

Romania – interest rate for loans and deposits in local currency – regional comparison

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Households loans - loans for consumption excluding revolving loans and overdrafts (1)



Interest rate for new volumes in local currencies, all in costs (DAE in Romanian), %

	Germany, euro	Austria, euro	Euro area, Euro	Slovenia, Euro	Bulgaria, Bulgarian lev	Romania, Romanian leu	Czech Republic, Czech koruna	Slovakia, Euro	Lithuania, Lithuania n litas	Poland, Polish zloty	Latvia, Latvian lats	Hungary, Hungaria n forint
2007Dec	6.96	7.39	8.26	9.03	11.33	17.26	13.51	-	11.09	20.23	18.97	24.41
2008Dec	7.02	7.24	8.47	9.17	13.56	23.12	14.18	13.02	14.75	22.55	18.06	26.18
2009Dec	6.06	5.35	7.43	7.49	14.72	21.96	15.42	15.71	17.86	21.77	16.96	25.6
2010Dec	6.34	6.84	6.89	6.8	13.82	17.51	15.74	15.35	16.21	21.25	21.59	20.45
2011Dec	6.23	6.5	7.16	7.64	13.79	16.79	15.77	16.8	14.29	21.25	22.01	16.13
2012Dec	5.99	5.86	6.94	7.49	14.03	15.24	15.92	16.01	13.38	22.2	22.05	23.67
2013Jan	6.72	6.01	7.26	7.76	13.1	15.86	16.37	16.65	15.01	22.22	19.3	25.34
2013Feb	6.54	6.29	7.25	7.85	13.51	16	16.38	16.19	15.69	21.86	22.41	25.77
2013Mar	6.33	6.36	7.15	7.8	13.12	15.79	15.89	16.15	15.99	21.35	23.12	24.41
2013Apr	6.3	6.3	7.06	7.7	12.24	15.57	15.59	15.86	15.57	21.62	22.8	23.98
2013May	6.39	6.42	7.2	8.03	12.14	15.2	15.49	16.04	15.59	21.11	22.87	23.18
2013Jun	6.41	6.44	7.07	7.78	12.08	15.07	14.92	16.41	15.67	20.43	22.84	23.37
2013Jul	6.52	6.59	7.11	8.13	12.32	14.83	15.02	16.13	16.23	20.41	20.77	22.59

Source: ECB, EUROSTAT

Households loans - loans for consumption excluding revolving loans and overdrafts (2) – spreads over Money market rate (mid point 3M)



	Germany , Euro	Austria, Euro	Euro area, Euro	Slovenia, Euro	Romania, Romanian leu	Bulgaria, Bulgarian lev	Czech Republic, Czech koruna	Lithuania, Lithuania n litas	Slovakia, Euro	Poland, Polish zloty	Hungary, Hungaria n forint	Latvia, Latvian lats
2007Dec	2.1	2.5	3.4	4.2	9.3	4.8	9.5	4		14.6	16.8	8.2
2008Dec	3.7	4	5.2	5.9	8.4	5.8	10.3	5.6	9.7	16.2	15	4.1
2009Dec	5.4	4.6	6.7	6.8	11.8	10	13.8	13.3	15	17.5	18.1	8.6
2010Dec	5.3	5.8	5.9	5.8	11.5	9.9	14.5	14.7	14.3	17.3	14.3	20.8
2011Dec	4.8	5.1	5.7	6.2	10.7	10.2	14.6	12.5	15.4	16.3	9.6	20.2
2012Dec	5.8	5.7	6.8	7.3	9.5	12.6	15.4	12.7	15.8	17.9	17.5	21.5
2013Jan	6.5	5.8	7.1	7.6	10.2	11.8	15.9	14.5	16.5	18.2	19.5	18.8
2013Feb	6.3	6.1	7	7.6	10.4	12.3	15.9	15.2	16	18.1	20.4	21.9
2013Mar	6.1	6.2	6.9	7.6	10.7	11.9	15.4	15.5	15.9	17.9	19.4	22.7
2013Apr	6.1	6.1	6.9	7.5	11.3	11	15.1	15	15.7	18.3	19.4	22.4
2013May	6.2	6.2	7	7.8	11.4	10.9	15	14.9	15.8	18.3	18.5	22.5
2013Jun	6.2	6.2	6.9	7.6	10.9	10.9	14.5	14.9	16.2	17.7	18.9	22.5
2013Jul	6.3	6.4	6.9	7.9	10.6	11.1	14.6	15.7	15.9	17.7	18.2	20.4
Min. reserve requirement (MRR) rate, Jul 2013	1%	1%	1%	1%	15%	10%	2%	3%	1%	3.50%	2% to 5%	2%
Remuneration of MRR in Jul 2013, %	0.5	0.5	0.5	0.5	1.02	The interest rate may not exceed the income of BNB for investments in euro	CNB two-week repo rate (0.05%)	no interest	0.5	0.9*NBP rediscount rate (2.75%)	market rate	interest rate on the overnight deposit facility (0.05%)
MRR cost, %	0	0	0	0	-0.49	-0.1	-0.01	-0.02	0	-0.01	0	-0.01
Spread adjusted with MRR, pp, July 2013	6.3	6.4	6.9	7.9	10.1	11	14.6	15.7	15.9	17.7	18.2	20.4

Source: ECB, EUROSTAT

Households loans - loans for consumption excluding revolving loans and overdrafts (3) – summary



- Romania has one of the lowest interest rate (DAE) for consumer loans (new volumes) in local currency (LCY) among CEE countries. In CEE5 (Bulgaria, Czech Republic, Hungary, Poland and Romania), Romania has the second lowest cost of consumer lending after Bulgaria.
- In terms of spread above money market rate, Romania has the lowest cost of consumer lending in LCY among CEE5 countries, both in terms of unadjusted spread over money market rate, but also in terms of adjusted spread with the cost of minimum reserve requirement.

Lending for house purchase excluding revolving loans and overdrafts (1)



Interest rate for new volumes in local currencies, all in costs (DAE in Romanian), %

	Lithuania, Lithuania n litas	Germany, Euro	Austria, Euro	Estonia, Euro	Euro area, Euro	Czech Republic, Czech koruna	Slovenia, Euro	Latvia, Latvian lats	Slovakia, Euro	Poland, Polish zloty	Romania, Romanian leu	Bulgaria, Bulgarian lev	Hungary, Hungaria n forint
2007Dec	7.58	5.28	5.51	6.13	5.4	5.5	6.76	12.14	-	7.48	10.46	8.62	12.55
2008Dec	7.51	4.96	5.66	5.81	5.3	5.88	6.64	16.32	6.83	9.28	11.41	10.74	14.26
2009Dec	9.22	4.13	3.34	3.62	3.81	5.83	3.56	9.25	5.79	7.81	13.41	10.68	11.79
2010Dec	4.89	3.76	3.27	3.77	3.68	4.82	3.63	5.81	5.07	6.57	10.8	8.97	9.73
2011Dec	4.2	3.61	3.57	3.68	4.02	4.08	4.21	4.88	5.27	7.4	9.02	8.66	11.58
2012Dec	2.69	2.91	2.98	2.84	3.41	3.7	3.29	3.25	4.77	7.06	8.78	7.93	11.04
2013Jan	2.61	2.86	2.83	2.9	3.34	3.77	3.3	3.9	4.98	6.75	8.75	8.05	10.51
2013Feb	2.58	2.86	2.92	2.79	3.35	3.82	3.44	3.26	4.72	6.55	8.72	8	10.49
2013Mar	2.52	2.87	2.92	2.95	3.38	3.67	3.49	4.17	4.52	6.31	8.89	7.89	10.47
2013Apr	2.62	2.9	2.83	2.99	3.38	3.56	3.38	4.04	4.39	6.08	8.05	7.73	10.08
2013May	2.97	2.79	2.82	2.99	3.32	3.45	3.4	3.68	4.3	5.81	7.82	7.67	9.96
2013Jun	2.79	2.71	2.84	2.99	3.25	3.39	3.47	3.86	4.35	5.54	7.59	7.59	9.6
2013Jul	2.66	2.78	2.8	2.91	3.28	3.46	3.49	3.68	4.27	5.52	7.36	7.69	9.5

Source: ECB, EUROSTAT

Lending for house purchase excluding revolving loans and overdrafts (2) – spreads over money market rate



	Lithuania, Lithuanian litas	Germany, Euro	Austria, Euro	Romania, Romanian leu	Poland, Polish zloty	Czech Republic, Czech koruna	Euro area, Euro	Slovenia, Euro	Latvia, Latvian lats	Slovakia, Euro	Hungary, Hungarian forint	Bulgaria, Bulgarian lev
2007Dec	0.51	0.43	0.66	2.53	1.81	1.45	0.55	1.91	1.36		4.92	2.06
2008Dec	-1.69	1.67	2.37	-3.29	2.90	1.99	2.01	3.35	2.38	3.54	3.08	3.00
2009Dec	4.68	3.42	2.63	3.23	3.58	4.19	3.10	2.85	0.86	5.08	4.32	5.97
2010Dec	3.33	2.74	2.25	4.80	2.65	3.60	2.66	2.61	4.98	4.05	3.56	5.04
2011Dec	2.42	2.18	2.14	2.97	2.42	2.92	2.59	2.78	3.02	3.84	5.08	5.02
2012Dec	1.99	2.72	2.79	2.99	2.80	3.20	3.22	3.10	2.72	4.58	4.89	6.54
2013Jan	2.08	2.66	2.63	3.04	2.72	3.27	3.14	3.10	3.40	4.78	4.71	6.78
2013Feb	2.11	2.64	2.70	3.12	2.75	3.32	3.13	3.22	2.77	4.50	5.10	6.77
2013Mar	2.05	2.66	2.71	3.79	2.83	3.18	3.17	3.28	3.70	4.31	5.49	6.66
2013Apr	2.00	2.69	2.62	3.74	2.79	3.09	3.17	3.17	3.60	4.18	5.51	6.51
2013May	2.23	2.59	2.62	3.99	2.95	2.99	3.12	3.20	3.27	4.10	5.25	6.46
2013Jun	2.06	2.50	2.63	3.39	2.85	2.93	3.04	3.26	3.47	4.14	5.12	6.39
2013Jul	2.11	2.56	2.58	3.09	2.82	3.00	3.06	3.27	3.35	4.05	5.14	6.51
MRR rate	3%	1%	1%	15%	4%	2%	1%	1%	2%	1%	2% to 5%	10%
Min. reserve requirement rate, Jul 2013	no interest	0.5	0.5	1.02	0.9*NBP rediscount rate (2.75%)	CNB two-week repo rate (0.05%)	0.5	0.5	interest rate on the overnight deposit facility (0.05%)	0.5	market rate	The interest rate may not exceed the income which the BNB receives from its investments in euro
Remuneration of Minimum reserve requirement in Jul 2013, %												
MRR cost, %	-0.02	0.00	0.00	-0.49	-0.01	-0.01	0.00	0.00	-0.01	0.00	0.00	-0.11
Spread adjusted with MRR, pp, July 2013	2.09	2.56	2.58	2.60	2.81	2.99	3.06	3.27	3.34	4.05	5.14	6.40

Lending for house purchase excluding revolving loans and overdrafts (3) – summary



- The total cost of mortgage lending (new volumes) in local currency (LCY) in Romania is higher than in Czech Republic and Poland, but lower than in Hungary and Bulgaria.
- In terms of spread above money market rate, Romania has a cost of mortgage lending slightly higher than in Czech Republic and Poland, but lower than in Hungary and Bulgaria. If we adjust the spread over money market rate with the minimum reserve requirement cost, Romania has the lowest cost of mortgage lending among CEE5 countries, very similar with the one from Germany and Austria and even lower than in the Euro area.

Revolving loans and overdrafts, convenience and extended credit card debt; Non-Financial corporations (1)



Interest rate for new volumes in local currencies, all in costs, %

	Latvia, Latvian lats	Austria, Euro	Czech Republic, Czech koruna	Lithuania, Lithuanian litas	Slovakia, Euro	Euro area (changing compositi on), Euro	Germany, Euro	Poland, Polish zloty	Slovenia, Euro	Bulgaria, Bulgarian lev	Hungary, Hungarian forint	Romania, Romanian leu
2007Dec	9.97	5.97	5.45	7.22	-	6.61	7.15	6.36	6.29	9.24	9.86	11.97
2008Dec	11.39	6	4.95	6.87	4.36	6.24	6.35	7.53	6.88	10.36	12.85	18.33
2009Dec	12.53	3.07	4.53	5.73	3.31	4.06	4.84	5.94	5.96	9.31	10.02	15.18
2010Dec	4.13	3.13	3.76	4.35	3.56	3.85	4.86	5.92	5.5	8.79	8.91	10.5
2011Dec	3.9	3.38	3.56	4.06	3.69	4.47	4.88	6.61	5.62	8.51	9.89	10.47
2012Dec	2.61	2.57	2.79	3.09	2.88	3.94	4.35	6.47	5.51	7.16	8.68	9.99
2013Jan	2.62	2.56	2.77	2.9	2.94	3.97	4.19	6.18	5.42	7.28	8.44	10.04
2013Feb	2.59	2.56	2.71	2.84	2.88	3.97	4.22	5.97	5.48	7.3	8.23	9.94
2013Mar	2.67	2.56	2.7	2.91	2.94	3.93	4.24	5.75	5.43	7.03	7.89	9.73
2013Apr	2.67	2.53	2.74	2.88	2.99	3.91	4.25	5.55	5.43	7.53	7.89	9.16
2013May	2.51	2.53	2.78	2.84	3.06	3.85	4.18	5.35	5.47	7.04	7.36	8.74
2013Jun	2.53	2.55	2.72	2.9	3.13	3.86	4.32	5.11	5.44	7	7.2	8.7
2013Jul	2.49	2.52	2.68	2.94	3.13	3.81	4.3	4.94	5.51	6.94	7.1	8.76

Source: ECB, EUROSTAT

Revolving loans and overdrafts, convenience and extended credit card debt; Non-Financial corporations (2)

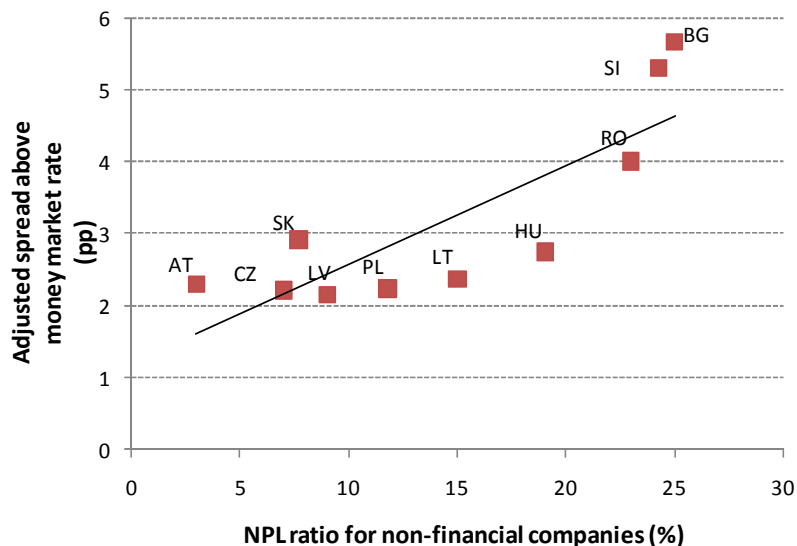


	Latvia, Latvian lats	Czech Republic, Czech koruna	Poland, Polish zloty	Austria, Euro	Lithuania, Lithuanian litas	Hungary, Hungarian forint	Slovakia, Euro	Euro area, Euro	Romania, Romanian leu	Germany, Euro	Slovenia, Euro	Bulgaria, Bulgarian lev
2007Dec	-0.81	1.4	0.69	1.12	0.15	2.23		1.76	4.04	2.3	1.44	2.68
2008Dec	-2.55	1.06	1.15	2.71	-2.33	1.67	1.07	2.95	3.63	3.06	3.59	2.62
2009Dec	4.14	2.89	1.71	2.36	1.19	2.55	2.6	3.35	5	4.13	5.25	4.6
2010Dec	3.3	2.54	2	2.11	2.79	2.74	2.54	2.83	4.5	3.84	4.48	4.86
2011Feb	3.02	2.45	1.94	2.11	3.2	2.28	2.5	2.9	5.16	3.82	4.41	5.18
2012Dec	2.08	2.29	2.21	2.38	2.39	2.533333	2.69	3.75	4.2	4.16	5.32	5.77
2013Jan	2.12	2.27	2.15	2.36	2.37	2.64	2.74	3.77	4.33	3.99	5.22	6.01
2013Feb	2.1	2.21	2.17	2.34	2.37	2.84	2.66	3.75	4.34	4	5.26	6.07
2013Mar	2.2	2.21	2.27	2.35	2.44	2.91	2.73	3.72	4.63	4.03	5.22	5.8
2013Apr	2.23	2.27	2.26	2.32	2.26	3.32	2.78	3.7	4.85	4.04	5.22	6.31
2013May	2.1	2.32	2.49	2.33	2.1	2.65	2.86	3.65	4.91	3.98	5.27	5.83
2013Jun	2.14	2.26	2.42	2.34	2.17	2.72	2.92	3.65	4.5	4.11	5.23	5.8
2013Jul	2.16	2.22	2.24	2.3	2.39	2.74	2.91	3.59	4.49	4.08	5.29	5.76
Min. reserve requirement rate, Jul 2013	2%	2%	4%	1%	3%	2% to 5%	1%	1%	15%	1%	1%	10%
Remuneration of interest rate Minimum reserve requirement in overnight Jul 2013, % deposit facility (0.05%)		CNB two- week repo rate (0.05%)	0.9*NBP rediscount rate (2.75%)	0.5	no interest	market rate	0.5	0.5	1.02	0.5	0.5	The interest shall be paid in levs and its rate may not exceed the income which the BNB receives from its investments in euro
Min reserve req. cost, pp	-0.01	-0.01	-0.01	0.00	-0.02	0.00	0.00	0.00	-0.49	0.00	0.00	-0.11
Spread adjusted with MRR, pp, July 2013	2.15	2.21	2.23	2.30	2.37	2.74	2.91	3.59	4.00	4.08	5.29	5.65

Revolving loans and overdrafts, convenience and extended credit card debt; Non-Financial corporations (3)

Resolving insolvencies (World Bank Doing Business)

Country	Rank	Time (years)	Cost (% of estate)	Recovery rate (cents on the dollar)
Austria	12	1.1	10	83.3
Germany	19	1.2	8	78.1
Latvia	33	3	13	59.8
Czech Republic	34	3.2	17	56.3
Poland	37	3	15	54.5
Slovak Republic	38	4	18	53.6
Lithuania	40	1.5	7	51
Slovenia	42	2	4	49.8
Hungary	70	2	15	38.8
Bulgaria	93	3.3	9	31.7
Romania	102	3.3	11	29.2



	Total Insolvencies		Total number of active companies	Insolvency rate
	2012	2011	2012	2012
Bulgaria	1.339	390	380.000	0,35%
Croatia	3.033	1.106	125.000	2,43%
Czech Republic	7.142	5.627	1.513.556	0,47%
Estonia	588	623	80.000	0,74%
Hungary	22.840	20.412	595.000	3,84%
Latvia	881	914	197.000	0,45%
Lithuania	1.339	1.273	170.000	0,79%
Poland	877	723	2.100.000	0,04%
Romania	23.665	21.499	417.582	5,67%
Serbia	8.333	14.828	105.105	7,93%
Slovakia	536	500	552.000	0,10%
Slovenia	980	704	150.000	0,65%
Ukraine	1.077	1.547	1.342.000	0,08%
Total	72.630	70.146	7.727.243	0,94%

Source: COFACE, Insolvency rate=No of companies in insolvency/No of active companies

Revolving loans and overdrafts, convenience and extended credit card debt; Non-Financial corporations (4) - summary



- The total cost of lending (new volumes) in local currency (LCY) to non-financial corporations in Romania is the highest among CEE5 countries.
- In terms of spread above money market rate, Romania has a cost of lending in local currency (LCY) to non-financial corporations only lower than in Bulgaria, but higher than in the other CEE5 countries. This is explained mainly by the higher cost of risk (higher level of NPL ratio in Romania) as a result of the worst insolvency code among CEE5 countries. Romania has by far the highest insolvency rate and the lowest recovery rate after insolvency among CEE5 countries. The insolvency procedure is abusively used by debtors in Romania not to pay their debt.

Households deposits with agreed maturity, Up to 1 year (1)



Interest rate for new volumes in local currencies, %

	Lithuania, Lithuanian litas	Austria, Euro	Latvia, Latvian lats	Germany, Euro	Czech Republic, Czech koruna	Slovakia, Euro	Euro area, Euro	Slovenia, Euro	Poland, Polish zloty	Hungary, Hungarian forint	Bulgaria, Bulgarian lev	Romania, Romanian leu
2007Dec	5.26	4.28	8.65	4.22	2.82		4.28	4.04	4.16	7.19	4.63	6.92
2008Dec	7.81	3.55	9.37	3.21	2.55	3.09	3.75	4.45	6.51	11.39	8.03	15.29
2009Dec	5.89	1.21	11.35	0.87	1.06	2.33	1.67	2	4.03	6.63	7.5	9.95
2010Dec	1.54	1.22	1.87	1.06	0.69	2.29	2.27	1.94	3.53	5.19	5.83	7.63
2011Dec	1.58	1.83	1.84	1.38	1.12	2.5	2.78	2.28	4.74	6.21	5.44	6.6
2012Dec	0.69	0.83	1.1	0.79	1.5	2.2	2.73	2.24	4.22	5.9	4.71	5.65
2013Jan	0.71	0.86	1.09	0.92	1.56	2.1	2.61	2.28	3.96	5.59	4.59	5.62
2013Feb	0.62	0.83	0.65	0.94	1.78	1.96	2.44	2.18	3.74	5.19	4.43	5.53
2013Mar	0.58	0.85	0.62	0.79	1.21	1.99	2.29	2.1	3.34	4.78	4.18	5.55
2013Apr	0.44	0.81	0.66	0.8	1.1	2.15	2.33	2.01	3.09	4.31	3.91	5.37
2013May	0.41	0.72	0.69	0.82	1.16	2.02	2.04	2.01	2.8	3.96	3.91	5.15
2013Jun	0.28	0.68	0.62	0.77	1.38	1.35	1.88	1.97	2.55	3.8	3.85	4.93
2013Jul	0.47	0.66	0.69	0.74	1.39	1.64	1.88	1.89	2.48	3.48	3.86	4.78

Households deposits with agreed maturity, Up to 1 year (2) – spread over money market rate

	Hungary, Hungarian forint	Poland, Polish zloty	Lithuania, Lithuanian litas	Latvia, Latvian lats	Austria, Euro	Germany, Euro	Czech Republic, Czech koruna	Romania, Romanian leu	Slovakia, Euro	Slovenia, Euro	Euro area, Euro	Bulgaria, Bulgarian lev
2007Dec	-0.44	-1.51	-1.81	-2.13	-0.57	-0.63	-1.23	-1.01		-0.81	-0.57	-1.93
2008Dec	0.21	0.13	-1.39	-4.57	0.26	-0.08	-1.34	0.59	-0.20	1.16	0.46	0.29
2009Dec	-0.84	-0.20	1.35	2.96	0.50	0.16	-0.58	-0.23	1.62	1.29	0.96	2.79
2010Dec	-0.98	-0.39	-0.02	1.04	0.20	0.04	-0.53	1.63	1.27	0.92	1.25	1.90
2011Dec	-0.29	-0.24	-0.20	-0.02	0.40	-0.05	-0.04	0.55	1.07	0.85	1.35	1.80
2012Dec	-0.25	-0.04	-0.01	0.57	0.64	0.60	1.00	-0.14	2.01	2.05	2.54	3.32
2013Jan	-0.21	-0.07	0.18	0.59	0.66	0.72	1.06	-0.09	1.90	2.08	2.41	3.32
2013Feb	-0.20	-0.06	0.15	0.16	0.61	0.72	1.28	-0.07	1.74	1.96	2.22	3.20
2013Mar	-0.20	-0.14	0.11	0.15	0.64	0.58	0.72	0.45	1.78	1.89	2.08	2.95
2013Apr	-0.26	-0.20	-0.18	0.22	0.60	0.59	0.63	1.06	1.94	1.80	2.12	2.69
2013May	-0.75	-0.06	-0.33	0.28	0.52	0.62	0.70	1.32	1.82	1.81	1.84	2.70
2013Jun	-0.68	-0.14	-0.45	0.23	0.47	0.56	0.92	0.73	1.14	1.76	1.67	2.65
2013Jul	-0.88	-0.22	-0.08	0.36	0.44	0.52	0.93	0.51	1.42	1.67	1.66	2.68
Spread adjusted with MRR cost	-0.88	-0.21	-0.06	0.37	0.44	0.52	0.94	1.00	1.42	1.67	1.66	2.79

Households deposits with agreed maturity, Up to 1 year (3)



- The absolute interest rate for deposits (new volumes) in local currency (LCY) of households in Romania is the highest among CEE5 countries.
- In terms of adjusted spread above money market rate, Romania has the second highest spread after Bulgaria. In Hungary and Poland, the spread is even negative.