

Statistical press release

Luxembourg, 14 March 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 loans and deposit operations have on average evolved as follows in January 2017.

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

The variable² interest rate on mortgage loans granted to households has barely changed on a monthly basis, going from 1.65% in December 2016 to 1.63% in January 2017. The volume of these newly granted loans has decreased by 83 million euros on a monthly basis, reaching 165 million euros in January 2017. On a yearly basis, the interest rate has declined by 15 basis points and the volume of newly granted loans has decreased by 11 million euros.

The fixed³ interest rate on mortgage loans granted to households has increased by 6 basis points on a monthly basis, reaching 1.73% in January 2017. The volume of these newly granted loans has decreased by 104 million euros on a monthly basis and has consequently amounted to 248 million euros during the last reference period. On a yearly basis, this

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.

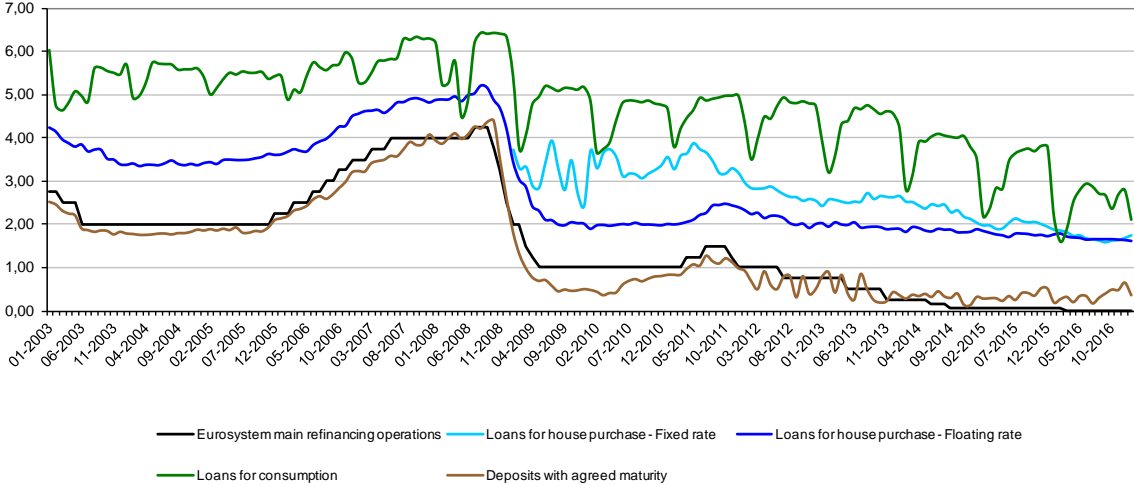
3 Fixed interest rate weighted by the amounts of contracts for all mortgage loans granted, whatever the initial rate fixation period (above 1 year). This series has been published by the BCL only since February 2009 because of methodological reasons linked to the identification of reporting agents.

interest rate has decreased by 13 basis points whereas the volume of newly granted loans has increased by 81 million euros.

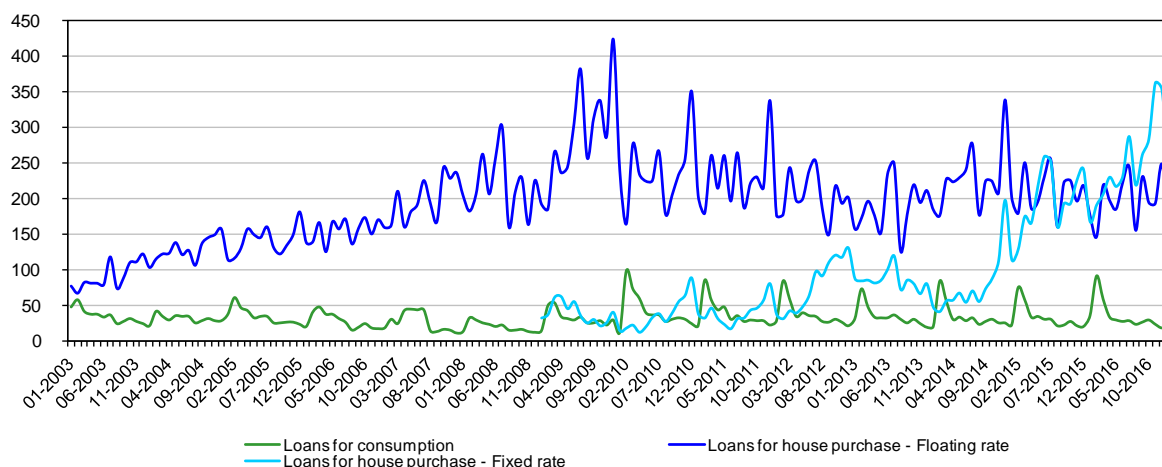
The interest rate on consumer loans that have an initial fixation period above 1 year and below or equal to 5 years has decreased by 68 basis points on a monthly basis and has consequently reached 2.11% in January 2017. The volume of these newly granted loans has increased by 5 million euros compared to the previous month, reaching 23 million euros in January 2017. On a yearly basis, this interest rate has decreased by 6 basis points and the volume of newly granted loans has decreased by 12 million euros.

The interest rate on households' fixed-term deposits that have an initial maturity below or equal to 1 year has decreased by 29 basis points on a monthly basis, reaching 36 basis points in January 2017. The return on this kind of deposits has increased by 17 basis points on a yearly basis.

Representative interest rates on new contracts – loans and deposits – concluded with households



Volume of newly granted loans to households (millions euros)



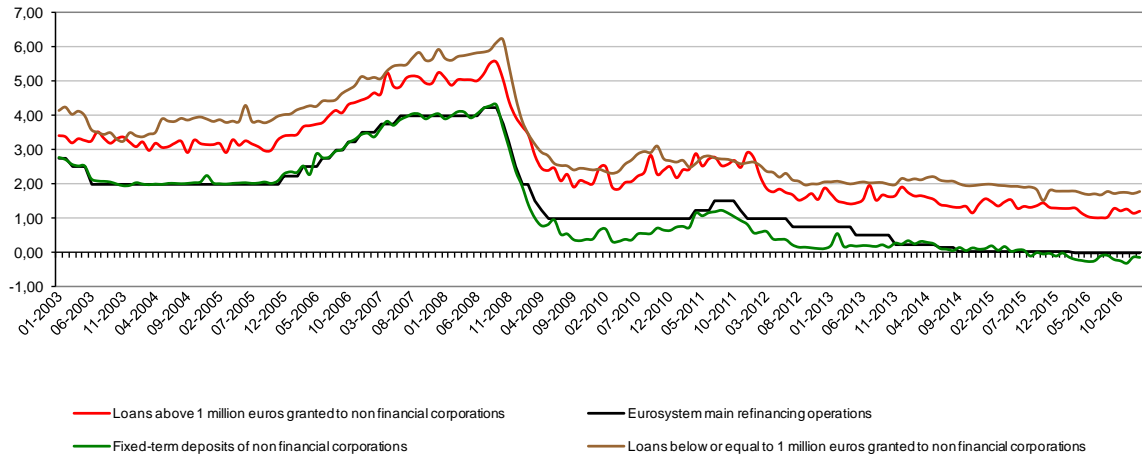
Representative interest rates on new contracts¹ – loans and deposits – concluded with NFCs

The variable² interest rate on loans below or equal to 1 million euros granted to NFCs has increased by 6 basis points compared to December 2016, reaching 1.79% in January 2017. The volume of newly granted loans has decreased by 105 million euros, reaching 711 million euros during the last reference period. On a yearly basis, this interest rate has remained relatively stable whereas the volume of newly granted loans has decreased by 20 million euros.

The variable² interest rate on loans above 1 million euros granted to NFCs has increased by 4 basis points, reaching 1.23% during January 2017. The volume of these newly granted loans has decreased by 1 468 million euros on a monthly basis and has consequently reached 4 742 million euros. On a yearly basis, this interest rate has decreased by 8 basis points and the volume of newly granted loans has decreased by 881 million euros.

The interest rate on fixed-term deposits of NFCs with an initial maturity below or equal to 1 year has barely changed, going from –13 basis points during December 2016 to –14 basis points during January 2017.

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

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.

For further information about this press release, please contact us by phone: 4774-4243 /-4265



International Relations and Communications department

Communications section

L-2983 Luxembourg

Fax: +352 4774-4910

info@bcl.lu