The Moscow Times
30 YEARS
INDEPENDENT NEWS FROM RUSSIA

Sberbank Hikes Consumer Loan Rates

By The Moscow Times

February 04, 2013



Sberbank has increased its interest rates on consumer loans by between 3 and 5.6 percentage points to 17-25.5 percent per annum, while some banks are considering following suit.

"25.5 percent is a high rate for such a major bank," a deputy CEO of Raiffeisenbank, Andrei Stepanenko, told Vedomosti Tuesday.

Stepanenko believes the move will prompt other banks to increase their rates.

"We're monitoring the situation closely and we are ready to react quickly," said Yevgeny Sidorov, head of sales at Home Credit and Finance Bank. He said the bank might change some of its loan rates.

Representatives from Raiffeisenbank and VTB said they had no plans to increase their interest rates.

The decision to raise interest rates in February came just before the Central Bank's plans

to toughen regulations aimed at preventing risky loans. In 2012 risky loans rose by 40 percent, according to Central Bank data.

In March, the Central Bank plans to double the minimum reserve requirement for unsecured retail loans. In June it will increase capital requirements for loans whose total cost exceeds 25 percent per annum.

"Higher requirements for unsecured retail loans will result in banks raising their interest rates," the managing partner of Frank Research Group, Yuri Gribanov, told Vedomosti.

The new rates "have nothing to do with the regulator's actions," a representative at Sberbank told Vedomosti in December. According to the representative, the bank had previously launched a seasonal campaign to promote consumer lending. Now the campaign has ended and the rates are back to November levels.

Related articles:

- Sberbank's Mortgages Up
- Sberbank's Asset Management Arm Gets $20M in 2012
- Sberbank to Focus on Integration

Original url:
https://www.themoscowtimes.com/2013/02/04/sberbank-hikes-consumer-loan-rates-a21242