

Based on Article 14, paragraph 1, item 2 and paragraph 3, and with reference to Article 41 of the Law on the National Bank of Serbia (RS Official Gazette, Nos 72/2003, 55/2004 and 44/2010), the Executive Board of the National Bank of Serbia hereby issues

DECISION
ON INTEREST RATES APPLIED BY THE NATIONAL BANK OF SERBIA
IN THE IMPLEMENTATION OF MONETARY POLICY

1. This Decision sets out the level of interest rates applicable in the implementation of monetary policy and charged by the National Bank of Serbia on credits, other lending, and other claims of the National Bank of Serbia (hereinafter: NBS lending), as well as the level of interest rates paid on bank deposits with the National Bank of Serbia.

2. In setting the level of interest rates applied in the implementation of monetary policy, the National Bank of Serbia shall be guided by the level of the National Bank of Serbia's key policy rate (hereinafter: key policy rate).

3. The National Bank of Serbia shall charge and pay interest by applying interest rates set herein unless stipulated otherwise by other regulations.

4. The National Bank of Serbia shall charge interest on:

1) the amount of overnight loan used within the meaning of the decision specifying terms and conditions for extending daily liquidity loans against a collateral of securities by applying interest rate equal to the key policy rate plus 1.50 percentage points;

2) the amount of credits and other lending that have not been repaid within the agreed or prescribed period, and/or that are used contrary to regulations – at interest rates determined by the law regulating the default interest;

3) on the amount of difference between the calculated amount and actual average daily balance of allocated dinar required reserves in the maintenance period i.e. from the 18th of the current month until the 17th of the next month (hereinafter: maintenance period), and on the amount of difference between the prescribed and calculated dinar required reserves in the maintenance period – by applying interest rate equal to the key policy rate plus 5 percentage points;

4) on the amount of difference between the calculated amount and actual average daily balance of allocated foreign currency required reserves in the maintenance period, and on the amount of difference between the

prescribed and calculated foreign currency required reserves in the maintenance period – by applying interest rate equal to the three-month EURIBOR applicable on the date of interest calculation, plus 5 percentage points;

5) on the amount of difference between the actual average daily balance of allocated foreign currency required reserves and the calculated amount of foreign currency required reserves in the maintenance period (allocated foreign currency required reserves in excess of the calculated amount) – by applying the interest rate equal to the three-month EURIBOR applicable on the date of interest calculation, plus 5 percentage points.

5. The National Bank of Serbia shall pay interest on:

1) the amount of actual average daily balance of allocated dinar required reserves in the maintenance period which does not exceed the amount of calculated dinar required reserves – by applying interest rate of 1.75% p.a.;

2) the amount of funds deposited by a bank with the National Bank of Serbia in accordance with the decision governing the conditions and manner of depositing excess liquidity with the National Bank of Serbia – by applying interest rate equal to key policy rate less 1.50 percentage points.

6. Interest rates referred to herein shall be shown in percentage terms, with two decimal places.

7. As of the effective date hereof, the Decision on Interest Rates Applied by the National Bank of Serbia in the Implementation of Monetary Policy (RS Official Gazette, Nos 73/2006, 103/2006, 110/2006, 31/2007, 50/2007, 35/2008, 52/2008, 94/2008, 44/2009 and 12/2010) shall cease to be valid.

8. This decision shall take effect on the eighth day following its publication in the RS Official Gazette.

NBS EB 46
16 June 2011
B e l g r a d e

Chairman
of the NBS Executive Board
G o v e r n o r
National Bank of Serbia

Dr Dejan Šoškić, sign.