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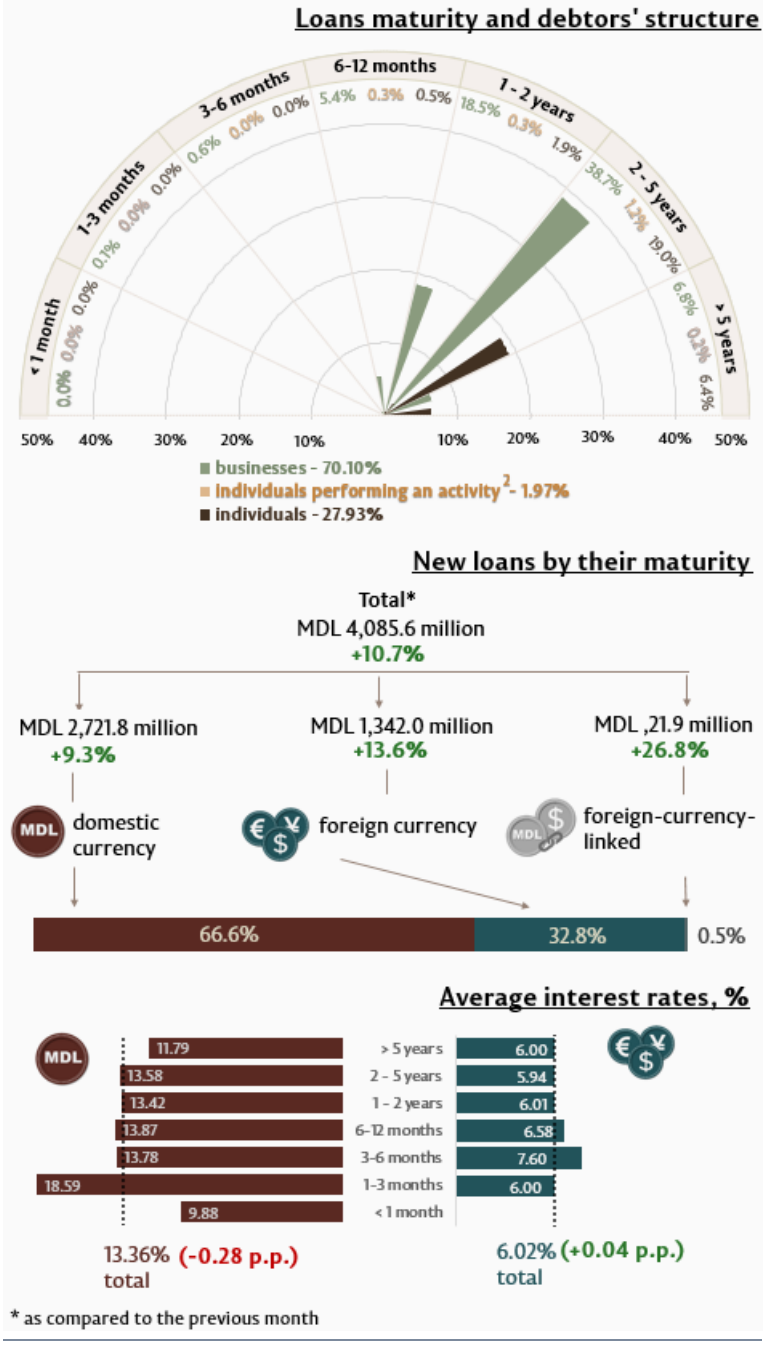
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20.06.2023

Developments in LOANS market in May 2023

In May 2023, new loans extended[1] (Infographic 1) totalled MDL 4,085.6 million, increasing by 10.7% compared to April 2023. The largest share (66.6%) belongs to domestic currency loans, which accounted for MDL 2,721.8 million, increasing by 9.3% as compared to the previous month.

Infographic 1. **Development in new extended loans**



[1]

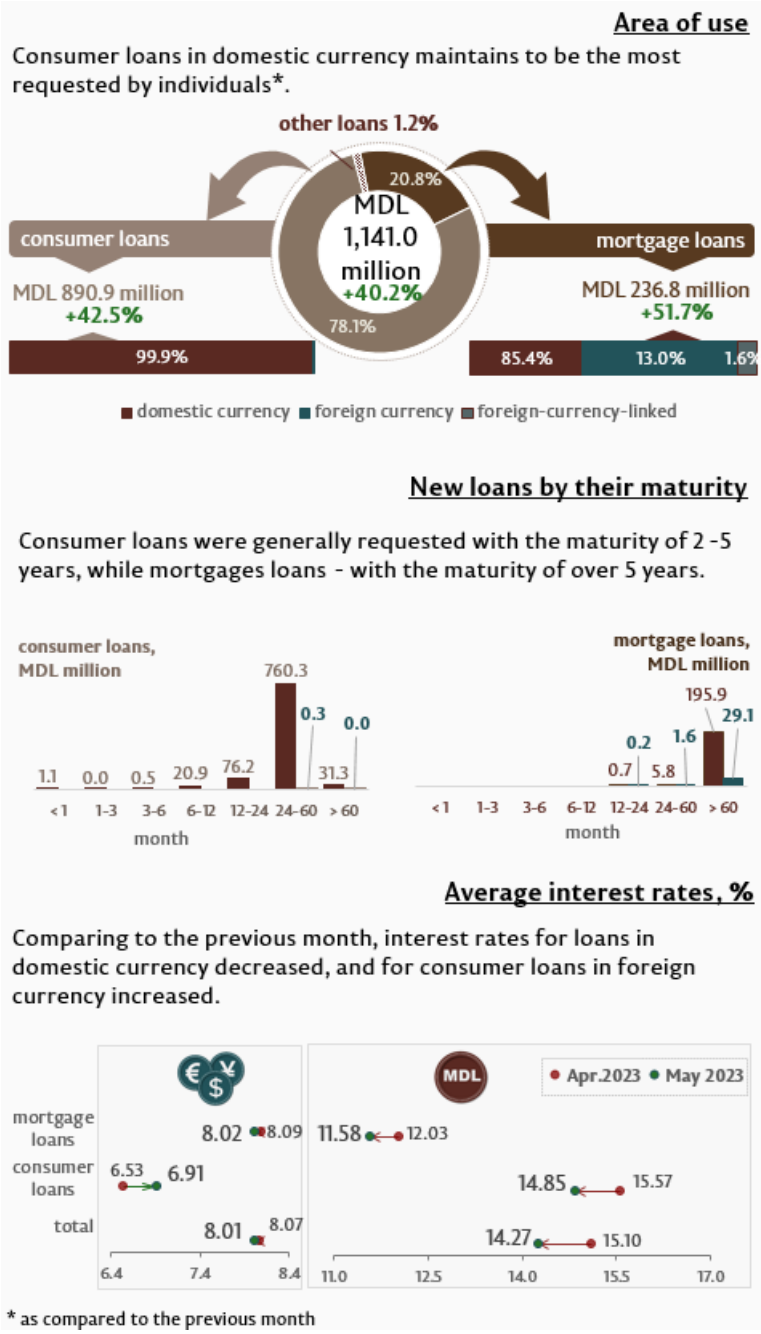
In terms of maturity, loans with maturity ranging from 2 to 5 years recorded the highest demand, having a share of 58.9% in the total amount of extended loans. The share of these loans extended to legal entities accounted for 38.7% in the total amount of extended loans.

Non-financial commercial companies contracted the largest share (62.9%) of new extended loans.

The average nominal interest rate on new domestic currency loans decreased by 0.28 percentage points as compared to the previous month and was 13.36%, while the average interest rate on foreign currency loans increased by 0.04 percentage points, to the value of 6.02%.

In May 2023, individuals contracted new loans (Infographic 2) in the amount of MDL 1,141.0 million, increasing by 40.2% as compared to the previous month, the largest share (78.1%) representing consumer loans. The largest share of these loans (MDL 760.3 million) was extended in domestic currency with a maturity ranging from 2 to 5 years.

Infographic 2. **New loans extended to individuals**



[2]

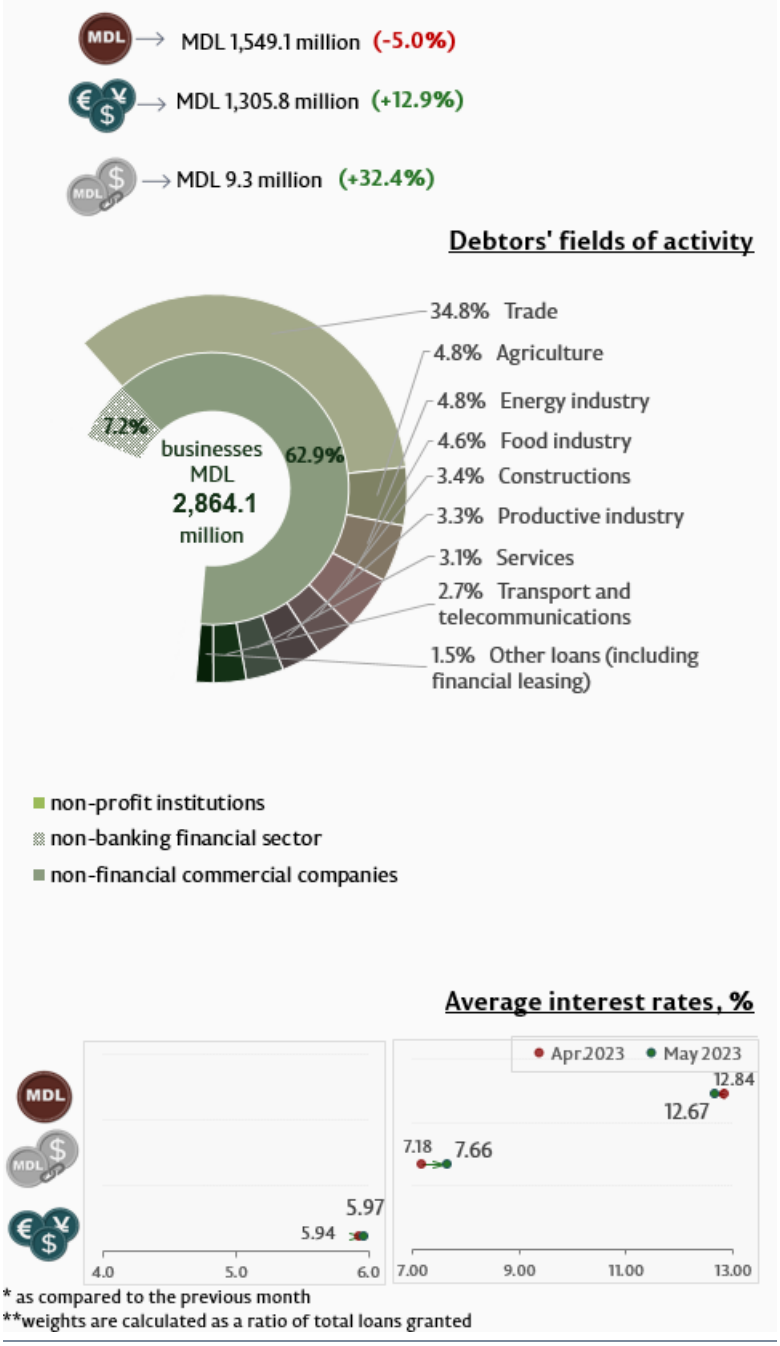
A share of 20.8% of total loans extended to individuals represent mortgage loans and was mainly extended in domestic currency (85.4% of total mortgage loans).

The average interest rate on consumer loans extended in domestic currency decreased by 0.72 percentage points to the value of 14.85%, while the average interest rate on domestic currency loans extended for the purchase of residential property decreased by 0.45 percentage points to 11.58%.

Compared to the previous month, in the reporting month, legal entities requested less loans in domestic currency (-5.0%). At the same time, the volume of loans in foreign currency (+12.9%) and of those in foreign-currency-linked loans[3] (+32.4%) increased.

The average interest rate on domestic currency loans extended to legal entities (Infographic 3) decreased by 0.17 percentage points, reaching 12.67%. At the same time, the average interest rate on foreign currency loans increased by 0.03 percentage points to 5.97%.

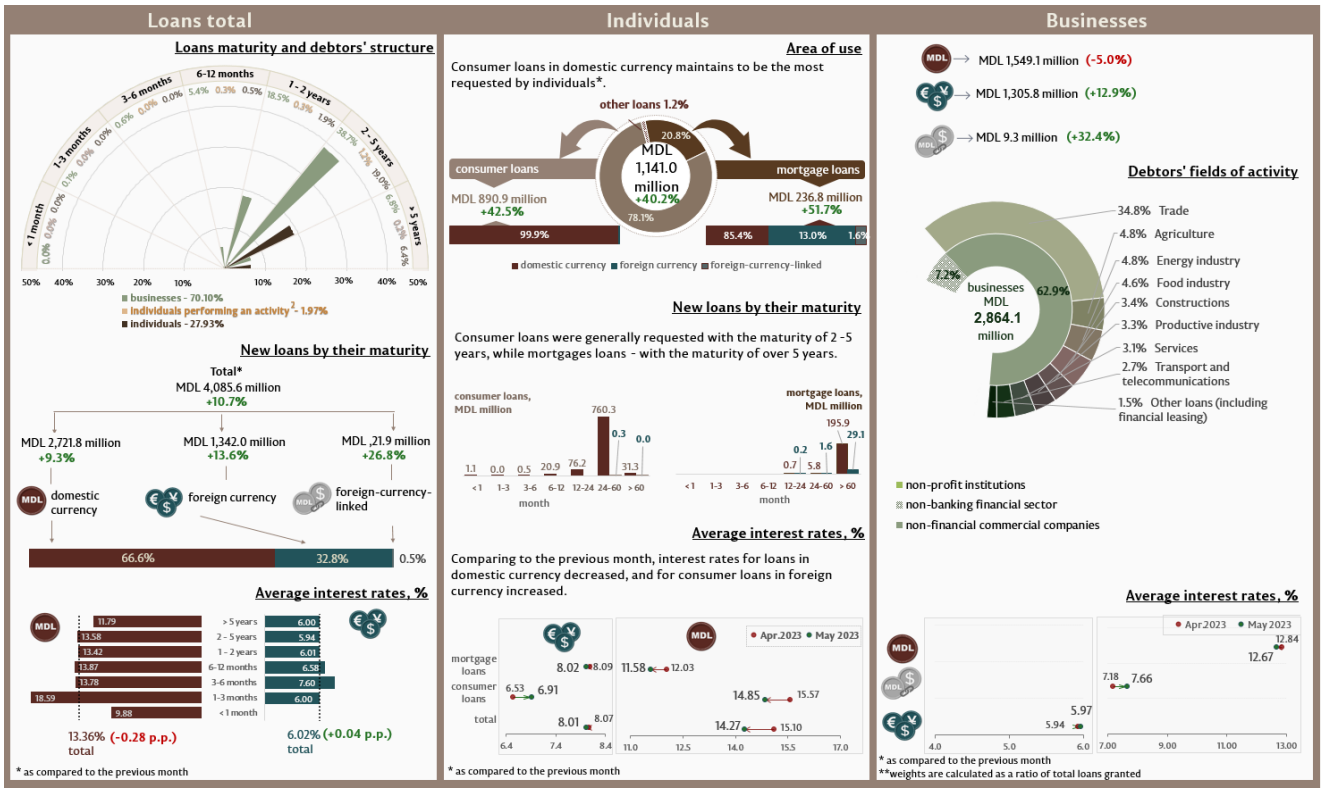
Infographic 3. **New loans extended to legal entities**



* as compared to the previous month

**weights are calculated as a ratio of total loans granted [3]

infografic [4]:



[5]

Developments in DEPOSITS markets in May 2023 [6]

Statistical data [7]

Instruction on the compilation and submission of reports on interest rates applied by the banks in the Republic of Moldova, approved by the DEB of the NBM No 331 of 01.12.2016 [8]

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1. Data presented according to Instruction on preparation and presentation of reports on interest rates applied by banks in the Republic of Moldova, approved by Decision of the Executive Board of the NBM No 331 of 1 December 2016, Official Monitor of the Republic of Moldova No 441-451 of 16 December 2016, as subsequently amended and supplemented.

2. Individuals performing an activity, in accordance with the Instruction on completion by licensed banks of the Report on monetary statistics, approved by the Decision of the Executive Board of the NBM No 255 of 17 November 2011, Official Monitor of the Republic of Moldova No 206-215 of 2 January 2011, as subsequently amended and supplemented, work in associations without legal personality and are producers of goods and/or services for market, and namely, individual enterprises, farms, entrepreneur license holders, notaries, lawyers, bailiffs, etc.

3. Loans foreign-currency-linked, according to the Regulation on the open currency position of the bank, approved by Decision of the Council of Administration of the National Bank of Moldova No 126 of 28.11.1997, Official Monitor of the Republic of Moldova No 112-114/198 of 14.10.1999, with further modifications and completions, refer to the assets which balance, according to the conditions established in the relevant contracts concluded by the bank, shall be modified depending on the evolution of the exchange rate of

Moldovan currency against the attached exchange rate.

See also

Tags

loans [9]

average rate [10]

loan market [11]

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