

Statistical press release

Luxembourg, 21 March 2018

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 2018.

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

The variable² interest rate on mortgage loans granted to households has increased by 3 basis points on a monthly basis to reach 1.58% in January 2018. The volume of these newly granted loans has decreased by 54 million euros on a monthly basis to reach 217 million euros during the last reference period. On a yearly basis, the interest rate has decreased by 5 basis points whereas the volume of newly granted loans has increased by 52 million euros.

The fixed³ interest rate on mortgage loans granted to households has remained unchanged at 1.82% during January 2018. The volume of these newly granted loans has decreased by 127 million euros on a monthly basis and has consequently amounted to 283 million euros during

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.

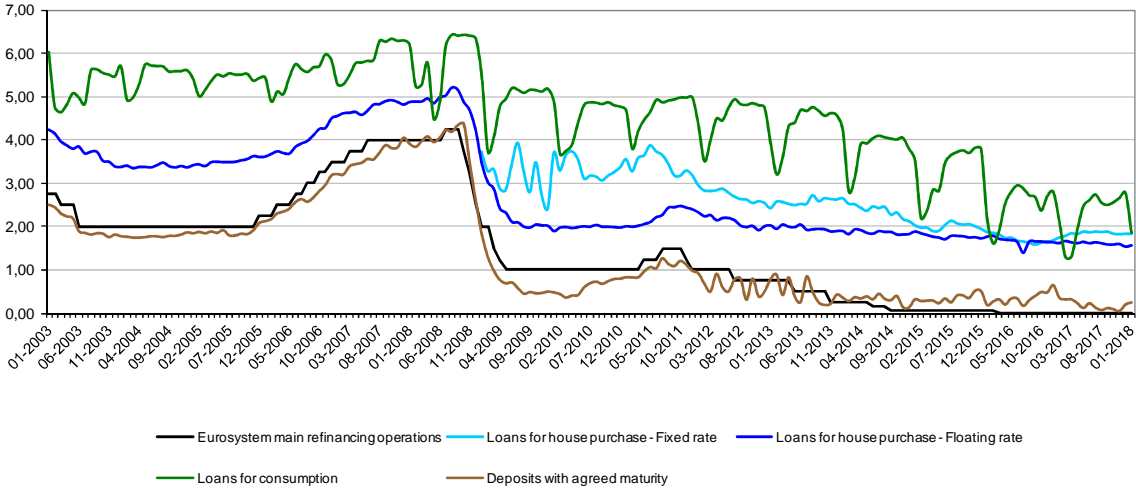
3 Fixed interest rate weighted by the amounts of contracts for all mortgage loans granted, whatever the initial rate fixation period (above 1 year). This series has been published by the BCL only since February 2009 for methodological reasons linked to the identification of reporting agents.

the last reference period. On a yearly basis, this interest rate has increased by 9 basis points and the volume of newly granted loans has increased by 35 million euros.

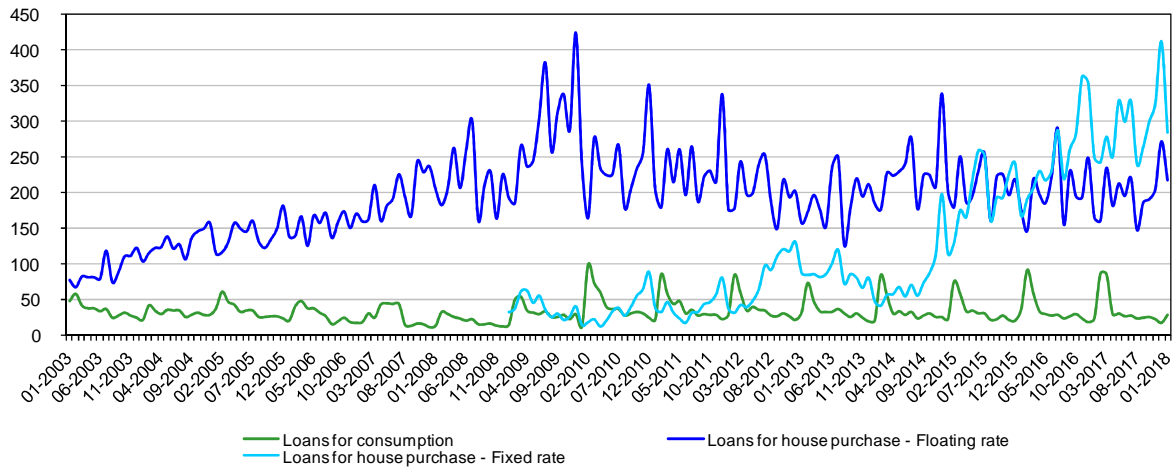
The interest rate on consumer loans that have an initial fixation period above 1 year and below or equal to 5 years has decreased by 92 basis points on a monthly basis to reach 1.85% in January 2018. The volume of these newly granted loans has increased by 11 million euros on a monthly basis and has consequently amounted to 28 million euros in January 2018. On a yearly basis, the interest rate has decreased by 26 basis points whereas the volume of newly granted loans has increased 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 5 basis points on a monthly basis to reach 25 basis points during January 2018.

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



Volume of newly granted loans to households (millions euros)



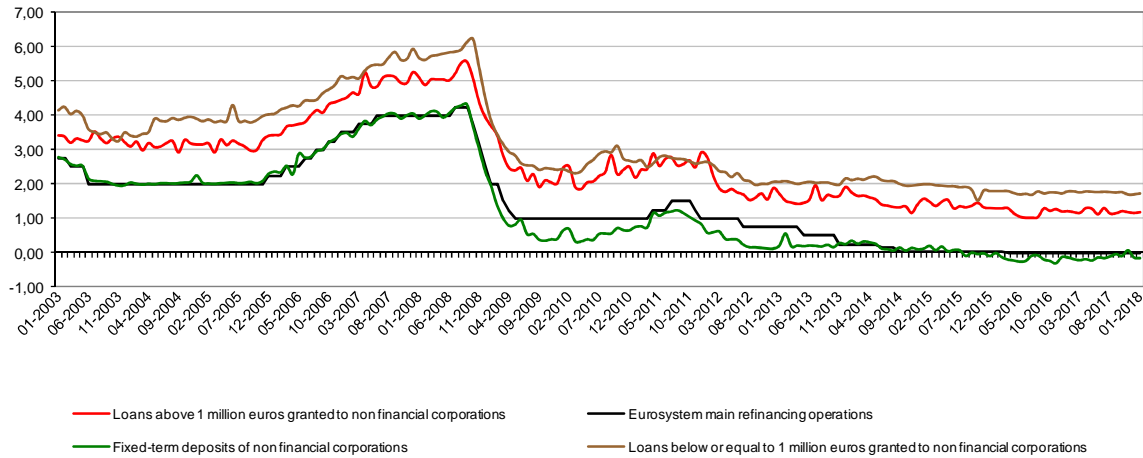
Representative interest rates on new contracts¹ – loans and deposits – concluded with NFCs

The variable² interest rate on loans below or equal to 1 million euros granted to NFCs has increased by 3 basis points on a monthly basis to reach 1.73% in January 2018. The volume of newly granted loans has decreased by 66 million euros on a monthly basis, reaching 795 million euros during the last reference period. On a yearly basis, this interest rate has decreased by 6 basis points whereas the volume of newly granted loans has increased by 84 million euros.

The variable² interest rate on loans above 1 million euros granted to NFCs has increased by 2 basis points compared to previous month to reach 1.20% during January 2018. The volume of these newly granted loans has decreased by 252 million euros on a monthly basis and has consequently reached 5 452 million euros in January 2018. On a yearly basis, this interest rate has decreased by 3 basis points whereas the volume of newly granted loans has increased by 730 million euros.

The interest rate on fixed-term deposits of NFCs with an initial maturity below or equal to 1 year has decreased by 2 basis points on a monthly basis to reach -16 basis points during January 2018.

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.

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