Published on (http://www.bnm.md)

15.11.2024

FAQ on establishing the reference currency for calculating the official exchange rate of the Moldovan leu

Why is the reference currency changing from USD to EUR?

The decision is driven by the strengthening of Moldova's economic and trade relations with the European Union (EU). The euro has become the main instrument of exchange in foreign trade and international financial relations of our country, reflecting the current economic reality. This change contributes to Moldova's methodological alignment with EU practices, facilitating better integration into the European financial area.

What does the change of the reference currency for setting the exchange rate mean?

The change of the reference currency means that the official exchange rate of the Moldovan leu (MDL) will be calculated in relation to the euro (EUR). Until now, this calculation was made in relation to the US dollar (USD). This does not affect the NBM' s monetary policy and does not imply any modification to the money supply. It is merely a technical adjustment, reflecting the increasing use of the euro in the Moldovan economy.

How will this change contribute to Republic of Moldova's integration into the European Union?

The adoption of the euro as the reference currency for the official exchange rate of the MDL is an important step in aligning our country to European economic and financial standards. This will facilitate the comparability of economic data, increase the confidence of foreign investors and support the EU economic integration processes.

How will this change affect citizens and businesses?

The change will bring stability to the EUR/MDL exchange rate, which will reduce the risk of currency fluctuations for those who have loans, deposits or receipts in euro. Individuals receiving remittances from abroad in euro will benefit from a more predictable exchange rate. Economic agents will also experience a reduction in volatility, which will facilitate commercial transactions and investments.

To what extent will this change impact interest rates on loans in euro?

The change of the reference currency does not affect interest rates on loans as they are determined by financial market conditions. However, the stability of the EUR/MDL exchange rate will provide borrowers with greater predictability in repaying their installments.

What will happen to foreign exchange transactions in US dollars?

The method of conducting transactions in US dollars will remain unchanged.

How will economic agents, especially importers and exporters, benefit from this change?

Importers and exporters will benefit from a more stable EUR/MDL exchange rate, which will facilitate financial and trade planning by reducing currency risk and volatility. Euro transactions will also become more efficient and exchange costs will fall.

How will the NBM ensure transparency in the implementation process of this change?

The NBM will publish on its website all necessary information on the implementation stages and the effects of this change. It will also organize consultation sessions and answer questions through a set of frequently asked questions, etc.

What should I do if I have questions about this change?

The NBM encourages all interested parties to consult the bank's official website www.bnm.md [1], where detailed and up-to-date information is available. Also, for specific questions, you can write to us at official@bnm.md [2] or attend the meetings dedicated to explaining this process.

Tags
reference currency [3]
EUR [4]
EUR reference [5]
change of currency reference [6]
change of exchange rate reference [7]
exchange rate calculation reference [8]
reference currency of the National Bank of Moldova [9]
reference currencies of the National Bank of Moldova [10]
reference currency EUR [11]

Source URL:
http://www.bnm.md/en/content/faq-establishing-reference-currency-calculating-official-exchange-rate-moldovan-leu

Related links:

[1] http://www.bnm.md [2] mailto:official@bnm.md [3] http://www.bnm.md/en/search?hashtags[0]=reference currency [4] http://www.bnm.md/en/search?hashtags[0]=EUR [5] http://www.bnm.md/en/search?hashtags[0]=EUR reference [6] http://www.bnm.md/en/search?hashtags[0]=change of currency reference [7] http://www.bnm.md/en/search?hashtags[0]=change of exchange rate reference [8] http://www.bnm.md/en/search?hashtags[0]=exchange rate calculation reference [9] http://www.bnm.md/en/search?hashtags[0]=reference currency of the National Bank of Moldova [10] http://www.bnm.md/en/search?hashtags[0]=reference currencies of the National Bank of Moldova [11] http://www.bnm.md/en/search?hashtags[0]=reference currency EUR