

## Statistical press release

Luxembourg, 24 January 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 loan and deposit operations have on average evolved as follows in November 2016.

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

The activity on mortgage loans granted to households with a variable<sup>2</sup> interest rate has remained relatively stable compared to October 2016. The volume of these newly granted loans has remained unchanged at 194 million euros while the interest rate has decreased from 1.67% during October 2016 to 1.65% during November 2016. On a yearly basis, the interest rate has declined by 12 basis points and the volume of newly granted loans has decreased by 2 million euros.

The fixed<sup>3</sup> interest rate on mortgage loans granted to households has reached 1.62% during November from 1.61% during the previous reference month. The volume of these newly granted loans has increased by 79 million euros on a monthly basis and has consequently

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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.

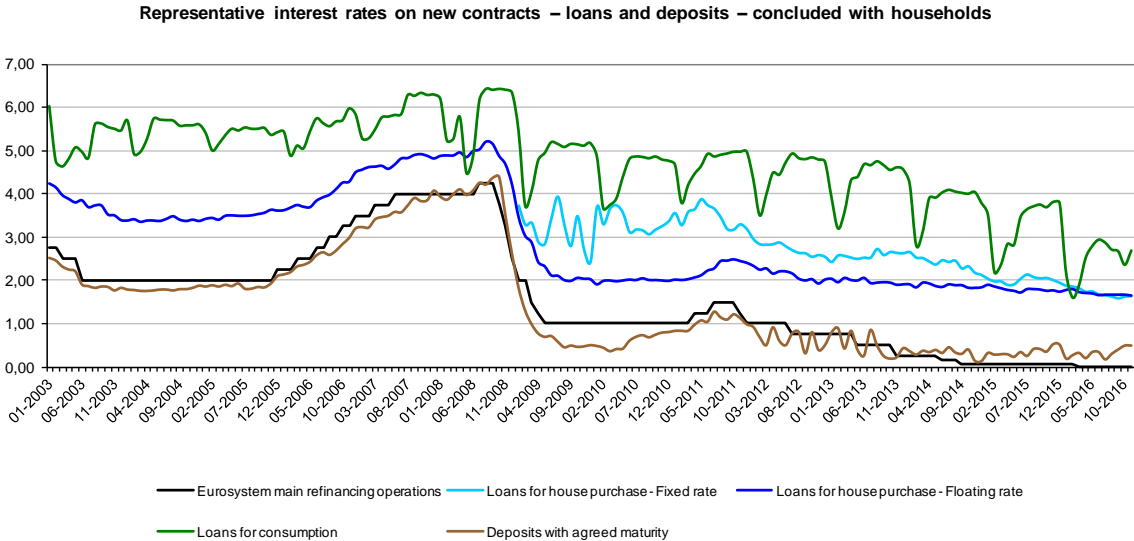
2 Variable interest rate or rate with an initial fixation period inferior or equal to 1 year.

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.

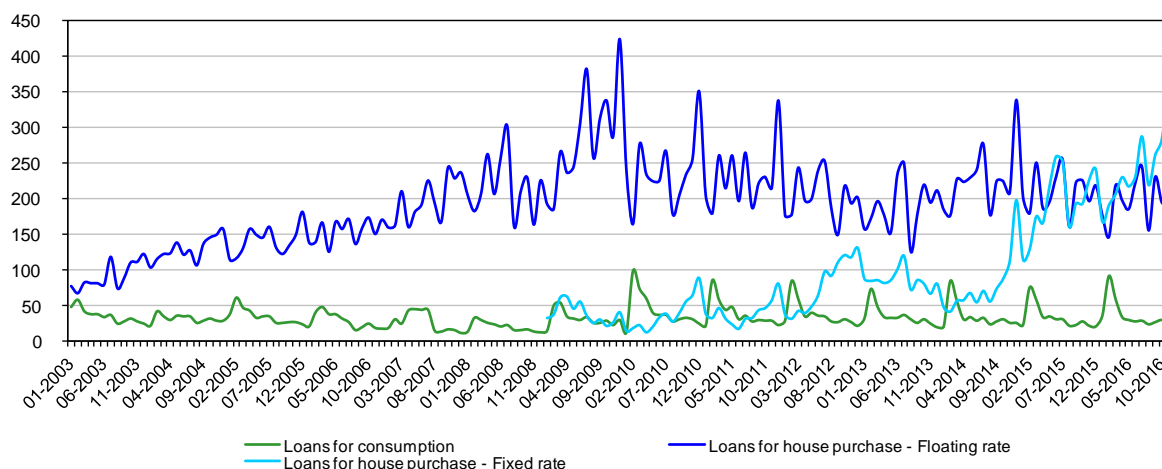
amounted to 361 million euros during the last reference period. On a yearly basis, this interest rate has decreased by 37 basis points and the volume of newly granted loans has increased by 136 million euros.

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 33 basis points on a monthly basis and has consequently reached 2.69% in November 2016. The volume of these newly granted loans has decreased by 6 million euros compared to the previous month, reaching 23 million euros in November 2016. On a yearly basis, this interest rate has decreased by 1.12 percentage points whereas the volume of newly granted loans has increased by 2 million euros.

The interest rate on households' fixed-term deposits that have an initial maturity below or equal to 1 year has remained unchanged at 49 basis points. The return on this kind of deposits has decreased by 3 basis points on a yearly basis.



Volume of newly granted loans to households (millions euros)



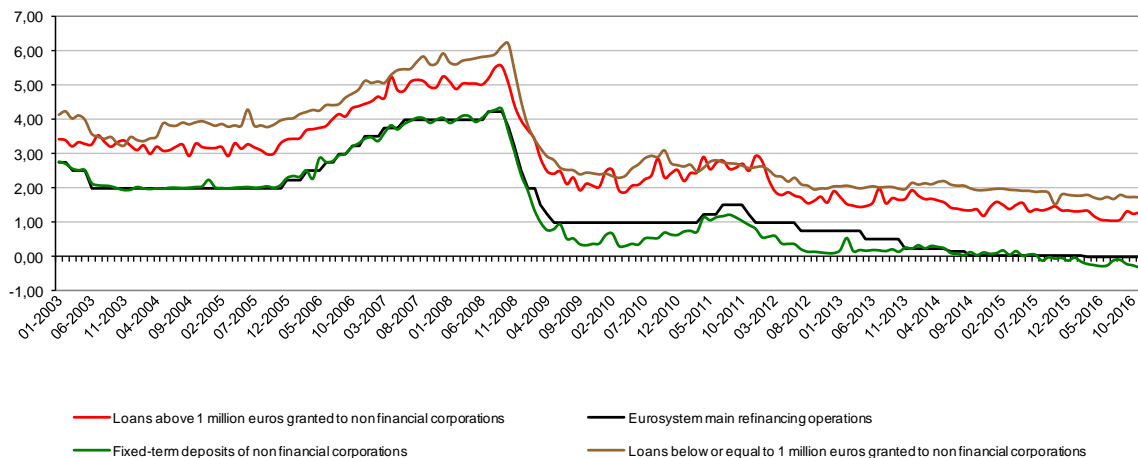
## Representative interest rates on new contracts<sup>1</sup> – loans and deposits – concluded with NFCs

The variable<sup>2</sup> interest rate on loans below or equal to 1 million euros granted to NFCs has barely changed on a monthly basis, reaching 1.75% during November, slightly down from 1.76% during October. The volume of newly granted loans has decreased by 58 million euros, reaching 739 million euros in November 2016. On a yearly basis, this interest rate has decreased by 8 basis points whereas the volume of newly granted loans has decreased by 64 million euros.

The variable<sup>2</sup> interest rate on loans above 1 million euros granted to NFCs has increased by 5 basis points to reach 1.29% during November 2016. The volume of these newly granted loans has increased by 580 million euros on a monthly basis and has consequently reached 6 296 million euros. On a yearly basis, this interest rate has decreased by 5 basis points and the volume of newly granted loans has increased by 240 million euros.

The interest rate on fixed-term deposits of NFCs with an initial maturity below or equal to 1 year has decreased by 7 basis points, going from –24 basis points during October 2016 to –31 basis points during November 2016.

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



The tables pertaining to interest rates applied by 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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