18.09.2025

Monetary Policy Decision, 18.09.2025

The Executive Board of the National Bank of Moldova, at its meeting on 18 September 2025, adopted by unanimous vote the following decision:

1. **The base rate applied to the main short-term monetary policy operations is set at 6.00% per annum.**
2. **Interest rates are set as follows:**
   a) on overnight loans, at the level of 8.00% per annum;
   b) on repo transactions, at the level of 6.25% per annum;
   c) on overnight deposits, at the level of 4.00% per annum.
3. **The required reserve ratio of funds attracted in MDL and in non-convertible foreign currency is maintained at the current level of 22.0% of the calculation base.**
4. **The required reserve ratio of funds attracted in freely convertible foreign currency is maintained at the current level of 31.0% of the calculation base.**

The decision of the National Bank of Moldova to continue monetary policy easing measures aims to maintain inflation in the medium term within a range of ±1.5 percentage points from the target of 5.0 percent, considered the optimal level for economic growth and development in the Republic of Moldova.

By this decision, the National Bank consolidates its position of supporting and stimulating aggregate demand, including encouraging consumption and investment, balancing the national economy and the current account, with an emphasis on anchoring inflation expectations. The effects will gradually be transmitted through lower interest rates in the money, deposit, and credit markets, taking into account the time lags in the transmission of monetary policy through the interest rate channel.

Recent macroeconomic information largely confirms the main assumptions and conclusions reflected in the forecast published in the August 2025 Inflation Report, which projects a downward trajectory for inflation, with a return to the target range in December this year.

Annual inflation in August continued its downward trend and stood at 7.3 percent, decreasing by 0.6 percentage points compared to the previous month and remaining above the upper limit of the ±1.5 percentage point range around the 5.0 percent target. Inflation developments in August were similar to those anticipated in the August 2025 Inflation Report and confirm the main assumptions underlying its forecast. In terms of structure, the evolution of the annual inflation rate in August 2025 was mainly driven by the dynamics of regulated prices and food prices. According to estimates, aggregate demand continued to exert a disinflationary impact on prices during the reference period.

External environment. The global economy is evolving amid persistent uncertainties and risks related to trade tariffs and geopolitical tensions. However, there has been an improvement in the economic situation in the euro area, which has contributed to an increase in the GDP forecast for the euro area for the current year. The oil market remains influenced by OPEC+ decisions to restore the entire volume of oil production, as well as by US pressure on India and China to cease imports of Russian oil. The Netherlands TTF gas price is slightly down, given the sufficient level of gas storage capacity in the EU for the start of the cold season in Europe and reduced Asian demand for natural gas. At the same time, forecasts for international food prices continue to indicate increases compared to last year's levels.

Economic activity. The operational data published by the NBS for the period April-June 2025 outline some premises for economic recovery during the reference period, but with the overall activity remaining in negative territory. In June 2025, the annual export rate stood at -7.7 percent, while the annual import rate continued its positive trend, reaching 23.1 percent. Industrial production in June 2025 remained in positive territory, recording a 3.2 percent increase. A more pronounced dynamics is observed for the turnover in trade in goods (10.1 percent) and for the turnover in wholesale trade (6.9 percent). It should be noted that, from the perspective of consumption financing sources, remittances increased by 6.8 percent in June compared to June 2024, following declines in the first two months of the second quarter of 2025. At the same time, the wage fund increased by 10.8 percent in the second quarter of 2025.

Monetary conditions. In August 2025, the weighted average interest rates on new loans and deposits in MDL continued their upward trend. Thus, the weighted average interest rate on new loans stood at 9.38 percent per annum, and that on deposits was 4.92 percent per annum, up by 0.03 and 0.11 percentage points, respectively, compared to July 2025. During August 2025, the positive annual growth in the volume of loans and deposits in MDL persisted.

Forecast update. The balance of risks to the inflation forecast is balanced, with a disinflationary bias until the end of the forecast horizon. Uncertainties remain significant. The main sources are uncertainties regarding agricultural production this year and next year, the adjustment of tariffs for regulated services, the volume of consumption, investment, and remittances associated with the escalation of the situation in the region, population migration, and more moderate regional demand as a result of sanctions imposed on each other by countries in the region.

The NBM will continue to cautiously monitor the domestic and external macroeconomic situation, the risks and uncertainties associated with short- and medium-term inflation developments, and further monetary policy decisions aimed at ensuring and maintaining price stability will depend on the updated inflation outlook.

The next meeting of the NBM Executive Board on monetary policy will be held on 6 November 2025, according to the approved schedule [1].

NBM Interest rates [2]

See also

Tags
inflation rate [3]
base rate [4]
overnight credit [5]
overnight deposit [6]
CPI [7]
core inflation [8]
Monetary policy decisions [9]
Monetary policy decision [10]

Source URL:
http://bnm.md/en/content/monetary-policy-decision-18092025

Related links:

[1] http://bnm.md/en/content/schedule-monetary-policy-meetings-2016 [2] http://bnm.md/en/content/nbm-interest-rates [3] http://bnm.md/en/search?hashtags[0]=inflation rate [4] http://bnm.md/en/search?hashtags[0]=base rate [5] http://bnm.md/en/search?hashtags[0]=overnight credit [6] http://bnm.md/en/search?hashtags[0]=overnight deposit [7]

http://bnm.md/en/search?hashtags[0]=CPI [8] http://bnm.md/en/search?hashtags[0]=core inflation [9] http://bnm.md/en/search?hashtags[0]=Monetary policy decisions [10] http://bnm.md/en/search?hashtags[0]=Monetary policy decision