

Nordea changes the limit for negative interest rates for personal customers

It may seem illogical that you have to pay for having your money deposited in an account, but that is the consequence of the historically low interest rate environment which has characterised the Danish economy for many years.

Changed limits for payment of negative interest rates from 1 January 2021

Due to the persistently low interest rate level – and with prospects of negative interest rates for a long time to come – Nordea's limit for charging personal customers a negative interest rate will be adjusted from DKK 750,000 to DKK 250,000. This means that you may have a maximum total balance of DKK 250,000 on your deposit account(s) without being charged a negative interest rate.

From 1 January 2021 pension savings will also be subject to negative interest rates. You may have a maximum total balance of DKK 100,000 per pension account without being charged a negative interest rate.

If you do not have your NemKonto with us, the negative interest rate will apply to your total deposits. Exempted are customers under the age of 28, customers with home loans, Premium Banking customers, corporate customers and if your cohabiting partner is a customer of Nordea and has a NemKonto with the bank.

The new limits apply from 1 January 2021.

Until 1 January 2021 you may have up to DKK 750,000 distributed on your deposit accounts without paying a negative interest rate.

When will the negative interest rate be charged?

The negative interest rate for personal customers is currently -0.60%.

The first time negative interest will be charged based on the new limits (that is all other accounts than pension accounts) is 31 March 2021. The payment covers the first quarter and is debited to one account.

For pension accounts the interest rate is charged for the first time on 31 December 2021. The amount is debited directly to the account concerned.

Focus on your options

Our best advice to you is to discuss your options with us. You have plenty of time to consider your alternatives before the new limits take effect from the turn of the year.

Perhaps you would like to repay some of your loans, invest your money, set aside more money for pension savings, renovate your home or something else. We are naturally ready to have a dialogue with you about your options.

The crucial factor is to find the solutions that are best suited to your specific situation and finances.