

20.10.2017

## Monetary indicators in September 2017

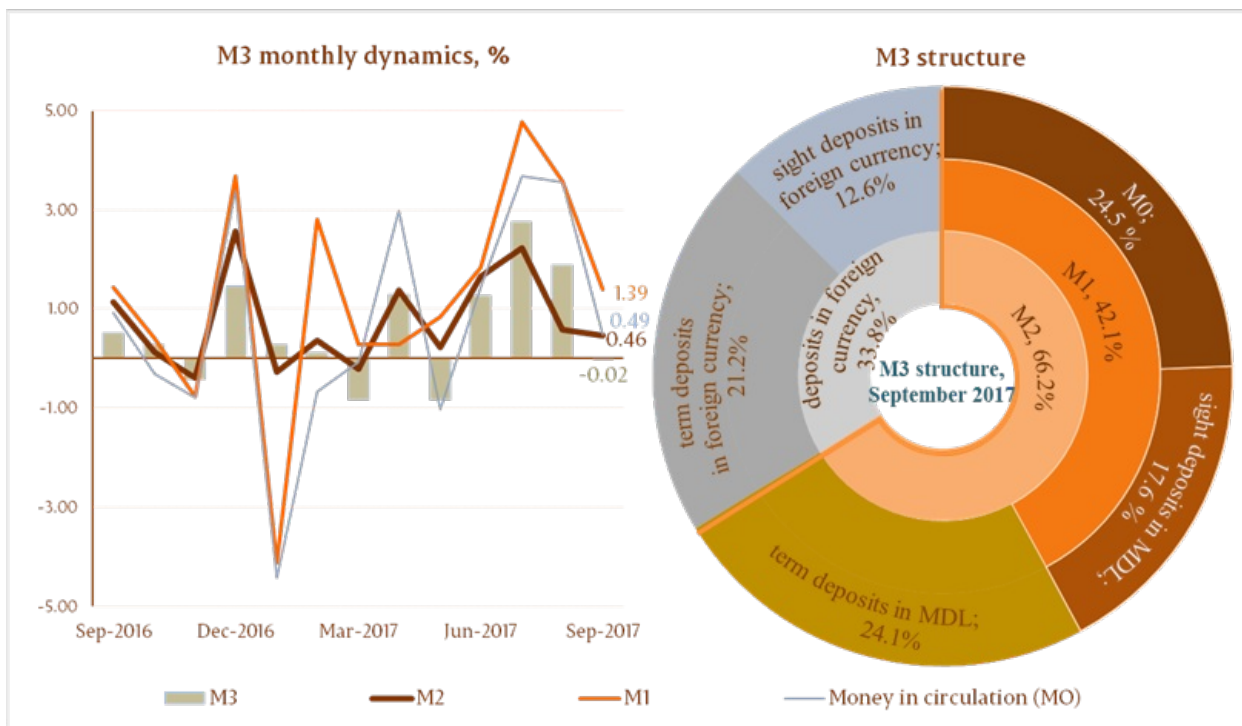
In September 2017, **monetary base** **The monetary base includes money in circulation (outside banking system), banking reserves (banks' reserves in MDL on correspondent accounts maintained at the National Bank of Moldova and cash in banks), deposits at sight of other organizations with the National Bank of Moldova, "overnight" deposits of banks and required reserves in foreign currency.** increased by MDL 1736.3 million (4.8 percent) compared to the previous month and accounted for MDL 38058.2 million. The increase of the monetary base was determined by the increase of its counterparties: net foreign assets increased by MDL 1631.2 million (4.2 percent) and net domestic assets increased by MDL 105.1 million (3.9 percent)..

**Money supply M2** **Money supply M2 includes money in circulation (M0), deposits of residents in MDL and money market instruments.** increased by MDL 225.5 million, or by 0.5 percent compared to August 2017 and accounted for MDL 49468.7 million, increasing by 9.0 percent compared to the same period of the previous year.

**Money supply M3** **Money supply M3 includes money supply M2 and deposits of residents in foreign currency expressed in MDL.** decreased during the reference period by MDL 15.4 million (0.02 percent), being by 7.4 percentage points higher to that of September 2016.

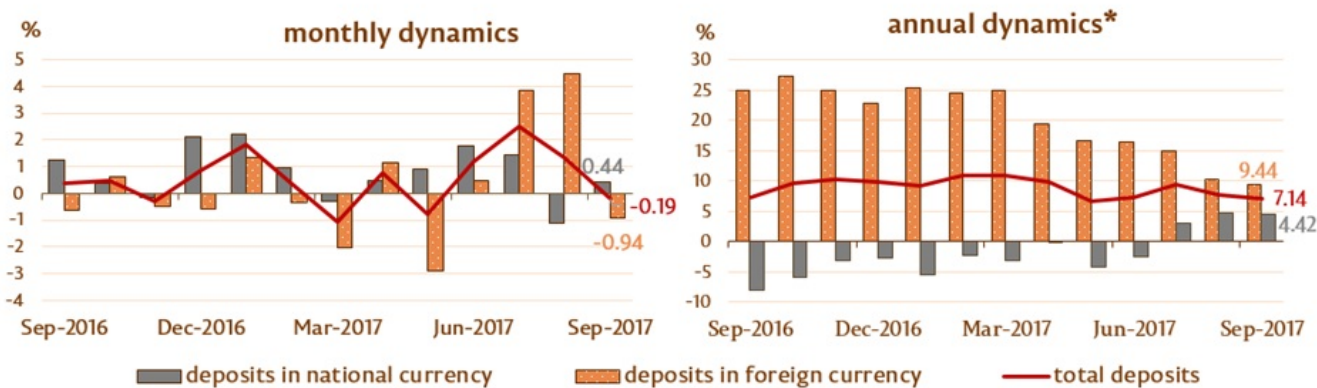
The analysis of the components of Money supply (M3) shows that this decrease during September 2017 was driven by the decrease of the total balance of deposits by MDL 104.9 million, while the **Money in circulation M0** **Money in circulation M0 represent cash put into circulation by the National bank of Moldova, except for cash in banks and NBM vault.** increased by MDL 89.5 million (chart no.1). To be mentioned that the Money in circulation (M0) and **Money supply (M1)** **Money supply M1 includes money in circulation and sight deposits of residents in MDL.** increased compared to September 2016 by 8.2 and 15.7 percentage points, respectively.

**Chart no. 1. Monetary aggregate M3**



The balance of deposits in national currency increased by MDL 136.0 million and accounted for MDL 31185.2 million, representing a share of 55.2 percent of total deposits, and the balance of deposits in foreign currency (recalculated in MDL) decreased by MDL 240.9 million and accounted for MDL 25266.5 million with a share of 44.8 percent (Chart no.2).

**Chart no. 2. Deposits** Deposits are classified by institutional sectors, according to the Instruction on filling out by the licensed banks of the Report on monetary statistics (Official Monitor of the Republic of Moldova no.206-215 of December 2, 2011). dynamics, %



in national currency			in foreign currency	
previous month	same period, 2016	The modification compared to	previous month	same period, 2016
+0.44	+9.45	Total	-0.94	+4.46
+4.67	+26.07	Non-banking financial companies	-0.01	-5.90
-13.65	-2.40	Non-financial companies' sector, which majority ownership is public	+7.12	-27.27
+1.30	+33.15	Non-financial companies' sector, which majority ownership is private	+1.13	+27.37
+0.80	+2.68	Other resident sectors	-1.93	-0.32

The decrease of money supply M3 in the reporting period as regards to its counterparts was determined by the decrease in net domestic assets calculated by subtracting domestic liabilities from domestic assets.

Domestic assets include: resident loans; debt securities held (issued by residents); shares and other equity investments held by residents.

Domestic liabilities (excluding components of money supply M3) include the resources attracted from residents: deposits, debt securities with over 2 years' maturity issued on domestic market; capital and reserves. Is calculated by subtracting from liabilities internal assets.

Domestic assets include: loans to residents; debt securities held (issued by residents); shares held and other equity investments of residents.

Domestic liabilities (excluding components of money supply M (3) include the resources attracted from residents: deposits, debt securities with a maturity of more than two years matured in the domestic market; capital and reserves. of the banking system by MDL 1329.8 million (15.2 percent), while net foreign assets Is calculated by subtracting foreign liabilities from foreign assets.

Foreign assets include: deposits placed in non-residents insittutions; loans to non-residents; debt securities held (issued by non-residents); non-resident; shares and other equity held by residents, monetary gold.

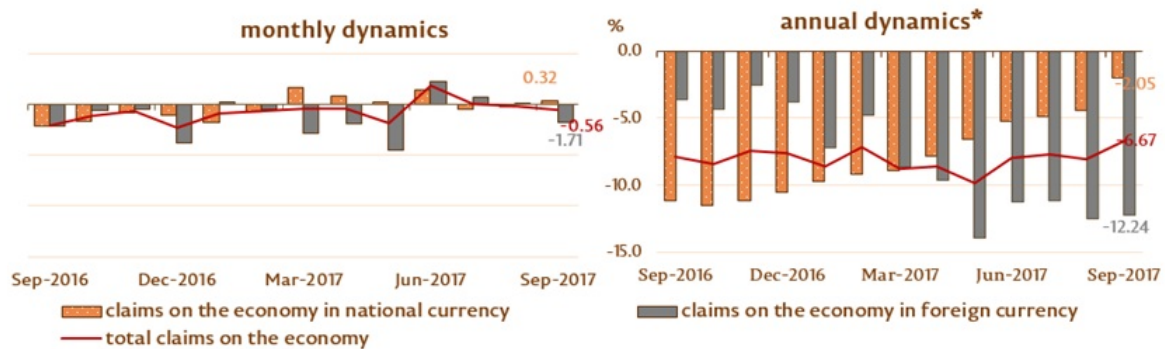
Foreign liabilities include the resources attracted from non-residents: deposits, debt securities, credits and IMF loans, liabilities for distributed SDRs and other liabilities. Is calculated by subtracting foreign liabilities from foreign assets.

Foreign assets include: deposits placed in non-residents insittutions; loans to non-residents; debt securities held (issued by non-residents); non-resident; shares and other equity held by residents, monetary gold.

Foreign liabilities include the resources attracted from non-residents: deposits, debt securities, credits and IMF loans, liabilities for distributed SDRs and other liabilities increased by MDL 1314.4 million (2.0 percent).

**Balance of credits in economy** According to the IMF methodology, non-resident loans, interbank loans and loans extended to the Government of the Republic of Moldova are excluded from the total claims on the economy, (including the interest calculated for credits and for credits of banks - in liquidation process). According to the IMF methodology, the interbank credits and the credits granted to the Government are excluded from the total credits in the economy (including the interest calculated for credits and for credits of banks - in liquidation process). in September 2017 decreased by MDL 214.9 million (0.6 percent) at the expense of the decrease of the claims on the economy in foreign currency (expressed in MDL) by MDL 284.3 million (1.7 percent), while those in national currency increased by MDL 69.4 million (0.3 percent) (Chart no.3)

Chart no. 3. The dynamics of the claims on the economy



in national currency		The modification compared to	in foreign currency	
previous month	same period, 2016		previous month	same period, 2016
+0.32	-2.05	Total	-1.71	-12.24
-0.55	-3.28	Non-banking financial companies	-3.96	-21.30
-7.36	-13.14	Non-financial companies' sector, which majority ownership is public	-4.30	-25.27
+0.33	-10.18	Non-financial companies' sector, which majority ownership is private	-1.46	-10.77
+1.37	+15.04	Other resident sectors	-2.88	-28.35
+2.17	+22.61	Consumer loans	+19.28	-52.45
+2.56	+13.07	Real estate loans	-3.21	-31.65

It should be mentioned that the claims on the economy in foreign currency, expressed in USD, decreased during the reporting period by USD 3.3 million.

The negative evolution of the balance of the claims on the economy in foreign currency (expressed in MDL) was influenced by the decrease of all components, namely: the balance of claims on the non-financial companies' sector, which majority ownership is private - by MDL 219.4 million (1.5 percent); the claims of non-financial companies' sector, which majority ownership is public - by MDL 24.9 million (4.3 percent), the balance of claims on the non-banking financial sector and that of claims on other resident sectors (including individuals) by MDL 32.9 million (4.0. percent) and by MDL 7.1 million (2.9 percent), respectively.

At the same time, the increase of balance of claims on the economy in national currency was determined by the increase of balance of claims to non-financial companies' sector which majority ownership is private and of the balance of claims to other resident sectors (including individuals) by MDL 39.3 million (0.3 percent) and by MDL 111.2 million (1.4 percent), respectively.

The balance of claims to the non-financial companies' sector, which majority ownership is public and that of claims to the non-banking financial sector decreased by MDL 77.1 million (7.4 percent), and by MDL 4.0 million (0.6 percent) , respectively.

## Statistics <sup>[1]</sup>

See also

Tags

M0 <sup>[2]</sup>

M1 <sup>[3]</sup>

M2 <sup>[4]</sup>

M3 <sup>[5]</sup>

money supply <sup>[6]</sup>

monetary aggregates <sup>[7]</sup>

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