***Abstract: Time and Saving Deposit Arbitrage in Bukavu Financial Institutions***

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As a reverting the development of the financial sector in developing countries and particularly in the eastern part of the Democratic Republic of Congo (South Kivu), financial institutions have developed numerous products and services to their customers. Thus, several products have been suggested to savers. However, the progress reached by Bukavu’s financial sector is not followed up by a well-adapted credit services supply and the saving mobilization is insufficient to ensure Bukavu’s financial institutions to cover the liquidity and the refinancing risks in accordance with the Basel agreements.

This paper intends to identify the factors which Bukavu’s savers focus on when they make a choice among different products offered by Bukavu’s financial institutions. This essay concerns savers of all Bukavu financial institutions (banks or microfinance institutions). Data were collected by questionnaires and treated by the probit multinomial model. This model has been chosen after invalidating the independence irrelevant alternative hypothesis (IIA). Furthermore, the descriptive analysis and the One-way ANOVA (analysis of variance) are used to improve the characteristics’ information of the people consulted. To analyze data and interpret results, the saving deposit has been chosen as the basis alternative.

The findings show that the choice between savings is guided by 7 variables, among them 6 common variables related to the time deposit and the possibility to subscribe to the both kindsof accounts (time deposit and saving deposit). Moreover, the evaluation of marginal effects shows that these variables affect the products choice differently.