

Luxembourg, 11 January 2023

## 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 2022.

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

The variable<sup>2</sup> interest rate on mortgage loans granted to households has increased by 24 basis points on a monthly basis to reach 2.5% in November 2022 compared to 2.26% in October 2022 and the volume of these newly granted loans has decreased by 99 million euros to reach 287 million euros in November compared to 386 million in October. On a yearly basis, the interest rate has increased by 120 basis points whereas the volume of newly granted loans has increased by 28 million euros.

The fixed<sup>3</sup> interest rate on mortgage loans granted to households increased by 17 basis points on a monthly basis between October and November to reach 3.33% in November 2022 while the volume of these newly granted loans has decreased by 47 million euros between the two months to reach 269 million euros. On a yearly basis, this interest rate increased by 199 basis points whereas the volume of newly granted loans has decreased by 180 million euros. On

---

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.

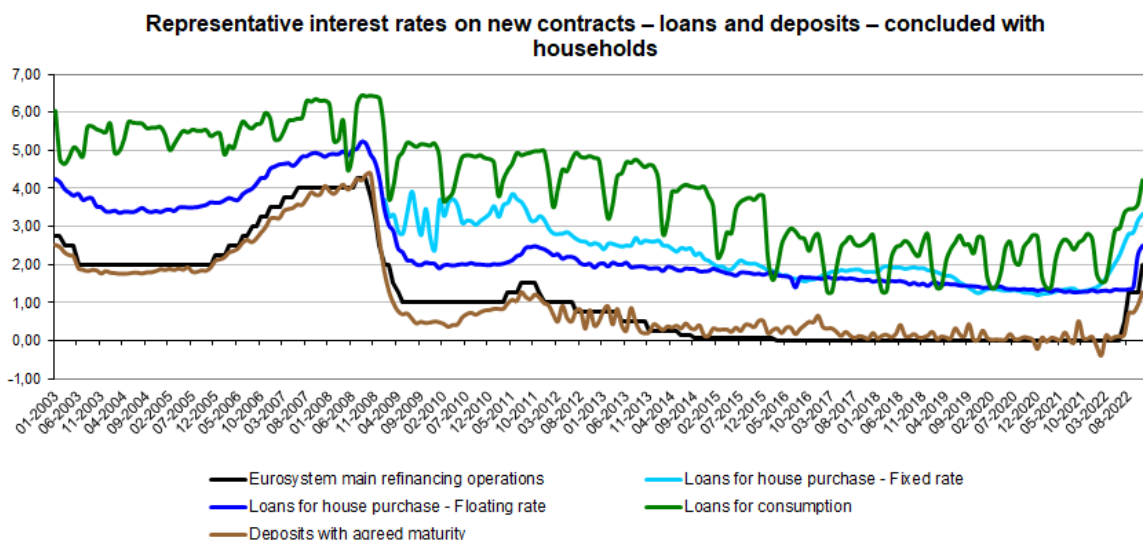
2 Variable interest rate or rate with an initial fixation period inferior or equal to 1 year.

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.

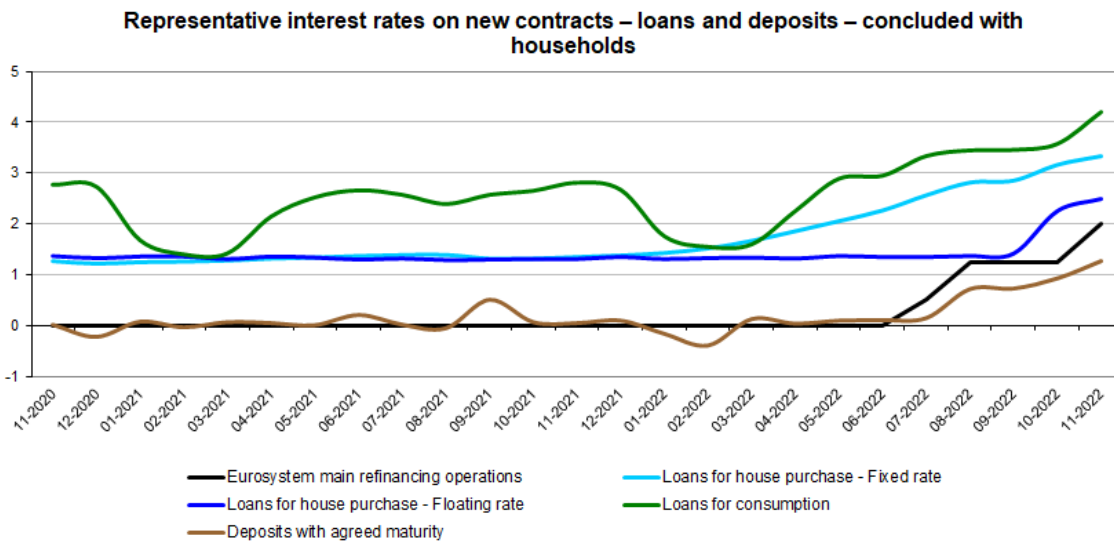
longer maturities, real estate loans with an initial rate fixation period over 10 years increased by 14 basis points to reach 3.31% in November 2022. The monthly volume of these newly granted loans decreased by 39 million on a monthly basis to reach 224 million euros in November 2022. On a yearly basis, this rate increased by 188 basis points while the amount of newly granted loans shrank by 100 million euros. It is important to mention that this fixed rate includes all initial fixation periods above 10 years and is computed based on a sample of banks. The indicated rate is an average rate weighted on the volumes of granted loans. Furthermore, fixed rates with initial fixation periods on loans with very long maturities, like e.g. 30 years, can be significantly higher than this average rate mentioned above.

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 63 basis points on a monthly basis between October and November to reach 4.21% in November 2022. The volume of newly granted loans has decreased by 4 million euros to reach 22 million euros in November compared to 26 million in October. On a yearly basis, the interest rate has increased by 140 basis points whereas the volume of new lending has increased by 2 million euros.

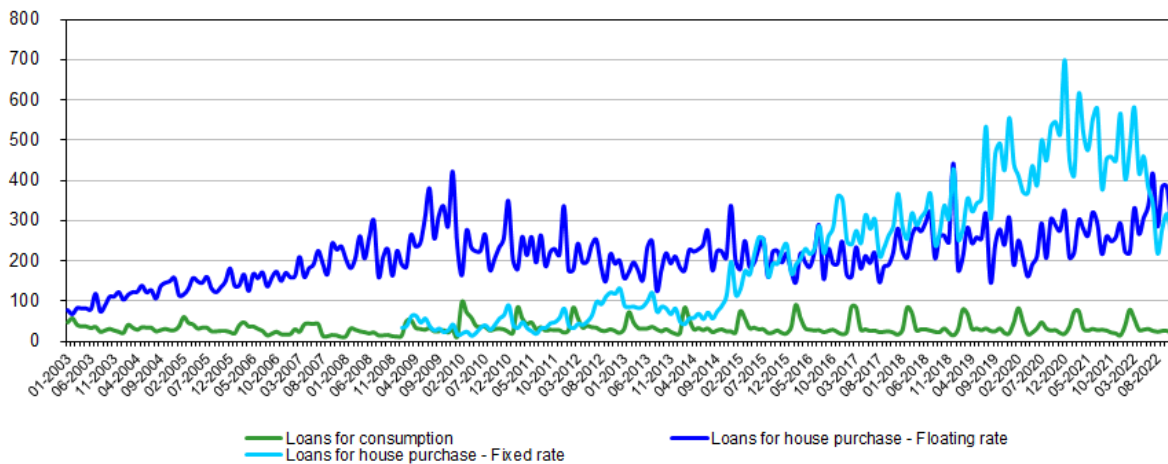
The interest rate on households' fixed-term deposits that have an initial maturity below or equal to 1 year has reached 127 basis points in November 2022 from 93 basis points in October 2022. On a yearly basis, this rate has increased by 122 basis points.



The following graph provides a detailed overview of the evolution of interest rates over the past two years.



**Volume of newly granted loans to households (millions euros)**



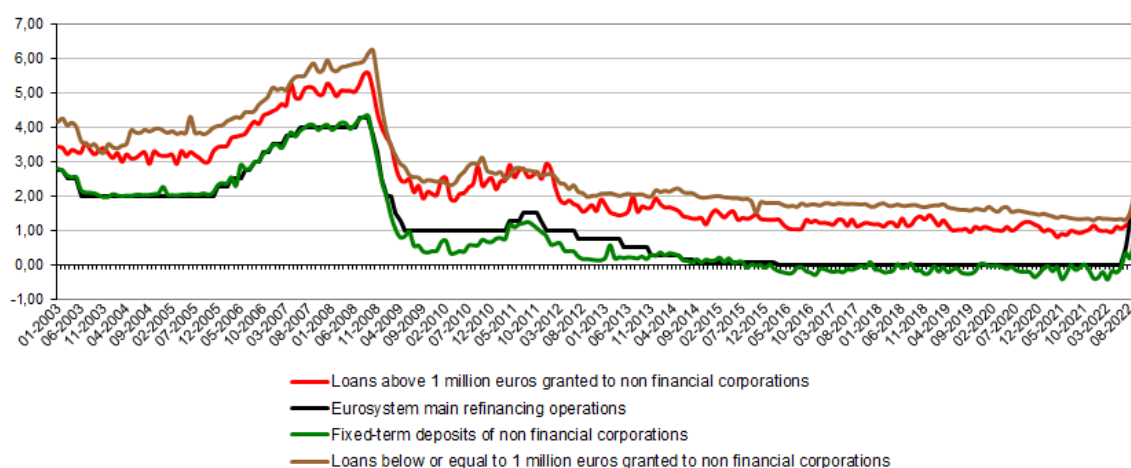
**Representative interest rates on new contracts<sup>1</sup> – loans and deposits – concluded with NFCs**

The variable<sup>2</sup> interest rate on loans below or equal to 1 million euros granted to NFCs increased by 49 basis points in November 2022 to 2.82%, compared to 2.33% in October, and the volume has decreased by 13 million euros to reach 584 million in November from 597 in October. On a yearly basis, this interest rate has increased by 148 basis points and the volume of newly granted loans has decreased by 247 million euros.

The variable<sup>2</sup> interest rate on loans above 1 million euros granted to NFCs has increased by 51 basis points on a monthly basis to 2.46% during the last reference period, compared to 1.95% in October. The volume of newly granted loans has decreased by 453 million euros to reach 2 751 million euros in November compared to 3 204 in October. On a yearly basis, this interest rate has increased by 143 basis points and the volume of newly granted loans has decreased by 821 million euros.

The interest rate on fixed-term deposits of NFCs with an initial maturity below or equal to 1 year has increased by 17 basis points on a monthly basis between October and November to reach 1.34% in November 2022. On a yearly basis, this interest rate has increased by 152 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](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](mailto:press@bcl.lu)

[www.bcl.lu](http://www.bcl.lu)