



**Moldova Agroindbank**

*Siguranță • Stabilitate • Viitor*

# *Challenges of Foreign Exchange Lending*

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## About us

- Our focus and commitment
- History and market share
- Current Bank Products
- International Recognition





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The National Bank of Moldova is the institution empowered to:

- License, supervise and regulate the activity of financial institutions
- Enact foreign exchange rules and regulations



National Bank of Moldova



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The lending activity is regulated by the “ Law on Foreign Exchange Regulation”. According to this document licensed banks have the right to grant loans in foreign currency for:

- Payments and transfers by residents to non-residents
- Repayment of other credits received from licensed banks to make payments and transfer to non-residents
- Purposes provided in the loan agreement
- Payments between licensed banks and international financial organizations
- Carrying out the financial activities of licensed banks





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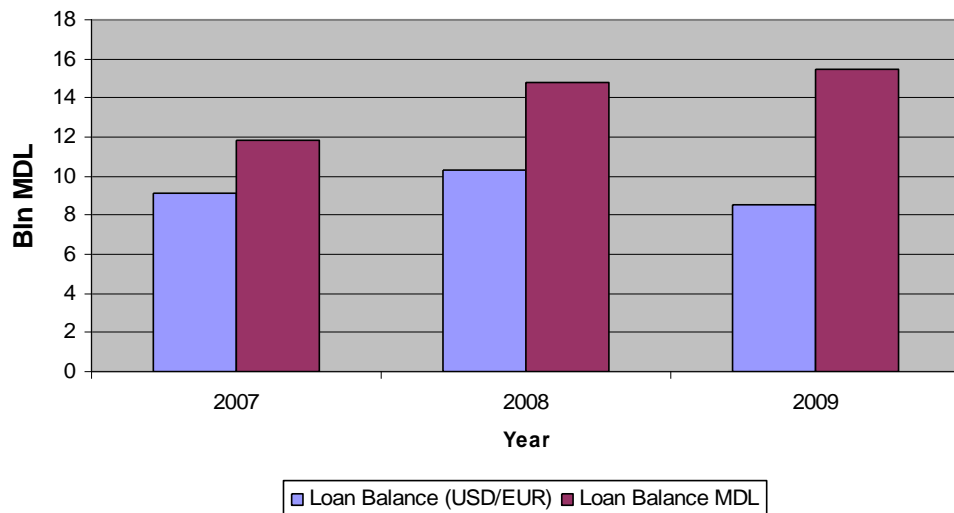
Loans in foreign currency(USD, EUR) vs MDL in 2007-2009\* (bln MDL)

Loan Balance (USD/EUR)  
Loan Balance MDL

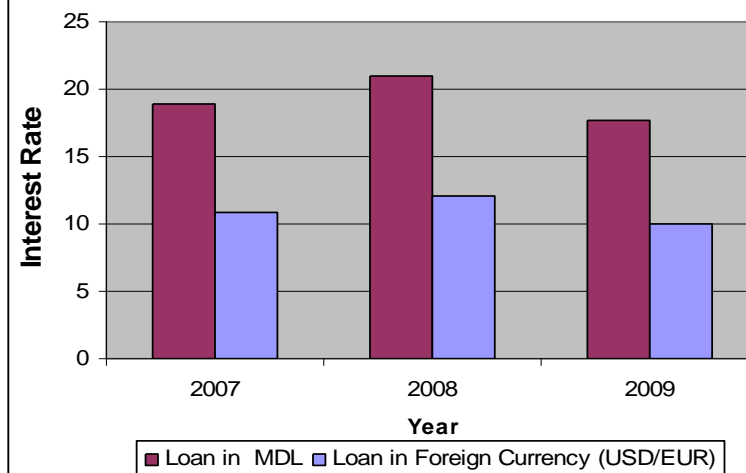
	2007	2008	2009
Loan Balance (USD/EUR)	9.1	10.3	8.5
Loan Balance MDL	11.8	14.8	15.5
<b>Total</b>	<b>20.9</b>	<b>25.1</b>	<b>24</b>

\*Data provided by the National Bank of Moldova

**Loans in Foreign Currency(USD, EUR) VS. MDL 2007-2009(bln MDL)**



**Interest Rate Charged on Loans in Foreign Currency (USD, EUR) VS. MDL 2007-2009**



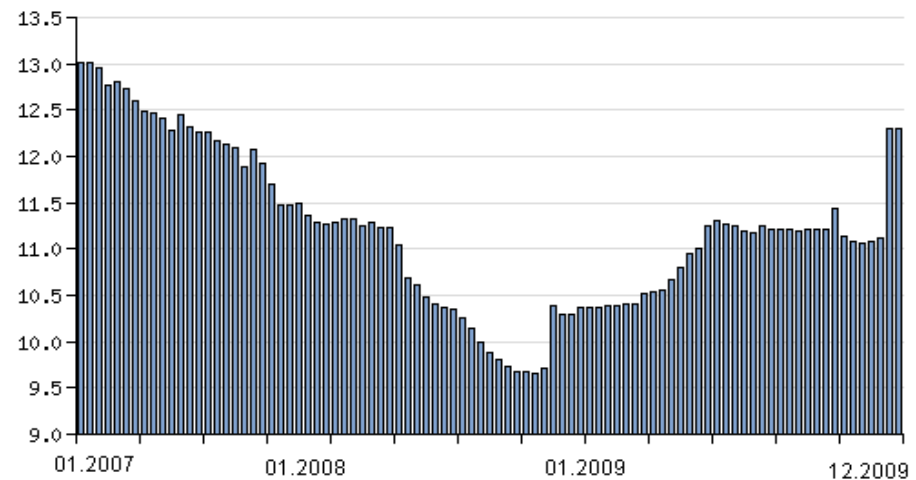


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	<b>2007</b>	<b>2008</b>	<b>2009</b>
Loans in Foreign Currencies vs Total Loan Portfolio (MAIB)	47,5%	40,3%	46,8%
Loans in Foreign Currencies to Small and Medium Enterprises	15,4%	10,5%	12,0%
Loans in Foreign Currencies (Industry average)	43,5%	41,0%	35,4%

Exchange Currency Rate MDL VS. USD Jan 2007 - Dec 2009





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## Bank's Social Responsibility Towards its Clients

- Inform the clients about all risks associated with receiving loans in foreign currency
- Offer a transparent pricing on the Bank's products with no hidden fees or commissions
- Do not discriminate clients based on their business activity, ethnicity, and location
- Encourage entrepreneurship and promote financial literacy
- Assist clients in building a strong balance sheet





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Questions ?