

Luxembourg, 14 March 2022

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 January 2022.

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

The variable² interest rate on mortgage loans granted to households has decreased by 4 basis points on a monthly basis to reach 1.3% in January 2022 and the volume of these newly granted loans has decreased by 70 million euros to reach 224 million euros. On a yearly basis, the interest rate has decreased by 5 basis points whereas the volume of newly granted loans has increased by 15 million euros.

The fixed³ interest rate on mortgage loans granted to households increased by 5 basis points on a monthly basis to reach 1.42% in January 2022 while the volume of these newly granted loans has decreased by 163 million euros to reach 404 million euros. On a yearly basis, this interest rate increased by 18 basis points whereas the volume of newly granted loans has decreased by 47 million euros.

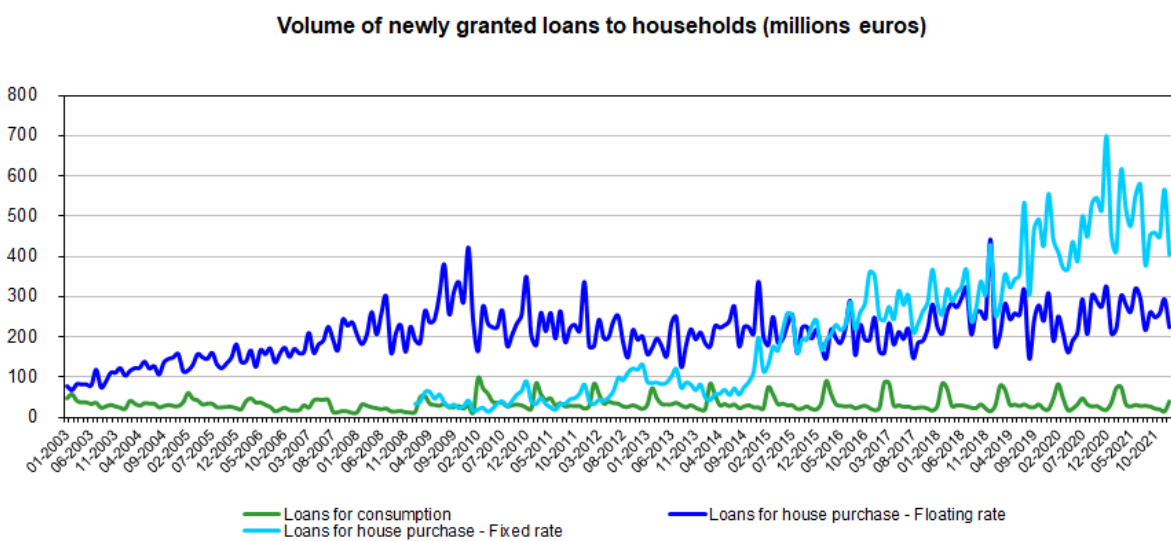
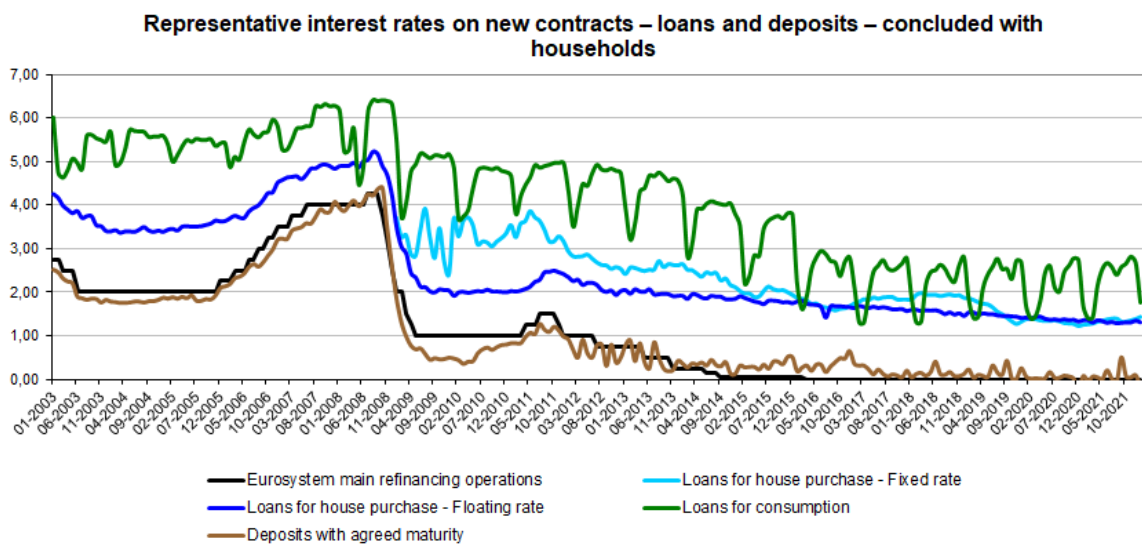
1 New contracts refer to any new agreement concluded between the household or the non-financial corporation and the reporting agent. New contracts include all financial contracts which mention for the first time the interest rate pertaining to the deposit or credit and all renegotiations of existing 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 decreased by 92 basis points on a monthly basis to reach 1.75% in January 2022 whereas the volume of newly granted loans has increased by 24 million euros to reach 39 million euros. On a yearly basis, the interest rate has increased by 8 basis points whereas the volume of new lending 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 reached -16 basis points in January 2022 from 10 basis points during the previous reference period. On a yearly basis, this rate has decreased by 24 basis points.



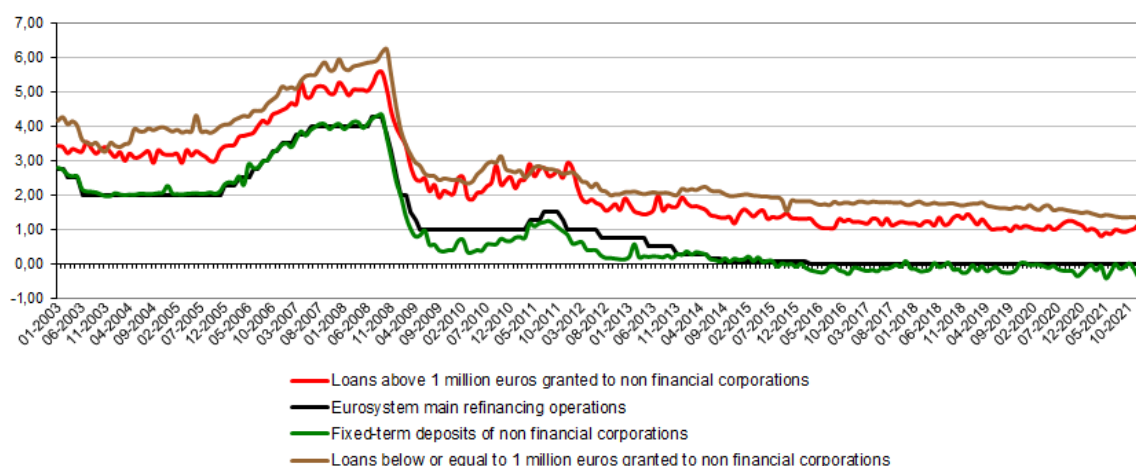
Representative interest rates on new contracts¹ – loans and deposits – concluded with NFCs

The variable² interest rate on loans below or equal to 1 million euros granted to NFCs increased by 7 basis points to reach 1.37% for January 2022 and the volume of newly granted loans has decreased by 130 million euros to reach 756 million euros. On a yearly basis, this interest rate has decreased by 12 basis points and the volume of newly granted loans has increased by 64 million euros.

The variable² interest rate on loans above 1 million euros granted to NFCs has decreased by 13 basis points on a monthly basis to reach 1.02% during the last reference period. The volume of newly granted loans has decreased by 3 155 million euros to reach 3 002 million euros. On a yearly basis, this interest rate has increased by 4 basis points and the volume of newly granted loans has decreased by 721 million euros.

The interest rate on fixed-term deposits of NFCs with an initial maturity below or equal to 1 year has increased by 2 basis points on a monthly basis to reach -0.38% in January 2022. On a yearly basis, this interest rate has decreased by 26 basis points.

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.

Department International Relations and Communications
Section Communications

Tel. : (+352) 4774-4265 ou 4599
E-mail : press@bcl.lu
www.bcl.lu