

Luxembourg, 6 December 2021

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 October 2021.

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 1 basis point on a monthly basis to reach 1.30% in October 2021 and the volume of these newly granted loans has decreased by 14 million euros to reach 247 million euros. On a yearly basis, the interest rate has decreased by 5 basis points whereas the volume of newly granted loans has decreased by 42 million euros.

The fixed³ interest rate on mortgage loans granted to households remained stable on a monthly basis at 1.31% in October 2021 while the volume of these newly granted loans has increased by 6 million euros to reach 459 million euros. On a yearly basis, this interest rate increased by 4 basis points whereas the volume of newly granted loans has decreased by 87 million euros.

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.

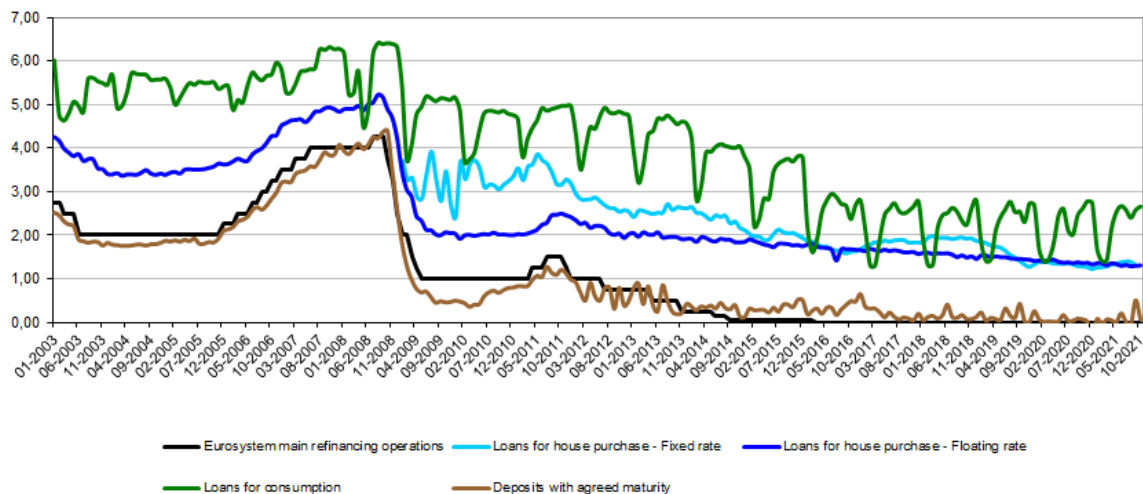
2 Variable interest rate or rate with an initial fixation period inferior or equal to 1 year.

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.

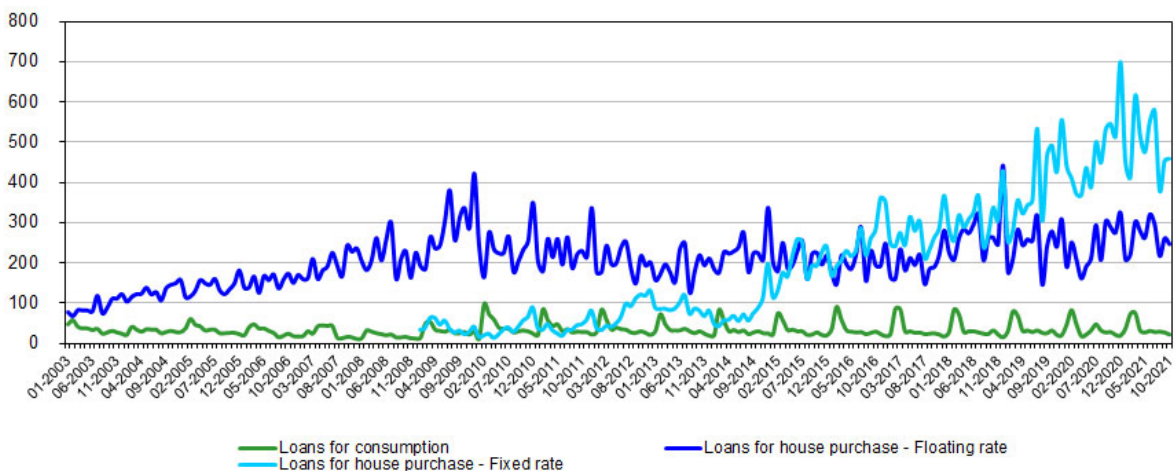
The interest rate on consumer loans that have an initial fixation period above 1 year and below or equal to 5 years has increased by 8 basis points on a monthly basis to reach 2.65% in October 2021 whereas the volume of newly granted loans has decreased by 5 million euros to reach 22 million euros. On a yearly basis, the interest rate has increased by 5 basis points whereas the volume of new lending has decreased by 6 million euros.

The interest rate on households' fixed-term deposits that have an initial maturity below or equal to 1 year has reached 7 basis points in October 2021 from 51 basis points during the previous reference period. On a yearly basis, this rate has remained stable.

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



Volume of newly granted loans to households (millions euros)

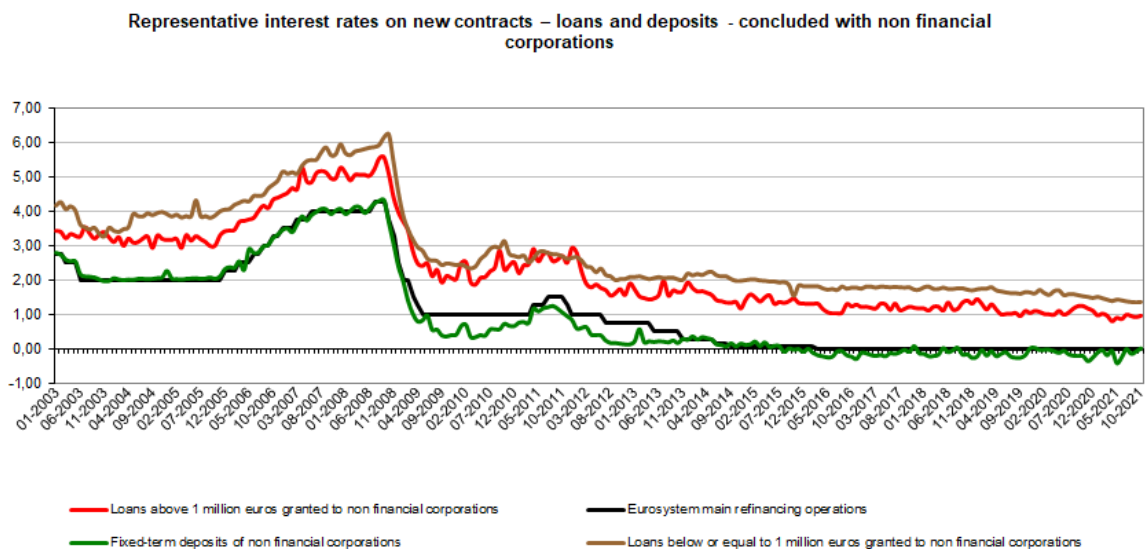


Representative interest rates on new contracts¹ – loans and deposits – concluded with NFCs

The variable² interest rate on loans below or equal to 1 million euros granted to NFCs increased by 1 basis point to reach 1.34% for October 2021 and the volume of newly granted loans has decreased by 21 million euros to reach 821 million euros. On a yearly basis, this interest rate has decreased by 17 basis points and the volume of newly granted loans has increased by 88 million euros.

The variable² interest rate on loans above 1 million euros granted to NFCs has increased by 4 basis points on a monthly basis to reach 0.97% during the last reference period. The volume of newly granted loans has decreased by 145 million euros to reach 3 527 million euros. On a yearly basis, this interest rate has decreased by 28 basis point and the volume of newly granted loans has increased by 208 million euros.

The interest rate on fixed-term deposits of NFCs with an initial maturity below or equal to 1 year has increased by 9 basis points on a monthly basis to reach 0% in October 2021. On a yearly basis, this interest rate has increased by 22 basis points.



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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