

Credits and deposits market development in July 2012

The volume of *new granted credits in national currency* increased by 98.3 million lei or by 8.2 percent in July 2012 as compared to the same period of the last year, constituting 1303.7 million lei.

The average weighted interest rate on credits granted during the reporting period constituted 13.38 percent and decreased by 0.94 percentage points (Table no.1).

Table no. 1. Volume and average rate on credits granted by banks in national currency

	July 2011		June 2012		July 2012	
	Amount million, lei	Average rate %	Amount million, lei	Average rate %	Amount million, lei	Average rate %
<i>Up to 1 month</i>	155.76	15.38	215.68	15.48	53.43	15.25
<i>From 1 month to 3 months</i>	27.95	15.63	40.08	13.77	92.43	15.30
<i>From 3 months to 6 months</i>	38.49	13.01	93.92	14.84	35.81	14.92
<i>From 6 months to 12 months</i>	151.62	13.47	281.90	12.56	212.07	12.86
<i>Over 12 months</i>	831.59	14.29	837.81	13.47	910.00	13.13
Total amount	1205.41		1469.39		1303.74	
Average rate on banking system		14.32		13.69		13.38

As compared to June 2012, the volume on new granted credits in national currency decreased by 165.7 million lei or by 11.3 percent and the average weighted interest rate on granted credits decreased by 0.31 percentage points.

The credits granted with terms over 12 months continued to be the most attractive, their share being of 69.8 percent of the total volume of credits in national currency in July 2012, being extended at an average interest rate of 13.13 percent, decreasing by 0.34 percentage points as compared to the previous month. These are followed by credits with terms of 6 to 12 months (with a share of 16.3 percent), extended at an average rate of 12.86 percent, increasing by 0.30 percentage points as compared to June 2012.

The credits granted to legal entities held the largest share in the new granted credits in national currency, which represents 73.4 percent of total credits in MDL and were granted at an average rate of 12.73 percent, while the average rate on credits granted to individuals amounted to 15.14 percent.

In July 2012, the volume of *new granted credits in foreign currency* (expressed in MDL) increased by 72.2 million lei or by 7.3 percent as compared to the same period of the previous year, accounting to 1062.4 million lei. The average weighted interest rate on credits granted during the reporting period constituted 7.74 percent and decreased by 1.49 percentage points.

Table no. 2. Volume and average interest rate on credits granted by banks in foreign currency

	July 2011		June 2012		July 2012	
	Amount million, lei	Average rate %	Amount million, lei	Average rate %	Amount million, lei	Average rate %
<i>Up to 1 month</i>	215.18	11.22	39.59	11.13	55.96	10.88
<i>From 1 month to 3 months</i>	17.40	10.12	16.32	9.68	25.92	10.31
<i>From 3 months to 6 months</i>	40.41	8.23	36.74	10.29	10.72	8.59
<i>From 6 months to 12 months</i>	101.42	8.80	349.51	7.43	134.30	7.57
<i>Over 12 months</i>	615.75	8.65	577.19	7.79	835.50	7.47
Total amount	990.16		1019.35		1062.40	
Average rate on banking system		9.23		7.92		7.74

The volume of credits granted in foreign currency increased by 43.1 million lei or by 4.2 percent as compared to the previous month, being mainly represented by the credits granted to legal entities with an average rate of 7.72 percent, holding a share of 98.1 percent of total credits in foreign currency.

The evolution of the average rates on new granted credits had a downward tendency, so that the average interest rate on new granted credits in foreign currency decreased by 0.18 percentage points as compared to June 2012, up to the level of 7.74 percent in July 2012, being influenced by the rate of most attractive credits, especially the credits with maturity of over 12 months, with an average interest rate of 7.47 percent.

In July 2012, the volume of *term deposits in national currency* decreased by 349.3 million lei or by 18.5 percent as compared to the same period of the previous year, representing 1540.3 million lei.

The average weighted interest rate on term deposits in national currency attracted during the reporting period constituted 7.40 percent (Table no.3).

Table no. 3. Volume and average rate on term deposits in national currency

	July 2011		June 2012		July 2012	
	Amount million, lei	Average rate %	Amount million, lei	Average rate %	Amount million, lei	Average rate %
<i>Up to 1 month</i>	310.80	4.12	246.18	1.95	306.62	2.65
<i>From 1 month to 3 months</i>	295.63	4.79	81.02	3.41	145.10	3.47
<i>From 3 months to 6 months</i>	557.75	8.11	643.54	8.03	417.65	8.14
<i>From 6 months to 12 months</i>	439.83	9.66	515.16	9.37	421.45	9.62
<i>Over 12 months</i>	285.54	11.12	177.60	10.57	249.45	10.50
Total amount	1889.55		1663.50		1540.27	
Average rate on banking system		7.75		7.59		7.40

As compared to June 2012, the volume of term deposits in national currency decreased by 123.2 million lei (7.4 percent). The average interest rate on term deposits in national currency attracted during the reporting period decreased by 0.19 percentage points, up to the level of 7.40 percent.

The deposits with the maturity from 6 to 12 months held the maximum share (27.4 percent) of total term deposits attracted in national currency, which were attracted at an average interest rate of 9.62 percent. These are followed by the deposits with the maturity from 3 to 6 months, constituting 27.1 percent of total term deposits in national currency, attracted at an average interest rate of 8.14 percent.

Term deposits in national currency attracted from individuals constituted 50.0 percent during the reporting period of total term deposits attracted in national currency, decreasing by 13.1 percentage points as compared to the previous month. The average weighted interest rate of term deposits in national currency attracted from individuals constituted 9.62 percent (increasing by 0.46 percentage points as compared to June 2012).

The *volume of term deposits in foreign currency* (expressed in MDL) decreased by 17.3 million lei in July 2012, or by 1.3 percent as compared to the same period of the previous year, constituting 1277.5 million lei.

The average weighted rate of term deposits in foreign currency (expressed in MDL) constituted 4.19 percent during the reporting period (Table no.4).

Table no. 4. **Volume and average rate of term deposits in foreign currency**

	July 2011		June 2012		July 2012	
	Amount million, lei	Average rate %	Amount million, lei	Average rate %	Amount million, lei	Average rate %
<i>Up to 1 month</i>	76.01	1.36	174.75	0.81	116.03	1.31
<i>From 1 month to 3 months</i>	124.47	1.65	79.09	2.36	72.84	2.02
<i>From 3 months to 6 months</i>	443.05	3.37	565.22	4.06	512.29	4.31
<i>From 6 months to 12 months</i>	496.26	4.08	426.40	4.52	384.62	4.74
<i>Over 12 months</i>	154.97	4.91	113.13	5.22	191.71	5.32
Total amount	1294.76		1358.59		1277.49	
Average rate on banking system		3.54		3.79		4.19

As compared to June 2012, the volume of term deposits in foreign currency decreased by 81.1 million lei (6.0 percent) and the average interest rate of term deposits increased by 0.40 percentage points, up to the level of 4.19 percent.

Term deposits with the maturity from 3 to 6 months held the largest share (40.1 percent) of total term deposits in foreign currency, which were attracted at an average interest rate of 4.31



percent, increasing by 0.25 percentage points as compared to the previous month.

Margin banking on operations in national currency was 5.98 percentage points in July 2012, falling by 0.12 percentage points as compared to the previous month.

Margin banking on operations in foreign currency amounted to 3.55 percentage points in the analyzed month, decreasing by 0.58 percentage points as compared to June 2012.