

Luxembourg, 18 January 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 for their loans and deposit operations have on average evolved as follows in November 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 1.79% in October 2015 to 1.80% in November 2015. The volume of these newly granted loans has decreased by 32 million euros compared to October 2015 and has consequently reached 211 million euros. On a yearly basis, this interest rate has declined by 3 basis points, whereas the volume of newly granted loans has increased by 3 million euros.

The fixed<sup>3</sup> interest rate on mortgage loans granted to households has decreased on a monthly basis, going from 2.03% in October 2015 to 1.98% in November 2015. The volume of these newly granted loans amounts to 211 million euros, an increase of 37 million euros compared to the previous month. Compared to the month of November 2014, this interest rate has decreased by 18 basis points and the volume of newly granted loans has increased by 99 million euros.

Interest rates on consumer loans that have an initial fixation period above 1 year and below or equal to 5 years, has increased by 15 basis points compared to the previous month,

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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.

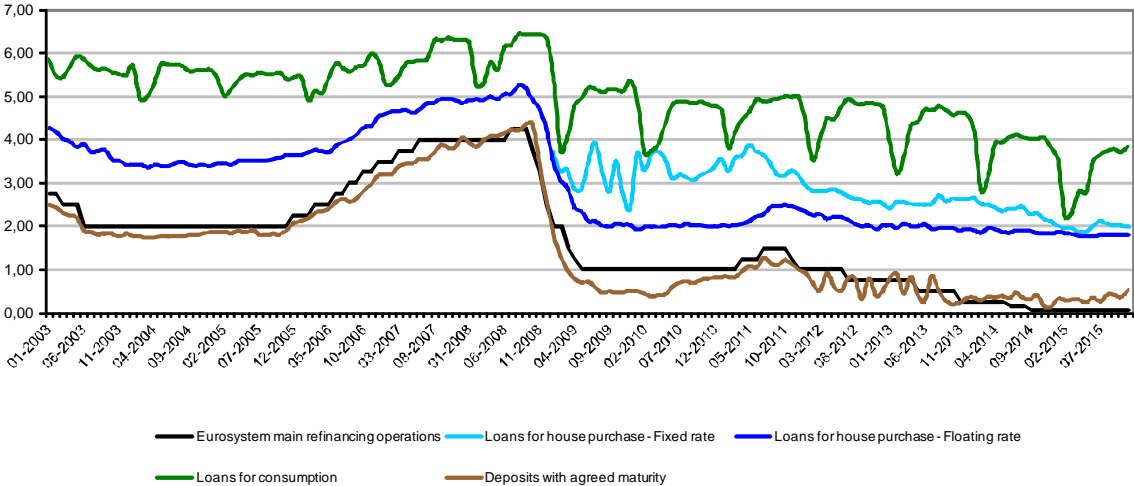
3 Fixed interest rate weighted by the amounts of contracts for all mortgage loans granted, whatever the initial rate fixation period (above 1 year). This series has been published by the BCL since February 2009 only for methodological reasons linked to the identification of declaring entities.

**Statistical press release**

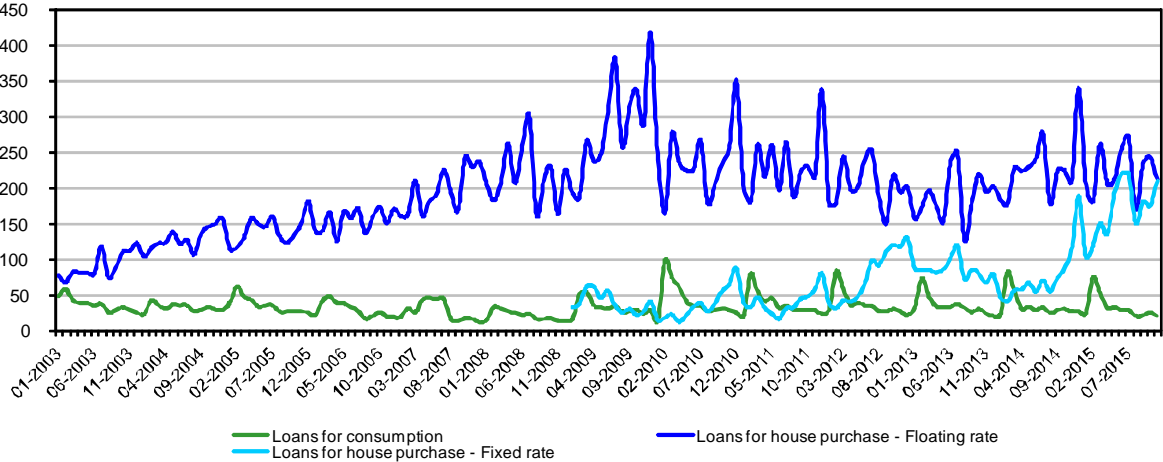
reaching 3.84% in November 2015. The volume of these newly granted loans has decreased from 24 million euros in October 2015 to 19 million euros in November 2015. On a yearly basis, this interest rate has decreased by 20 basis points and the volume of newly granted loans has decreased by 6 million euros.

The interest rate on households' fixed-term deposits that have an initial maturity below or equal to 1 year, has increased by 17 basis points compared to October 2015, reaching 0.52%. On a yearly basis, this interest rate has increased by 38 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

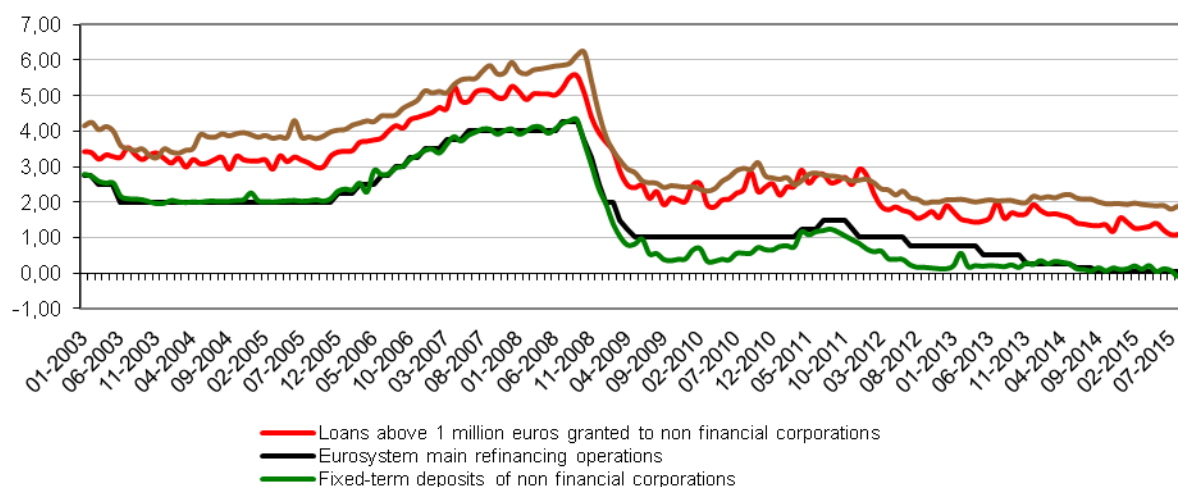
### Representative interest rates on new contracts<sup>1</sup> – loans and deposits - concluded with non-financial corporations

The variable<sup>2</sup> interest rate on loans below or equal to 1 million euros granted to non-financial corporations has increased by 28 basis points compared to the previous month, reaching 1.81% in November 2015. The volume of newly granted loans amounts to 857 million euros, a decrease of 269 million euros compared to the month of October 2015. On a yearly basis, this interest rate has decreased by 15 basis points and the volume of granted loans has increased by 57 million euros.

The variable<sup>2</sup> interest rate on loans above 1 million euros granted to non-financial corporations has decreased by 8 basis points, reaching 1.06% in November 2015. The volume of these newly granted loans amounted to 9 697 million euros, an increase of 188 million euros compared to the preceding month. Compared to October 2014, this interest rate has decreased by 12 basis points and the volume of newly granted loans has increased by 2 230 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 again below 0%, reaching -0.02% in November 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 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 Banque centrale du Luxembourg.

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



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