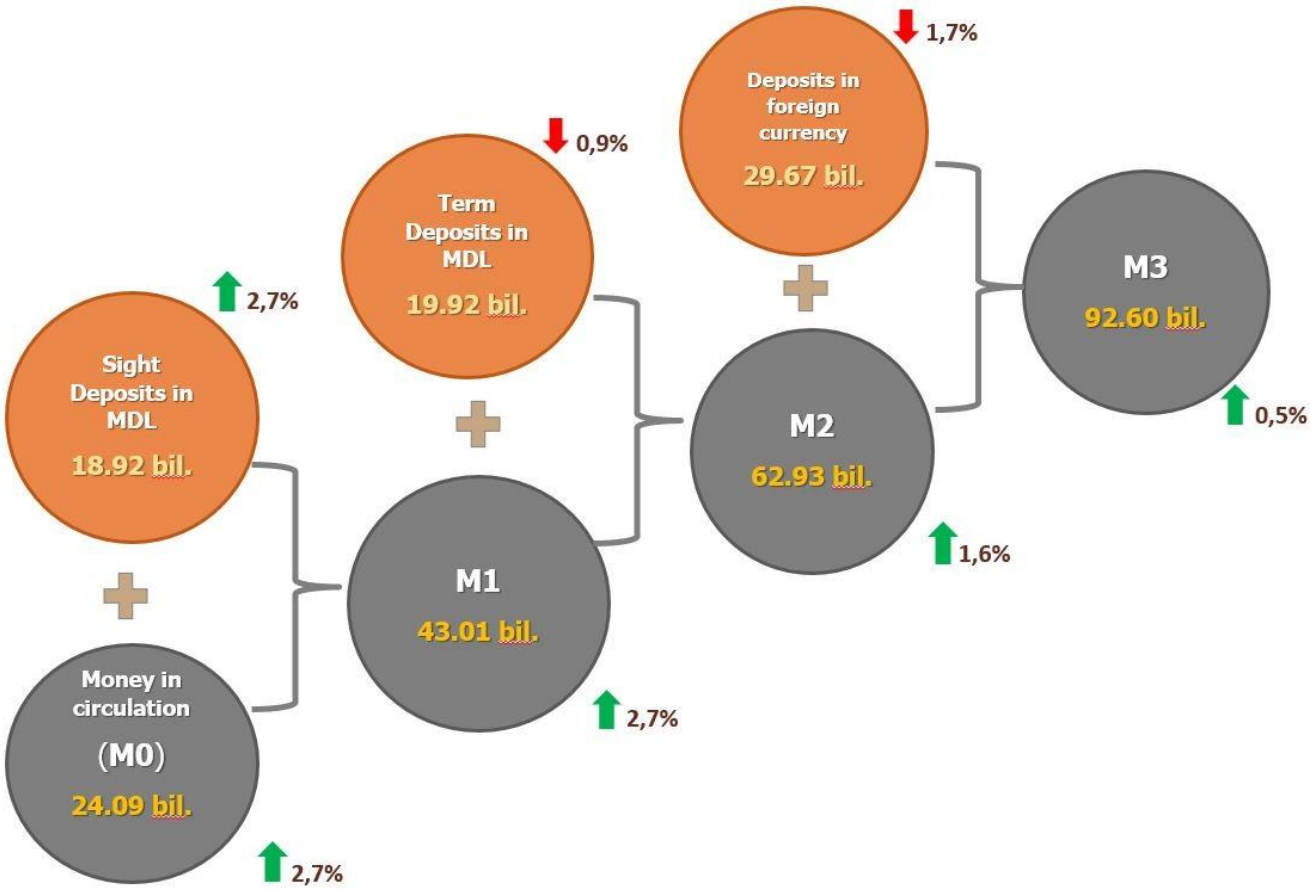
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Evolution of monetary indicators in April 2020

In April 2020, the **monetary base**[1] decreased by MDL 2 206.1 million (4.6%) compared to the previous month and constituted MDL 45,691.5 million, which constitutes 3.6 % more than in April 2019. The decrease of the monetary base, compared to the previous month, was determinated, mostly, by the decrease of the volume of required reserves by MDL 3,210.0 million (20.0%), due to the reducing of required reserves ratio on liabilities in MDL (from 41% to 34%) and the balance of liabilities in MDL subject to reserve requirements (from MDL 39,183.0 million to MDL 37,808.8 million).

Chart 1.
Evolution of money supply in April 2020 compared to the previous month



Money supply M0[2] (currency in circulation) increased by MDL 644.2 million or by 2.7% compared to March and totalled MDL 24,095.1 million, by 7.4% more than in April 2019 (Chart 1).

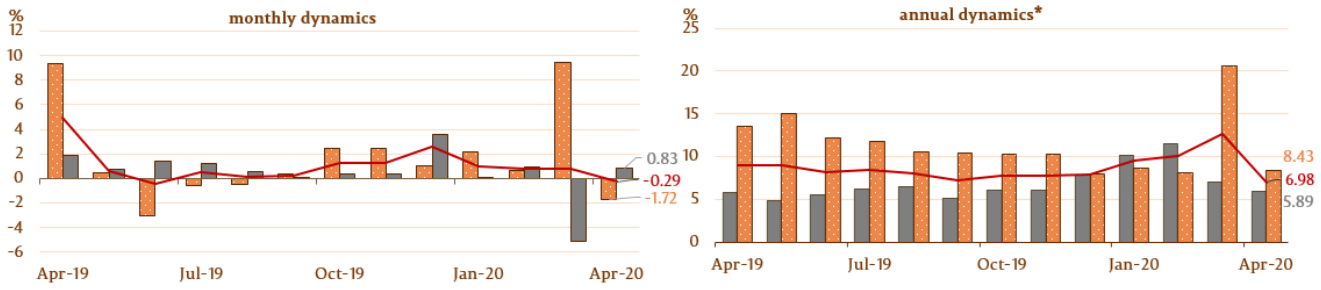
Money supply M1[3] increased by MDL 1,146.9 million or by 2.7% compared to March and totalled MDL 43,016.0 million, by 7.9% more than in the same period of the previous year.

Money supply M2[4] increased by MDL 964.2 million or by 1.6% compared to March and totalled MDL 62,933.4 million, by 6.5% more than in the same period of the previous year.

Money supply M3[5] increased by MDL 446.2 million (0.5%), which constitutes 7.1% more than in April 2019.

Chart 2.

Dynamics of deposits[6], %



in domestic currency		the modification compared to	in foreign currency	
previous month	same period, 2019		previous month	same period, 2019
+0.83	+5.89	Total	-1.72	+8.43
-1.04	-2.19	Non-banking financial sector	+17.36	+30.90
+2.20	-18.31	Non-financial companies' sector, which majority ownership is public	+4.70	+26.32
+0.87	-3.88	Non-financial companies' sector, which majority ownership is private	+0.65	+10.38
+0.79	+11.34	Other resident sectors	-3.33	+6.60

** modification as compared to the similar period of the previous year.*

The balance of domestic currency deposits increased by MDL 320.1 million and constituted MDL 38,838.3 million, accounting for a share of 56.7% of the total balance of deposits, whereas the balance of foreign currency deposits (recalculated in MDL) decreased by MDL 518.0 million and accounted for a total of MDL 29,665.3 million, which constitutes a share of 43.3% (Chart 2).

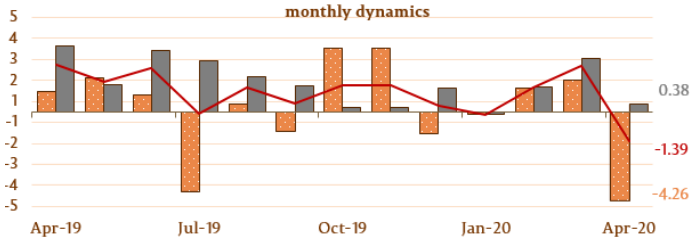
Balance of claims on the economy[7] has decreased in the reference month by MDL 632.6 million (1.4%) following the decrease of claims on economy for foreign currency by MDL 739.0 million (4.3%), while those for domestic currency increased by MDL 106.4 million (0.4%) (Chart 3).

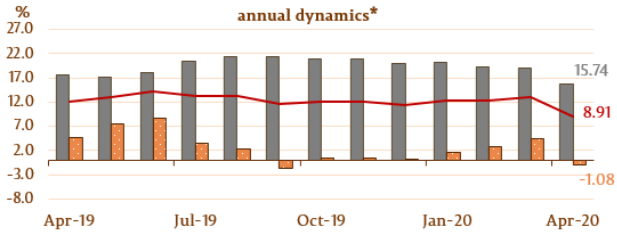
It should be mentioned, that claims on economy for foreign currency, expressed in USD, decreased during the reference period by USD 26.7 million (2.8%).

The rise in the balance of claims on economy in domestic currency was determined by the increase of balance of claims on the sector of non-financial commercial companies which majority ownership is public, the balance of claims on the sector of non-financial commercial companies which majority ownership is private and the balance of claims on other resident sectors (including for individuals) by MDL 30.1 million (3.5%), by MDL 70.3 million (0.6%) and by MDL 27.7 million (0.2%), respectively, while the balance of claims on the non-banking financial sector decreased by MDL 21.7 million (3.3%).

Chart 3.

Dynamics of claims on economy





claims on the economy in foreign currency in domestic currency | claims on the economy in domestic currency | total claims on the economy in foreign currency

in domestic currency		The modification compared to	in foreign currency	
previous month	same period, 2019		previous month	same period, 2019
+0.38	+15.74	Total	-4.26	-1.08
-3.34	+7.75	Non-banking financial sector	-5.56	-6.04
+3.53	-12.04	Non-financial companies' sector, which majority ownership is public	-4.24	-40.63
+0.61	+4.39	Non-financial companies' sector, which majority ownership is private	-4.18	-0.46
+0.18	+29.20	Other resident sectors	-4.36	+5.04
-1.19	+20.73	Consumer loans	+0.19	by 4.4 times
+0.84	+44.35	Real estate loans	-4.99	+4.62

** modification as compared to the similar period of the previous year.*

The decrease of the balance of claims on the economy in foreign currency (expressed in MDL) was influenced by the decrease in the balance of claims on the non-banking financial sector by MDL 53.0 million (5.6%), the balance of claims on the non-financial commercial companies which majority ownership is public by MDL 4.9 million (4.2%), the balance of claims on the non-financial commercial companies which majority ownership is private by MDL 660.8 million (4.2%) and the balance of claims on other resident sectors (including individuals) by MDL 20.2 million (4.4%).

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1. Broad monetary base includes cash money released by the National Bank of Moldova (except for cash in bank's vault), bank's reserves in MDL (held in correspondent accounts at the National Bank of Moldova), foreign currency obligatory reserves, overnight deposits of banks and sight deposits of other organisations at the National Bank of Moldova.

2. Money in circulation M0 represent cash released by the National Bank of Moldova, except for cash in bank's safes and in the vault of the National Bank of Moldova.

3. Money supply M1 includes money in circulation (M0) and sight deposits of residents in domestic currency.

4. Money supply M2 includes monetary aggregate (M1), term deposits of residents in domestic currency and money market instruments.

5. Money supply M3 includes money supply M2 and deposits of residents in foreign currency expressed in Moldovan lei

6. The deposits are structured on institutional sectors, under the Guidelines on the completion by licensed banks of the Report on monetary statistics (Official Monitor of the Republic of Moldova no.206-215 of 2 December 2011). Other resident sectors include the sectors of households (individuals, individuals conducting business) and non-profit institutions serving households.

7. According to the IMF methodology, the credits of non-residents, interbank credits and the credits issued by the Government of the Republic of Moldova have been excluded from the total claims on economy

(including the interest rate calculated for the credits of banks under liquidation).

See also

Tags

M0 [1]

M1 [2]

M2 [3]

M3 [4]

money supply [5]

monetary aggregates [6]

monetary indicators [7]

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