PRESS RELEASE

No. 786/2015

Date: 28th October 2015

Credit Finance makes fully secured investments at a profit

It is clear that the GSD have still not understood the role and function of Credit Finance regardless of the number of times that this is explained to them.

Credit Finance provides loans to private entities at a rate of interest and on a fully secured basis in areas which contribute to the economy.

The Government provides the total amount of the loan book of Credit Finance to the Opposition and this information is published on-line.

The details of mortgages registered to companies by Credit Finance is also in the public domain and accessible in the Companies Registry. There is therefore no secret.

The information that is not disclosed by Credit Finance, or indeed by any lender, are the details of the individual entities that have received loans or the use to which the loan has been put.

It is clear that the GSD do not know what they are talking about. Last week they accused the Government of having used the money in Credit Finance to finance the construction of Government buildings and this week they accuse the Government of spending it on somebody else's. The plain fact is that the Savings Bank takes deposits from the public in order to reinvest that money so as to be able to pay high rates of interest and leave a small profit in reserve. It is not taking the money as if there is a deposit box to keep it in cash. It is clear that this is a fundamental difference in policy on which people will be able to vote.

The Government has already repeated time and again that Credit Finance will continue to make investments in order to make a profit for the savers of the Savings Bank and that this will include fully secured loans. The reaction of the GSD is a clear indication that were they ever to get elected in the future, they would neither invest money nor produce interest for savers. The opportunity for investment in Savings Bank debentures at attractive rates of interest would then simply not exist.