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Deposit growth decelerated

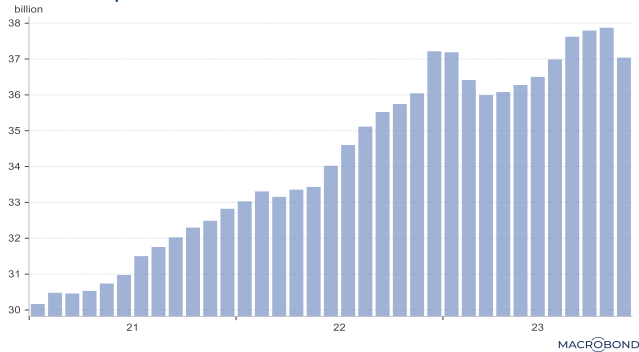
- Growth in assets of other MFIs dropped in November to 3.4% year-on-year, the lowest rate since February 2020, as a result of a sharp decline in household overnight deposits by 4.0% or €1.1 billion month-on-month due to withdrawals of funds for the purpose of investing in Treasury bills. This brought the year-to-year growth rate of household deposits down to 2.8%, with overnight deposits recording an increase of 2.1 and deposits with agreed maturity of 4.8%. The latter are experiencing a positive month-on-month trend for the fifth month in a row owing to an increase in interest rates on term deposits; according to the latest data, on new term deposits of citizens, the interest rate reached an average of 2.4%, i.e., 2.4% up to a year and 2.0% on funds deposited for a period longer than a year. The overall growth of deposits in November thus slowed to 3.8% year-on-year (4.4% private sector) due to the outflow of citizens' deposits, despite a stronger growth of deposits of non-financial corporations of 8.5%.
- Lending continues to grow at high year-to-year rates (6.7% overall, 7.8% the private sector in November) owing to strengthening household credit demand, particularly for cash loans. A prolonged period of high inflation eroded household incomes, while moderate growth of interest rates on cash loans is driving demand. In November the growth of cash loans thus reached 10.1% year-on-year, exceeding the increase in housing loans (10.0%), and all other loans to households are also in the black, with growth reaching 2.0%. Loans to non-financial corporations, after a sharp slowdown in the earlier months, recorded a stable year-to-year growth in November, reaching 6.3%, which is largely the result of solid growth of investment loans, as well as strong growth of other types of loans (syndicated, etc.), and in terms of ownership, demand of public undertakings is at the forefront.
- In the year ahead, we expect moderate credit growth rates, where we see an easing of citizens' demand with a simultaneously stronger demand from private non-financial corporations driven, among other things, by investments in tourism and improving financing conditions. According to our projections, the deposit growth rate will slow down under pressure from further outflows into government securities and other forms of investment, as well as a gradual lowering of interest rates.

Overnight deposits of households fell due to investments in Treasury bills

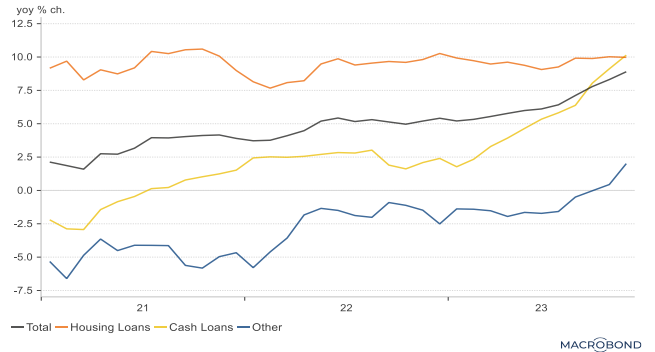
Accelerated growth of cash loans



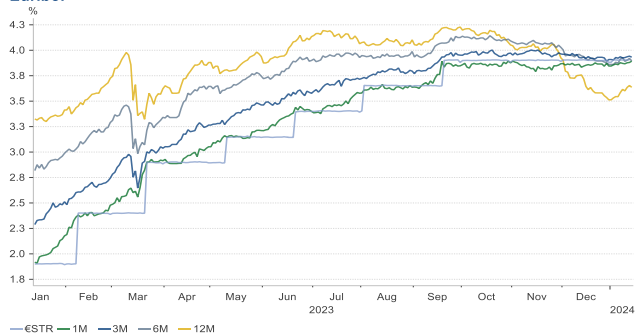
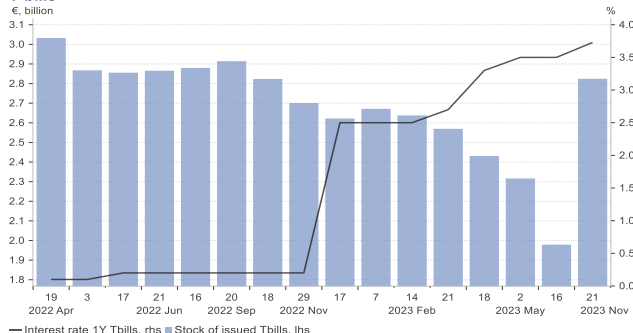
Household deposits



Household loans



- The dollar's exchange rate in the week behind us recorded softer fluctuations, weakening the dollar by 0.2% week-on-week against the euro and reaching \$1.0942 to the euro at the end of the week.
- Euribor has recorded varied movements and only minor shifts in the past week. On Friday, 3M and 6M were 3.9%, unchanged week-on-week. This week, €110 million of Treasury bills is due, but there will be no auction.
- The upward trend of shares was maintained, whereby Crobex rose 2.0% week-on-week, to 2,605 points, owing to the growth of all the most significant sectoral indices (CROBEXindustry +3.1% to 1,763, CROBEXnutris +0.3% to 932, CROBEXtourist +0.7% to 4,1744). Crobis stagnated at 95.9 points.

EUR/ USD**Euribor****T-bills****Crobex/Crobis****LEGAL DISCLAIMER**

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