

Luxembourg, 15 March 2016

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 (NFCs) for their loans and deposit operations have on average evolved as follows in January 2016.

Representative interest rates on new contracts¹ – loans and deposits – concluded with households

On a monthly basis, the variable² interest rate on mortgage loans granted to households has slightly increased on a monthly basis, going from 1.76% in December 2015 to 1.78% in January 2016. The volume of these newly granted loans has decreased by 63 million euros compared to December 2015 and has consequently reached 176 million euros in January 2016. On a yearly basis, this interest rate has declined by 12 basis points, whereas the volume of newly granted loans has decreased by 26 million euros.

The fixed³ interest rate on mortgage loans granted to households has continued the downward trend it embarked on during the second half of 2015, reaching 1.86% during January 2016. The volume of these newly granted loans has amounted to 167 million euros, a decrease of 53 million euros compared to the previous month. Compared to the month of January 2015, this interest rate has decreased by 16 basis points and the volume of newly granted loans has increased by 53 million euros.

Interest rates on consumer loans that have an initial fixation period above 1 year and below or equal to 5 years decreased significantly, from 3.82% in December 2015 to 2.17% in

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

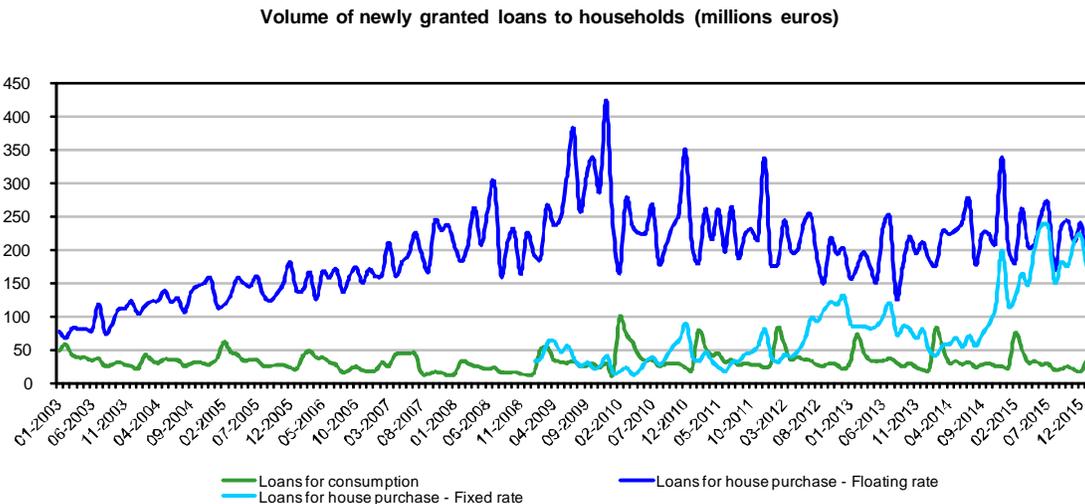
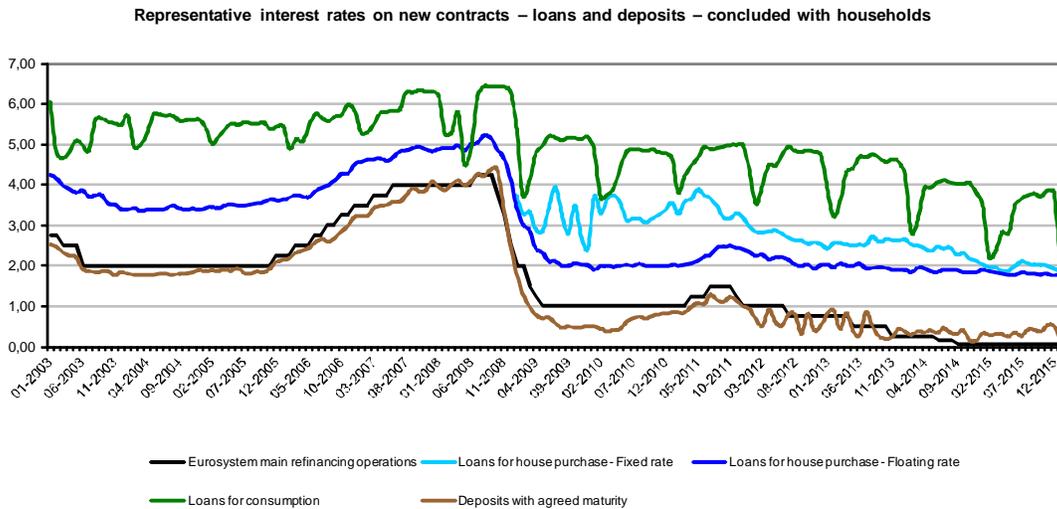
2 Variable interest rate or rate with an initial fixation period inferior or equal to 1 year.

3 Fixed interest rate weighted by the amounts of contracts for all mortgage loans granted, whatever the initial rate fixation period (above 1 year). This series has been published by the BCL since February 2009 only for methodological reasons linked to the identification of reporting agents.

Statistical press release

January 2016, against the background of more favorable credit conditions due to the car festival held in early-2016. The volume of these newly granted loans has increased by 18 million euros compared to December 2015 and has reached 35 million euros in January 2016. On a yearly basis, this interest rate has decreased by 1.35 percentage points and the volume of newly granted loans has increased by 13 million euros.

The interest rate on households' fixed-term deposits that have an initial maturity below or equal to 1 year, decreased by 32 basis points compared to previous month and reached 0.19% during the last reference period of January 2016. On a yearly basis, this interest rate has decreased by 13 basis points.



Statistical press release

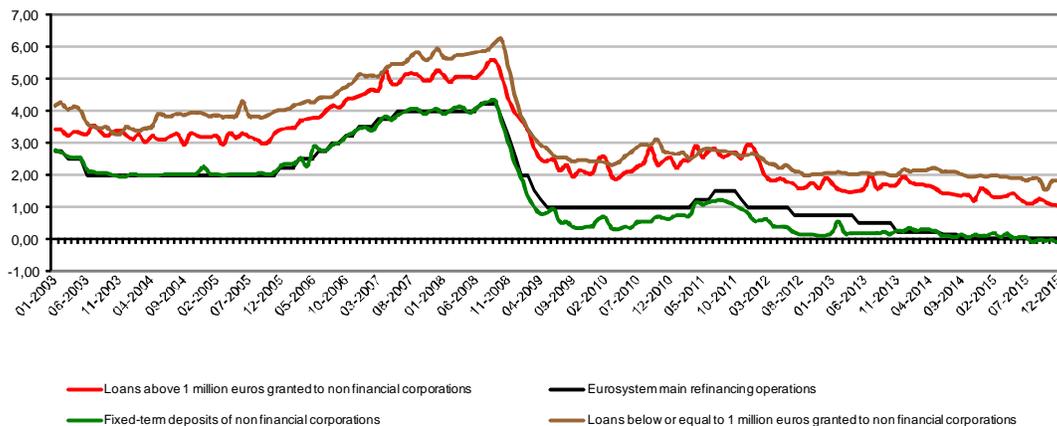
Representative interest rates on new contracts¹ – loans and deposits - concluded with NFCs

The variable² interest rate on loans below or equal to 1 million euros granted to NFCs decreased by 3 basis points compared to December 2015 and has consequently reached 1.78% during January 2016. The volume of newly granted loans has amounted to 867 million euros, a decrease of 110 million euros compared to the previous reference period. On a yearly basis, this interest rate has decreased by 18 basis points and the volume of newly granted loans has decreased by 80 million euros.

The variable² interest rate on loans above 1 million euros granted to NFCs has decreased by 7 basis points, reaching 0.94% in January 2016. The volume of these newly granted loans has reached 10 227 million euros, a decrease of 2 219 million euros compared to December 2015. On a yearly basis, this interest rate has decreased by 50 basis points and the volume of newly granted loans has increased by 2 447 million euros.

The interest rate on fixed-term deposits of NFCs with an initial maturity below or equal to 1 year has increased on a monthly basis but remained negative in January 2016, reaching -0.01%. However, this evolution 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

Weighting method

The interest rates applied to new contracts are weighted 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 BCL.

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



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