

Luxembourg, 22 July 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 euro area households and non-financial corporations (NFCs) for their loans and deposit operations have on average evolved as follows in May 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 remained relatively stable on a monthly basis, going from 1.71% in April 2016 to 1.70% in May 2016. The volume of these newly granted loans has decreased by 12 million euros compared to April 2016 and has consequently reached 185 million euros in May 2016. On a yearly basis, this interest rate has declined by 6 basis points and the volume of newly granted loans has decreased by 10 million euros.

The fixed³ interest rate on mortgage loans granted to households continues to evolve below the levels of the first quarter, reaching 1.73% in May 2016. The volume of these newly granted loans has decreased by 13 million euros on a monthly basis and has consequently amounted to 216 million euros during May 2016. Compared to the month of May 2015, this interest rate has decreased by 16 basis points, whereas the volume of newly granted loans has remained unchanged.

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 27 basis points with respect to the previous reference month and has consequently reached 2.79% in May 2016. The volume of these

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.

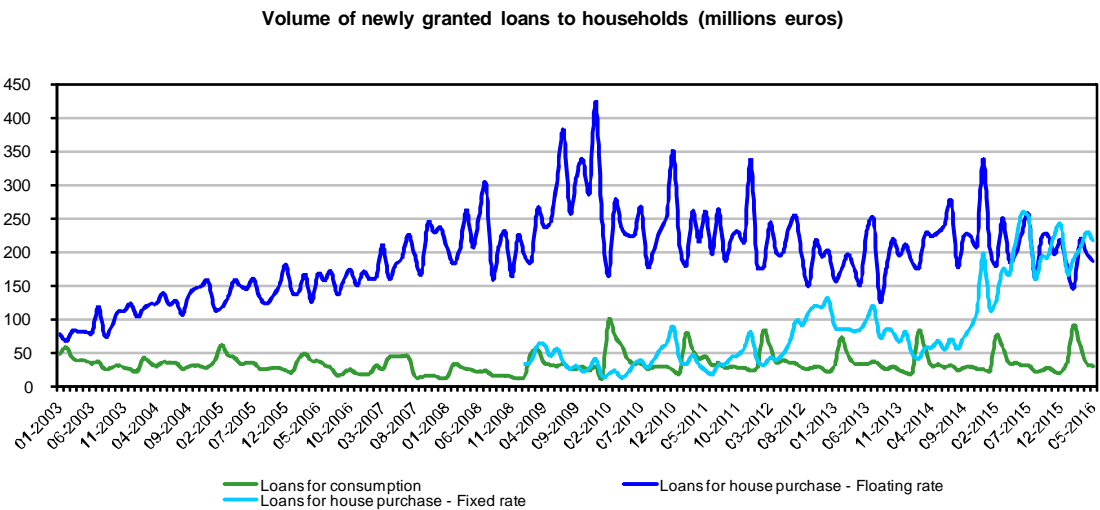
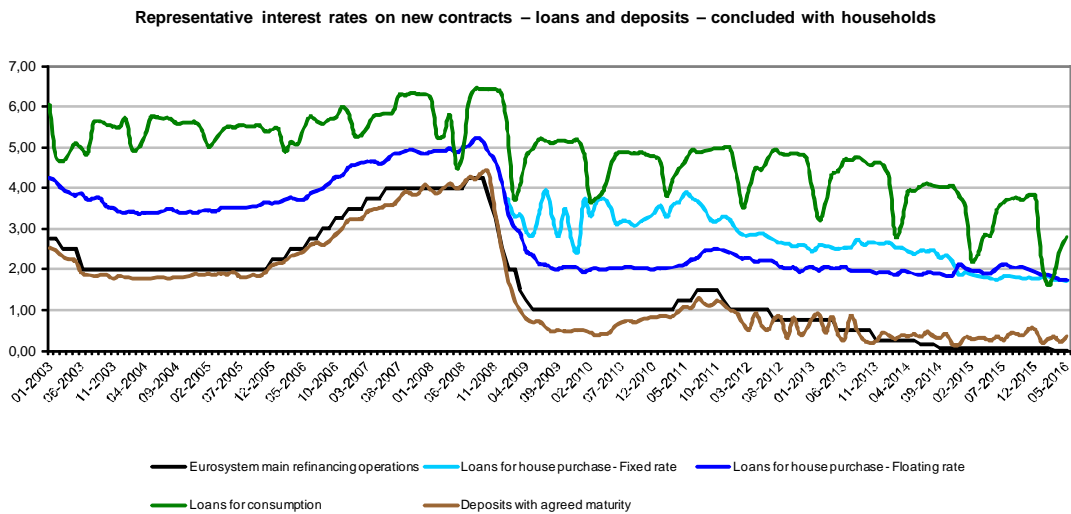
2 Variable interest rate or rate with an initial fixation period inferior or equal to 1 year.

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

newly granted loans has decreased by 4 million euros on a monthly basis and has amounted to 29 million euros during May 2016. On a yearly basis, this interest rate has decreased by 3 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 increased by 14 basis points, going from 0.20% in April 2016 to 0.34% in May 2016. On a yearly basis, this interest rate has decreased by 11 basis points.



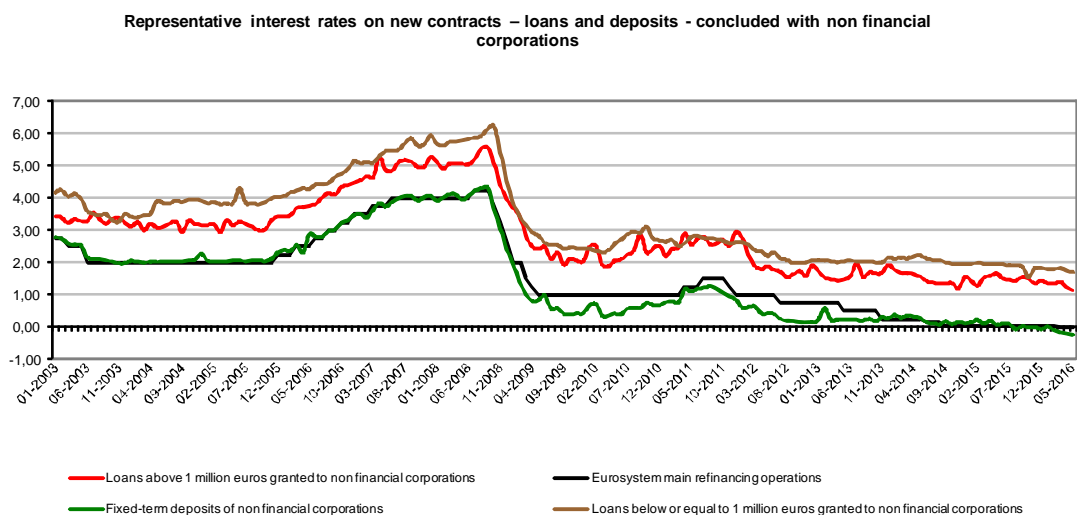
Statistical press release

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 has decreased by 4 basis points on a monthly basis to reach 1.70% in May 2016. The volume of newly granted loans has decreased by 59 million euros, reaching 806 million euros in May 2016. On a yearly basis, this interest rate has decreased by 25 basis points, whereas the volume of newly granted loans has increased by 7 million euros.

The statistical series related to the variable² interest rate on loans above 1 million euros granted to NFCs has been updated in order to reflect the revisions sent by a large bank. Based on the latest information available, the interest rate for this type of loans has decreased by 10 basis points, going from 1.23% in April 2016 to 1.13% in May 2016. The volume of these newly granted loans has increased by 198 million euros on a monthly basis and has consequently reached 7 275 million euros. On a yearly basis, this interest rate has decreased by 53 basis points and the volume of newly granted loans has increased by 482 million euros.

The interest rate on fixed-term deposits of NFCs with an initial maturity below or equal to 1 year has reached –26 basis points in May 2016, from –23 basis points during the previous month.



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 question, we are at your disposal at the following phone number 4774-4265 /-4243.



International Relations and Communications Department

Communications Section

L-2983 Luxembourg

Fax: +352 4774-4910

info@bcl.lu