

Luxembourg, 13 May 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 March 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 decreased by 7 basis points, going from 1.80 % in February 2016 to 1.73% in March 2016. The volume of these newly granted loans has increased by 72 million euros compared to February 2016 and has consequently reached 218 million euros in March 2016. On a yearly basis, this interest rate has declined by 10 basis points, whereas the volume of newly granted loans has decreased by 43 million euros.

The fixed³ interest rate on mortgage loans granted to households has decreased by 4 basis points on a monthly basis to reach 1,80% during March 2016. The volume of these newly granted loans has increased by 15 million euros on a monthly basis to reach 205 million euros during March 2016. Compared to the month of March 2015, this interest rate has decreased by 16 basis points and the volume of newly granted loans has increased by 42 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 30 basis points with respect to previous reference

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.

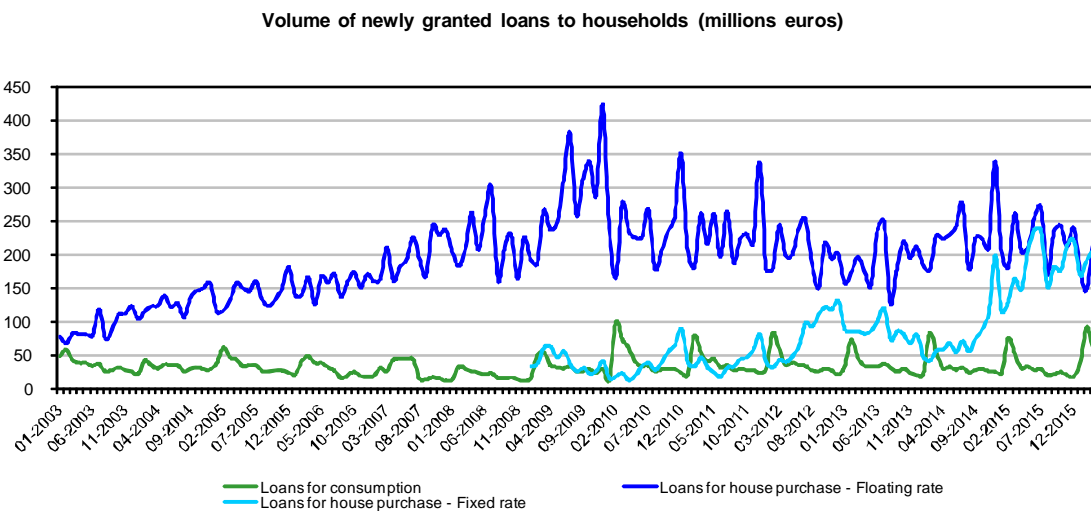
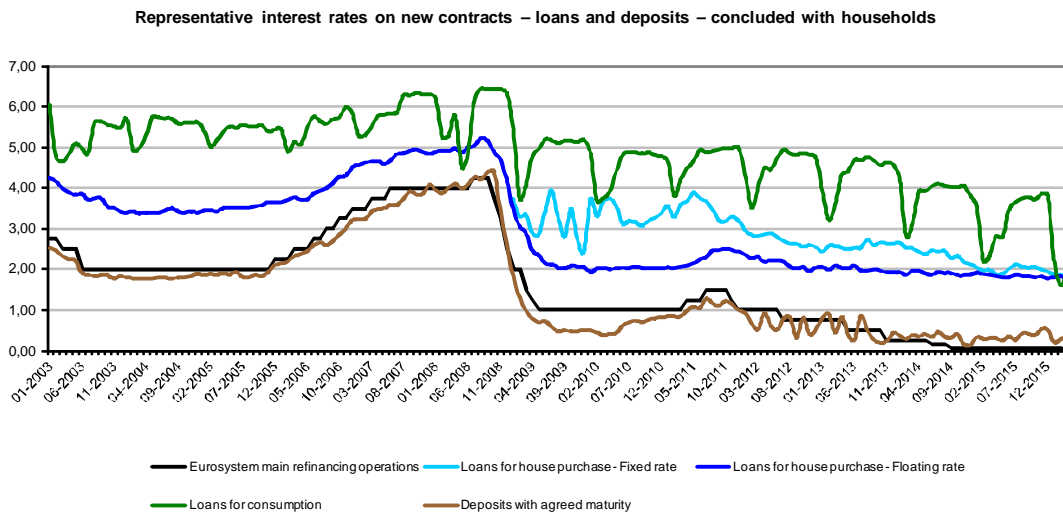
2 Variable interest rate or rate with an initial fixation period inferior or equal to 1 year.

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

month and has consequently reached 1.90% in March 2016. The volume of these newly granted loans has decreased by 32 million euros on a monthly basis and has amounted to 58 million euros during March 2016. On a yearly basis, this interest rate has decreased by 43 basis points and the volume of newly granted loans has increased by 7 million euros.

The interest rate on households' fixed-term deposits that have an initial maturity below or equal to 1 year, has increased by 5 basis points, going from 0.27% in February 2016 to 0.32% in March 2016. On a yearly basis, this interest rate has increased by 3 basis points.



Statistical press release

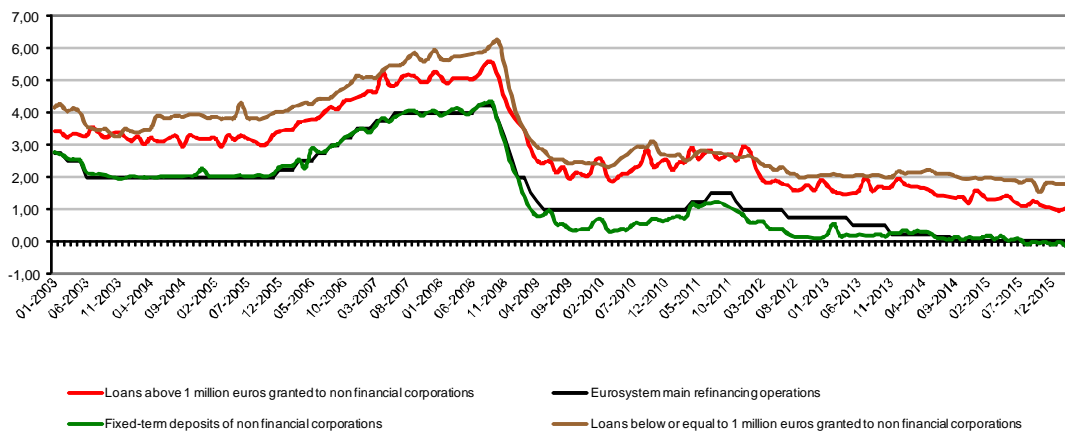
Representative interest rates on new contracts¹ – loans and deposits - concluded with NFCs

The variable² interest rate on loans below or equal to 1 million euros granted to NFCs remained relatively stable on a monthly basis, going from 1.79% in February 2016 to 1.80% in March 2016. The volume of newly granted loans has increased by 148 million euros from 855 million euros in February to reach 1 003 millions euros in March 2016. On a yearly basis, this interest rate has decreased by 15 basis points and the volume of newly granted loans has decreased by 32 million euros.

The variable² interest rate on loans above 1 million euros granted to NFCs has increased by 7 basis points over one month, reaching 1.08% in March 2016. The volume of these newly granted loans has increased by 682 million euros on a monthly basis and has consequently reached 11 791 million euros. On a yearly basis, this interest rate has decreased by 20 basis points and the volume of newly granted loans has increased by 1 073 million euros.

The interest rate on fixed-term deposits of NFCs with an initial maturity below or equal to 1 year has reached –20 basis points in March 2016. 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_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.

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



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