

Loans to households France January 2016

3 March 2016

Housing loans to households slow down and the rates stabilize at 2.3 %

- The renegotiations account for 37 % of “new” housing loans. This percentage declines tendentially but remains high.
- Excluding negotiations, which artificially inflate production figures since symmetrically loans are repaid, and adjusted for seasonal variations, outstanding amounts of housing loans only increase by + 3.5 % in January 2016, down from + 3.9 % in December 2015.
- The average rates of lending for house purchase, excluding insurance and fees, are stable at 2.3 % for the past two months.
- Credits for consumption remain dynamic with an annual growth rate of 4.3 %.

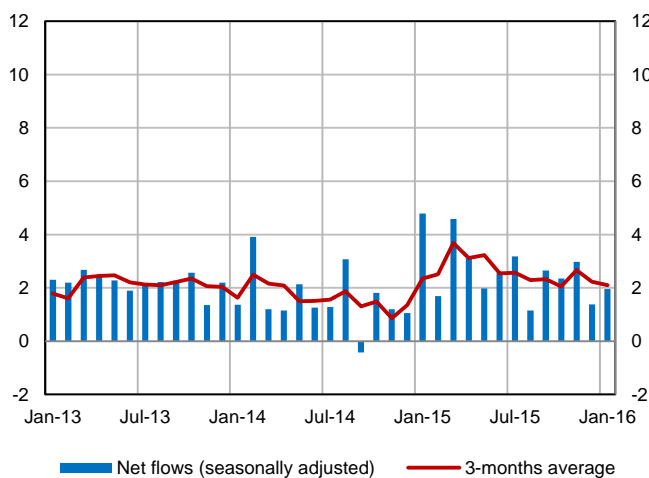
Outstanding amounts and annual growth rates (not seasonally adjusted)

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

	End-of-month level	Annual growth rate		
	Jan-16	Nov-15	Dec-15	Jan-16
Total	1 054	4.1	4.0	3.7
<i>Lending for house purchase</i>	867	3.8	3.9	3.5
<i>Credit for consumption</i>	151	4.9	4.4	4.3
<i>Other lending</i>	36	8.0	5.8	6.6

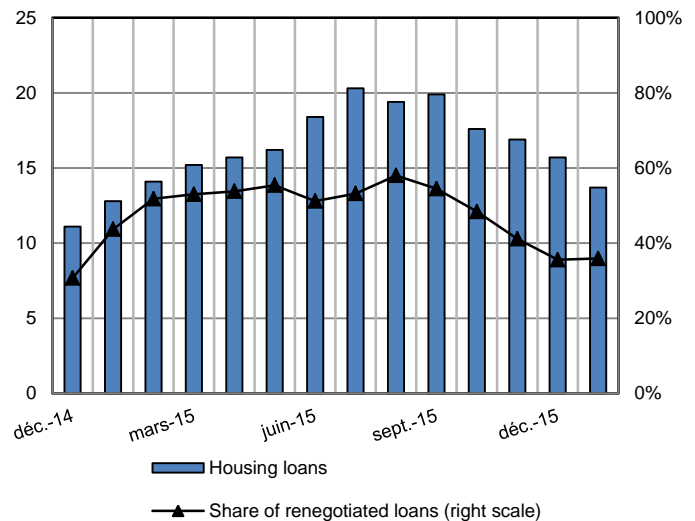
Monthly flows of housing loans (data seasonally adjusted)

(Changes in stocks in € Bn, adjusted for sales and securitization and write-offs/write-downs)



Share of renegotiation of new property loans

(Monthly flows seasonally adjusted, in € Bn and in %)



Production of new loans

(excluding overdrafts, monthly flows seasonally adjusted (a)(h))

(in € Bn)	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16
- loans for consumption purposes (b)	3.5	3.8	3.9	4.0	4.1	4.2	4.3	4.4	4.2	4.3	4.9	4.4	4.5	4.0
- housing loans	11.1	12.8	14.1	15.2	15.7	16.2	18.4	20.3	19.4	19.9	17.6	16.9 (g)	15.7	13.7
- proportion of renegotiation (not seasonally adjusted) in % (c)	30.7	43.7	51.8	53.0	53.8	55.4	51.2	53.2	58.0	54.5	48.4	41.2	35.6	35.9

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

(in %)	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15 (e)	Jan-16 (f)
Loans to individuals :						
Of which:						
- housing loans long term and fixed rates	2.18	2.23	2.27	2.36 (g)	2.34	2.33
- housing loans short term and floating rates	2.14	2.00	2.01	2.13	2.11	2.10
- loans for consumption purposes (b)	4.57	4.44	4.32	4.66	4.42	4.66
- overdrafts for individuals (d)	6.78	6.82	6.56	6.58	6.25	6.53

(a) Parameters for seasonal adjustment are updated each month, taking into account monthly data under review.

(b) Excluding revolving 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).

(e) Revisional data.

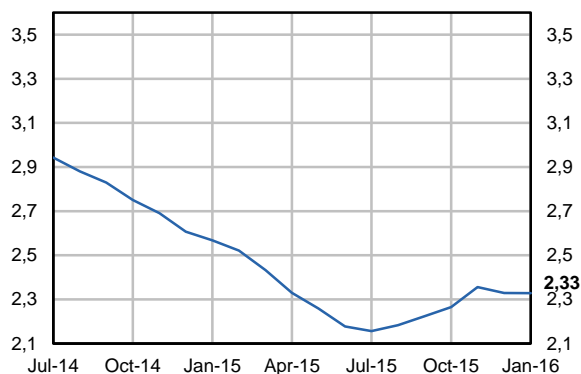
(f) Provisional data.

(g) The change in methodology of 3 establishments was incorporated in November 2015. Without any change, the seasonally adjusted flows would have been of € 15.1 billion in November 2015 and the rate of 2.31%.

(h) The historical data of the new seasonally adjusted loans has been published since December 2014 to take into account corrections of major institutions.

Interest rates on housing loans, all maturities

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



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 by correcting the effects of outstanding changes not resulting from economic transactions, particularly the derecognition of loans from the MFI's statistical balance sheet due to their sale and securitization and write-offs/write-downs but not the exchange rate effects.

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 mortgage repurchase.

Subscription to Stat info can be requested to 2503-DIFFUSION-UT@banque-france.fr