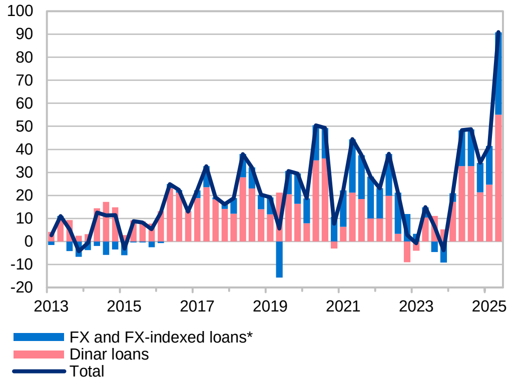
1. Household loans

Household lending growth accelerated further in Q2, reaching 14.0% y-o-y in June excluding the exchange rate effect (compared to 11.6% in March), owing to further easing of credit standards, higher household loan demand and more favourable financing conditions. In nominal terms, the stock of household loans came at RSD 1,749.8 bn in June, accounting for 48.6% of banks' loan receivables from the non-monetary sector. The share of household loans in GDP went up in Q2, by 0.7 pp, to 17.6% in June.

Household loans, excluding the exchange rate effect, **increased in Q2 by RSD 90.9 bn,** which is the highest quarterly increment since Q3 2008. This was thanks to the record high disbursement of cash loans (RSD 46.8 bn), followed by housing loans (RSD 32.2 bn) – supported by the approval of loans under the youth programme – which accounted for two-fifths of the increment. Household borrowing under the following loan categories also increased: consumer loans by RSD 2.4 bn, credit cards by RSD 1.0 bn and current accounts by RSD 0.6 bn. The rise in household loans was supported by mitigated lending standards, lower interest rates, banks' promotional offers, as well as the rise in wages. Such developments boosted the share of cash loans in total household loans in Q2 by 0.3 pp to 46.7% in June. The next dominant category are housing loans with a 38.2% share. Since April this loan category has been recording double-digit y-o-y growth which measured 12.6% in June. The share of consumer loans (2.0%), credit card borrowing (1.8%) and current account overdrafts (1.2%) in total household loans stayed unchanged in Q2. At the same time, the stock of liquidity and working capital loans granted to entrepreneurs increased by RSD 6.1 bn, and of investment loans by RSD 2.0 bn.

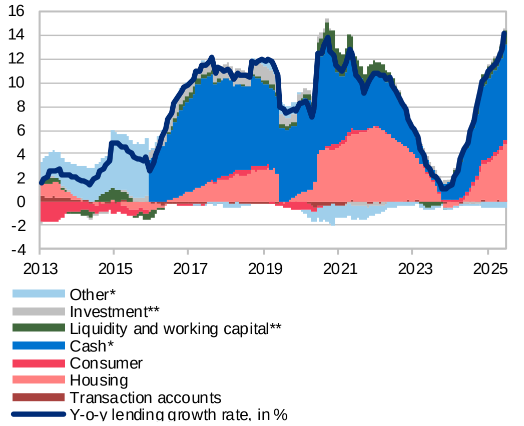
The NBS extended the interest rate caps on housing loans into 2025 so these rates will not exceed 5%. The interest rates on cash and consumer loans were also limited, as well as credit card borrowing and current account overdrafts. The cap was first prescribed by an NBS Decision[5] and then by the new Law on the Protection of Financial Service Consumers[6] which

Household loans posted record high growth in Q2
(increment, in RSD bn)



Source: NBS.
* Excluding the exchange rate effect.

Cash and housing loans provided the greatest contribution to the y-o-y growth in household lending in Q2
(in pp, excluding the exchange rate effect)



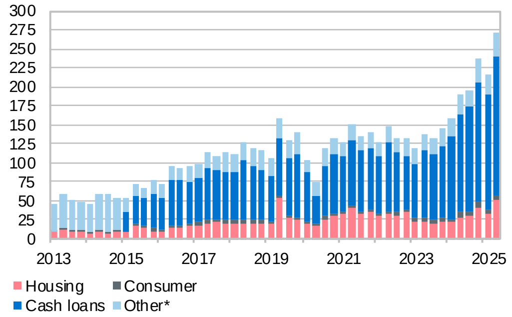
Source: NBS.
* Until December 2015, the contribution of cash loans is shown within the contribution of other loans.
** Loans extended to entrepreneurs.

[5] Decision on Temporary Interest Rate Cap on Loan Agreements Concluded with Natural Person Consumers (RS Official Gazette, No 102/2024).

[6] RS Official Gazette, No 19/2025.

entered into force in mid-March.[7] The approval of housing loans was supported by previous amendments to regulations as well. Since 2020, the approval of loans for first-time home buyers in the amount of up to 90% (instead of 80%) of the estimated value of the real estate bought has been permanently allowed. The amendments to regulations from December 2024 enabled the implementation of the government youth programme. This programme defines that the down payment for financing the purchase of a real estate can be 1% with the lower risk weight (35%) on the entire exposure based on the housing loan approved under the government programme for supporting young first-time homebuyers. As for loans for other purposes, since December 2022, the rescheduling of cash, consumer and other loans without a specific purpose was enabled permanently without any repercussions for the banks' capital. In addition, the application of the measure enabling the approval of consumer loans up to RSD 90,000 under a simplified procedure was extended until the end of June 2025.

Cash loans accounted for the bulk of new loans in Q2
(new loans, in RSD bn)

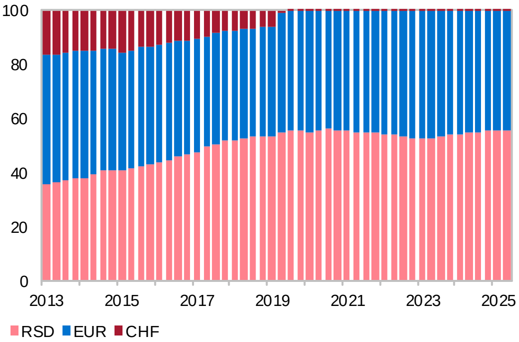


Source. NBS.
* Until December 2014, the 'other loans' category implied cash and other loans together.

The volume of new household loans amounted to RSD 270.6 bn in Q2, up by 42.0% y-o-y owing to a higher amount of new cash and housing loans. Cash loans were dominant, accounting for a bit over two-thirds of new household loans, followed by housing loans with an 18% share.

Households continued to take loans predominantly in dinars (dinar loans accounted for somewhat more than three-fifths of the increase in household loans in Q2), boosting the **dinarisation of household receivables**[8] by additional 0.3 pp, to 55.8% in June. At the same time, the share of euro receivables dropped to 44.2% (from 44.4% in March), while the share of receivables in Swiss francs (0.1%) remained unchanged. In the structure of FX and FX-indexed household loans, 60% of loans were linked to EURIBOR, mostly six-month. Housing loans with a fixed rate exhibited growth tendency since interest rate caps have been introduced (September 2023) – the share of fixed rate loans increased from below 20% in September 2023, to 37% in June this year. In the structure of dinar household loans, around 89% of loans were granted at a fixed rate, while the most dominant loans among those approved at a variable rate were loans linked to the three-month BELIBOR.

Dinarisation of household receivables amounted to 55.8% in June owing to the fact that households borrowed dominantly in dinars in Q2
(currency structure, in %)



Source: NBS.

In Q2, the share of NPLs in total household loans contracted by additional 0.2 pp and fell to a new minimum of 3.0% in June[9]. This share went down

[7] For more details, see the *Inflation Report – May 2025*, Text box 1.
[8] Including non-profit institutions and entrepreneurs.
[9] Including natural persons, entrepreneurs and private households.

for almost all loan categories. In June it measured only 1.2% for housing loans. The lowest levels of NPL ratios suggest that NBS and government measures were timely and that they helped avert a more serious adverse impact of the crises we have been facing in the past five years on citizens' creditworthiness. Compared to the period just before the adoption of the NPL Resolution Strategy, the NPL share in the household sector is lower by 9.1 pp.

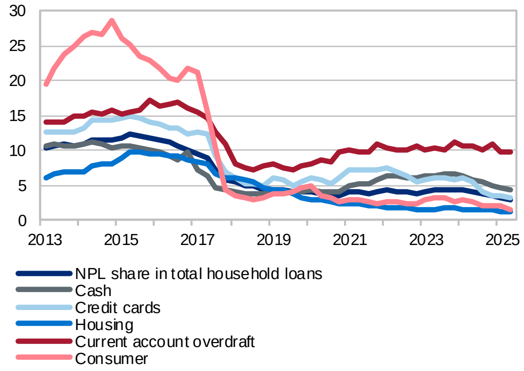
2. Cost of household borrowing

Past NBS monetary policy easing and continued reduction in ECB main rates reflected on a further decline in the cost of household dinar and euro borrowing in Q2. In addition, interest rate caps still apply to housing and other loans to natural persons, cash and consumer loans included. The introduced rate caps for cash and consumer loans are more of a protection from charging high interest rates to some clients since market rates are currently below these caps.

The weighted average rate on new dinar household loans went down to 9.7% in Q2 from 10.0% in Q1. The decline in the average rate was driven by lower rates on cash loans (by 0.3 pp, to 9.8%) as well as housing loans[10] (by 1.0 pp, to 9.3%). On the other hand, the rates on consumer loans went up (by 0.2 pp to 3.0%), as well as on other non-categorised loans (by 0.3 pp to 10.0%).

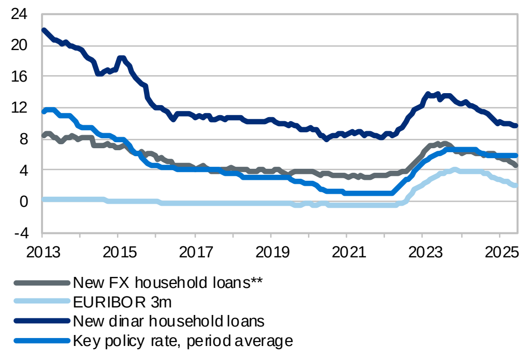
The weighted average interest rate on new euro-indexed household loans dropped to 4.9% in Q2 (from 5.4% in Q1), with the rates going down in the case of almost all loans. The decline in the rate on housing loans was the most pronounced (by 0.5 pp, to 4.5%), followed by the rate on other non-categorised loans (by 0.4 pp, to 6.5%) and consumer loans (by 0.3 pp, to 5.6%). Only the rate on cash loans increased (from 3.3% to 3.4%), but these loans have a very little share in total euro loans.

NPL share in household loans fell to a new minimum level at end-Q2
(gross principle, in %)



Source: NBS.

Interest rates on household loans dropped further in Q2*
(weighted average values, p.a., in %)



Sources: NBS and European Banking Federation.
* Excluding revolving loans, current account overdrafts and credit card debt.
** Euro and euro-indexed.

[10] Loans used for refurbishment of apartments and energy efficiency which are more expensive than loans used for the purchase of apartments.

3. Assessment of loan supply and demand – based on the results of bank lending survey

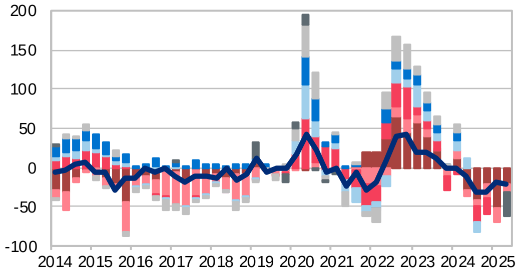
According to the July NBS bank lending survey, banks continued to ease standards for household loans in Q2, mostly for FX-indexed housing and consumer loans, as well as for dinar cash and refinancing loans. Household credit standard easing was driven by the lower costs of funding sources and competition, while some banks believe that the programme of subsidised housing loans for youth also provided an important contribution. The same factors should work towards further standard easing in Q3.

According to the survey, interest margins went further down in Q2, almost equally for dinar and for FX-indexed loans. Down payment requirements were eased, and loan maturity was extended after a longer period. On the other hand, fees and commissions for dinar loans increased, while mortgage value and required collateral were not changed.

Household loan demand went up in Q2. The rise was the most pronounced for FX-indexed housing loans, followed by dinar cash loans and refinancing loans, as well as consumer loans. Banks estimate that the rise in demand was driven by the need for refinancing of existing loans, procurement of durable consumer goods, purchase of real estate and higher wages, while some stated that the cap on interest rates in line with the Law on the Protection of Financial Service Consumers also pushed the demand up. Banks expect further growth in household loan demand in Q3.

Lower costs of funding sources and greater competition were the drivers of credit standards easing in Q2

(in net %)

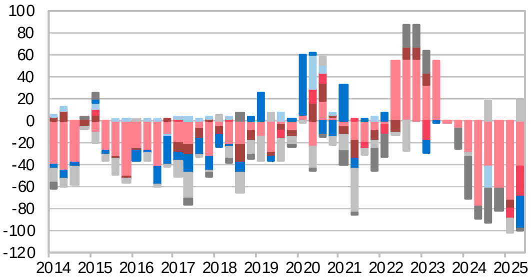


Source: NBS.

Note: Growth indicates the tightening and decline indicates the easing of credit standards.

Most lending conditions were more favourable in Q2

(in net %)

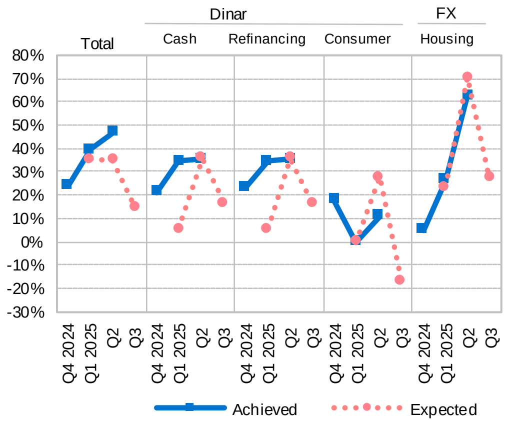


Source: NBS.

Note: Growth indicates the tightening and decline indicates the easing of credit standards.

Household loan demand increased in Q2 more than expected in the previous survey

(in net %)



Source: NBS.

* Positive value indicates an increase in demand, and negative value indicates a decrease.

Addition: Interest rate caps

Nominal interest rate caps

Duration	Type of loan	Basis for calculation	Increase
2025 - onwards	Other variable-rate loan categories	weighted average interest rate on existing loans	+1/4
2025	Housing loans	5.00%	
2026 - 2027	Variable-rate housing loans	weighted average rate on existing variable-rate loans	+1/5
	Fixed-rate housing loans	weighted average rate on new fixed-rate loans	+1/5
2028 - onwards	Variable-rate housing loans	weighted average rate on existing variable-rate loans	+1/4
	Fixed-rate housing loans	weighted average rate on new fixed-rate loans	+1/4

Source: NBS.

Current nominal interest rate caps*

	Housing loans (variable and fixed rate)		Other loans (variable rate)	
	RSD	EUR	RSD	EUR
Weighted average nominal interest rate as at 31 March 2025	4.96%	4.92%	11.00%	5.57%
Nominal interest rate cap	5.00%	5.00%	13.75%	6.96%

* Interest rate caps apply from 1 June until 30 November 2025.
Source: NBS.

Previous nominal interest rate caps*

	Housing loans (variable and fixed rate)		Other loans (variable rate)	
	RSD	EUR	RSD	EUR
Weighted average nominal interest rate as at 31 January 2025	4.99%	4.93%	11.26%	5.58%
Nominal interest rate cap	5.00%	5.00%	14.08%	6.98%

* Interest rate caps applied until 31 May 2025.
Source: NBS.

Methodological notes

- Loans imply bank receivables under the loan principal.
- Receivables imply receivables under loans, interests and charges, paid deposits, securities and shares of companies.
- All types of receivables are expressed according to the gross principle, i.e. not reduced by allowances for impairment.
- Dinar receivables are receivables extended in dinars without an FX-clause. The FX clause implies a currency clause that defines hedging against changes in the dinar exchange rate.
- When excluding the exchange rate effect, the calculation is based on the original currency composition and the exchange rate of the dinar against the euro, the US dollar and the Swiss franc as at 30 September 2024.
- New business includes all financial arrangements (credits and deposits) the terms of which are agreed for the first time during the reporting month, as well as all existing contracts the terms of which were re-agreed (through annexes), with the active participation of the client.
- The sectoral classification of monetary statistics is used. The corporate sector includes public enterprises, companies and the non-financial sector in bankruptcy, while the household sector includes citizens, entrepreneurs, private households with employed persons and registered farmers. By way of exception:
  - with newly-approved loans, the household sector includes non-profit institutions serving households (in accordance with the ECB methodology);
  - with non-performing loans, the corporate sector includes public enterprises and companies.
- The term non-performing loans implies the stock of the total outstanding debt under individual loans (including the amount of arrears):
  - where the payment of principal or interest is past due (within the meaning of the decision on classification of balance sheet assets and off-balance sheet items) over 90 days;
  - where 90 days of interest payments have been attributed to the loan balance, capitalized, refinanced or delayed;
  - where payments are less than 90 days overdue, but the bank assessed that the borrower’s repayment ability has deteriorated and doubts that the payments will be made in full.