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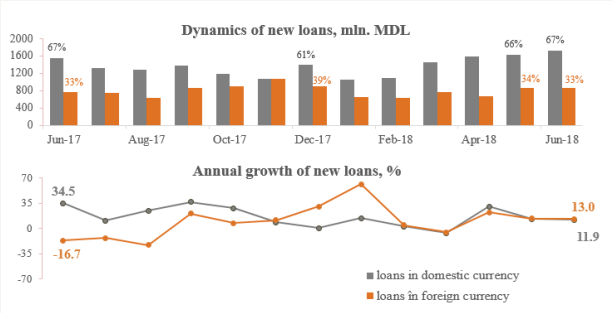
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20.07.2018

Credits and deposits market in June 2018

In June 2018, new loans[1] extended by banks totalled MDL 2,604.1 million, recording an increase of 12.2%, compared to June 2017.

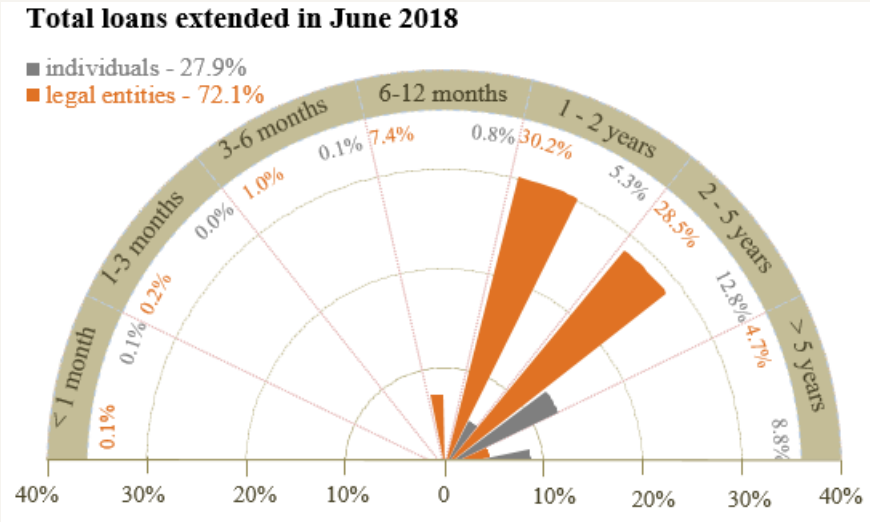


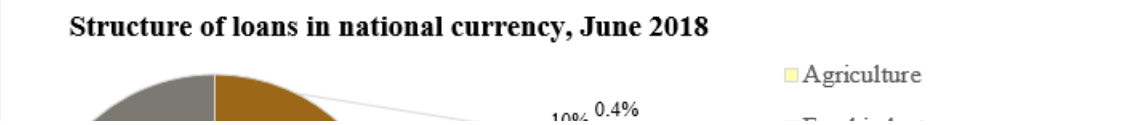
-- Domestic and foreign currency loans accounted for 66.6% and 33.4%, respectively, of total loans extended.

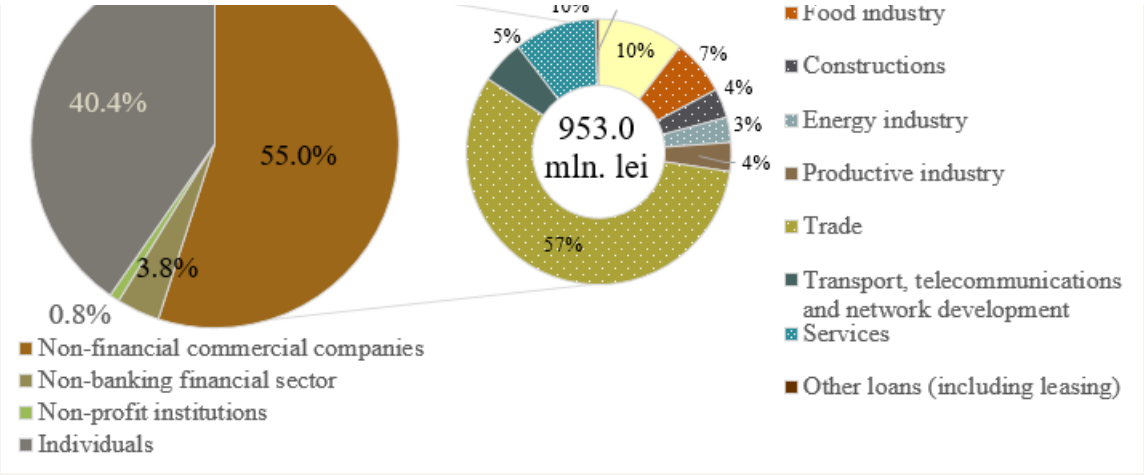
- Domestic currency loans totalled MDL 1,733.4 million (+6.2% compared to the previous month or +11.9% compared to June 2017).
- Foreign currency loans[2] recalculated in MDL, totalled MDL 870.7 million (+1.7% compared to the previous month or +13.0% compared to June 2017).

- In terms of maturity, loans with maturity ranging from 2 to 5 years recorded highest demand (41.3% of total loans extended), out of which the largest share of 28.5% was held by legal entities loans.
- Domestic currency loans were mainly represented by loans extended to non-financial corporations, holding a share of 55.0% (of which 56.9% accounted for trade companies), and individuals'[3] (40.4%).

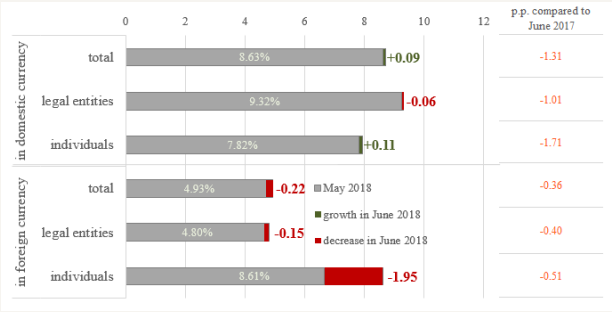
- Foreign currency loans were mainly demanded by non-financial corporations (92.7%) of which trade companies accounted for the largest share (63.6%).







New loans were extended at an average interest rate of 8.72% (domestic currency loans) and 4.71% (foreign currency loans).



- Average interest rate on domestic currency loans increased by 0.09 pp. compared to May 2018, recording values of 7.93% (individuals' loans) and 9.26% (legal entities loans).

- Average interest rate on foreign currency loans declined by 0.22 pp. compared to May 2018, recording values of 6.66% (individuals' loans) and 4.65% (legal entities loans).

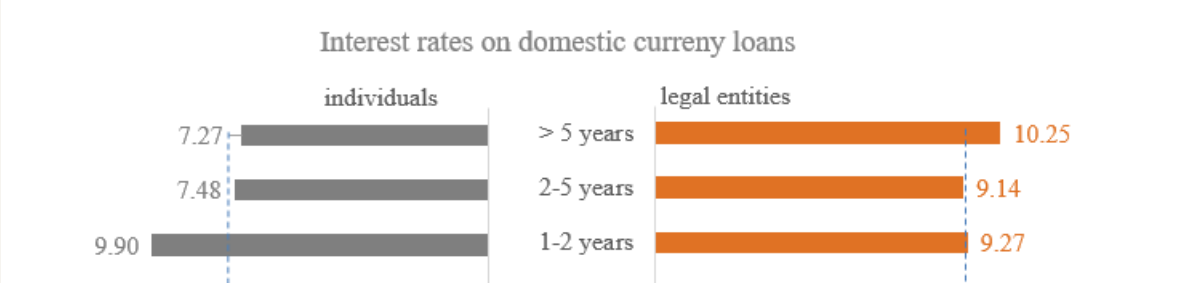
- Year-on-year, average interest rates on loans recorded a total decrease of 1.31 pp. (domestic currency loans) and 0.36 pp. (foreign currency loans).

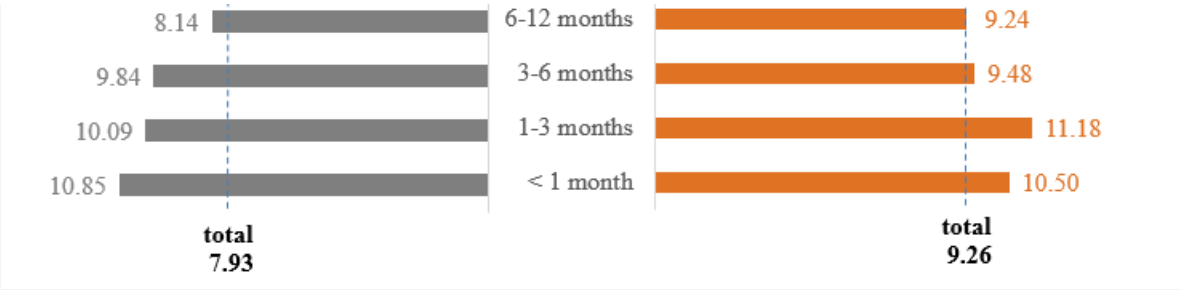
- Domestic currency loans with maturity ranging from 2 to 5 years recorded highest demand in the reporting month and were extended at an average interest rate of 8.41% (9.14% on legal entities loans, 7.48% on individuals' loans).

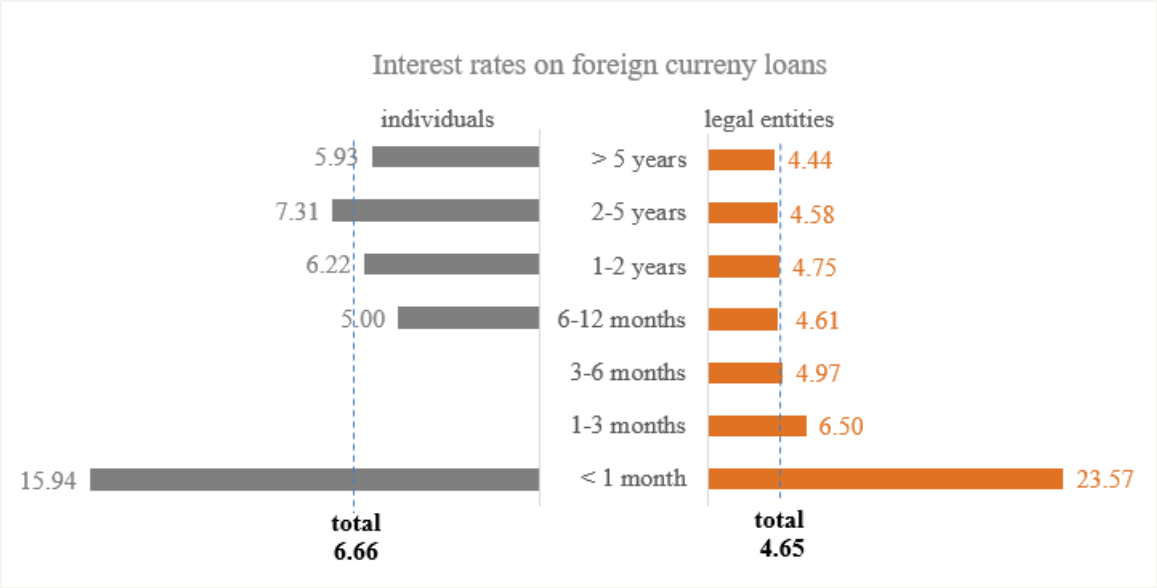
- The highest average interest rate was applied on individuals' loans with maturity of up to 1 month (10.85%) and legal entities loans with maturity ranging between 1 and 3 months (11.18%).

- Foreign currency loans with maturity of up to 1 month recorded the highest average interest rate of 16.04%. Individuals' loans were extended at an average interest rate of 15.94%, legal entities loans – at 23.57%..

Average lending interest rates, June 2018 (%)







In June 2018, new term deposits totalled MDL 2,300.6 million, recording a decrease of 26.4% compared to June 2017.

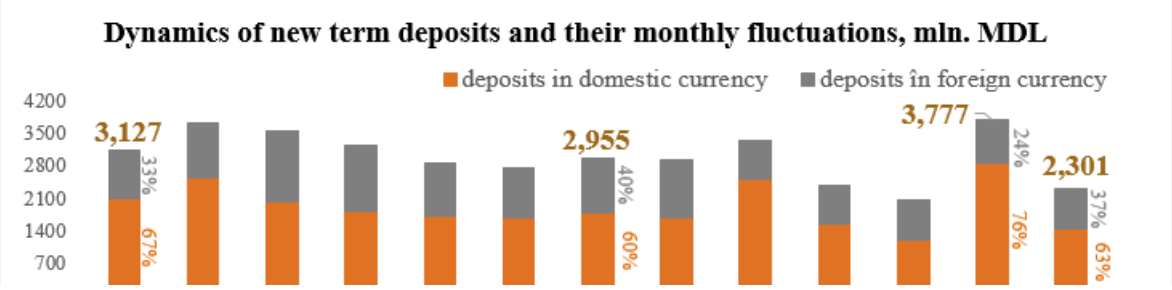
- In terms of maturity, the highest demand was recorded for deposits placed for a period of 6 to 12 months (of total term deposits). Individuals' held the largest share deposits (43.1% of total deposits placed).

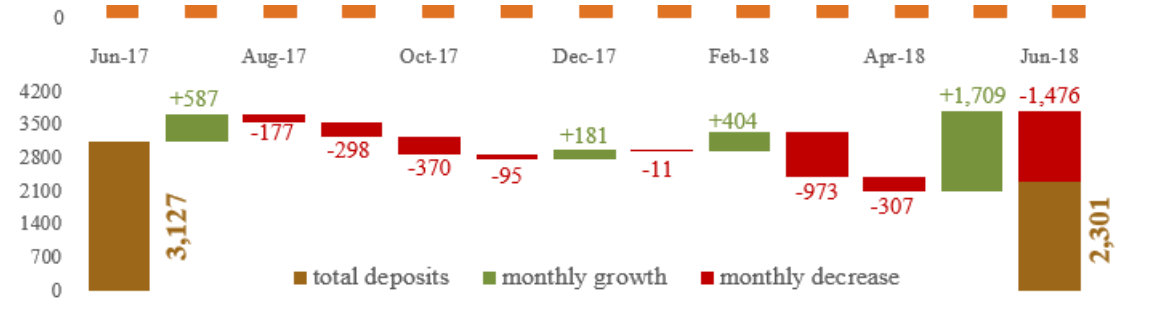
- Domestic currency deposits accounted for a share of 63.0%, while foreign currency deposits - 37.0%

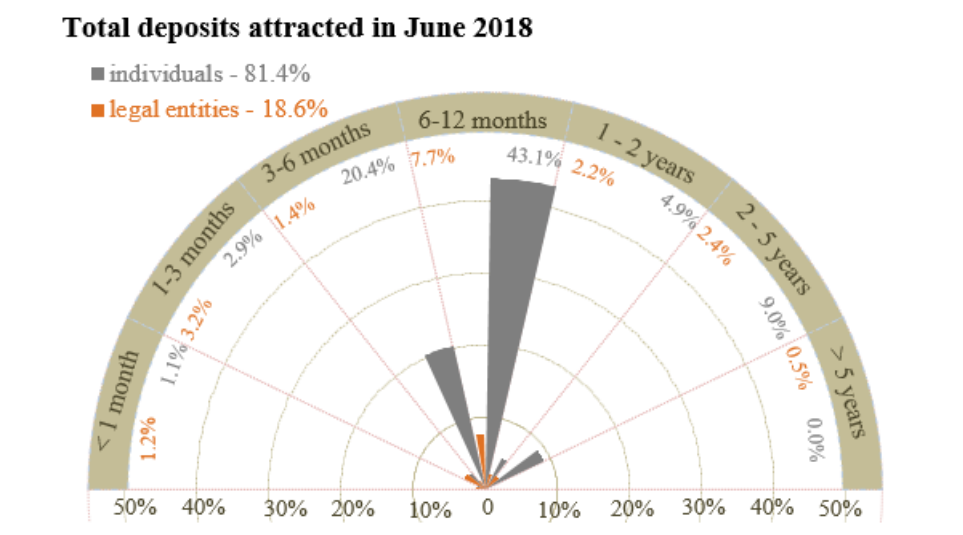
- In June 2018, deposits were mainly represented by individuals' deposits - 81.4% (of which 48.5% - domestic currency deposits and 32.9% - foreign currency deposits).

- Domestic currency deposits totalled MDL 1,499.1 million (in decrease by 49.4% compared to May 2018 and by 30.5% compared to June 2017).

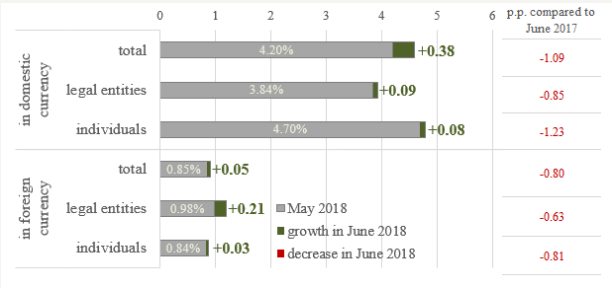
- Foreign currency deposits recalculated in MDL totalled MDL 851.6 million (in decrease by 6.9% compared to May 2018 and by 18.3% compared to June 2017).







New term deposits were placed at an average interest rate of 4.58% (domestic currency deposits) and 0.91% (foreign currency deposits).



- Average interest rate on new term deposits in domestic currency increased by 0.38 pp. compared to the previous month. Individuals' deposits were placed at an average interest rate of 4.78%, while legal entities deposits – at 3.93%.

- The average interest rate on new term deposits in foreign currency increased by 0.06 pp. compared to May 2018. Individuals' deposits were placed at an average interest rate of 0.87%, while legal entities deposits – at 1.20%.

- Year-on-year, average deposit interest rates decreased. Thus, average interest rate on domestic currency deposits decreased by 1.09 pp. (individuals' deposits - by 1.23 pp., legal entities deposits - by 0.85 pp.). Average interest rate on foreign currency deposits decreased by 0.79 pp. (individuals' deposits - by 0.81 pp., legal entities deposits - by 0.63 pp.).

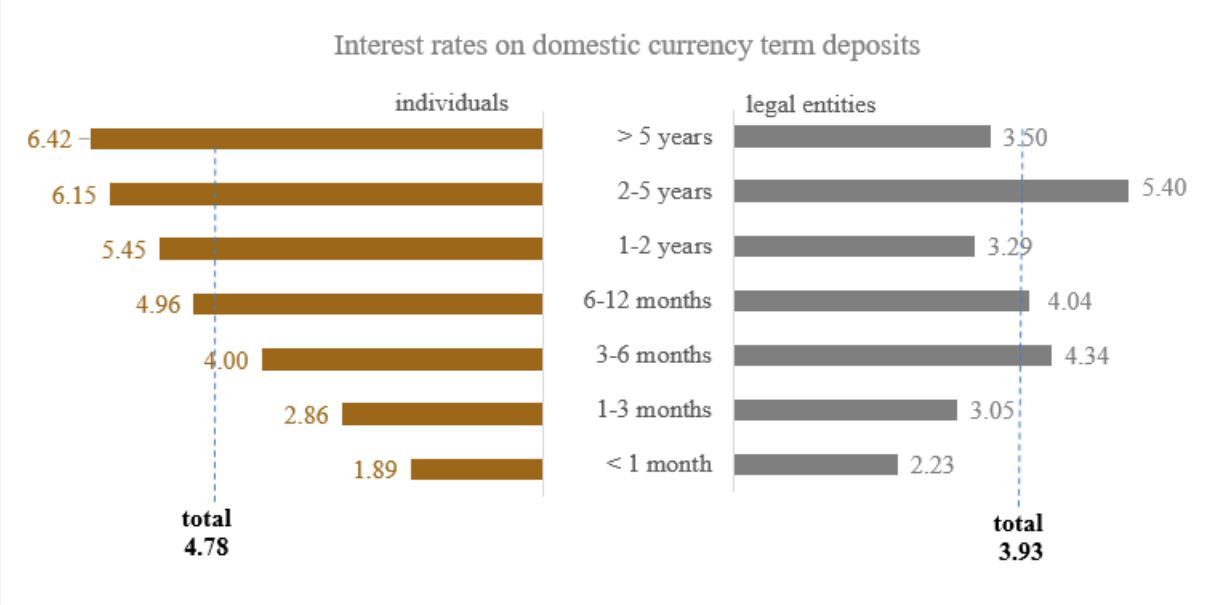
- Deposits with maturity ranging from 6 to 12 month, which recorded highest demand in the reporting period, were placed in domestic currency at an average interest rate of 4.78% (individuals' deposits – 4.96%, legal entities deposits – 4.04%) and in foreign currency at an average interest rate of 0.84% (individuals' deposits – 0.85%, legal entities deposits

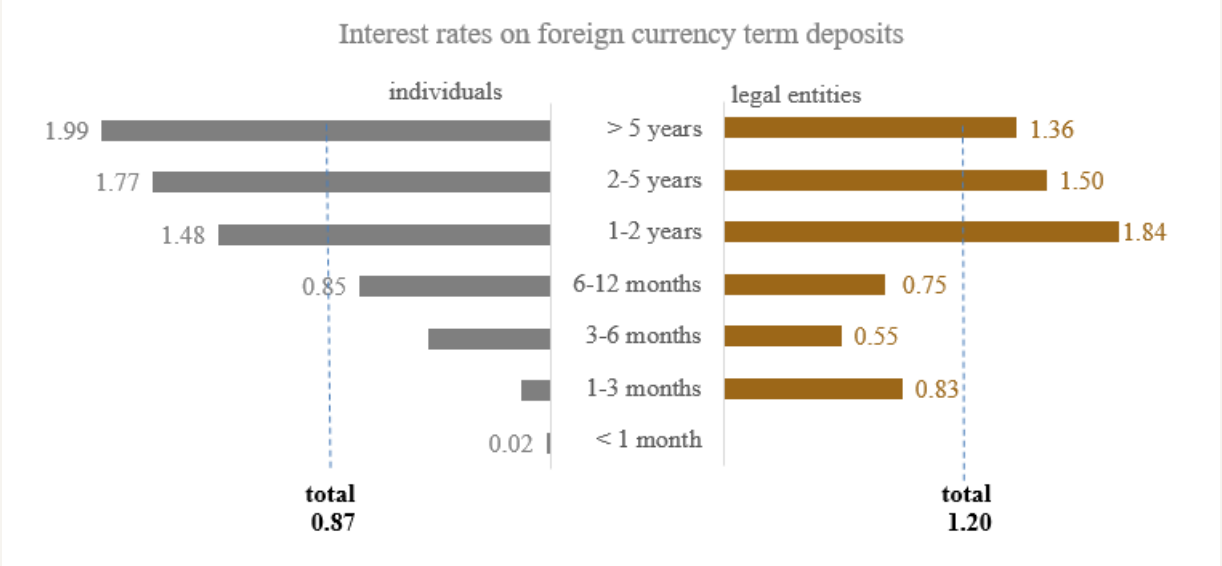
– 0.75%).

- The highest average interest rate on domestic currency deposits was recorded for individuals' deposits with maturity of over 5 years (6.42%) and legal entities deposits with maturity from 2 to 5 years (5.40%).

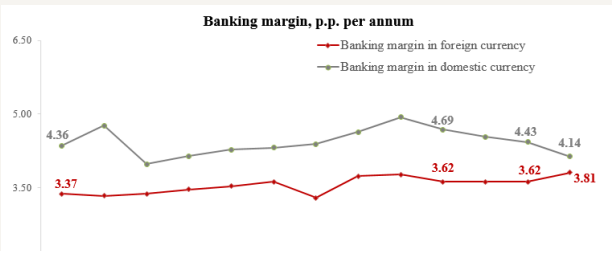
- The highest average interest rate on foreign currency deposits was recorded for individuals' deposits with maturity of over 5 years (1.99%) and legal entities deposits with maturity from 1 to 2 years (1.84%).

Average deposit interest rates, June 2018 (%)





Bank interest margin recorded 4.14 pp. (in domestic currency) and 3.80 pp. (in foreign currency).



- Bank interest margin on domestic currency operations decreased by 0.29 pp. compared to the previous month and by 0.22 pp. compared to June 2017.
- Bank interest margin on foreign currency operations decreased by 0.28 pp. compared to the previous month



and increased by 0.43 pp. compared to June 2017.

Statistical data [1]

[1] Data included in this communiqué are reflected in accordance with the Instruction on reporting the interest rates applied by banks of the Republic of Moldova, approved by the Decision of the Executive Board of the NBM no.331 of 01 December 2016, Official Monitor of the Republic of Moldova no.441-451 of 16.12.2016

[2] As of January 1, 2018, the loans linked to an exchange rate were reclassified from the domestic currency loans to the foreign currency loans. Data for June 2018 as compared to data for June 2017: total in MDL - 8.65%; total in foreign currency - 4.66%.

[3] Including individuals performing an activity.

See also

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credits [3]
average interest rate [4]
credits market [5]
deposits market [6]
interest rate [7]

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