



EUROPEAN CENTRAL BANK

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PRESS RELEASE

EURO AREA MFI INTEREST RATE STATISTICS: JANUARY 2005

In January 2005 average MFI interest rates on new loans to non-financial corporations and on new deposits showed mixed developments. Average MFI interest rates on most categories of new loans to households were higher than in the previous month.

Selected MFI interest rates (weighted averages on new business) (percentages per annum excluding charges)

		Jun 2004 – Nov. 2004 (average)	Dec. 2004	Jan. 2005
DEPOSITS	Overnight deposits from non-financial corporations	0.88	0.90	0.92
	Deposits from households redeemable at notice up to and including three months	2.00	2.00	1.98
	Deposits from households with agreed maturity up to and including one year	1.91	1.95	1.95
	Deposits from households with agreed maturity over two years	2.52	2.31	2.54
LOANS	Bank overdrafts of households	9.56	9.52	9.61
	Loans to non-financial corporations up to and including EUR 1 million at a floating rate and up to and including one-year initial rate fixation	4.02	3.97	3.97
	Loans to non-financial corporations over EUR 1 million at a floating rate and up to and including one-year initial rate fixation	2.99	3.05	3.02
	Loans to non-financial corporations over EUR 1 million with an initial rate fixation over five years	4.28	4.10	4.08
	Loans to households for house purchase with an initial rate fixation over five years and up to and including ten years	4.79	4.49	4.43

Source: ECB MFI interest rate statistics.

MFI interest rates on new business: in January 2005 the weighted average rate on overnight deposits from non-financial corporations increased by 2 basis points to 0.92%. The weighted average rate on deposits from households redeemable at up to and including three months' notice decreased by 2 basis points to 1.98%. In the same month, the weighted average rate on deposits from households with an agreed maturity up to and including one year remained unchanged at 1.95% and the weighted average rate on bank overdrafts of households increased by 9 basis points to 9.61%. In the case of loans up to and including EUR 1 million to non-financial corporations at a floating rate or up to and including one-year initial rate fixation, the weighted average rate remained unchanged at 3.97% in January. At the same time, the weighted average rate on loans over EUR 1 million to non-financial corporations with the

same initial rate fixation decreased by 3 basis points to 3.02%. For longer-term loans, the weighted average rate on loans to non-financial corporations over EUR 1 million with over five years' initial rate fixation decreased by 2 basis points to 4.08%. For households, the weighted average rate on loans for house purchase with over five and up to and including ten years' initial rate fixation decreased by 6 basis points to 4.43%.

MFI interest rates on outstanding amounts: the weighted average interest rate paid on outstanding amounts of deposits from households with an agreed maturity up to and including two years decreased by 3 basis points to 1.89% in January 2005. The weighted average interest rate paid on outstanding amounts of deposits from non-financial corporations with an agreed maturity up to and including two years decreased by 3 basis points to 2.13% in the same month.

In January, the weighted average interest rate charged on outstanding amounts of loans to households for house purchase with over five years' maturity decreased by 4 basis points to 4.79%, and the weighted average interest rate on outstanding amounts of loans with over five years' maturity to non-financial corporations decreased by 3 basis points to 4.41%.

Weighting method: the interest rates on new business are weighted by the size of the individual agreements. This is done both by the reporting agents and when computing the national and euro area averages. In addition to changes in the actual interest rates, changes in the euro area average interest rates on new business therefore reflect changes in the weights of the new business per country for the instrument categories concerned.

Notes

- *In addition to the monthly euro area MFI interest rate statistics for January 2005, this press release incorporates a revision of rates and volumes of new business of loans for consumption with floating rate and up to 1 year initial rate fixation as well as minor revisions to the data for previous periods.*
- *New business refers to any new agreement between the customer and the MFI, while outstanding amounts refer to the stock of all deposits and all loans at a specific moment in time. Three instrument categories – overnight deposits, bank overdrafts and deposits redeemable at notice – form a separate group for which interest rates on new business and on outstanding amounts coincide.*
- *More detailed information on MFI interest rate statistics is available under “MFI interest rate statistics” in the “Statistics” section of the ECB's website (<http://www.ecb.int>).*
- *The corresponding business volumes for each of the MFI interest rate categories are shown in Tables 2 and 4 of the Annex.*

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Chart 1: MFI interest rates on euro-denominated deposits

(percentages per annum excluding charges; new business rates)

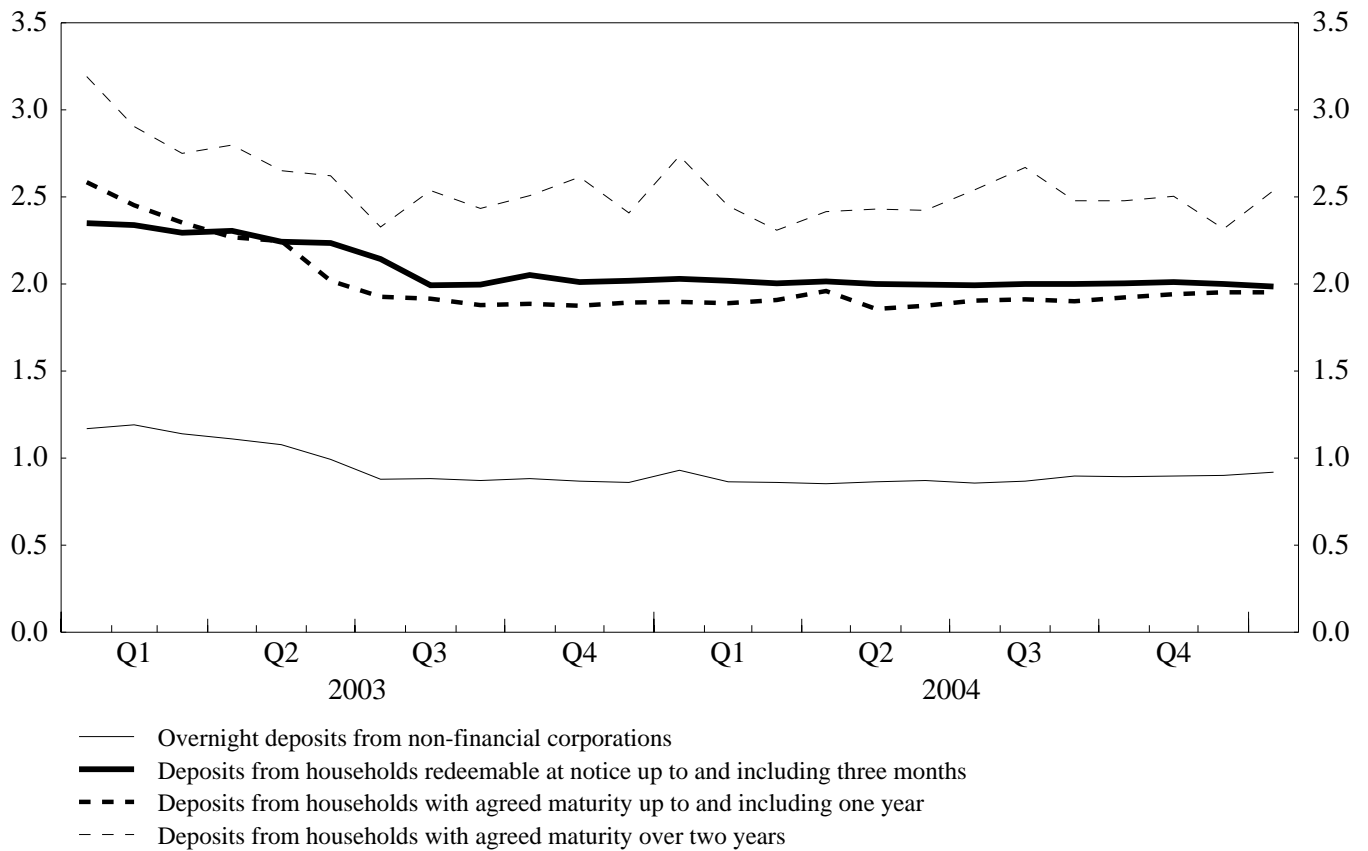


Chart 2: MFI interest rates on euro-denominated loans

(percentages per annum excluding charges; new business rates)

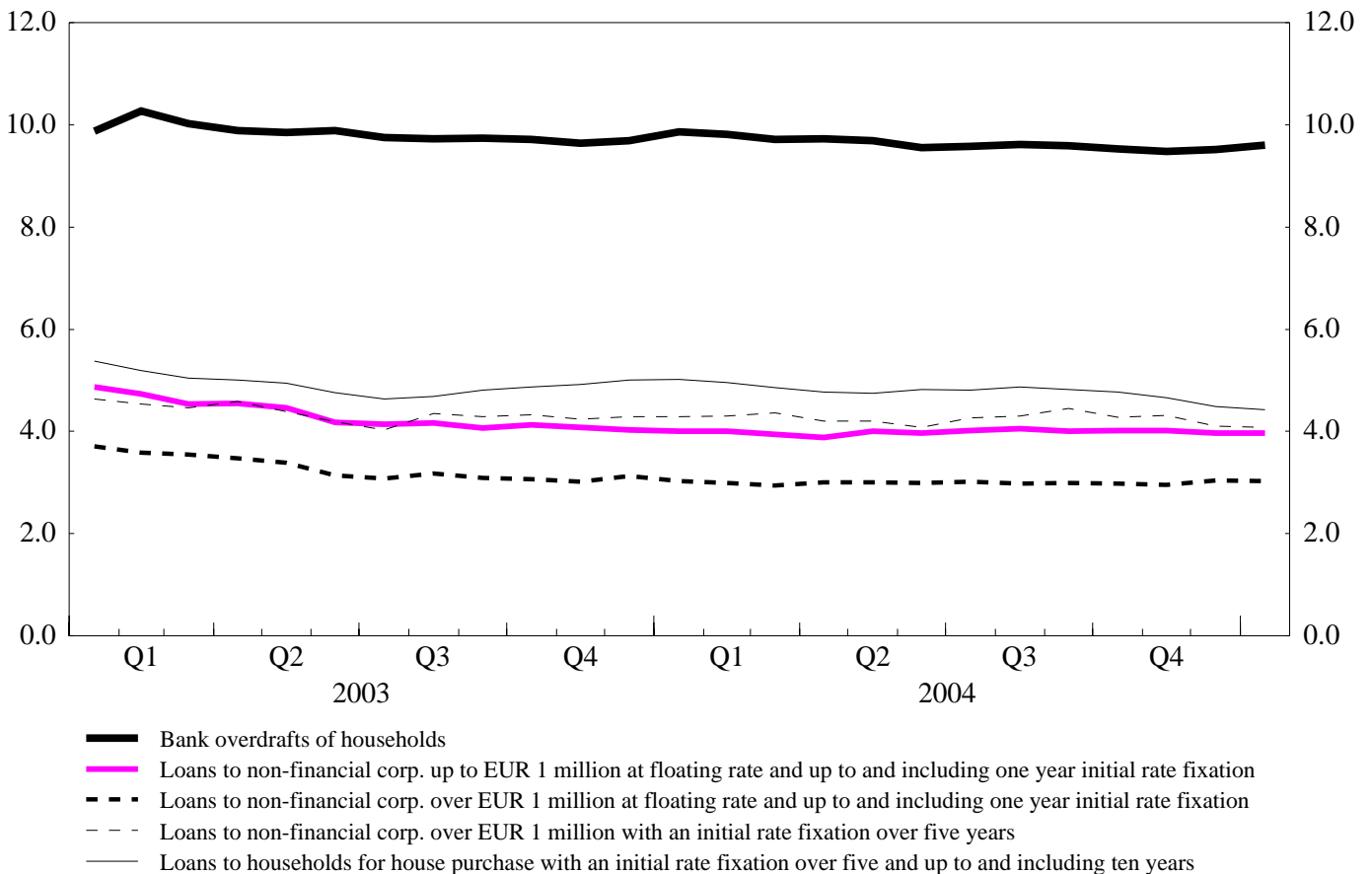


Table 1

MFI interest rates on new business of euro-denominated deposits and loans by euro area residents ¹⁾

(percentages per annum; period average rates)

	Jan. 04	Feb. 04	Mar. 04	Apr. 04	May 04	June 04	July 04	Aug. 04	Sep. 04	Oct. 04	Nov. 04	Dec. 04	Jan. 05
Deposits													
From households													
Overnight ²⁾	0.69	0.69	0.70	0.70	0.70	0.70	0.70	0.71	0.72	0.72	0.73	0.73	0.73
With agreed maturity: <i>up to 1 year</i>	1.90	1.89	1.91	1.96	1.86	1.87	1.90	1.91	1.90	1.92	1.94	1.95	1.95
<i>over 1 and up to 2 years</i>	2.38	2.16	2.13	2.13	2.15	2.21	2.21	2.18	2.20	2.29	2.20	2.19	2.29
<i>over 2 years</i>	2.74	2.45	2.31	2.41	2.43	2.42	2.54	2.67	2.48	2.48	2.50	2.31	2.54
Redeemable at notice: ^{2),3)} <i>up to 3 months' notice</i>	2.03	2.02	2.00	2.02	2.00	2.00	1.99	2.00	2.00	2.00	2.01	2.00	1.98
<i>over 3 months' notice</i>	2.65	2.63	2.60	2.57	2.56	2.55	2.55	2.53	2.52	2.52	2.51	2.52	2.49
From non-financial corporations													
Overnight ²⁾	0.93	0.86	0.86	0.85	0.86	0.87	0.86	0.87	0.90	0.89	0.90	0.90	0.92
With agreed maturity: <i>up to 1 year</i>	1.99	1.98	1.96	1.97	1.96	1.99	1.99	1.98	2.00	2.04	2.04	2.08	2.04
<i>over 1 and up to 2 years</i>	2.08	2.22	2.16	2.04	2.06	2.27	2.59	2.36	2.31	2.32	2.22	2.68	2.25
<i>over 2 years</i>	3.10	3.60	3.35	3.46	3.74	3.76	4.00	3.99	3.68	3.56	3.39	3.52	3.25
Repos	1.95	1.98	1.98	1.95	1.95	1.98	1.99	1.98	1.99	2.00	2.02	2.02	2.05
Loans													
To households													
Bank overdraft ²⁾	9.87	9.81	9.72	9.73	9.69	9.56	9.58	9.62	9.60	9.53	9.48	9.52	9.61
For consumption: <i>floating rate and up to 1 year initial rate fixation</i>	7.02	6.89	6.91	6.92	6.82	6.58	6.63	7.07	6.91	6.79	6.88	6.73	6.98
<i>over 1 and up to 5 years' initial rate fixation</i>	7.22	7.06	6.90	6.64	6.77	6.74	6.86	6.89	6.96	6.87	6.85	6.60	6.85
<i>over 5 years' initial rate fixation</i>	8.56	8.49	8.37	8.30	8.27	8.42	8.52	8.58	8.45	8.34	8.23	7.67	8.32
For house purchase: <i>floating rate and up to 1 year initial rate fixation</i>	3.61	3.54	3.47	3.42	3.40	3.42	3.47	3.50	3.49	3.50	3.45	3.43	3.44
<i>over 1 and up to 5 years' initial rate fixation</i>	4.30	4.22	4.14	4.06	4.05	4.12	4.16	4.19	4.14	4.12	4.07	3.95	3.97
<i>over 5 and up to 10 years' initial rate fixation</i>	5.02	4.96	4.87	4.77	4.75	4.82	4.81	4.87	4.82	4.77	4.66	4.49	4.43
<i>over 10 years' initial rate fixation</i>	4.85	4.86	4.71	4.69	4.61	4.69	4.69	4.65	4.66	4.64	4.58	4.41	4.45
For other purposes: <i>floating rate and up to 1 year initial rate fixation</i>	4.08	4.13	3.96	3.89	4.14	3.93	4.04	3.91	3.90	4.08	3.96	3.82	3.86
<i>over 1 and up to 5 years' initial rate fixation</i>	5.10	5.07	5.06	4.97	4.87	4.97	4.94	5.07	4.98	4.87	4.89	4.59	4.65
<i>over 5 years' initial rate fixation</i>	5.18	5.04	4.96	4.95	4.94	5.01	5.01	5.02	5.00	4.92	4.82	4.65	4.63
To non-financial corporations													
Bank overdraft ²⁾	5.67	5.63	5.56	5.51	5.46	5.46	5.36	5.37	5.37	5.39	5.37	5.26	5.40
Other loans up to EUR 1 million: <i>floating rate and up to 1 year initial rate fixation</i>	4.01	4.00	3.95	3.88	4.00	3.97	4.02	4.06	4.00	4.02	4.02	3.97	3.97
<i>over 1 and up to 5 years' initial rate fixation</i>	4.88	4.93	4.81	4.75	4.62	4.81	4.85	4.89	4.85	4.87	4.79	4.67	4.69
<i>over 5 years' initial rate fixation</i>	4.87	4.78	4.73	4.70	4.59	4.71	4.65	4.73	4.68	4.64	4.55	4.46	4.47
Other loans over EUR 1 million: <i>floating rate and up to 1 year initial rate fixation</i>	3.02	3.00	2.95	3.00	3.00	2.99	3.02	2.99	2.99	2.98	2.95	3.05	3.02
<i>over 1 and up to 5 years' initial rate fixation</i>	3.39	3.19	3.28	3.28	3.30	3.26	3.28	3.12	3.37	3.30	3.35	3.55	3.30
<i>over 5 years' initial rate fixation</i>	4.29	4.30	4.37	4.21	4.21	4.08	4.27	4.30	4.46	4.27	4.31	4.10	4.08
Annual percentage rate of charge ⁴⁾ (APRC) on loans to households for consumption	8.23	8.11	7.97	7.77	7.87	7.87	7.97	8.15	8.07	7.87	7.85	7.59	8.06
Annual percentage rate of charge ⁴⁾ (APRC) on loans to households for house purchases	4.47	4.31	4.28	4.24	4.17	4.17	4.20	4.29	4.24	4.18	4.09	4.07	4.07

Source: ECB MFI interest rate statistics.

1) In the above table 'up to' shall mean 'up to and including'.

2) For this instrument category, new business and outstanding amounts coincide. End-of-period rates.

3) For this instrument category, households and non-financial corporations are merged and allocated to the household sector, since the outstanding amounts of non-financial corporations are negligible compared with those of the household sector in all participating Member States combined.

4) The annual percentage rate of charge covers the total cost of the loans. These total costs comprise an interest rate component and a component of other (related) charges, such as the cost of inquiries, administration, preparation of documents, guarantees, etc.

Table 2

Volumes of new business of euro-denominated deposits and loans by euro area residents ¹⁾

(EUR billions)

	Jan. 04	Feb. 04	Mar. 04	Apr. 04	May 04	June 04	July 04	Aug. 04	Sep. 04	Oct. 04	Nov. 04	Dec. 04	Jan. 05
Deposits													
From households													
Overnight ^{2),3)}	1,305.0	1,306.8	1,309.5	1,323.8	1,338.3	1,356.0	1,360.7	1,339.9	1,352.0	1,365.7	1,369.6	1,391.6	1,389.5
With agreed maturity: <i>up to 1 year</i>	111.0	91.6	109.0	108.6	98.5	95.2	101.1	93.2	95.2	91.8	94.2	99.8	109.0
<i>over 1 and up to 2 years</i>	4.3	3.1	2.3	2.8	2.6	2.4	2.8	2.2	2.4	2.6	2.4	3.0	4.4
<i>over 2 years</i>	10.5	8.7	8.4	7.3	7.6	6.5	7.3	6.4	7.2	10.2	8.5	8.6	15.9
Redeemable at notice: ^{2),3),4)} <i>up to 3 months' notice</i>	1,429.1	1,433.5	1,438.2	1,444.0	1,449.4	1,460.3	1,466.8	1,470.5	1,471.6	1,474.2	1,478.3	1,507.5	1,517.6
<i>over 3 months' notice</i>	90.2	89.3	89.0	87.9	87.0	86.7	86.7	86.7	86.4	86.9	87.7	88.9	88.7
From non-financial corporations													
Overnight ^{2),3)}	576.3	568.8	585.5	586.6	594.3	614.7	607.1	602.5	621.6	613.3	624.2	644.4	619.6
With agreed maturity: <i>up to 1 year</i>	170.8	163.5	194.9	169.1	160.1	159.7	157.0	150.9	161.4	165.4	159.6	207.0	179.1
<i>over 1 and up to 2 years</i>	0.8	0.5	0.5	0.5	0.4	0.5	0.7	0.2	0.6	0.6	0.4	1.1	0.5
<i>over 2 years</i>	1.9	1.3	1.9	1.6	2.4	1.8	3.1	2.2	2.5	1.8	4.5	3.0	2.2
Repos	135.1	128.1	136.7	119.9	120.6	128.7	134.6	112.9	134.6	117.7	116.6	117.2	116.2
Loans													
To households													
Bank overdraft ²⁾	173.4	170.0	171.6	170.1	168.0	175.1	172.5	172.6	175.7	172.9	172.7	174.7	173.7
For consumption: <i>floating rate and up to 1 year initial rate fixation</i>	4.7	4.8	5.7	6.1	5.4	5.6	5.7	4.5	5.3	5.1	5.4	6.1	5.2
<i>over 1 and up to 5 years' initial rate fixation</i>	8.9	10.8	13.3	13.8	12.0	12.3	11.3	9.7	10.8	11.0	10.1	10.3	9.7
<i>over 5 years' initial rate fixation</i>	5.4	5.7	7.1	6.6	5.6	6.4	6.4	4.8	5.2	5.3	5.5	5.1	4.9
For house purchase: <i>floating rate and up to 1 year initial rate fixation</i>	19.3	21.4	27.9	27.2	27.4	31.0	32.8	19.9	25.5	27.8	29.8	34.6	26.6
<i>over 1 and up to 5 years' initial rate fixation</i>	6.9	6.2	8.0	7.7	7.3	8.1	8.3	6.0	6.6	6.4	6.4	7.8	5.8
<i>over 5 and up to 10 years' initial rate fixation</i>	9.1	7.3	9.3	8.6	7.9	9.2	9.9	7.1	7.3	7.3	7.3	9.7	7.8
<i>over 10 years' initial rate fixation</i>	8.3	6.2	9.3	9.9	8.8	8.4	8.4	6.9	6.9	6.6	7.0	9.3	8.0
For other purposes: <i>floating rate and up to 1 year initial rate fixation</i>	18.2	15.3	21.0	20.6	16.4	21.0	21.4	17.6	19.5	18.5	20.0	24.3	20.4
<i>over 1 and up to 5 years' initial rate fixation</i>	3.2	3.1	3.7	3.2	3.0	4.3	3.3	2.4	2.7	2.7	2.4	4.3	2.8
<i>over 5 years' initial rate fixation</i>	2.8	2.8	4.6	3.9	2.8	4.3	3.0	2.2	3.4	2.2	2.7	4.1	3.2
To non-financial corporations													
Bank overdraft ²⁾	466.9	463.1	463.4	461.7	459.7	468.3	462.4	453.8	464.1	458.5	465.3	462.4	469.5
Other loans up to EUR 1 million: <i>floating rate and up to 1 year initial rate fixation</i>	59.3	58.4	69.6	68.8	60.1	66.9	69.2	49.1	63.6	64.6	62.3	72.9	58.6
<i>over 1 and up to 5 years' initial rate fixation</i>	4.4	5.0	5.7	5.7	5.5	5.8	5.7	4.1	4.6	4.7	5.0	6.3	4.8
<i>over 5 years' initial rate fixation</i>	3.8	3.0	4.2	4.3	4.0	4.2	3.7	2.8	3.8	3.3	3.1	5.3	3.6
Other loans over EUR 1 million: <i>floating rate and up to 1 year initial rate fixation</i>	127.1	103.8	135.7	119.2	116.2	168.5	153.1	106.5	136.8	126.0	125.8	187.4	143.3
<i>over 1 and up to 5 years' initial rate fixation</i>	13.6	9.7	11.8	13.4	10.6	13.8	15.9	10.8	11.2	10.3	10.2	16.5	10.2
<i>over 5 years' initial rate fixation</i>	9.9	6.8	10.1	9.6	11.6	13.0	10.4	7.2	8.8	8.6	8.1	16.6	8.2
Annual percentage rate of charge ⁵⁾ (APRC) on loans to households for consumption	19.0	21.3	26.1	26.5	23.1	24.3	23.3	18.9	21.3	21.5	21.0	21.5	19.7
Annual percentage rate of charge ⁵⁾ (APRC) on loans to households for house purchases	43.5	41.1	54.5	53.4	51.4	56.5	59.3	39.8	46.1	48.0	50.4	61.3	48.2

Source: ECB MFI interest rate statistics.

1) In the above table 'up to' shall mean 'up to and including'.

2) For this instrument category, new business and outstanding amounts coincide.

3) The business volumes are derived from non-seasonally adjusted MFI balance sheet statistics.

4) For this instrument category, households and non-financial corporations are merged and allocated to the household sector, since the outstanding amounts of non-financial corporations are negligible compared with those of the household sector in all participating Member States combined.

5) The annual percentage rate of charge covers the total cost of the loans. These total costs comprise an interest rate component and a component of other (related) charges, such as the cost of inquiries, administration, preparation of documents, guarantees, etc.

Table 3**MFI interest rates on outstanding amounts of euro-denominated deposits and loans by euro area residents ¹⁾***(percentages per annum excluding charges; end-of-period)*

	Jan. 04	Feb. 04	Mar. 04	Apr. 04	May 04	June 04	July 04	Aug. 04	Sep. 04	Oct. 04	Nov. 04	Dec. 04	Jan. 05
Deposits													
From households													
With agreed maturity: <i>up to 2 years</i>	1.94	1.93	1.92	1.90	1.89	1.88	1.89	1.89	1.90	1.90	1.90	1.92	1.89
<i>over 2 years</i>	3.36	3.42	3.32	3.35	3.28	3.27	3.25	3.22	3.22	3.27	3.26	3.24	3.23
From non-financial corporations													
With agreed maturity: <i>up to 2 years</i>	2.08	2.08	2.07	2.08	2.07	2.08	2.09	2.12	2.12	2.11	2.12	2.16	2.13
<i>over 2 years</i>	4.28	4.22	4.17	4.17	4.15	4.12	4.11	4.03	3.97	3.89	3.86	3.78	3.69
Repos	1.95	1.97	1.93	1.92	1.93	1.94	1.96	1.97	1.97	1.98	2.00	2.02	2.01
Loans													
To households													
For house purchases: <i>up to 1 year maturity</i>	5.05	5.01	4.98	4.90	4.89	4.87	4.91	4.88	4.82	4.69	4.67	4.72	4.66
<i>over 1 and up to 5 years maturity</i>	4.89	4.91	4.82	4.75	4.72	4.69	4.63	4.58	4.58	4.53	4.52	4.49	4.45
<i>over 5 years maturity</i>	5.11	5.11	5.03	5.01	4.99	4.97	4.94	4.91	4.90	4.88	4.86	4.83	4.79
Consumer credit and other loans: <i>up to 1 year maturity</i>	8.15	8.13	8.05	8.03	7.98	7.92	7.93	7.93	8.05	8.04	7.93	7.94	8.07
<i>over 1 and up to 5 years maturity</i>	7.02	7.16	7.16	7.08	7.04	6.99	6.98	6.95	7.14	7.08	6.99	7.02	6.98
<i>over 5 years maturity</i>	5.92	5.95	5.89	5.85	5.82	5.80	5.76	5.77	5.85	5.80	5.82	5.80	5.77
To non-financial corporations: <i>up to 1 year maturity</i>	4.58	4.63	4.57	4.51	4.50	4.47	4.48	4.45	4.46	4.42	4.41	4.35	4.42
<i>over 1 and up to 5 years maturity</i>	4.07	4.06	3.96	3.91	3.87	3.89	3.88	3.84	3.99	3.97	3.96	3.97	3.90
<i>over 5 years maturity</i>	4.56	4.58	4.61	4.59	4.55	4.53	4.50	4.48	4.52	4.48	4.48	4.44	4.41

Source: ECB MFI interest rate statistics.

1) In the above table 'up to' shall mean 'up to and including'.

Table 4**Volumes of outstanding amounts of euro-denominated deposits and loans by euro area residents ^{1),2)}***(EUR billions)*

	Jan. 04	Feb. 04	Mar. 04	Apr. 04	May 04	June 04	July 04	Aug. 04	Sep. 04	Oct. 04	Nov. 04	Dec. 04	Jan. 05
Deposits													
From households													
With agreed maturity: <i>up to 2 years</i>	513.1	505.8	501.4	497.6	493.9	491.7	491.5	489.6	486.1	484.3	485.0	490.2	489.4
<i>over 2 years</i>	603.7	605.9	607.6	609.1	609.9	611.5	612.4	614.8	614.1	616.6	617.7	632.0	633.4
From non-financial corporations													
With agreed maturity: <i>up to 2 years</i>	238.8	250.1	248.0	242.7	246.3	235.8	239.4	237.7	237.5	249.1	247.0	262.6	246.3
<i>over 2 years</i>	61.2	61.9	62.9	64.1	64.4	63.2	63.7	63.7	63.7	62.9	63.3	65.3	67.8
Repos	79.3	80.0	77.4	78.5	76.3	75.7	78.9	83.2	79.2	80.1	79.8	85.2	77.0
Loans³⁾													
To households													
For house purchases: <i>up to 1 year maturity</i>	13.6	13.5	13.8	13.7	13.8	14.8	14.4	14.3	14.5	15.0	14.8	15.0	14.5
<i>over 1 and up to 5 years maturity</i>	61.7	61.6	61.0	61.3	61.7	64.0	64.4	64.8	65.1	65.8	64.9	65.1	64.8
<i>over 5 years maturity</i>	2,268.5	2,280.9	2,295.7	2,313.0	2,332.0	2,351.1	2,378.7	2,395.2	2,420.1	2,437.7	2,456.4	2,476.9	2,492.3
Consumer credit and other loans: <i>up to 1 year maturity</i>	243.0	240.0	241.4	241.7	239.9	252.1	247.1	246.5	249.7	248.1	250.8	251.5	252.3
<i>over 1 and up to 5 years maturity</i>	270.9	271.9	274.0	276.7	276.7	282.8	284.5	283.9	284.1	285.8	285.8	287.4	286.4
<i>over 5 years maturity</i>	615.2	618.5	623.9	627.5	630.0	634.7	638.5	639.0	639.2	640.5	640.7	643.5	645.7
To non-financial corporations: <i>up to 1 year maturity</i>	906.9	899.7	897.2	898.6	894.4	909.8	908.5	891.1	898.3	906.1	920.4	924.9	926.1
<i>over 1 and up to 5 years maturity</i>	506.0	506.8	502.8	507.9	512.7	513.7	517.2	521.6	524.4	526.2	528.6	528.5	537.5
<i>over 5 years maturity</i>	1,482.7	1,489.8	1,504.8	1,515.7	1,525.2	1,523.4	1,531.2	1,537.5	1,540.4	1,549.5	1,553.2	1,567.5	1,566.6

Source: ECB MFI interest rate statistics.

1) In the above table 'up to' shall mean 'up to and including'.

2) The business volumes for all outstanding amounts indicators are derived from non-seasonally adjusted MFI balance sheet statistics.

3) Based on ECB estimations for some countries.