

Banks in Romania have granted population, companies new loans of 67.42 billion lei in first 10 months

The banks operating in Romania have granted the population and companies new loans worth 67.42 billion lei in the first ten months of 2020, which represents almost a quarter of the non-governmental credit balance for October, according to data submitted by the Romanian Association of Banks (ARB).

"The share of new loans accessed by the population and companies, of 24.15 pct of the non-governmental credit balance, represents a rather high percentage, especially considering that eight months of the period mentioned are in a pandemic context," the association's release, sent to AGERPRES on Monday, states.

The balance of non-governmental credit, which totals 279.17 billion lei in October 2020, is calculated as the difference between the total loans granted to the population and companies and the partial and total repayments, as well as the sales of loans.

Between January and October 2020, lending was boosted by the segment of companies that accessed 56.35 pct of the volume of new loans to the real economy. Loans to the population account for 43.62 pct of all new loans granted. Moreover, the bank's strategies in previous years also forecast an increase in the funding granted to companies for this period.

According to the source, the Romanian banking system has acted since the beginning of the pandemic as a shock absorber of the health crisis, by engulfing the liquidity problems of customers, and has continued to finance the population, the companies and the Romanian state.

The distribution on currencies shows that the population and companies mainly accessed loans in national currency in proportion of 82.14 pct, followed by loans in euro, with a share of 14.65 pct, and those in US dollars, which were contracted exclusively by companies, with 3.21 pct.

In the first ten months of 2020, the population accessed new loans worth 29.41 billion lei, and the distribution on currencies shows that the currency risk has been eliminated almost entirely, in conditions where the population has accessed almost only loans in lei (98 pct). Thus, the population absorbed a larger slice of the lending into the national currency.

On the other hand, companies accessed almost 38 billion lei during the period mentioned, the emphasis being also on lending in national currency, in proportion of 70 pct, followed by loans in euros and US dollars.