

Credits and deposits market development in October 2012

The volume of *new granted credits in national currency* increased by 123.6 million lei or by 11.3 percent in October 2012 as compared to the same period of the last year, constituting 1217.7 million lei. The average weighted interest rate on credits granted during the reporting period, constituted 13.00 percent, decreasing by 1.03 percentage points (Table no.1).

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

	October 2011		September 2012		October 2012	
	Amount (million, lei)	Average rate (%)	Amount (million, lei)	Average rate (%)	Amount (million, lei)	Average rate (%)
<i>Up to 1 month</i>	220.73	15.77	8.07	18.70	12.49	16.12
<i>From 1 month to 3 months</i>	17.01	14.61	90.41	10.54	17.75	13.56
<i>From 3 months to 6 months</i>	30.70	14.13	57.71	11.54	34.73	12.08
<i>From 6 months to 12 months</i>	91.65	14.76	341.98	11.97	339.59	12.60
<i>Over 12 months</i>	734.04	13.40	855.21	13.05	813.13	13.15
Total amount	1094.13		1353.38		1217.69	
Average rate on banking system		14.03		12.58		13.00

As compared to September 2012, the volume on new granted credits in national currency decreased by 135.7 million lei or by 10.0 percent and the average weighted interest rate on granted credits increased by 0.42 percentage points.

The credits granted with terms over 12 months continued to be the most attractive, their share being of 66.8 percent of the total volume of credits in national currency in October 2012, being extended at an average interest rate of 13.15 percent, increasing by 0.10 percentage points as compared to the previous month. These are followed by credits with terms of 6 to 12 months (with a share of 27.9 percent), extended at an average rate of 12.60 percent, increasing by 0.63 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 72.6 percent of total credits in MDL and were granted at an average rate of 12.18 percent, while the average rate on credits granted to individuals amounted to 15.18 percent.

In October 2012, the volume of *new granted credits in foreign currency* (expressed in MDL) decreased by 349.5 million lei or by 32.8 percent as compared to the same period of the previous year, accounting MDL 717.2 million lei. The average weighted interest rate on credits granted during the reporting period constituted 7.64 percent, decreasing by 1.20 percentage points.



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

	October 2011		September 2012		October 2012	
	Amount (million, lei)	Average rate (%)	Amount (million, lei)	Average rate (%)	Amount (million, lei)	Average rate (%)
<i>Up to 1 month</i>	207.60	11.07	0.35	15.29	0.43	15.00
<i>From 1 month to 3 months</i>	20.02	11.48	1.49	8.21	8.37	10.48
<i>From 3 months to 6 months</i>	47.60	8.31	27.46	8.64	14.08	7.75
<i>From 6 months to 12 months</i>	128.59	8.45	89.49	7.54	88.99	7.35
<i>Over 12 months</i>	662.94	8.18	678.94	7.77	605.37	7.64
Total amount	1066.75		797.74		717.24	
Average rate on banking system		8.84		7.78		7.64

The volume of credits granted in foreign currency decreased by 80.5 million lei or by 10.1 percent as compared to the previous month, being mainly represented by the credits granted to legal entities with an average rate of 7.62 percent, holding a share of 96.0 percent of total credits in foreign currency.

The evolution of the average rates on new granted credits recorded a downward tendency, so that the average interest rate on new granted credits in foreign currency decreased by 0.14 percentage points as compared to September 2012, up to the level of 7.64 percent in October 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 7.64 percent.

In October 2012, the volume of *term deposits in national currency* decreased by 445.1 million lei or by 20.5 percent as compared to the same period of the previous year, amounting to 1727.6 million lei. The average weighted interest rate on term deposits in national currency attracted during the reporting period constituted 7.72 percent (Table no.3).

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

	October 2011		September 2012		October 2012	
	Amount (million, lei)	Average rate (%)	Amount (million, lei)	Average rate (%)	Amount (million, lei)	Average rate (%)
<i>Up to 1 month</i>	413.07	3.82	108.49	2.67	136.82	2.02
<i>From 1 month to 3 months</i>	463.49	4.02	74.05	3.06	47.04	5.21
<i>From 3 months to 6 months</i>	434.49	8.54	595.15	7.30	555.00	7.44
<i>From 6 months to 12 months</i>	465.52	10.07	609.35	8.75	681.49	7.84
<i>Over 12 months</i>	396.12	11.82	275.23	10.94	307.26	10.88
Total amount	2172.69		1662.27		1727.61	
Average rate on banking system		7.60		7.94		7.72



As compared to September 2012, the volume of term deposits in national currency increased by 65.3 million lei (3.9 percent). The average interest rate on term deposits in national currency attracted during the reporting period decreased by 0.22 percentage points, up to the level of 7.72 percent.

The deposits with the maturity from 6 to 12 months held the largest share (39.5 percent) of total term deposits attracted in national currency, which were attracted at an average interest rate of 7.84 percent. These are followed by the deposits with the maturity from 3 to 6 months, constituting 32.1 percent of total term deposits in national currency, which were attracted at an average interest rate of 7.44 percent.

Term deposits in national currency attracted from individuals constituted 62.9 percent during the reporting period of total term deposits attracted in national currency, increasing by 0.4 percentage points as compared to the previous month. The average weighted interest rate of term deposits in national currency attracted from individuals constituted 9.71 percent (almost at the level recorded in September 2012).

The *volume of term deposits in foreign currency* (expressed in MDL) increased by 148.6 million lei in October 2012, or by 11.0 percent as compared to the same period of the previous year, constituting 1494.5 million lei.

The average weighted rate of term deposits in foreign currency (expressed in MDL) constituted 4.50 percent during the reporting period (Table no.4).

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

	October 2011		September 2012		October 2012	
	Amount (million, lei)	Average rate (%)	Amount (million, lei)	Average rate (%)	Amount (million, lei)	Average rate (%)
<i>Up to 1 month</i>	36.75	1.27	91.96	1.57	83.28	1.96
<i>From 1 month to 3 months</i>	112.25	1.60	303.81	3.65	363.48	3.74
<i>From 3 months to 6 months</i>	406.89	3.71	314.99	4.49	327.57	4.58
<i>From 6 months to 12 months</i>	518.93	4.36	485.50	4.93	519.29	5.02
<i>Over 12 months</i>	271.15	5.81	310.58	7.80	200.92	5.51
Total amount	1345.97		1506.84		1494.54	
Average rate on banking system		4.14		4.97		4.50

As compared to September 2012, the volume of term deposits in foreign currency decreased by 12.3 million lei (0.8 percent) and the average interest rate of term deposits decreased by 0.47 percentage points.



Term deposits with the maturity from 6 to 12 months held the largest share (34.8 percent) of total term deposits in foreign currency, which were attracted at an average interest rate of 5.02 percent, increasing by 0.09 percentage points as compared to the previous month.

Banking margin on operations in national currency was 5.28 percentage points in October 2012, increasing by 0.64 percentage points as compared to the previous month.

Banking margin on operations in foreign currency amounted to 3.14 percentage points in the analyzed month, increasing by 0.33 percentage points as compared to September 2012.