

Luxembourg, 7 December 2015

## Interest rates

The Banque centrale du Luxembourg (BCL) informs that, based on preliminary data, the main interest rates applied by Luxembourg's credit institutions to households and euro area non financial corporations for their loans and deposit operations, have on average evolved as follows in October 2015.

### **Representative interest rates on new contracts<sup>1</sup> – loans and deposits – concluded with households**

On a monthly basis, the variable<sup>2</sup> interest rate on mortgage loans granted to households has remained relatively stable, going from 1.80% in September 2015 to 1.79% in October 2015. The volume of these newly granted loans displays an increase of 10 million euros compared to September 2015 and has consequently reached 243 million euros. On a yearly basis, this interest rate has declined by 4 basis points, whereas the volume of newly granted loans has increased by 19 million euros.

The fixed<sup>3</sup> interest rate on mortgage loans granted to households has also remained broadly unchanged, going from 2.02% in September 2015 to 2.03% in October 2015. The volume of these newly granted loans amounts to 174 million euros, a decrease of 6 million euros compared to the previous month. Compared to the month of October 2014, this interest rate has decreased by 28 basis points and the volume of newly granted loans has increased by 87 million euros.

Interest rates on consumer loans that have an initial fixation period above 1 year and below or equal to 5 years, decreased by 8 basis points compared to the previous month, and

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1 New contracts refers to any new agreement concluded between the household and the non financial corporation and the declaring entity. New contracts include all financial contracts which mention for the first time the interest pertaining to the deposit or credit and all renegotiations of existing deposits or credits.

2 Variable interest rate or rate which initial fixation period is inferior or equal to 1 year.

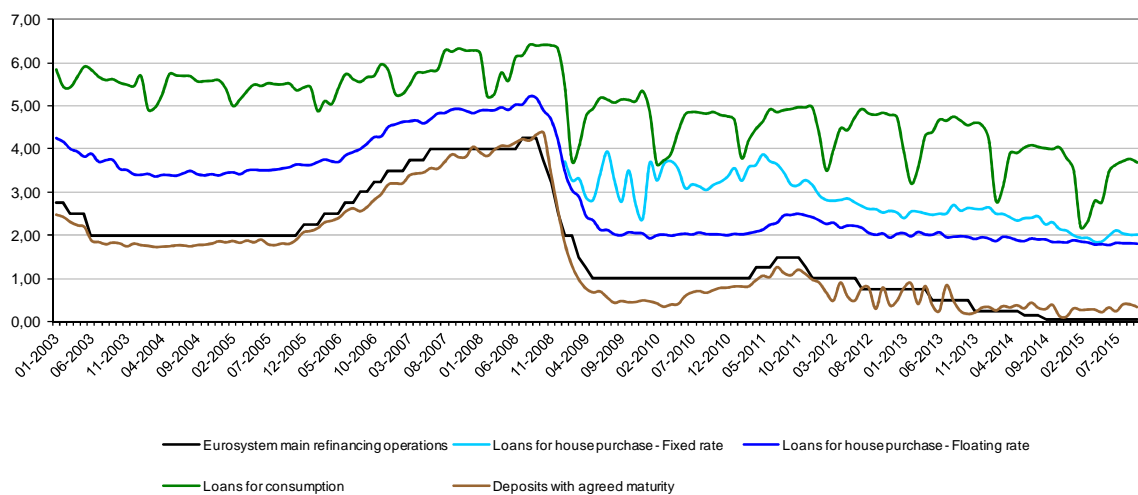
3 Fixed interest rate weighted by the amounts of contracts for all mortgage loans granted, whatever the initial rate fixation period. This series has been published by the BCL since February 2009 only for methodological reasons linked to the identification of declaring entities.

## Statistical press release

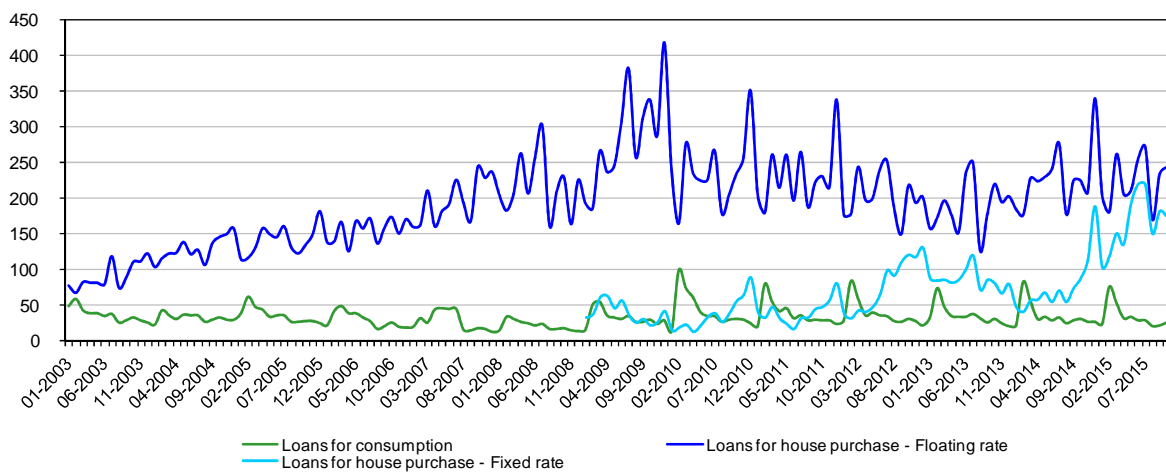
reached 3.69% in October 2015. The volume of these newly granted loans increased from 20 million euros in September 2015 to 24 million euros in October 2015. On a yearly basis, this interest rate has decreased by 31 basis points and the volume of newly granted loans has decreased by 5 million euros.

The interest rate on households' fixed-term deposits that have an initial maturity below or equal to 1 year, has declined by 6 basis points compared to September 2015. On a yearly basis, this interest rate has decreased by 5 basis points.

Representative interest rates on new contracts – loans and deposits – concluded with households



Volume of newly granted loans to households (millions euros)



## Statistical press release

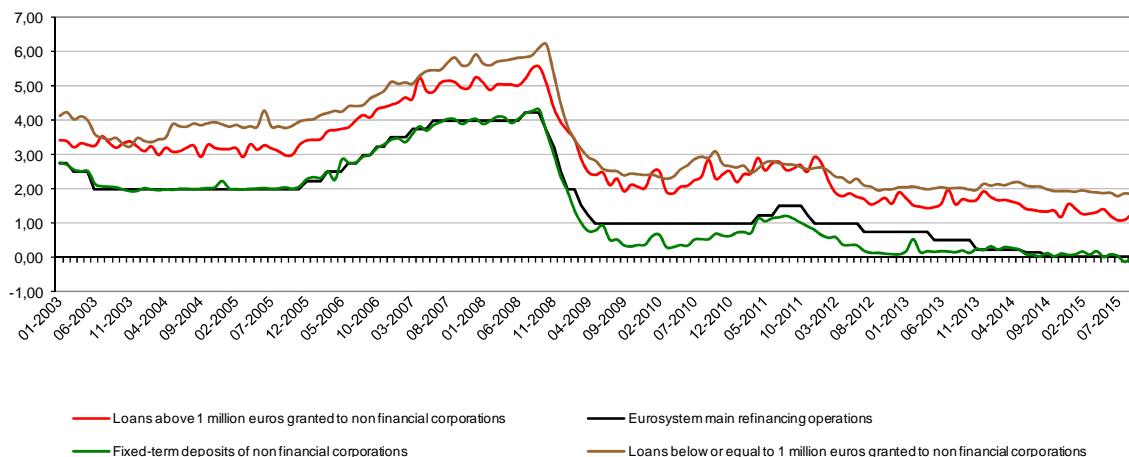
### Representative interest rates on new contracts – loans and deposits - concluded with non financial corporations

The variable<sup>2</sup> interest rate on loans below or equal to 1 million euros granted to non financial corporations has decreased by 31 basis points compared to the previous month, reaching 1.53%. The volume of newly granted loans amounts to 1 126 million euros, an increase of 165 million euros compared to the month of September 2015. On a yearly basis, this interest rate has decreased by 43 basis points and the volume of granted loans has increased by 193 million euros.

The variable<sup>2</sup> interest rate on loans above 1 million euros granted to non financial corporations has decreased by 9 basis points, going from 1.23% in September 2015 to 1.14% in October 2015. The volume of these newly granted loans amounts to 9 509 million euros, a decrease of 512 million euros compared to the preceding month. Compared to the previous year, this interest rate has decreased by 23 basis points and the volume of newly granted loans has increased by 1 616 million euros.

The interest rate on fixed-term deposits of non financial corporations with an initial maturity below or equal to 1 year has fallen below 0% to reach -0.04% at the end of October 2015. However, this variation must be interpreted with caution because the weightings of individual contracts are very volatile for this kind of financial instruments.

Representative interest rates on new contracts – loans and deposits - concluded with non financial corporations



## Statistical press release

The tables pertaining to interest rates applied to credit institutions can be consulted and/or downloaded on the BCL's website on the following pages:

[http://www.bcl.lu/en/statistics/series/03\\_Capital\\_markets/index.html](http://www.bcl.lu/en/statistics/series/03_Capital_markets/index.html)

## Weighting method

The interest rates applied to new contracts are weighed within the categories of instruments concerned by the amounts of individual contracts. This results from the compilation of national aggregates carried out by reporting credit institutions and by the Banque centrale du Luxembourg.

If you have any further question, we are at your disposal at the following phone number 4774-4265 /-4243.



Secrétariat général  
L-2983 Luxembourg  
Télécopieur: +352 4774-4910