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Monetary Policy Statistics Expand Hide

Press releases Press room

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Monetary indicators in June 2018

In June 2018, monetary base[1] increased by MDL 234.3 million (0.6 percent) compared to the previous month, amounting to MDL 38,796.9 million. This increase of the monetary base was determined by the growth of its counterparts: net foreign assets, which grew by MDL 192.9 million (0.5 percent) and net domestic assets - by MDL 41.4 million (1.0 percent).

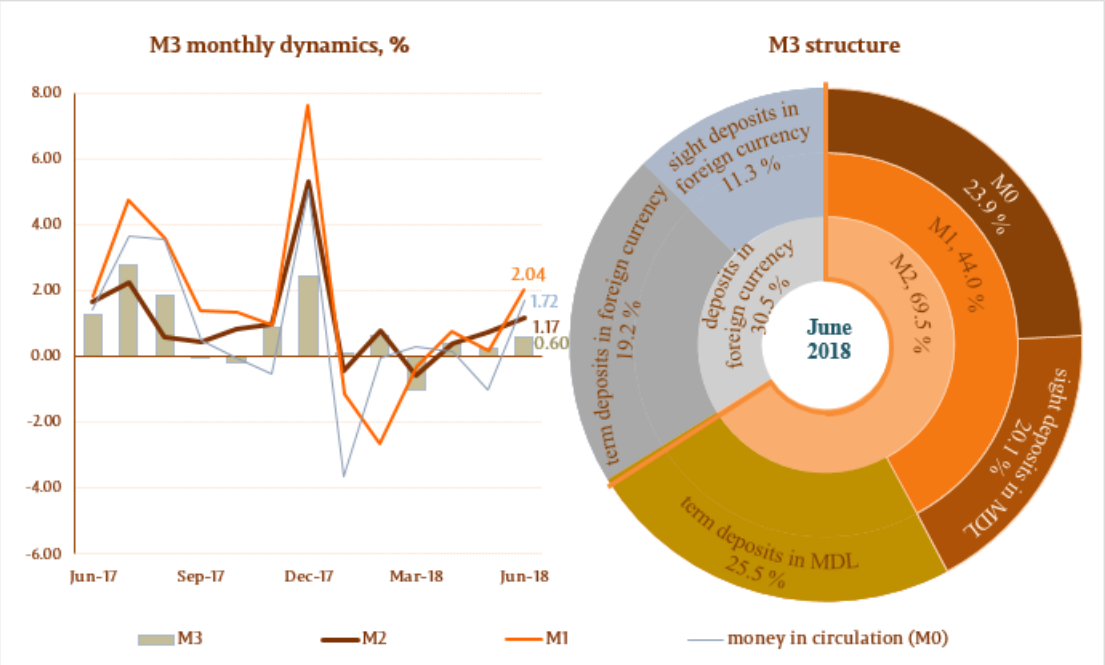
Money supply M2 [2] increased by MDL 625.2 million or by 1.2 percent compared to May 2018 and recorded MDL 54,149.1 million, having increased by 13.1 percent compared to the same period of the previous year.

Money supply M3 [3] has increased by MDL 467.8 million (by 0.6 percent), having recorded values 9.1 percent higher to that of June 2017.

The analysis of the Money supply components (M3) shows that its increase over June 2018 was driven by the growth of the monetary aggregate money in circulation (M0)[4] decreased by MDL 314.6 million as well as of total deposit balance by MDL 153.2 million (Chart 1).

It should be mentioned that monetary aggregates Money in circulation (M0) and Money supply (M1)[5] have increased compared to June 2017 by 9.8 and 19.7 percent, respectively.

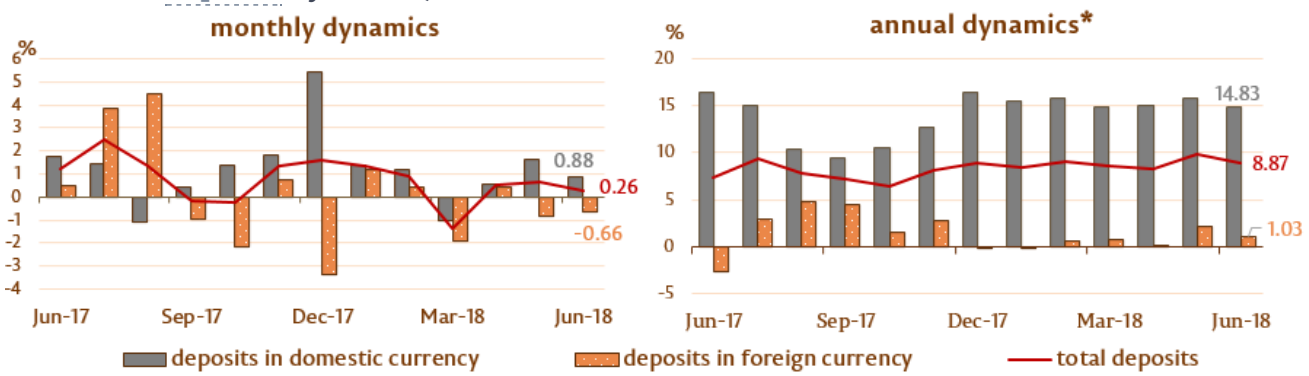
Chart no. 1. Monetary aggregate M3



The domestic currency deposit balance has increased by MDL 310.6 million, having reached MDL 35,538.0 million, accounting for a share of 59.9 percent of the total deposit balance, whereas the foreign currency deposit balance (recalculated in MDL) decreased by MDL 157.4 million, to MDL 23,746.1 million, accounting

for a share of 40.1 percent (Chart 2).

Chart no. 2. Deposits dynamics, %

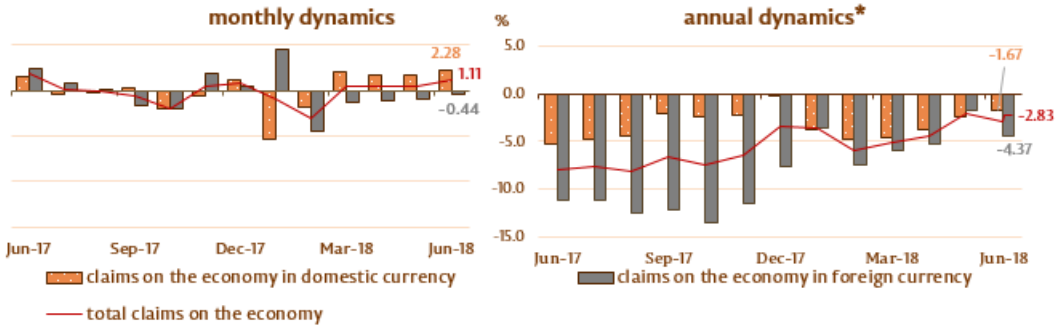


in domestic currency			in foreign currency	
previous month	same period, 2017	the modification compared to	previous month	same period, 2017
+0.88	+14.83	Total	-0.66	+1.03
-6.60	-1.26	Non-banking financial sector	+0.49	-23.39
-7.92	+28.23	Non-financial companies' sector, which majority ownership is public	-7.70	+9.74
+1.29	+27.79	Non-financial companies' sector, which majority ownership is private	-0.83	+4.56
+1.46	+9.40	Other resident sectors	-0.46	+1.06

The increase of Money supply M3 over the reporting period was determined, in terms of its counterparts, by the increase in net foreign assets[7] of the banking system by MDL 85.0 million (1.0 percent) as well as in net domestic assets[8] by MDL 382.8 million (4.7 percent).

In June 2018, the balance of claims on the economy[9] increased by MDL 413.1 million (1.1 percent) as a result of the increase of domestic currency claims on economy by MDL 482.7 million (2.3 percent), whereas foreign currency claims on economy (recalculated in MDL) have decreased by MDL 69.6 million (0.4 percent) (Chart 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
+2.28	-1.67	Total	-0.44	-4.37
+1.67	-5.25	Non-banking financial sector	+1.15	-10.70
+4.63	+1.25	Non-financial companies' sector, which majority ownership is public	-8.90	-40.60
+1.57	-14.72	Non-financial companies' sector, which majority ownership is private	-0.10	-3.01
+2.88	+19.04	Other resident sectors	-7.59	+20.63
+2.76	+21.06	Consumer loans	-2.10	+37.19
+3.97	+26.96	Real estate loans	+2.54	+29.81

It should be mentioned that foreign currency claims on economy, expressed in USD, have increased over the reference period by USD 2.0 million (0.2 percent).

The evolution of the balance of domestic currency claims on economy was determined by the increase in balance of claims on all sectors: non-financial companies which majority ownership is public by MDL 45.3 million (4.6 percent), non-financial companies which majority ownership is private MDL 164.7 million (1.6 percent), the non-banking financial sector and other resident sectors (including individuals) by MDL 11.4 million (1.7 percent) and MDL 261.3 million (2.9 percent), respectively.

The decrease of balance of foreign currency claims on economy (expressed in MDL) was determined by the decrease in balance of claims on non-financial commercial companies which majority ownership is public by MDL 35.3 million (8.9 percent), non-financial companies which majority ownership is private by MDL 14.4 million (0.1 percent), and on other resident sectors (including individuals) by MDL 28.5 million (7.6 percent). At the same time, balance of claims on the non-banking financial sector grew by MDL 8.6 million (1.2 percent).

** changes recorded against the values of the same period of the previous year.*

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

2. Money supply M2 includes monetary aggregate (M0), domestic currency resident deposits, and money market instruments.

3, Money supply M3 includes money supply M2 and foreign currency resident deposits, recalculated in Moldovan lei .

4, Money in circulation M0 represents circulating cash issued by the National Bank of Moldova, except for till cash of banks and of the National Bank of Moldova.

5. Money supply M1 includes money in circulation and domestic currency resident sight deposits.

6, Deposits are structured by institutional sectors, in accordance with the Guidelines on Preparing Monetary Statistic Reports by Licensed Banks (Official Monitor of the Republic of Moldova No. 206-215, dated 2 December 2011).

7. Is calculated by subtracting foreign liabilities from foreign assets.
Foreign assets include: non-resident deposits; non-resident loans; debt securities held (issued by non-residents); shares and other equity held by non-residents; monetary gold.
Foreign liabilities include resources attracted from non-residents: bonds issued by monetary authorities and banks to non-residents; deposits, debt securities, IMF credits and loans, SDR bonds, and other bonds.

8. Is 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 M (3)) include the resources attracted from residents: deposits, debt securities with over 2 years' maturity issued on domestic market; capital and reserves.

9. According to the IMF methodology, the non-resident loans, interbank loans, and loans extended to the Government of the Republic of Moldova should be excluded of total claims on economy (including interest calculated on loans extended by liquidating banks).

Statistics [1]

See also

Tags

M0 [2]

M1 [3]

M2 [4]

M3 [5]

money supply [6]

monetary aggregates [7]

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