

March 5th 2024

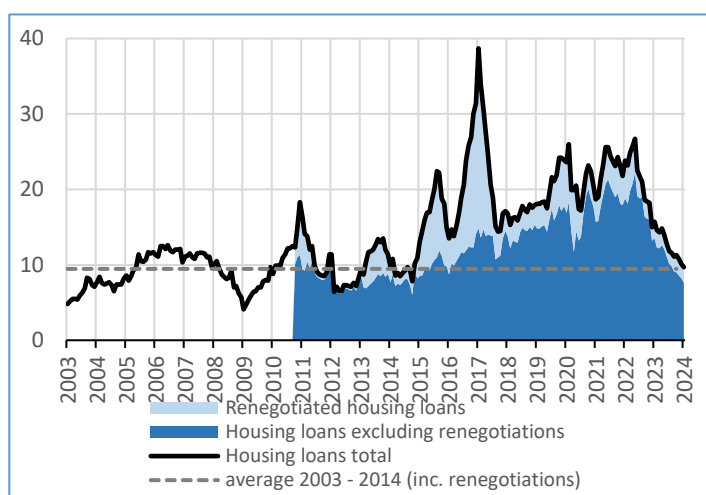
Loans to individuals – France • January 2024

Over one year, outstanding housing loans continue to show slightly positive growth

- Compared with January 2023, outstanding housing loans to households rises by 0.8%, above the eurozone average (+0.5%). New housing loans stands at €9.7bn, of which €7.6bn excluding renegotiations.
- Considering that the January data (loan offers signed in January) relate to loans negotiated by the end of 2023, the slight upturn at the start of the year suggested by certain leading indicators is not yet perceptible.
- The average interest rate, excluding fees and insurance, on new housing loans (excluding renegotiations) continues to rise in January (4.17%, after 4.04% in December 2023). Here too, some leading indicators seem to be pointing to a turnaround.
- The annual growth rate of consuming loans stands at 1.9% in January (up from 1.8% in Décembre) and new loans remains slightly below €6bn.

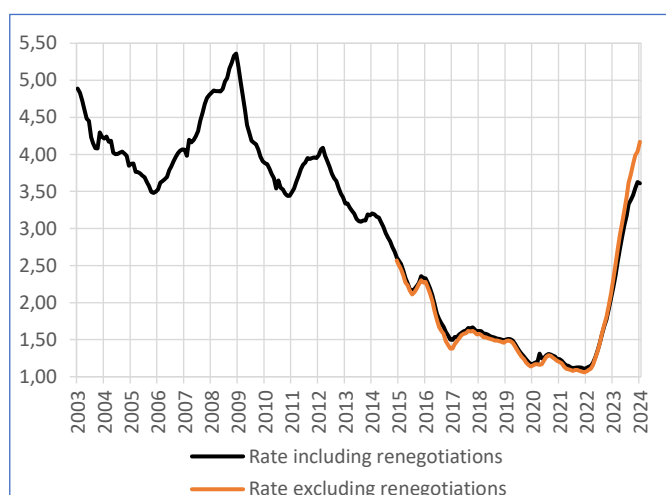
Production of new housing loans

(Monthly seasonally adjusted new loans in €bn)



Interest rates on housing loans, all maturities

(Narrowly defined effective rate, average weighted by long and short term flows, in %)



Production of new loans (excluding overdrafts, monthly flows seasonally adjusted (a))

(volumes in €bn, proportion in percentage)	Sep-23	Oct-23	Nov-23	Dec-23 (r)	Jan-24 (p)
- loans for consumption purposes (b)	5.5	5.7	5.9	5.8	5.7
- housing loans	11.1	11.3	10.8	10.1	9.0
<i>of which housing loans excluding renegotiations</i>	9.1	9.0	8.6	8.2	6.9
- proportion of renegotiation (not seasonally adjusted) in % (c)	17.6	19.9	20.6	19.0	24.0

Interest rates on new loans (narrow defined effective rate, monthly average)

(in percentage)	Sep-23	Oct-23	Nov-23	Dec-23 (r)	Jan-24 (p)
- housing loans	3.38	3.45	3.55	3.63	3.61
<i>of which housing loans long term and fixed rates</i>	3.38	3.44	3.55	3.62	3.60
<i>of which housing loans short term and floating rates</i>	3.49	3.74	3.57	3.80	3.95
<i>of which housing loans excluding renegotiations</i>	3.73	3.87	3.99	4.04	4.17
- loans for consumption purposes (b)	5.97	6.08	6.31	6.41	6.50
- overdrafts for individuals (d)	6.88	6.93	7.03	6.86	6.98

(a) Parameters for seasonal adjustment are updated once a year, when all the observations related to the year under review are available. Parameters for seasonal adjustment related to the current year are extrapolated from the updated parameters of the latest year ; (b) Excluding revolving loans. Loans for splitted-cost payments (mainly "loans granted on market place" and "extended credit-card credits" are included into consumption loans; (c) Ratio of renegotiated loans on housing loans, both not seasonally adjusted (d) Overdrafts: negative balance of ordinary accounts + commercial credits + factoring + cash credits without fixed repayment schedule (including mobilization of revolving loans). (r) Revised data; (p) Provisional data

Renegotiated loans are loans where at least one of the terms of the initial contract is modified with the active participation of the borrower, giving rise to the declaration of a new contract. They include in particular loans for which the insurance contract has been modified (since February 2022 the Lemoine law authorizes the termination at any time of the borrower's insurance contracts, without any notice period or fees or penalties) even if the other characteristics of the loan remain unchanged.



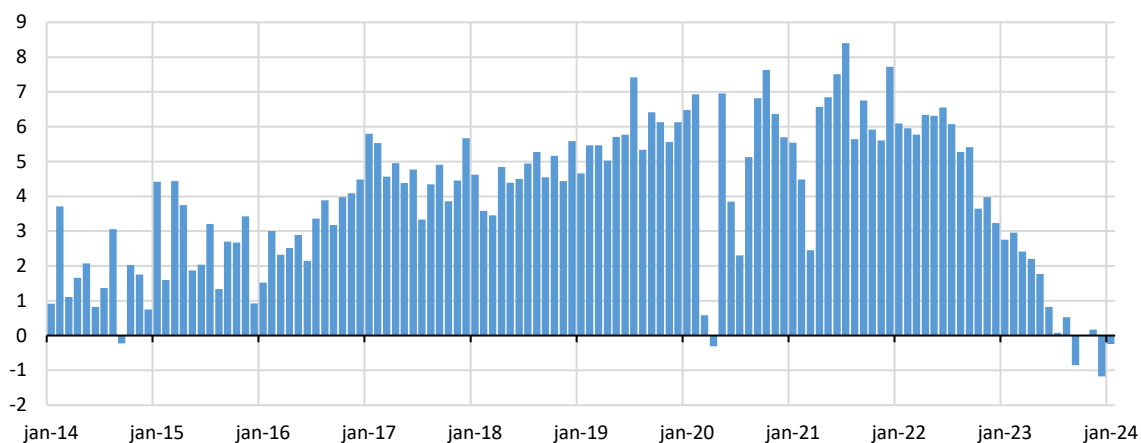
Outstanding amounts and annual growth rates (without seasonal adjustment)

(Outstanding amounts in €bn, annual growth rate in %)

	End-of-month level	Annual growth rate		
	Jan-24	Nov-23	Dec-23	Jan-24
Total	1,524	1.5	1.2	1.0
<i>Lending for house purchase</i>	1,290	1.3	0.9	0.7
<i>Credit for consumption</i>	205	2.1	1.8	1.9
<i>Other lending</i>	30	6.9	10.1	12.3

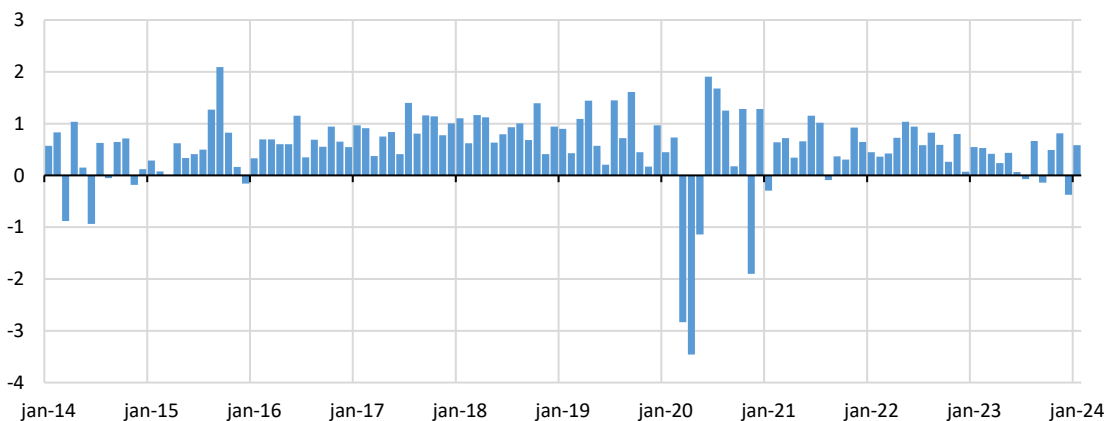
Net flows of housing loans to individuals (seasonally adjusted)

(In €bn)



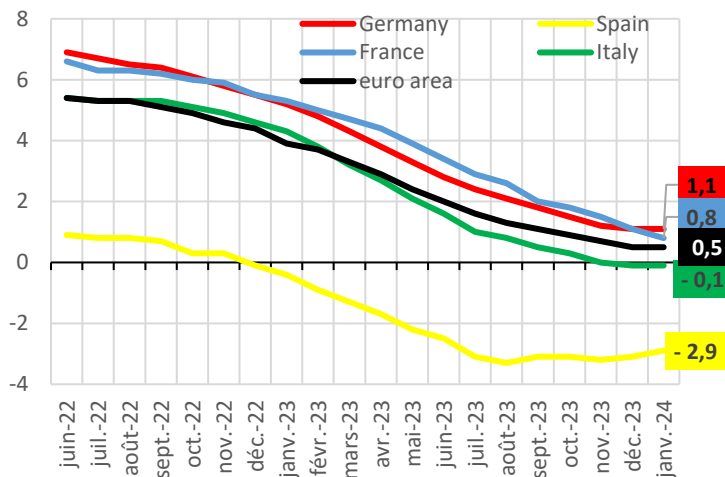
Net flows of credit for consumption (seasonally adjusted)

(In €bn)

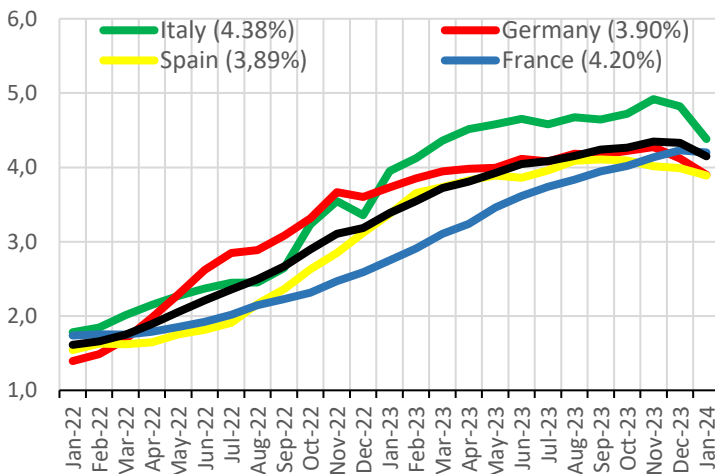




Euro area : Annual growth rate of outstanding housing loans to households(1) (in %)

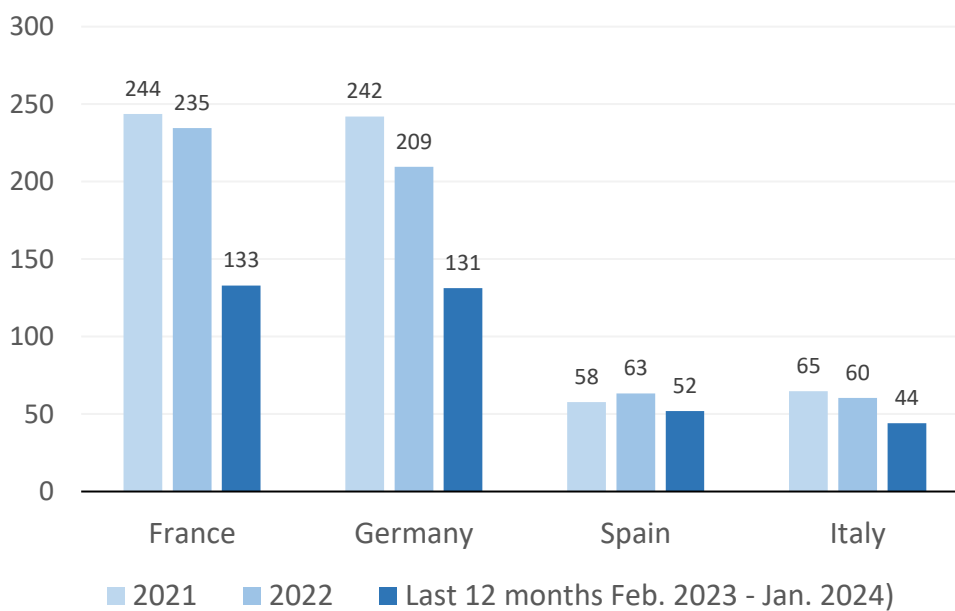


Euro area : Interest rates for new housing loans (overall effective rate including fees and insurance, in %)



(1) Households = Individuals + sole entrepreneurs + non-profit institutions serving households. The annual growth rate of outstanding housing loans to households in France is +0.8% in January 2024 and +0.7% for individuals alone.

Euro area: New housing loans (excluding renegotiations) to households, cumulative in €bn





Quarterly additional information on credit for consumption

Changes in outstanding consumer credit to individuals

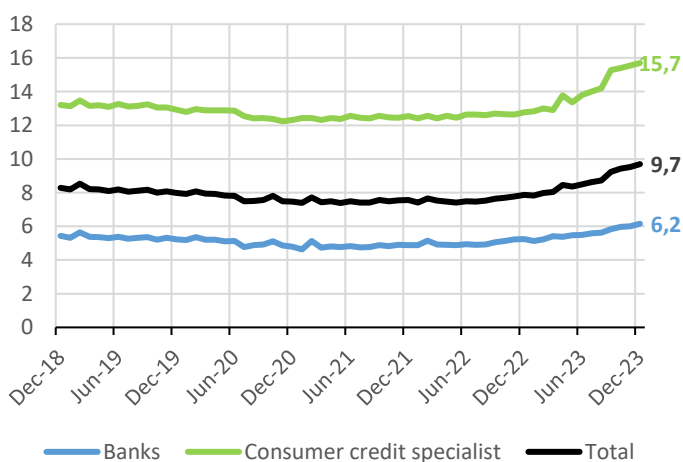
	Outstanding amounts in €bn					Annual growth in %	
	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Sep-23	Dec-23
Credit for consumption to individuals	202.8	202.2	203.7	203.3	205.9	1.9	1.8
Overdrafts	10.0	9.5	9.0	8.7	8.4	-14.7	-15.8
Revolving loans	19.5	19.7	20.6	20.9	21.4	8.8	9.6
Leases	18.6	19,0	19.9	20.6	20.4	15.0	9.8
Personal loans	94.7	95.7	96.3	96.8	96.7	3.1	2.1
Credits at the point of sale (of which buy now pay later loans)	19.6	19.8	20.5	20.0	21.2	4.4	8.4
Other treasury loans	14.6	13.0	13.0	12.8	12.5	-8.9	-14.1
Securitised loans	25.8	25.4	24.4	23.4	25.1	-8.5	-2.6

Note: **Revolving credit** (formerly called revolving credit) is a form of credit that consists of making available to a borrower a sum of money that can be reused as it is repaid to finance non-predefined purchases.

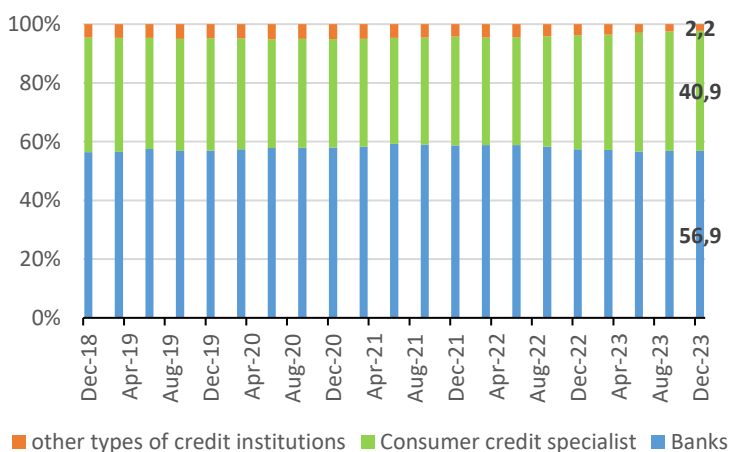
Within consumer credit, the fastest-growing components are leasing and revolving credit (respectively +9.8% and +9.6% year-on-year in December).

Outstanding overdrafts continue to shrink (-15.8% year-on-year in December), while growth in personal loans, which account for almost half of outstanding consumer credit, stands at 2.1% year-on-year.

Interest rate (narrowly defined) on new revolving loans by type of credit institution, %



Distribution channels of revolving loans, in % of the total outstanding amount of revolving credits





Additional information

Only loans granted to individuals (households excluding sole proprietors and unincorporated partnerships) by resident monetary financial institutions are presented here. The outstanding growth rates are calculated from monthly changes in stocks (including sales and securitization) by correcting from modifications that do not reflect economic changes, especially, the accounting derecognition of loans from the MFI's statistical balance sheet due to write-offs/write-downs. Conversely, exchange rate effects are taken into account without any change for technical reasons. Monthly growth rates are those of new loans agreed, i.e. disbursed. Nevertheless, new loan production represents new loans granted, even when they are not actually disbursed to the borrower, in accordance with the Eurosystem harmonised methodology, which aims to provide the public with an indicator that rapidly reflects changes in loan production. For this reason, the production of new loans differs from monthly changes in outstanding loans. Indeed, on the one hand, outstanding loans are recorded after the effective disbursement of funds and, on the other hand, they are reduced by the amortization of old loans. The weighted average rates and new business volumes are calculated according to the harmonized definitions of the Eurosystem. Published rates are the narrowly defined effective rate (NDER). They correspond to the interest component of the Annual Percentage Rate of Charge (APRC). Renegotiated loans also include external mortgage repurchases.

Low-income households are defined as those with an annual net income before tax of less than or equal to €30,000.

For the European comparison, the scope of borrowers is extended to households, which includes, in addition to individuals, sole entrepreneurs and non-profit institutions serving households.

The ECB now publishes an annual growth rate (AGR) for outstanding housing loans in the eurozone, adjusted for the effects of securitization and other loan transfers. This indicator is included for the first time with the publication of the November 2023 figures (chart p3 top left), replacing the unadjusted AGR used until October 2023. This improves comparability with other countries whose AGRs already incorporated this correction. The annual growth rate of outstandings adjusted for securitization/loan transfer effects stood at +0.7% in November for the eurozone, compared with +0.3% for the unadjusted indicator.

