

Statistical press release

Luxembourg, 12 December 2017

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 euro area households and non-financial corporations (NFCs) for their loans and deposit operations have on average evolved as follows in October 2017.

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

The variable² interest rate on mortgage loans granted to households has remained unchanged at 1.60% compared to previous month. The volume of these newly granted loans has increased by 5 million euros on a monthly basis to reach 190 million euros during last reference period. On a yearly basis, the interest rate has decreased by 7 basis points and the volume of newly granted loans has decreased by 4 million euros.

The fixed³ interest rate on mortgage loans granted to households has decreased by 5 basis points on a monthly basis to reach 1.82% in October 2017. The volume of these newly granted loans has increased by 36 million euros on a monthly basis and has consequently amounted to 298 million euros during the last reference period. On a yearly basis, this

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.

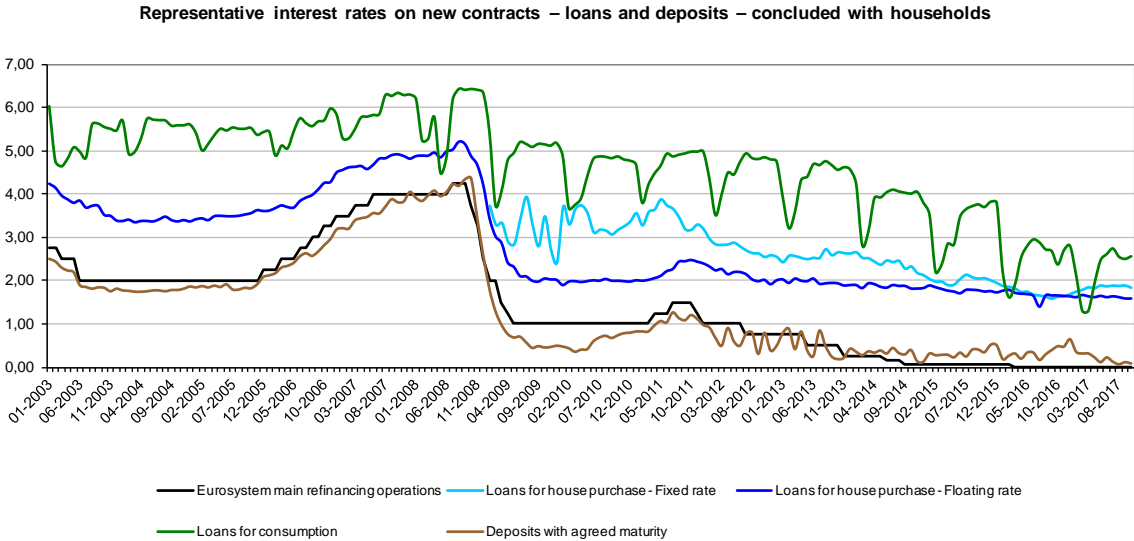
2 Variable interest rate or rate with an initial fixation period inferior or equal to 1 year.

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 only since February 2009 for methodological reasons linked to the identification of reporting agents.

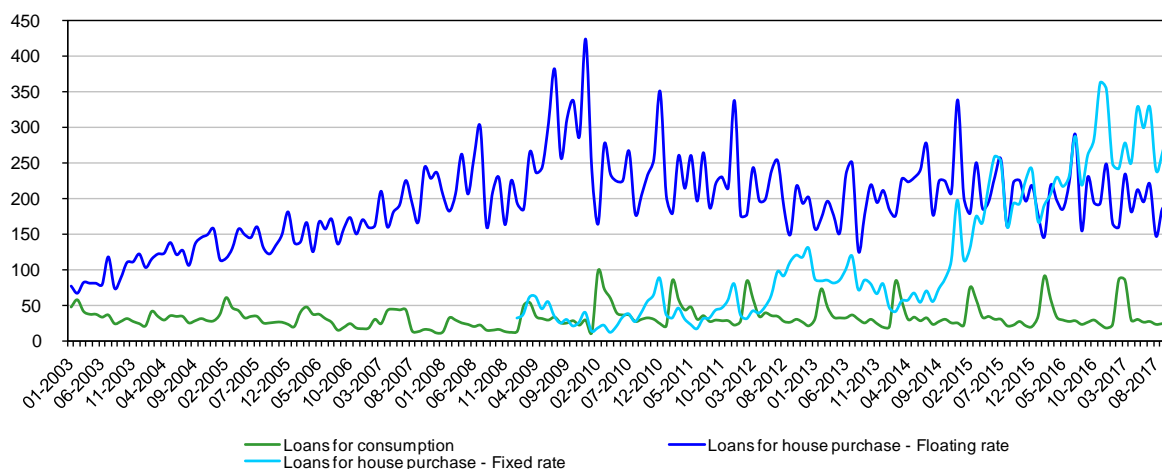
interest rate has increased by 21 basis points and the volume of newly granted loans has increased by 16 million euros.

The interest rate on consumer loans that have an initial fixation period above 1 year and below or equal to 5 years has increased by 6 basis points compared to September 2017, reaching 2.55% in October 2017. The volume of these newly granted loans has remained broadly unchanged to reach 25 million euros during October 2017. On a yearly basis, the interest rate has increased by 19 basis points whereas the volume of newly granted loans has decreased by 4 million euros.

The interest rate on households' fixed-term deposits that have an initial maturity below or equal to 1 year has decreased by 3 basis points on a monthly basis to reach 9 basis points during October 2017.



Volume of newly granted loans to households (millions euros)



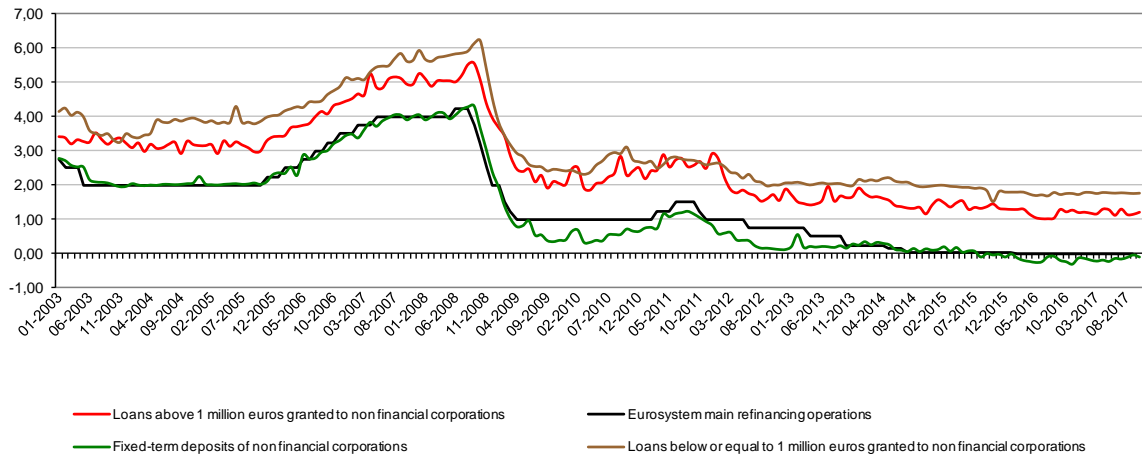
Representative interest rates on new contracts¹ – loans and deposits – concluded with NFCs

The variable² interest rate on loans below or equal to 1 million euros granted to NFCs has barely changed on a monthly basis to reach 1.77% in October 2017. The volume of newly granted loans has decreased by 34 million euros on a monthly basis, reaching 844 million euros during the last reference period. On a yearly basis, this interest rate has increased by 1 basis point and the volume of newly granted loans has increased by 47 million euros.

The variable² interest rate on loans above 1 million euros granted to NFCs has increased by 6 basis points compared to previous month to reach 1.23% during October 2017. The volume of these newly granted loans has decreased by 1 914 million euros on a monthly basis and has consequently reached 5 165 million euros. On a yearly basis, this interest rate has decreased by 1 basis point and the volume of newly granted loans has decreased by 551 million euros.

The interest rate on fixed-term deposits of NFCs with an initial maturity below or equal to 1 year has decreased by 6 basis points on a monthly basis to reach -10 basis points in October 2017.

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



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_statistiques_luxembourg/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.

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