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Monetary Indicators in August 2018

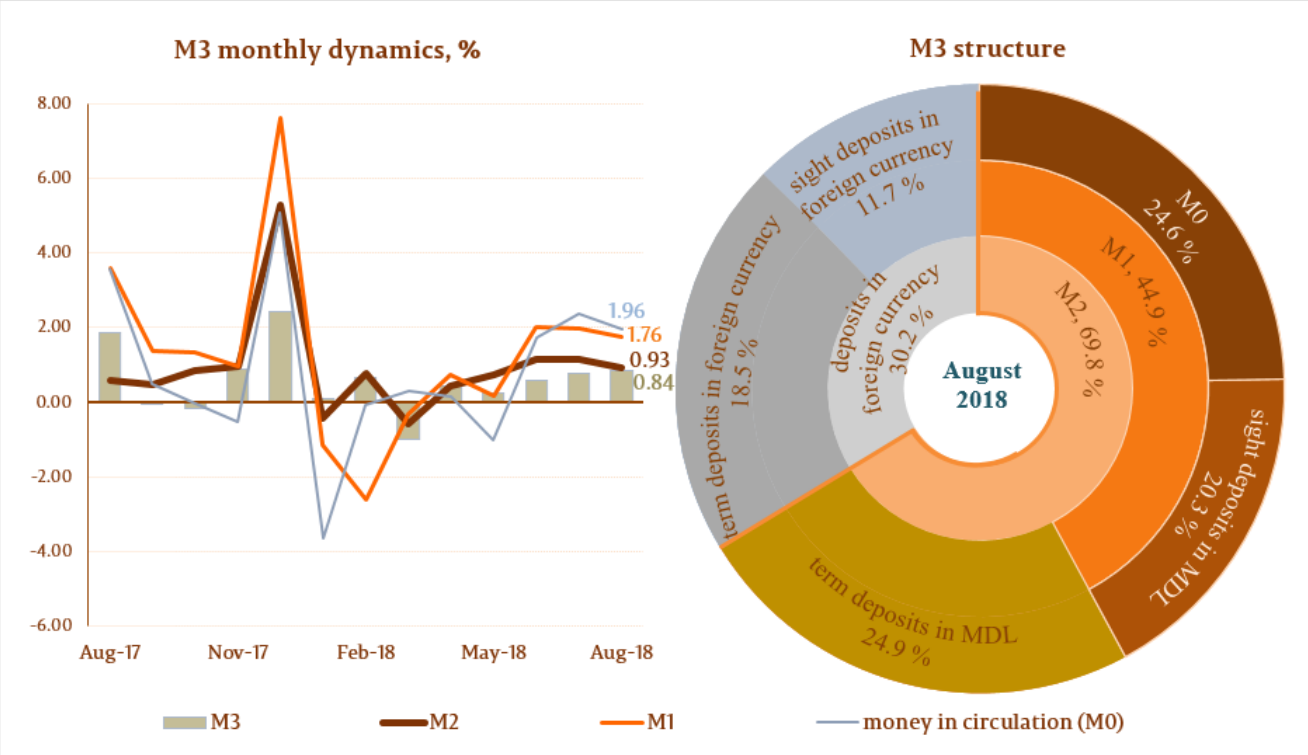
In August 2018, monetary base[1] increased by MDL 866.8 million (2.3 percent) compared to the previous month and accounted for MDL 39054.1 million. The increase of the monetary base was determined by the increase of its counterparties: net foreign assets increased by MDL 389.8 million (0.9 percent) and net domestic assets – by MDL 477.0 million (8.9 percent).

Money supply M2[2] increased by MDL 511.4 million, or by 0.9 percent compared to July 2018 and accounted for MDL 55276.2 million, by 12.3 percent more compared to the same period of the precedent year.

Money supply M3[3] increased by MDL 662.5 million (0.8 percent), being by 5.9 percentage points higher to that of August 2017.

The analysis of the components of Money supply (M3) shows that its increase during August 2018 was driven by the increase of Money in circulation (M0)[4] by MDL 373.9 million, and by the increase of the total balance of deposits by MDL 288.6 million (chart no. 1).

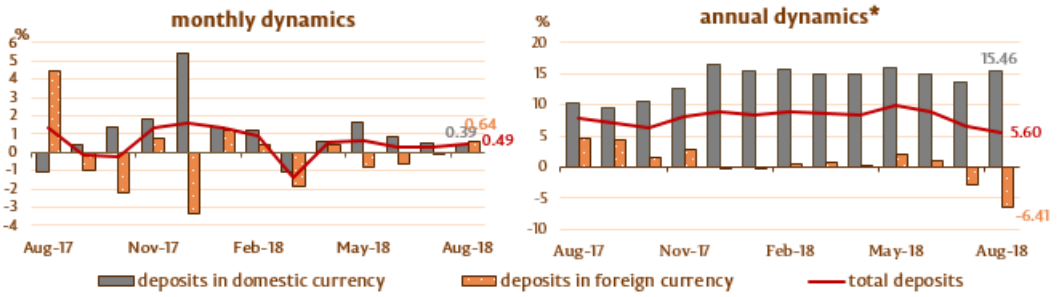
Chart no. 1. Monetary aggregate M3



To be mentioned that the Money in circulation (M0) and Money supply (M1)[5] increased compared to August 2017 by 6.8 and 14.5 percentage points, respectively.

The balance of deposits in national currency increased by MDL 137.5 million and accounted for MDL 35849.1 million, representing a share of 60.0 percent of total deposits and the balance of deposits in foreign currency (recalculated in MDL) increased by MDL 151.1 million and accounted for MDL 23873.3 million with a share of 40.0 percent (Chart no.2).

Chart no. 2. Deposits[6] dynamics, %

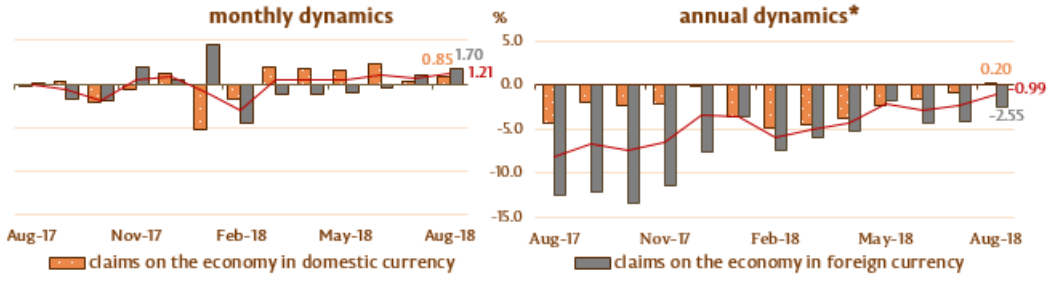


in domestic currency			in foreign currency	
previous month	same period, 2017	the modification compared to	previous month	same period, 2017
+0.39	+15.46	Total	+0.64	-6.41
-11.06	+1.09	Non-banking financial sector	+0.17	-27.52
+1.39	+33.18	Non-financial companies' sector, which majority ownership is public	+1.75	-5.63
+3.83	+34.36	Non-financial companies' sector, which majority ownership is private	+1.09	-14.00
-1.01	+7.50	Other resident sectors	+0.49	-2.62

The increase of money supply M3 in the reporting period as regards to its counterparts was determined by the increase in net domestic assets[8] of the banking system by MDL 703.6 million (8.3 percent) and by the decrease in net external assets[7] by MDL 41.1 million (0.1 percent).

The balance of claims on economy[7] increased in the reporting month by MDL 456.8 million (1.2 percent) at the expense of the increase of claims on the economy in national currency by MDL 185.9 million (0.9 percent), as well as of the claims in foreign currency (expressed in MDL) by MDL 270.9 million or by 1.7 percent (Chart no.3).

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



in domestic currency			in foreign currency	
previous month	same period, 2017	The modification compared to	previous month	same period, 2017
+0.85	+0.20	Total	+1.70	-2.55
-1.05	-4.32	Non-banking financial sector	+0.37	-11.53
+1.31	-6.65	Non-financial companies' sector, which majority ownership is public	-5.00	-45.39
-0.84	-12.87	Non-financial companies' sector, which majority ownership is private	+2.00	-1.16
+2.83	+20.79	Other resident sectors	-1.74	+43.60
+3.08	+21.67	Consumer loans	-1.29	+66.74
+4.53	+32.30	Real estate loans	+0.81	+70.12

It should be mentioned that the claims on the economy in foreign currency, expressed in USD, have increased during the reporting period by USD 8.7 million (0.9 percent).

The evolution of the balance of claims on the economy in national currency was influenced by the increase of the ballance of claims on the non-financial commercial companies' sector, which majority ownership is public and of the balance of claims on other resident sectors (including individuals) by MDL 12.70 million (1.3 percent) and by MDL 269.7 million (2.8 percent), respectively. At the same time the balance of claims on non-financial companies sector, which majority ownership is private and of the balance of claims on the non-banking financial sector decreased by MDL 89.1 million (0.8 percent) and by MDL 7.4 million (1.1 percent), respectively.

At the same time, the increase of the balance of claims on the economy in foreign currency (expressed in MDL) was determined by the increase of the balance of claims to non-financial commercial companies, with private majority ownership, of the balance of claims to non-financial commercial companies with private majority ownership and of the balance of claims to non-banking financial sector by MDL 291.1 million (2.0 percent) and by MDL 2.7 million (0.4 percent), respectively. At the same time, the balance of claims to non-financial commercial companies, with public majority ownership and the balance of clasims to other resident sectors (including individuals) decreased by MDL 16.6 million (5.0 percent) and by MDL 6.3 million (1.7 percent), respectively.

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

[1.] Broadly, the monetary base includes money in circulation (outside the banking system), banks reserves (reserves of banks in MDL held in correspondent accounts at the National Bank of Moldova and cash in banks' safes), sight deposits of other organizations at the National Bank of Moldova , overnight deposits of banks and foreign currency obligatory reserves.

[2.] Monetary M2 includes monetary aggregate (M0), deposits in Moldovan lei of residents and money market instruments.

[3.] Monetary M3 includes M2 money and foreign currency deposits of residents denominated in Moldovan lei.

[4.] Money in circulation M0 represents cash released by the National Bank of Moldova, except for cash in banks' safes and in the vault of the National Bank of Moldova .

[5.] Monetary M1 includes money in circulation and sight deposits in Moldovan lei of residents.

[6.] Deposits are structured by institutional sectors, in accordance with the Instruction on the method of filling in by licensed banks of the Report on monetary statistics (Official Monitor of the Republic of Moldova No. 206-215 of 2 December 2011).

[7.] is calculated by subtracting foreign liabilities from external assets. Foreign assets include: deposits placed with non-residents; loans to non-residents; debt securities held (issued by non-residents); shares held and other equity held by non-residents; monetary gold. Foreign liabilities include the resources attracted from non-residents: types of bonds of the monetary authorities and banks towards non-residents: deposits, debt securities, loans and loans from the IMF, bonds for SDRs distributed and other bonds.

[8.] 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.

[9.] According to the IMF methodology, out of total loans to the economy (including interest calculated on loans of banks in the process of liquidation) are excluded credits of non-residents, interbank credits and credits granted to the Government of the Republic of Moldova.



Statistics [1]

See also

Tags

M0 [2]

M1 [3]

M2 [4]

M3 [5]

money supply [6]

monetary aggregates [7]

monetary indicators [8]

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