

# THE IMPACT OF THE COVID-19 PANDEMIC ON THE DEPOSITS IN THE ROMANIAN BANKING SECTOR

Ioana Georgiana FĂRCAȘ<sup>a\*</sup>, Codruța Maria FĂȚ<sup>b</sup>

<sup>a), b)</sup> Babeș-Bolyai University, Faculty of Economics and Business Administration,  
Cluj-Napoca, Romania

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**Abstract:** *The business cycle and a crisis period within an economy can influence significantly the level of Total Deposits to Total Assets (TA). We aim to assess this issue by studying the effects of Covid-19 pandemic on the ratio of Total Deposits to TA in the Romanian banking sector in the span 2000-2022. Our findings show that Covid-19 pandemic influences significantly and positively the traditional activity of banks, depositing the savings of population. Further, we bring new insights regarding the effects of BET Index' volatility on the Total Deposits to TA ratio. These results remain robust when we employ subcategories of deposits as dependent variables in our empirical models (e.g., households deposits, deposits granted to non-financial corporations, deposits granted to financial corporations, and deposits granted to government).*

**Key words:** *deposits; banking market; emerging markets; covid*

**JEL Classification:** *G21; G28*

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\* Corresponding author. E-mail address: ioana.farcas@econ.ubbcluj.ro.

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