The effectiveness of interest rate pass-through is crucial when shaping monetary policy. In this paper we use error correction framework in order to estimate the speed and the completeness of pass through in Slovakia. Our thesis brings a unique research on how the financial crisis and Euro adoption affect the pass-through. In Slovakia those events occur at the same time; we attempt to distinguish between what phenomenon has greater impact. We also distinguish between what bank characteristics have impact on individual bank’s spread during financial crisis.

Our results suggest that the interest rate pass-through completeness increases in long term. We however found evidence of decreasing pass-through in case of deposit rates during crisis. Banks are unwilling to lower them and hence harm their competitive position.

The pass-through in Slovakia is found to be relatively fast and consistent throughout periods. With the crisis, the speed for mortgages rates however decreases. We conclude that the impact of financial crisis outweights the impact of Euro adoption.

Concerning the banks’ characteristics, we conclude that higher portion of loans on assets, higher costs over income and better liquidity position decrease the spread. This is explained by the size of Slovakian banking market; banks lower their spread to remain competitive. We further conclude that less capitalized banks increase their risk premium. Banks’ size is not found to have any effect on the spread.