

05/01/2021

Deposits of Lithuanian residents continued to grow rapidly

Today, the Bank of Lithuania published the monetary financial institution (MFI) balance sheet and interest rate data for November 2020, which show that:

deposits of Lithuanian residents in credit institutions increased¹ by €446.6 million over the month and by €5.1 billion from March 2020 (since the beginning of COVID-19 pandemic). Household², non-financial corporation and financial sector³ deposits increased by €276.6 million, €200.0 million and €69.5 million respectively, while general government deposits went down by €99.5 million over the month. Since March 2020, non-financial corporation, household and general government deposits increased by €2.4 billion, €2.2 billion and €514.0 million respectively, while financial sector deposits declined by €13.7 million. Deposits of these sectors amounted to €8.9 billion, €17.3 billion, €3.2 billion and €780.2 million respectively at the end of November 2020 (see Chart 1);

overnight deposits of Lithuanian households and non-financial corporations with credit institutions grew by €282.0 million and €194.8 million respectively over the month, to €13.4 billion and €8.7 billion respectively;

loans granted by credit institutions to Lithuanian residents decreased by €43.6 million over the month and by €427.1 million from March 2020. Loans to Lithuania's non-financial corporations and financial sector decreased by €93.0 million and €3.5 million respectively over the month, while loans to households and the general government sector grew by €51.2 million and €1.8 million respectively. Since March 2020, loans to Lithuania's non-financial corporations, financial sector and general government sector fell by €850.0 million, €64.1 million and €16.4 million respectively, while loans to households rose by €503.4 million. At the end of November 2020, loans to these sectors amounted to €7.6 billion, €1.1 billion, €335.5 million and €11.0 billion respectively (see Chart 2);

loans for house purchase granted by credit institutions to Lithuanian households increased by €65.2 million over the month, while loans for consumption and other purposes fell by €8.6 million and €5.4 million respectively, to €9.0 billion, €729.1 million and €1.2 billion (see Chart 3);

interest rates⁴ on new business⁵ loans granted to households by credit institutions went up by 0.11 percentage point over the month – to 3.34%. Interest rates on loans for consumption and other purposes increased by 0.16 and 1.30 percentage points respectively, while interest rates on house purchase declined by 0.02 percentage point. In November 2020, interest rates on these loans stood at 9.17%, 5.31% and 2.26% respectively (see Chart 4).

¹ Unless specified otherwise, monthly changes in euro are presented as transactions, i.e. they are calculated by taking the difference between end-of-month outstanding amounts and then removing the effects of revaluation adjustments, exchange rate adjustments, loan write-offs and reclassifications.

² The household sector consists of households and non-profit institutions serving households.

³ The financial sector consists of Lithuania's investment funds and other financial intermediaries, as well as insurance undertakings and pension funds.

⁴ Weighted interest rates on new business during the reporting month, in percentages per annum.

⁵ New business covers financial contracts that specify for the first time the interest rate on a loan, and renegotiations of existing loan contracts. New business does not cover revolving loans and overdrafts, as well as credit card debt.

Chart 1. Deposits of Lithuanian residents, excluding MFIs, with other MFIs (outstanding amounts, end-of-period)

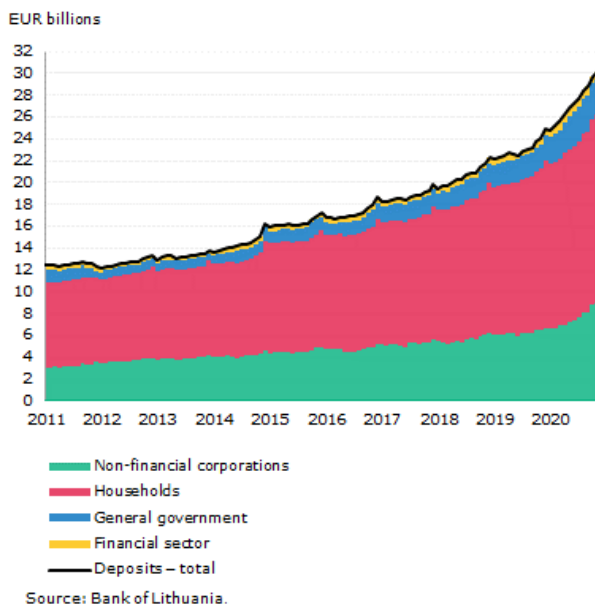


Chart 2. Loans granted by other MFIs to Lithuanian residents, excluding MFIs (outstanding amounts, end-of-period)

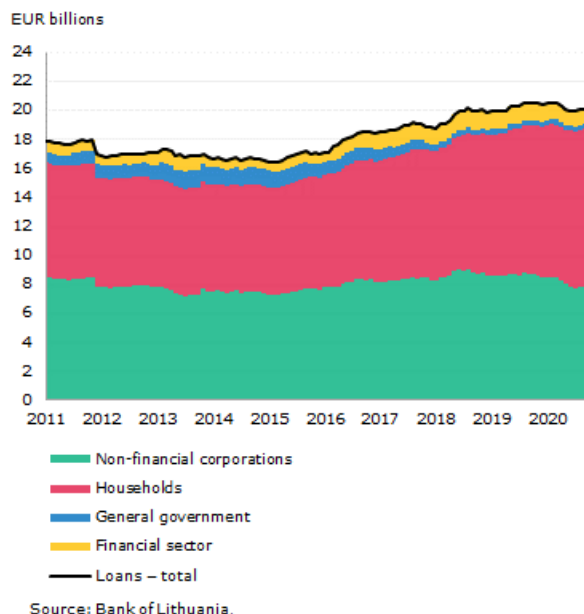


Chart 3. Loans granted by other MFIs to Lithuanian households (outstanding amounts, end-of-period)

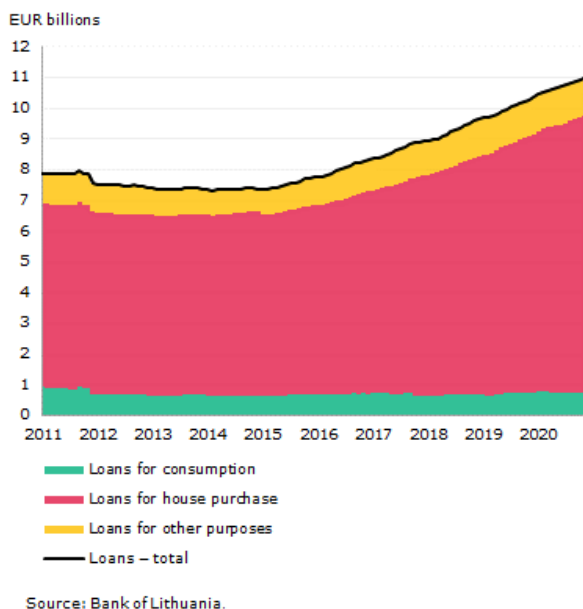
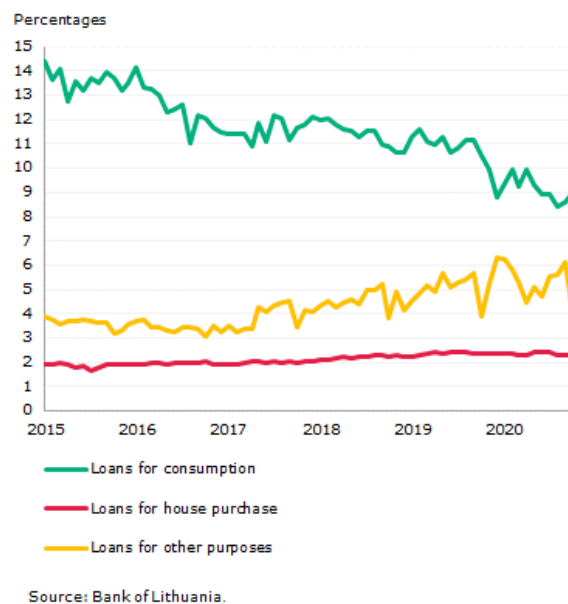


Chart 4. Interest rates on new business loans for households (percentages per annum)



Detailed data on MFI assets and liabilities are available on the Bank of Lithuania website under [MFI balance sheet and monetary statistics](#).

Detailed data on MFI interest rates are available on the Bank of Lithuania website under [MFI interest rate statistics](#).