

## Statistical press release

Luxembourg, 15 November 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 September 2016.

#### **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 unchanged at 1.67% since July 2016. The volume of these newly granted loans has increased by 75 million euros on a monthly basis and has consequently reached 230 million euros in September 2016. Compared to September 2015, this interest rate has declined by 12 basis points and the volume of newly granted loans has increased by 8 million euros.

The fixed<sup>3</sup> interest rate on mortgage loans granted to households has decreased by 4 basis points compared to the previous month of August 2016, reaching 1.57% in September 2016. The volume of these newly granted loans has increased by 41 million euros compared to

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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.

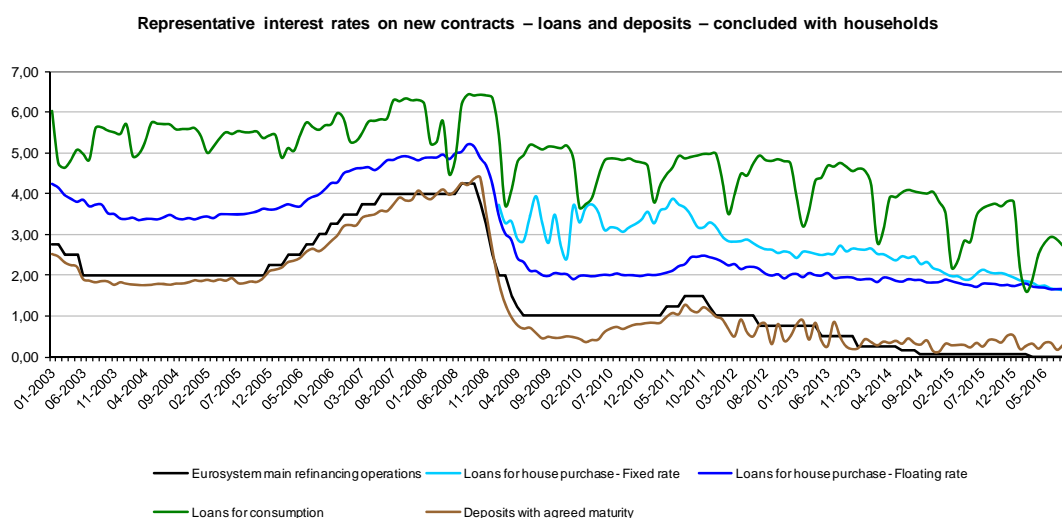
2 Variable interest rate or rate with an initial fixation period inferior or equal to 1 year.

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.

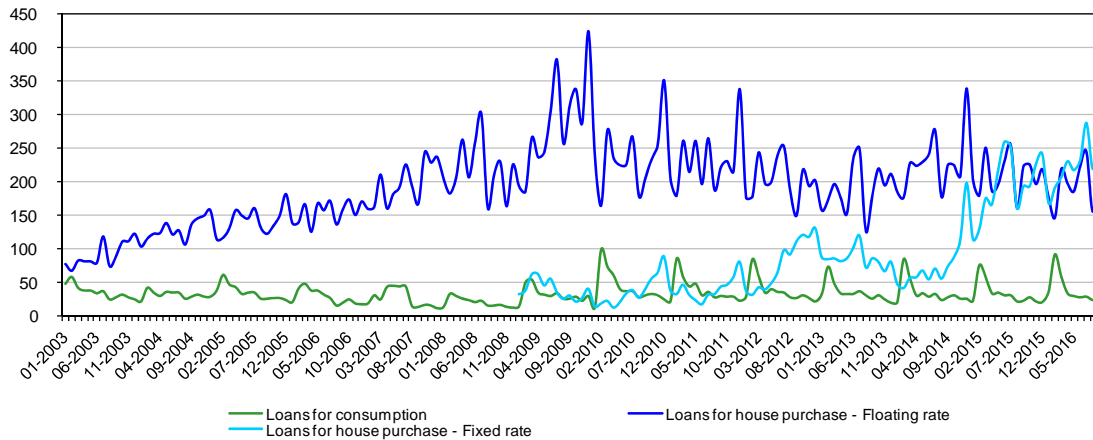
August 2016 and has consequently amounted to 259 million euros during the last reference period. On a yearly basis, this interest rate has decreased by 46 basis points and the volume of newly granted loans has increased by 67 million euros.

The interest rate on consumer loans that have an initial fixation period above 1 year and below or equal to 5 years has decreased by 12 basis points on a monthly basis and has consequently reached 2.59% in September 2016. The volume of these newly granted loans has increased by 2 million euros compared to previous month to reach 25 million euros in September 2016. On a yearly basis, this interest rate has decreased by 1.16 percentage point and the volume of newly granted loans has increased by 3 million euros.

The interest rate on households' fixed-term deposits that have an initial maturity below or equal to 1 year has increased by 10 basis points on a monthly basis, reaching 40 basis points in September 2016. The return on this kind of deposits has remained relatively stable on a yearly basis.



Volume of newly granted loans to households (millions euros)



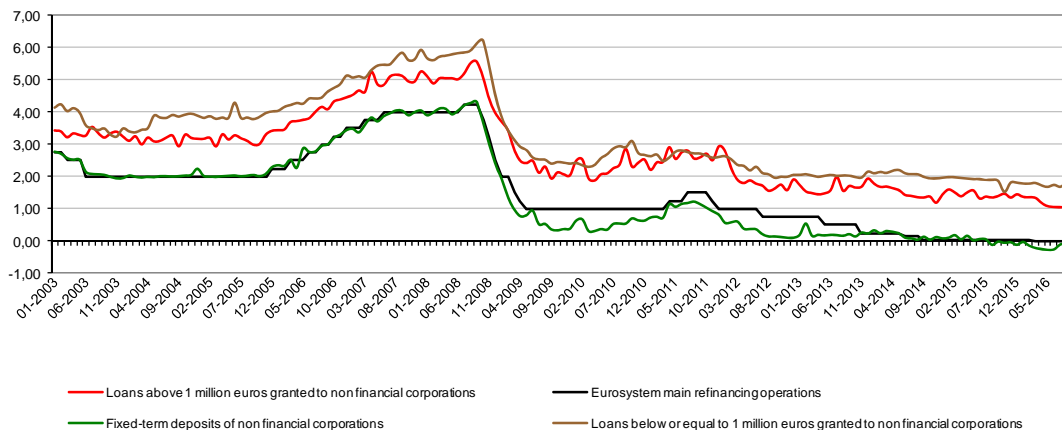
### Representative interest rates on new contracts<sup>1</sup> – loans and deposits – concluded with NFCs

The variable<sup>2</sup> interest rate on loans below or equal to 1 million euros granted to NFCs has decreased by 6 basis points on a monthly basis to reach 1.76% in September 2016. The volume of newly granted loans has increased by 140 million euros, reaching 978 million euros in September 2016. On a yearly basis, this interest rate has decreased by 12 basis points whereas the volume of newly granted loans has increased by 73 million euros.

The variable<sup>2</sup> interest rate on loans above 1 million euros granted to NFCs has increased by 24 basis points to reach 1.31% in September 2016. The volume of these newly granted loans has increased by 896 million euros on a monthly basis and has consequently reached 7 023 million euros. On a yearly basis, this interest rate has decreased by 8 basis points whereas the volume of newly granted loans has increased by 840 million euros.

The interest rate on fixed-term deposits of NFCs with an initial maturity below or equal to 1 year has decreased by 12 basis points, going from –8 basis points in August 2016 to –20 basis points in September 2016.

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](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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