

Russian Mortgage Borrowing Soars After Interest Rate Cuts

November 21, 2016



Russian mortgage applications have spiked thanks to lower interest rates, Russia's Agency for Housing Mortgage Lending (AHML) reported Monday.

Borrowers had claimed 1.15 trillion rubles (\$17.7 billion) at the end of October, an increase of 32 percent compared to 2015, AHML said in a statement.

The group credits the figure, which already equals the amount of credit taken out in 2015 as a whole, to falling inflation and lower interest rates.

Russia's Central Bank [slashed interest to 10 percent](#) in mid-September, but has warned economists not to expect further cuts until after the New Year.

Total borrowing is expected to hit 1.5 trillion rubles (\$23 billion) by the end of 2016, returning to a pre-crisis high of 1.8 trillion rubles (\$30 billion) by the end of 2017, AHML said.

Original url:

<https://www.themoscowtimes.com/2016/11/21/russian-borrowing-rates-soar-after-interest-rate-cuts-a56222>