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NBM and EBRD signed an agreement on access to liquidity in Moldovan lei through currency swap instrument

The National Bank of Moldova (NBM) and the European Bank for Reconstruction and Development (EBRD) signed a bilateral agreement to conduct foreign exchange swap operations, in order to establish a facility to support the national economy.

The signing of the agreement comes after the EBRD implemented similar mechanisms in Ukraine, Georgia and Azerbaijan. The NBM and the EBRD identified acceptable conditions for the project realization in the Republic of Moldova as well.

At the same time, during the swap transactions, the value of the official reserve assets of the Republic of Moldova, managed by the NBM, will increase. This will have a positive effect on the sentiment of the financial market in our country and will strengthen the NBM's ability to pursue its fundamental objective.

The approval of the agreement does not involve financial expenses for the NBM. At the same time, the provision of liquidity under this agreement will be carried out under conditions similar to other operations carried out by the NBM on the domestic money or foreign exchange market.

The expected effect of signing the agreement is the creation and implementation of a new competitive instrument for lending by the EBRD to Moldovan economic agents in national currency and the development of the real sector of the national economy, which is necessary especially in the crisis caused by the global pandemic situation.

Foreign exchange swap means the purchase of a currency at the time of the conclusion of the transaction and the obligation to sell it at a date in the future at an agreed forward rate.

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