

NATIONAL BANK OF MOLDOVA

PRESS RELEASE

Interest rates on NBM monetary policy instruments

The Council of Administration of the National Bank of Moldova has, at its meeting of 24 June 2004, **decided to keep the base rate** of the National Bank applied on commercial banks' refinancing through SS two-month acquisition Repos conducted within NBM open market operations **at the level of 14.0% per year**.

Under the scope of an efficient monetary policy promotion, the CA of the NBM has, considering the dynamics of interest rates in the interbank market, decided at its meeting to narrow the interest rate corridor by increasing the interest on overnight deposits accepted by the NBM by 2 p.p. to the level of **5% per year**.

At the same time, the interest rates on monetary policy instruments have been set as follows:

- The interest rates on **overnight credits** accounted for **17.0% per year**;
- The interest rates on **Lombard facility** accounted for **16.0% per year**.

The base rate on long-term credits (more than 5 years) was established as **11.5% per year**.

The Decision of the Council of Administration of the National Bank of Moldova on establishment of interest rates shall enter into force on the date of its publication in the Official Monitor of the Republic of Moldova.