



EUROPEAN CENTRAL BANK

First Release of New Interest Rate Statistics

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The scope of the new interest rate statistics

- The new monthly interest rate statistics cover all essential deposit and loan rates vis-à-vis households and non-financial corporations in the euro area.
- Sampling approach:
 - approximately 1800 credit institutions (25% of all institutions, > 80 % of total euro area business volume)
 - high quality, while minimising reporting obligations



Comparison of new and previous interest rate statistics

Advantage of the new MFI interest rates as compared to past statistics

	MFI interest rates	Previous retail interest rates
Business coverage - Statistics on new business - Statistics on outstanding amounts	31 indicators 14 indicators	10 indicators mixed
Breakdown of financial rates - Comparability of types of rates	The same in all euro area Member States Yes, comparable across euro area	Available national rates grouped into standard categories No, not comparable between Member States
Methodology - Detailed sector analysis - Business volume and size of loan analysis	Same methodology applied Yes Yes	According to national practice No No

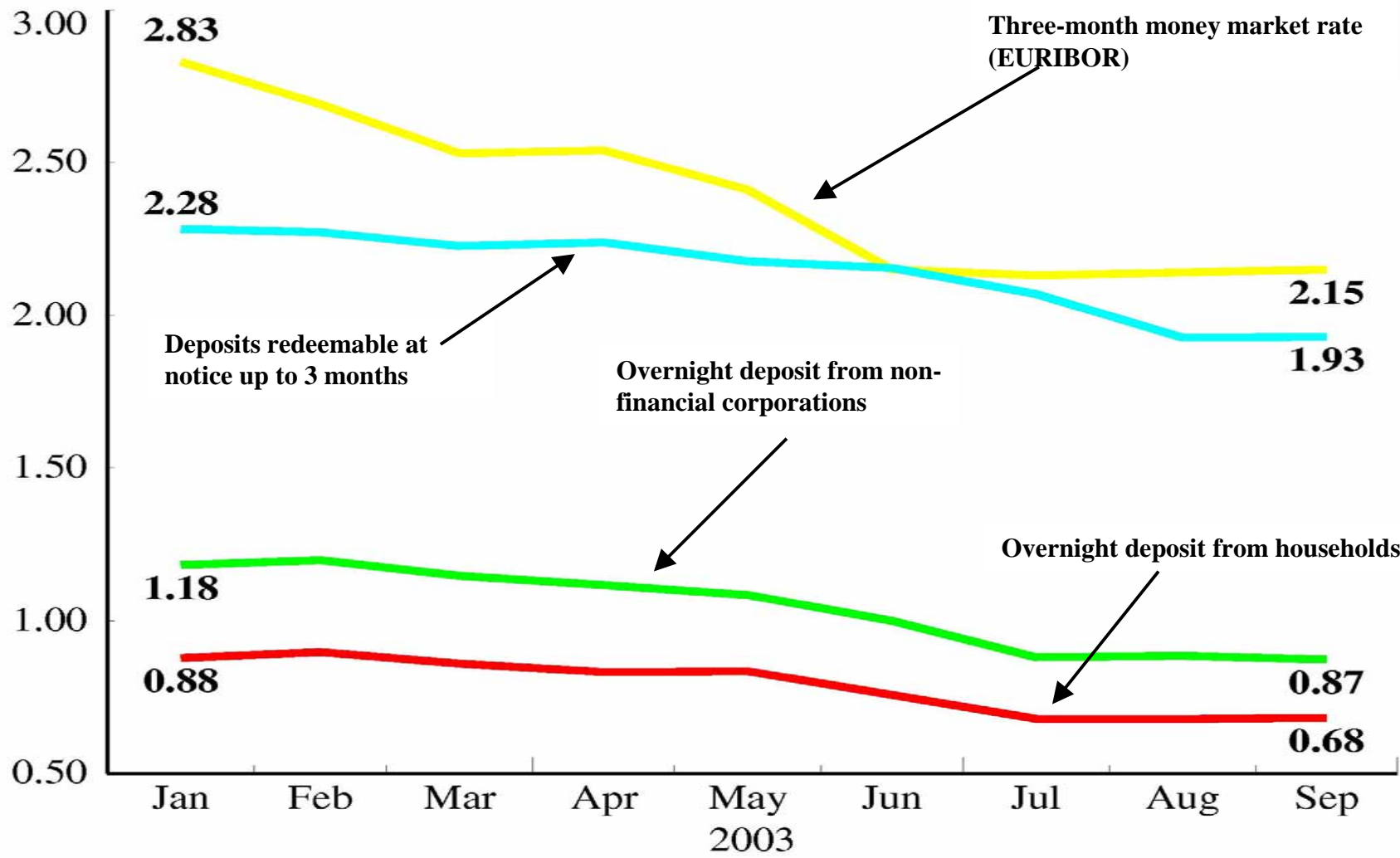
Core interest rates on deposits and loans

(percentages per annum)

	Interest rates Sep. 2003	Standard deviation Sep. 2003
New business rates		
<i>Deposits</i>		
From households		
Overnight	0.68	0.36
Redeemable at notice up to 3 months' notice	1.93	0.75
With agreed maturity up to 1 year	1.87	0.24
From non-financial corporations		
Overnight	0.87	0.51
With agreed maturity up to 1 year	2.00	0.12
<i>Loans</i>		
To households		
Bank overdrafts	9.75	2.68
For consumption at floating rate and up to 1 year initial rate fixation	7.37	2.44
For house purchase over 5 and up to 10 years' initial rate fixation	4.81	1.67
To non-financial corporations		
Bank overdrafts	5.46	3.80
Loans over EUR 1 million at floating rate and up to 1 year initial rate fixation	3.11	0.53
Loans over EUR 1 million over 5 years' initial rate fixation	4.28	0.57

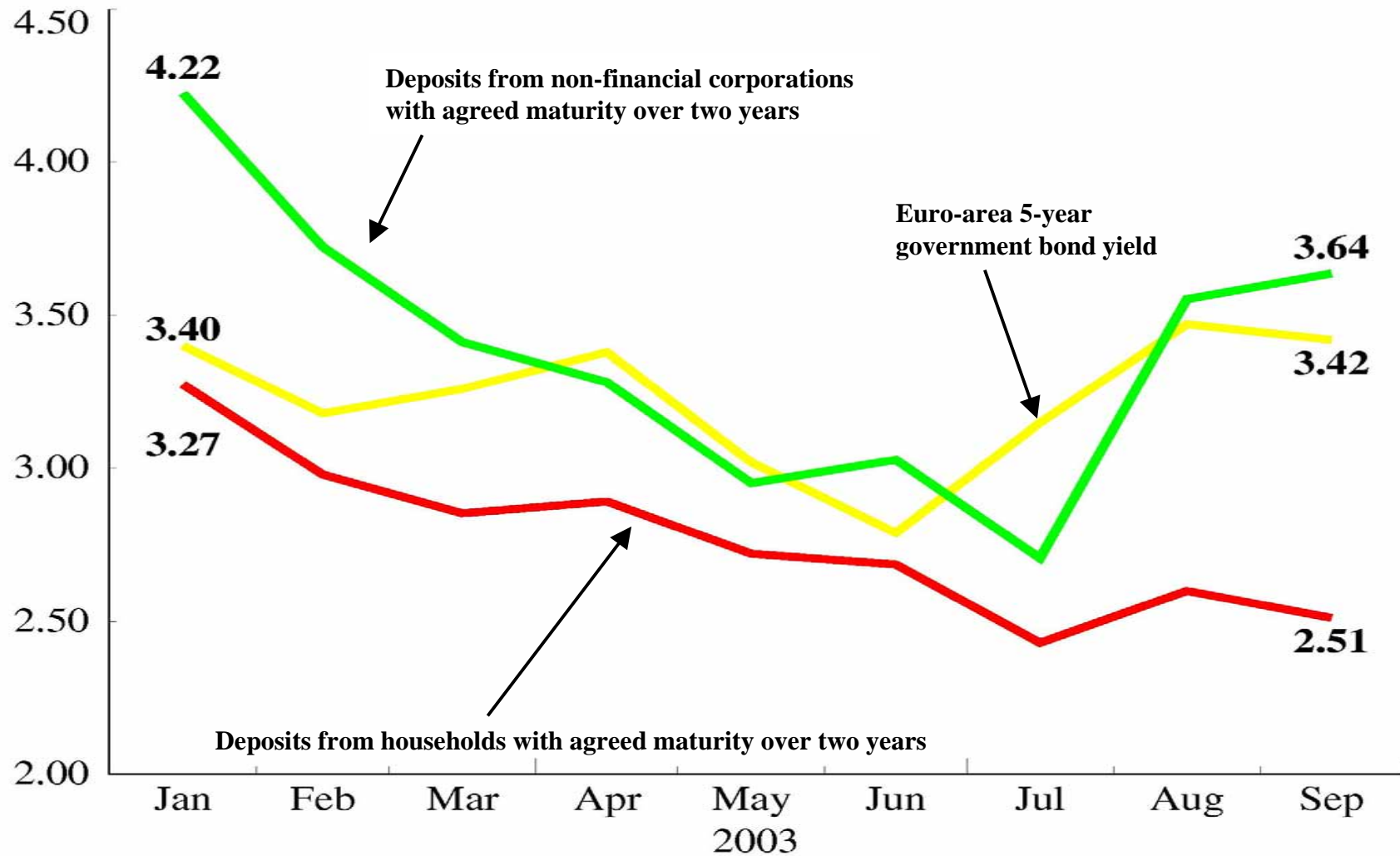
Short-term deposit rates and a comparable market rate

(percentages per annum; rates on new business)



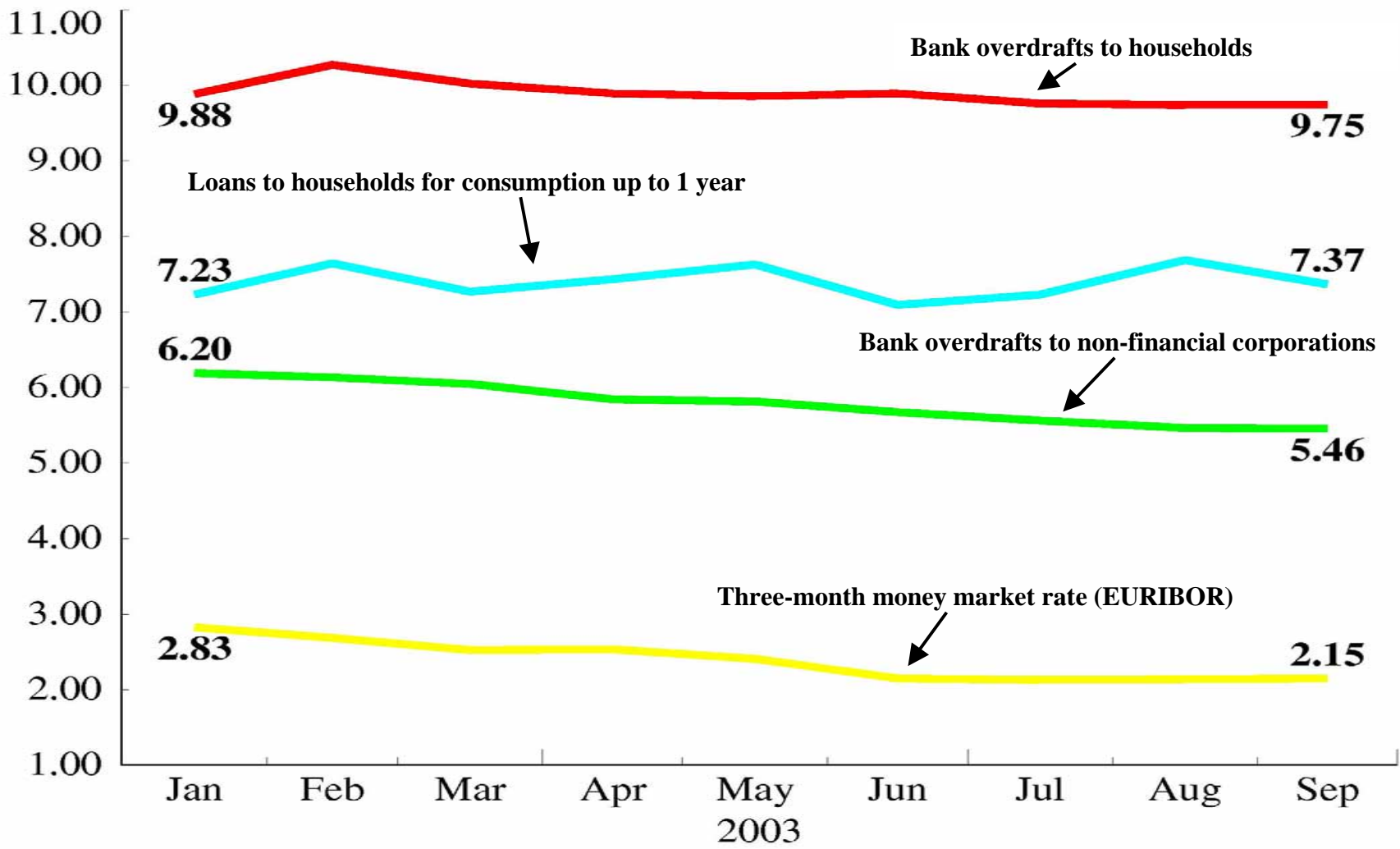
Long-term deposit rates and a comparable market rate

★ (percentages per annum; rates on new business)



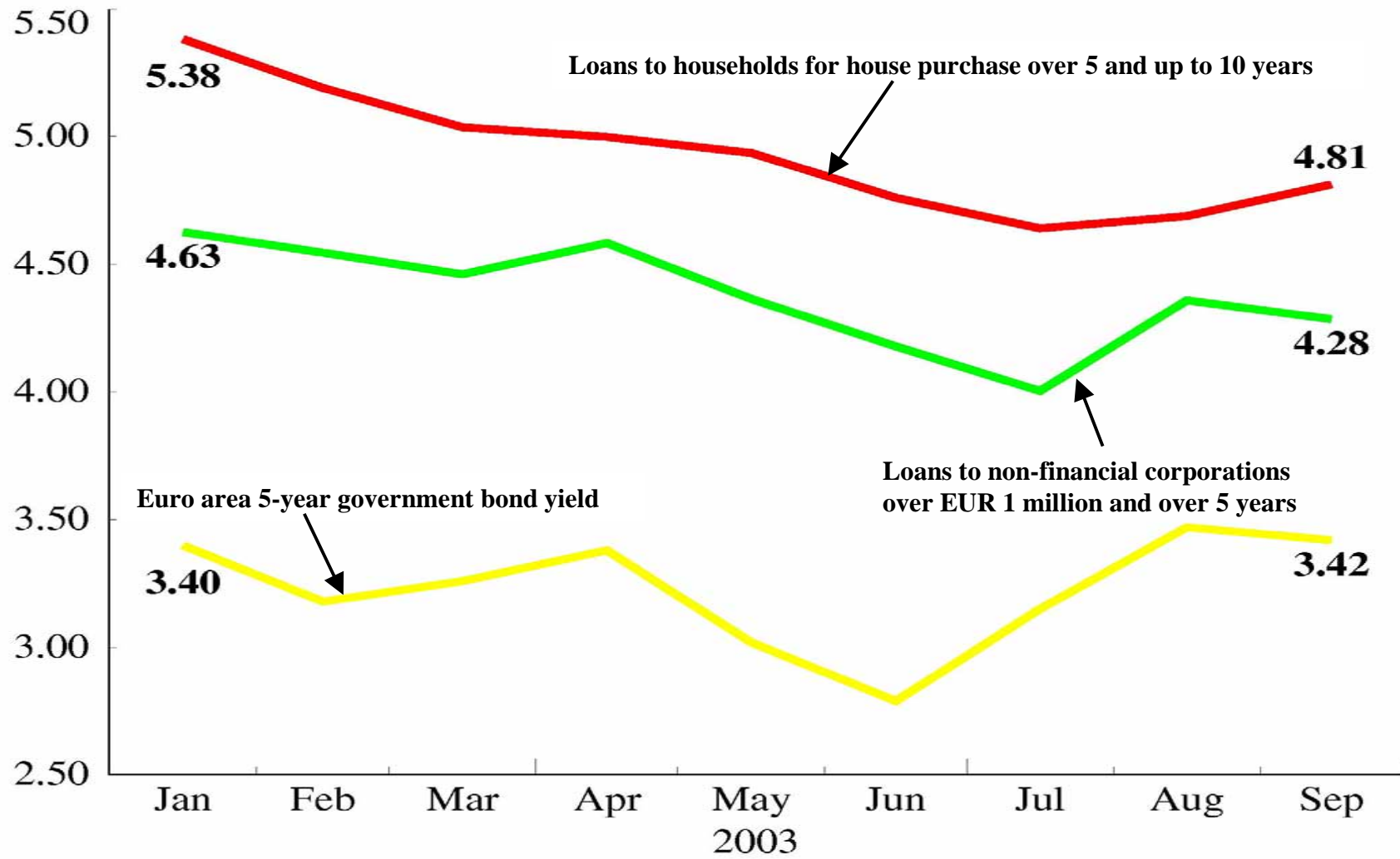
Short-term lending rates and a comparable market rate

★ (percentages per annum; rates on new business)



Long-term lending rates and a comparable market rate

★ (percentages per annum; rates on new business)



Average interest rates on outstanding amounts

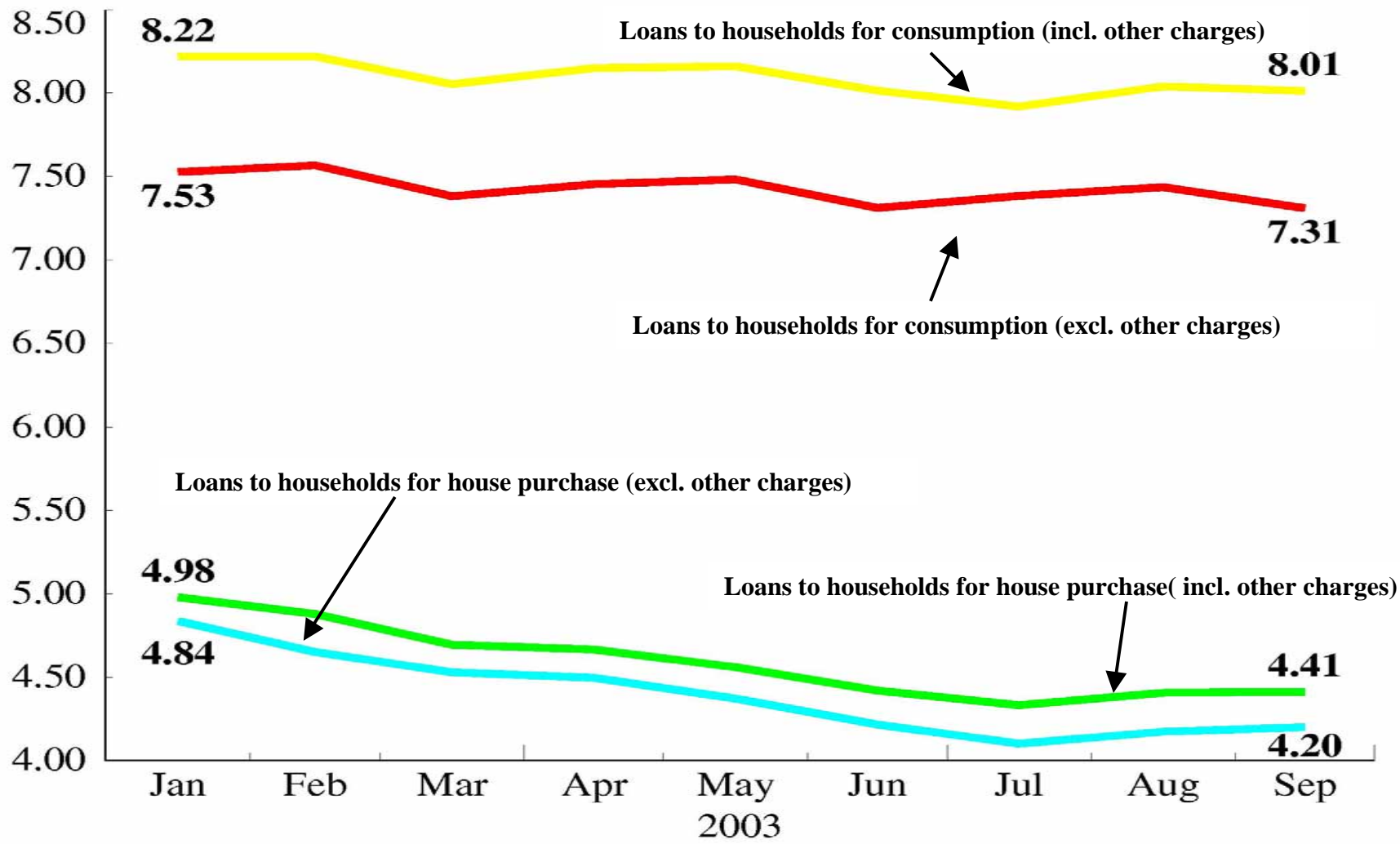
(percentages per annum; rates on outstanding business)

	Euro area interest rate Jan. 2003	Euro area interest rate Sep. 2003	Increase/decrease (Jan03 - Sep03)		Business volume (EUR billions) Sep. 2003
			Absolute (basis points)	Percentage change	
Deposits					
From households					
With agreed maturity: <i>up to 2 years</i>	2.63	2.00	-0.63	-24%	528
<i>over 2 years</i>	3.60	3.44	-0.16	-4%	586
From non-financial corporations					
With agreed maturity: <i>up to 2 years</i>	2.81	2.23	-0.59	-21%	252
<i>over 2 years</i>	4.64	4.33	-0.31	-7%	58
Loans					
To households					
For house purchase <i>over 5 years' maturity</i>	5.58	5.24	-0.34	-6%	2,189
Consumer credit and other loans: <i>up to 1 year maturity</i>	8.59	8.33	-0.26	-3%	245
<i>over 1 and up to 5 years' maturity</i>	7.51	7.26	-0.24	-3%	270
<i>over 5 years' maturity</i>	6.24	6.00	-0.24	-4%	615
To non-financial corporations: <i>up to 1 year maturity</i>	5.25	4.55	-0.70	-13%	915
<i>over 1 and up to 5 years' maturity</i>	4.83	4.19	-0.64	-13%	497
<i>over 5 years' maturity</i>	5.20	4.75	-0.45	-9%	1,452



Interest rates on loans to households with and without charges

(percentages per annum; rates on new business)



Summary (I)

- **45 new, harmonised, monthly euro area interest rate statistics for deposits and loans vis-à-vis households and non-financial corporations.**
- **Compared with non-financial corporations, households typically receive a lower interest rate on deposits and pay a higher interest rate on loans.**
- **Other related rate of charge on consumption loans higher than on loans for house purchase.**



Summary (II)

- **Confirmed that average MFI interest rates have generally declined in the course of 2003.**
- **Interest rates on deposits and on loans appear to react to movements in market rates with some delay.**
- **Short-term lending rates seem to have been stickier for households than for non-financial corporations.**
- **Interest rates on outstanding amounts fluctuate less than rates on new business.**



Conclusions

- **From now on, better statistics for analysing monetary developments, the transmission of changes in monetary policy and financial stability.**
- **Contribution to the assessment of trends towards a single European market for deposits and loans.**
- **More transparency for banks and their customers thanks to the new, harmonised interest rate statistics.**





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