

## Erste Bank raises interest on savings accounts

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The European Central Bank (ECB) raised the key lending rate by 25 basis points today. Erste Bank is passing on this hike swiftly and in full to customers. Savings products with variable interest rates will be raised by 0.25% p.a. as of 15 July. As this hike had been prognosticated by analysts, savings passbooks and savings card accounts with fixed terms were already raised by 0.25% on 1 July. Overview of changed interest rates on savings accounts:

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Fixed term	Interest rate	Variable term	Interest rate
15 months	2.25% p.a.	Sight deposits	0.75% p.a.
20 months	2.375% p.a.	Sight deposits, youths	1.5% p.a.
		Up to 4 years	1.25% p.a.

According to Erste Group analysts, the ECB will raise interest rates a second time by 0.25% in November to 1.75%. This coming year, a longer pause is expected at a key lending rate of around 2% in the light of the low economic growth rates and moderate inflation. In line with this development, interest rates on savings accounts will be raised further.

Interest rates on new loans are not affected by this hike and will remain unchanged.