

**Credits and deposits market development September 2012**

The volume of *new granted credits in national currency* decreased by 253.7 million lei or by 15.8 percent in September 2012 as compared to the same period of the last year, constituting 1353.4 million lei. The average weighted interest rate on *credits* granted during the reporting period, constituted 12.58 percent, decreasing by 1.53 percentage points (Table no.1).

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

	September 2011		August 2012		September 2012	
	Amount (million, lei)	Average rate (%)	Amount (million, lei)	Average rate (%)	Amount (million, lei)	Average rate (%)
<i>Up to 1 month</i>	146.25	16.71	71.60	13.66	8.07	18.70
<i>From 1 month to 3 months</i>	39.79	15.45	34.64	14.02	90.41	10.54
<i>From 3 months to 6 months</i>	73.75	13.52	22.10	14.05	57.71	11.54
<i>From 6 months to 12 months</i>	392.11	12.96	161.76	12.74	341.98	11.97
<i>Over 12 months</i>	955.18	14.17	1034.57	12.71	855.21	13.05
Total amount	1607.08		1324.68		1353.38	
Average rate on banking system		14.11		12.82		12.58

As compared to August 2012, the volume on new granted credits in national currency increased by 28.7 million lei or by 2.2 percent and the average weighted interest rate on granted credits decreased by 0.24 percentage points.

The credits granted with terms over 12 months continued to be the most attractive, their share being of 63.2 percent of the total volume of credits in national currency in September 2012, being extended at an average interest rate of 13.05 percent, increasing 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 25.3 percent), extended at an average rate of 11.97 percent, decreasing by 0.77 percentage points as compared to the previous month.

The credits granted to legal entities held the largest share in the new granted credits in national currency, which represents 76.6 percent of total credits in MDL and were granted at an average rate of 11.83 percent, while the average rate on credits granted to individuals amounted to 15.06 percent.

In September 2012, the volume of *new granted credits in foreign currency* (expressed in MDL) decreased by 258.7 million lei or by 24.5 percent as compared to the same period of the previous year, accounting to 797.7 million lei. The average weighted interest rate on credits granted during the reporting period constituted 7.78 percent, decreasing by 1.08 percentage points.



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

	September 2011		August 2012		September 2012	
	Amount (million, lei)	Average rate (%)	Amount (million, lei)	Average rate (%)	Amount (million, lei)	Average rate (%)
<i>Up to 1 month</i>	207.59	11.76	0.23	15.18	0.35	15.29
<i>From 1 month to 3 months</i>	8.80	8.39	7.17	9.64	1.49	8.21
<i>From 3 months to 6 months</i>	162.36	7.67	8.32	9.10	27.46	8.64
<i>From 6 months to 12 months</i>	82.39	8.12	101.26	7.46	89.49	7.54
<i>Over 12 months</i>	595.27	8.28	710.34	7.63	678.94	7.77
Total amount	1056.41		827.32		797.74	
Average rate on banking system		8.86		7.64		7.78

The volume of credits granted in foreign currency decreased by 29.6 million lei or by 3.6 percent as compared to the previous month, being mainly represented by the credits granted to legal entities with an average rate of 7.75 percent, holding a share of 97.7 percent of total credits in foreign currency.

The evolution of the average rates on new granted credits recorded an upward tendency, so that the average interest rate on new granted credits in foreign currency increased by 0.14 percentage points as compared to August 2012, up to the level of 7.78 percent in September 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 7.77 percent.

In September 2012, the volume of *term deposits in national currency* decreased by 1278.5 million lei or by 43.5 percent as compared to the same period of the previous year, amounting to 1662.3 million lei.

The average weighted interest rate on term deposits in national currency attracted during the reporting period constituted 7.94 percent (Table no.3).

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

	September 2011		August 2012		September 2012	
	Amount (million, lei)	Average rate (%)	Amount (million, lei)	Average rate (%)	Amount (million, lei)	Average rate (%)
<i>Up to 1 month</i>	568.89	4.03	225.08	4.19	108.49	2.67
<i>From 1 month to 3 months</i>	847.78	3.59	280.52	3.73	74.05	3.06
<i>From 3 months to 6 months</i>	513.56	8.42	539.12	6.83	595.15	7.30
<i>From 6 months to 12 months</i>	477.33	9.71	534.31	8.88	609.35	8.75
<i>Over 12 months</i>	533.17	11.11	319.34	9.86	275.23	10.94
Total amount	2940.73		1898.38		1662.27	
Average rate on banking system		6.87		7.15		7.94



As compared to August 2012, the volume of term deposits in national currency decreased by 236.1 million lei (12.4 percent). The average interest rate on term deposits in national currency attracted during the reporting period increased by 0.79 percentage points, up to the level of 7.94 percent.

The deposits with the maturity from 6 to 12 months held the largest share (36.7 percent) of total term deposits attracted in national currency, which were attracted at an average interest rate of 8.75 percent. These are followed by the deposits with the maturity from 3 to 6 months, constituting 35.8 percent of total term deposits in national currency, which were attracted at an average interest rate of 7.30 percent.

Term deposits in national currency attracted from individuals constituted 62.5 percent during the reporting period of total term deposits attracted in national currency, increasing by 12.8 percentage points as compared to the previous month. The average weighted interest rate of term deposits in national currency attracted from individuals constituted 9.70 percent (increasing by 0.22 percentage points as compared to August 2012).

The *volume of term deposits in foreign currency* (expressed in MDL) decreased by 237.4 million lei in September 2012, or by 13.6 percent as compared to the same period of the previous year, constituting 1506.8 million lei.

The average weighted rate of term deposits in foreign currency (expressed in MDL) constituted 4.97 percent during the reporting period (Table no.4).

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

	September 2011		August 2012		September 2012	
	Amount (million, lei)	Average rate (%)	Amount (million, lei)	Average rate (%)	Amount (million, lei)	Average rate (%)
<i>Up to 1 month</i>	139.21	1.52	104.47	1.64	91.96	1.57
<i>From 1 month to 3 months</i>	83.02	1.52	54.25	2.08	303.81	3.65
<i>From 3 months to 6 months</i>	522.08	3.49	568.18	4.29	314.99	4.49
<i>From 6 months to 12 months</i>	655.07	4.14	548.56	4.75	485.50	4.93
<i>Over 12 months</i>	344.87	5.81	481.21	5.46	310.59	7.80
Total amount	1744.25		1756.67		1506.84	
Average rate on banking system		3.94		4.53		4.97

As compared to August 2012, the volume of term deposits in foreign currency decreased by 249.8 million lei (14.2 percent) and the average interest rate of term deposits increased by 0.44 percentage points.



Term deposits with the maturity from 6 to 12 months held the largest share (32.2 percent) of total term deposits in foreign currency, which were attracted at an average interest rate of 4.93 percent, increasing by 0.18 percentage points as compared to the previous month.

Banking margin on operations in national currency was 4.64 percentage points in September 2012, falling by 1.04 percentage points as compared to the previous month.

Banking margin on operations in foreign currency amounted to 2.81 percentage points in the analyzed month, decreasing by 0.30 percentage points as compared to August 2012.