

Interest Rate Monitor

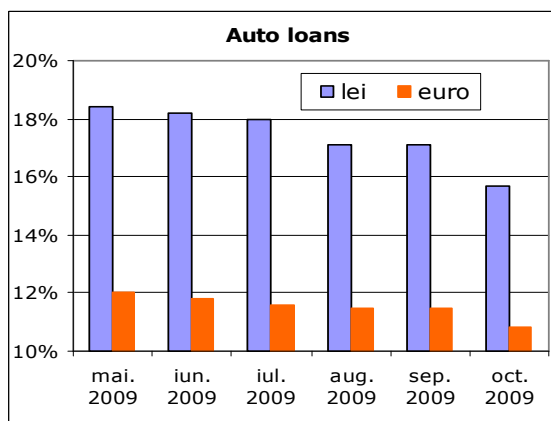
◆ October 2009

Major reductions for car loans in RON

RON interest rates declined in October 2009, for all types of loans to households.

The fastest drop was recorded for **car loans**, both in national currency and in euro.

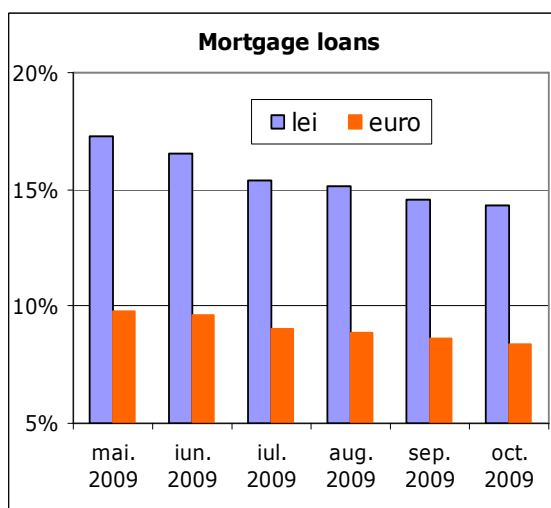
RON interest rates fell from 17.1% to 15.7% (-1.4 percentage points), while those in euros - from 11.5% to 10.8% (-0.7 pp).



Mortgage loans: interest rates fell more slowly

The cost of **mortgage loans** continued to decline, but with a lower intensity. Average interest rate fell by 0.3 pp to offers in RON (from 14.6% to 14.3%) and by 0.2 pp to offers in euros (from 8.6% to 8.4%).

The average interest rate for **home-equity loans** decreased by 0.4 percentage points, both in lei and the euro. For loans in local currency, interest rates are

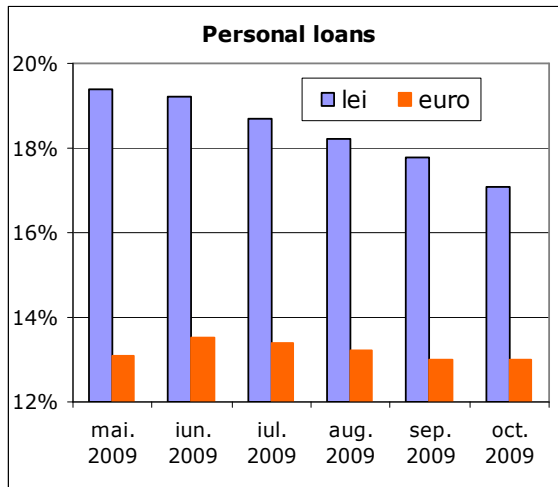


dropping more slowly, while for loans in euros, there is a noticeable increase in the rate of decline of interest rates.

Personal loans in lei: larger reductions

Interest rates have accelerated their decline for **personal loans** in lei. After a reduction of 0.4 pp (to 17.8%) in September 2009, interest rates fell by another 0.7 percentage points, reaching 17.1% in October.

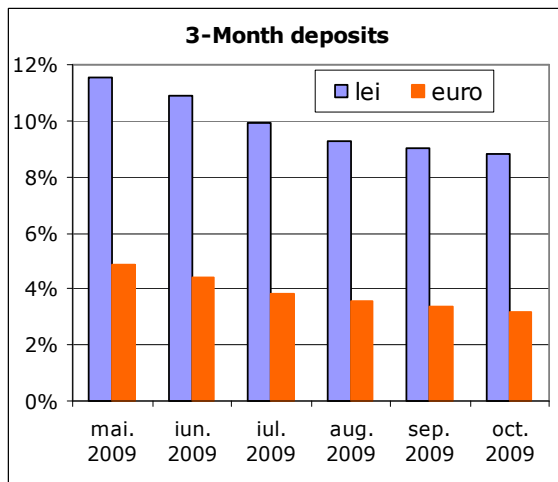
Credit cards have followed the market trend and the average interest rate has dropped from 24.7% in September 2009 to 24.2% in October 2009 (-0.5 pp).



Deposits: interest rates have come close to destination

Interest rates on deposits continued to decline in October, but the cuts have become very small. For most maturities, the average interest rate lowered only by 0.1 pp.

This could be a sign that the marked decline in recent months has reached the limits and interest rates are finally aligned to the new equilibrium values.



The biggest drop has been for 3 - month deposits in RON, interest rates declining from 9% to 8.8% (-0.2 pp). Instead, interest rate on 1 month deposits in RON increased slightly (from 8.6% to 8.7%).

Average interest rates

Loans in RON

	<i>aug. 2009</i>	<i>sep. 2009</i>	<i>oct. 2009</i>
Mortgage loans	15.1%	14.6%	14.3%
Home equity loans	16.1%	15.6%	15.2%
Auto loans	17.1%	17.1%	15.7%
Personal loans	18.2%	17.8%	17.1%
Credit cards	24.9%	24.7%	24.2%

Loans in EUR

	<i>aug. 2009</i>	<i>sep. 2009</i>	<i>oct. 2009</i>
Mortgage loans	8.9%	8.6%	8.4%
Home equity loans	9.6%	9.4%	9.0%
Auto loans	11.5%	11.5%	10.8%
Personal loans	13.2%	13.0%	13.0%

Deposits in RON

	<i>aug. 2009</i>	<i>sep. 2009</i>	<i>oct. 2009</i>
1-month	8.9%	8.6%	8.7%
3-month	9.3%	9.0%	8.8%
6-month	9.1%	8.7%	8.6%
12-month	8.9%	8.6%	8.5%

Deposits in EUR

	<i>aug. 2009</i>	<i>sep. 2009</i>	<i>oct. 2009</i>
1-month	3.4%	3.1%	3.0%
3-month	3.6%	3.4%	3.2%
6-month	3.5%	3.3%	3.2%
12-month	3.7%	3.5%	3.4%

Data were calculated as a simple average on interest rates, based on the offers for loans and deposits to the households registered on the Conso.ro database, at the end of the month. Conso.ro surveys the products offered by over 35 banks and other credit institutions.

