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## PRESS RELEASE

### EURO AREA MFI INTEREST RATE STATISTICS: November 2008

In November 2008 almost all average MFI interest rates were lower than in the preceding month. Several of the average rates on new business decreased substantially.

**MFI interest rates on new business:** in November 2008 the weighted average rate on deposits from households with an agreed maturity of up to one year decreased by 50 basis points to 4.27% while the corresponding deposit rate for non-financial corporations decreased by 70 basis points to 3.55%. The weighted average rate on deposits from households redeemable at up to three months' notice remained basically unchanged at 3.02%.

The interest rate on housing loans to households at a floating rate or with an initial rate fixation period of up to one year decreased by 22 basis points to 5.62%. The corresponding rate on loans with an initial rate fixation period of more than five years and up to ten years decreased by 6 basis points to 5.22%. The weighted average rate on loans to households for consumption purposes, with an initial rate fixation period of over one and up to five years, decreased by 6 basis points to 7.17% in November 2008.

In the case of loans to non-financial corporations at a floating rate or with an initial rate fixation period of up to one year, the weighted average rate decreased in November by 48 basis points to 6.04%, for loans up to EUR 1 million and decreased by 72 basis points to 4.87%, for loans above EUR 1 million. The weighted average rate on loans to non-financial corporations over EUR 1 million with an initial rate fixation period of more than five years decreased by 6 basis points to 5.01%.

**MFI interest rates on outstanding amounts:** in November 2008 the weighted average interest rate on outstanding amounts of deposits from households with an agreed maturity of up to two years remained basically unchanged at 4.51%. The corresponding rate on deposits with an agreed maturity of over two years remained basically unchanged at 3.11%. The weighted average interest rate on outstanding amounts of deposits from non-financial corporations with an agreed maturity of up to two years decreased by 24 basis points to 4.44% in the same month.

In November the weighted average interest rate on outstanding amounts of loans to households for house purchase with over five years' maturity remained basically unchanged at 5.16% and the weighted average interest rate on outstanding amounts of loans to non-financial corporations with over five years' maturity decreased by 7 basis points to 5.51%.

**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 November 2008, this press release incorporates minor revisions to the data for previous periods.*
- *“New business” refers to any new agreement between the customer and the MFI, while “outstanding amounts” refers 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.*
- *In this press release ‘up to’ means ‘up to and including’.*
- *The period of initial rate fixation is any predetermined period of time at the start of a contract during which the interest rate cannot be changed.*
- *The corresponding business volumes for each of the MFI interest rate categories are shown in Tables 2 and 4 of the annex.*
- *More detailed information on MFI interest rate statistics, including the release calendar, is available under “MFI interest rate statistics” in the “Statistics” section of the ECB’s website (<http://www.ecb.europa.eu>).*

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Table 1

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

(percentages per annum; period average rates)

	Nov. 07	Dec. 07	Jan. 08	Feb. 08	Mar. 08	Apr. 08	May 08	June 08	July 08	Aug. 08	Sep. 08	Oct. 08	Nov. 08
<b>Deposits</b>													
From households													
Overnight <sup>2)</sup>	1.18	1.18	1.20	1.21	1.22	1.22	1.23	1.24	1.26	1.29	1.32	1.34	1.29
With agreed maturity: <i>up to 1 year</i>	4.08	4.28	4.19	4.10	4.14	4.28	4.32	4.43	4.61	4.59	4.65	4.77	4.27
<i>over 1 and up to 2 years</i>	4.22	4.14	4.32	4.18	3.97	4.16	4.27	4.62	4.83	4.84	4.85	4.85	4.68
<i>over 2 years</i>	3.20	3.18	3.43	3.22	3.08	3.14	3.17	3.28	3.37	3.45	3.35	3.56	3.70
Redeemable at notice: <sup>2),3)</sup> <i>up to 3 months' notice</i>	2.54	2.57	2.57	2.65	2.69	2.72	2.73	2.74	2.81	2.87	2.97	3.01	3.02
<i>over 3 months' notice</i>	3.64	3.68	3.75	3.77	3.78	3.81	3.84	3.88	3.94	3.98	4.01	4.12	4.20
From non-financial corporations													
Overnight <sup>2)</sup>	2.01	1.95	2.01	2.01	2.03	2.05	2.07	2.06	2.14	2.17	2.20	2.20	1.98
With agreed maturity: <i>up to 1 year</i>	4.10	4.26	4.13	4.07	4.20	4.27	4.26	4.28	4.46	4.46	4.52	4.25	3.55
<i>over 1 and up to 2 years</i>	4.41	4.40	4.38	4.18	4.23	4.56	4.68	4.72	5.06	5.34	5.19	5.05	4.59
<i>over 2 years</i>	4.04	4.03	4.68	4.36	4.07	4.64	4.48	4.01	4.57	4.55	4.67	4.55	4.36
Repos	3.98	3.95	3.95	3.93	3.96	4.00	4.03	4.11	4.26	4.30	4.27	3.66	3.19
<b>Loans</b>													
To households													
Bank overdraft <sup>2)</sup>	10.50	10.46	10.46	10.45	10.52	10.53	10.57	10.63	10.66	10.77	10.80	10.83	10.80
For consumption: <i>floating rate and up to 1 year initial rate fixation</i>	8.39	8.05	8.12	8.55	8.43	8.33	8.70	8.61	8.82	8.86	8.77	8.89	9.00
<i>over 1 and up to 5 years' initial rate fixation</i>	6.90	6.93	7.00	7.24	7.05	7.02	7.02	6.94	7.15	7.22	7.20	7.23	7.17
<i>over 5 years' initial rate fixation</i>	8.36	8.17	8.47	8.44	8.42	8.46	8.44	8.44	8.58	8.69	8.70	8.70	8.68
For house purchase: <i>floating rate and up to 1 year initial rate fixation</i>	5.28	5.32	5.32	5.26	5.20	5.23	5.34	5.48	5.67	5.77	5.80	5.84	5.62
<i>over 1 and up to 5 years' initial rate fixation</i>	5.03	5.03	5.02	4.97	4.89	4.91	4.96	5.11	5.27	5.37	5.43	5.39	5.33
<i>over 5 and up to 10 years' initial rate fixation</i>	5.10	5.07	5.07	5.02	4.96	4.95	4.98	5.08	5.22	5.29	5.28	5.28	5.22
<i>over 10 years' initial rate fixation</i>	5.11	5.18	5.14	5.11	5.11	5.12	5.13	5.20	5.34	5.26	5.37	5.37	5.27
For other purposes: <i>floating rate and up to 1 year initial rate fixation</i>	5.60	5.67	5.59	5.55	5.65	5.83	5.99	6.03	6.08	6.05	6.24	6.37	5.85
<i>over 1 and up to 5 years' initial rate fixation</i>	5.95	5.83	5.93	5.87	5.79	5.80	5.87	6.12	6.21	6.28	6.36	6.26	6.16
<i>over 5 years' initial rate fixation</i>	5.49	5.43	5.49	5.55	5.46	5.45	5.59	5.67	5.82	5.70	5.77	5.80	5.60
To non-financial corporations													
Bank overdraft <sup>2)</sup>	6.50	6.62	6.62	6.56	6.56	6.54	6.57	6.67	6.74	6.77	6.92	6.89	6.66
Other loans up to EUR 1 million: <i>floating rate and up to 1 year initial rate fixation</i>	5.96	6.08	5.93	5.84	5.91	6.03	6.10	6.16	6.26	6.27	6.34	6.52	6.04
<i>over 1 and up to 5 years' initial rate fixation</i>	5.90	5.96	5.92	5.86	5.77	5.77	5.93	6.09	6.29	6.34	6.37	6.35	6.10
<i>over 5 years' initial rate fixation</i>	5.29	5.30	5.27	5.24	5.23	5.20	5.25	5.43	5.53	5.49	5.64	5.57	5.39
Other loans over EUR 1 million: <i>floating rate and up to 1 year initial rate fixation</i>	5.08	5.35	5.12	5.04	5.19	5.30	5.27	5.35	5.45	5.45	5.62	5.59	4.87
<i>over 1 and up to 5 years' initial rate fixation</i>	5.28	5.62	5.35	5.43	5.44	5.42	5.70	5.68	5.82	5.60	5.84	5.75	5.05
<i>over 5 years' initial rate fixation</i>	5.36	5.48	5.23	5.14	5.34	5.39	5.38	5.52	5.55	5.56	5.63	5.07	5.01
Annual percentage rate of charge <sup>4)</sup> (APRC) on loans to households for consumption	8.47	8.26	8.48	8.70	8.56	8.55	8.64	8.57	8.80	8.95	8.86	8.93	8.92
Annual percentage rate of charge <sup>4)</sup> (APRC) on loans to households for house purchases	5.38	5.40	5.37	5.35	5.28	5.29	5.36	5.46	5.62	5.69	5.71	5.69	5.60

Source: ECB MFI interest rate statistics.

1) In the above table 'up to' shall mean 'up to and including'. Cypriot and Maltese data are included in euro area aggregates as of January 2008.

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 <sup>1)</sup>

(EUR billions)

	Nov. 07	Dec. 07	Jan. 08	Feb. 08	Mar. 08	Apr. 08	May 08	June 08	July 08	Aug. 08	Sep. 08	Oct. 08	Nov. 08
<b>Deposits</b>													
From households													
Overnight <sup>2),3)</sup>	1,722.4	1,766.0	1,750.5	1,734.5	1,744.8	1,758.9	1,765.3	1,771.1	1,756.3	1,731.8	1,736.0	1,745.1	1,765.3
With agreed maturity: <i>up to 1 year</i>	192.1	193.9	260.3	206.2	201.0	235.7	204.5	207.9	259.4	198.6	214.2	293.9	202.9
<i>over 1 and up to 2 years</i>	9.4	10.0	12.8	8.4	7.6	7.6	8.0	9.7	14.1	10.3	8.5	11.4	9.2
<i>over 2 years</i>	6.9	6.6	7.4	6.6	5.3	5.2	4.5	4.5	5.6	4.7	4.6	6.1	5.5
Redeemable at notice: <sup>2),3),4)</sup> <i>up to 3 months' notice</i>	1,464.0	1,484.8	1,489.6	1,487.9	1,492.4	1,490.2	1,488.1	1,484.9	1,473.3	1,472.5	1,464.1	1,461.3	1,466.0
<i>over 3 months' notice</i>	111.3	112.4	113.4	112.5	110.4	109.1	107.7	107.0	106.5	105.4	104.3	107.3	111.0
From non-financial corporations													
Overnight <sup>2),3)</sup>	808.4	839.6	797.8	788.3	805.4	797.6	811.1	818.3	796.2	791.1	823.4	812.4	820.8
With agreed maturity: <i>up to 1 year</i>	254.8	264.8	269.4	244.5	257.3	262.9	225.3	234.6	246.2	204.9	229.8	275.8	241.6
<i>over 1 and up to 2 years</i>	1.4	1.6	1.6	1.1	0.9	1.2	1.1	5.3	1.5	1.4	2.0	1.4	1.8
<i>over 2 years</i>	1.1	1.4	1.4	1.1	0.8	0.8	0.7	1.5	1.0	0.7	1.0	0.9	1.0
Repos	85.9	79.1	98.8	88.7	78.6	94.1	90.7	83.4	107.1	74.6	92.4	108.9	88.7
<b>Loans</b>													
To households													
Bank overdraft <sup>2)</sup>	181.4	190.3	190.9	187.6	192.7	189.0	186.9	195.0	196.7	195.5	196.2	193.3	190.5
For consumption: <i>floating rate and up to 1 year initial rate fixation</i>	6.9	6.3	6.5	6.1	5.9	6.5	6.1	6.0	6.1	5.0	5.4	6.2	5.2
<i>over 1 and up to 5 years' initial rate fixation</i>	8.5	7.5	8.2	7.8	7.5	8.7	7.8	8.1	8.2	5.6	6.9	7.4	6.0
<i>over 5 years' initial rate fixation</i>	6.6	5.7	6.5	6.4	6.2	7.2	6.3	6.5	7.2	4.8	5.7	5.9	5.0
For house purchase: <i>floating rate and up to 1 year initial rate fixation</i>	24.8	23.9	22.2	23.0	21.6	25.1	22.3	22.1	22.4	14.9	16.2	17.1	14.5
<i>over 1 and up to 5 years' initial rate fixation</i>	7.2	6.6	6.8	6.1	6.3	8.3	8.1	7.8	9.0	6.1	5.8	7.0	5.7
<i>over 5 and up to 10 years' initial rate fixation</i>	9.6	9.6	10.0	8.8	8.9	11.6	10.4	11.3	12.4	9.5	10.1	11.1	9.0
<i>over 10 years' initial rate fixation</i>	17.9	17.5	16.2	15.2	14.6	17.1	17.1	18.0	20.3	14.2	15.1	15.8	13.9
For other purposes: <i>floating rate and up to 1 year initial rate fixation</i>	31.8	34.8	30.7	23.3	24.7	22.0	18.3	20.6	24.5	16.2	17.8	19.9	15.8
<i>over 1 and up to 5 years' initial rate fixation</i>	2.6	3.5	2.9	2.4	2.2	2.6	2.3	2.4	2.5	1.7	2.0	2.4	2.0
<i>over 5 years' initial rate fixation</i>	4.4	5.0	4.7	3.5	3.6	4.5	3.8	4.8	5.1	3.6	3.8	4.1	3.2
To non-financial corporations													
Bank overdraft <sup>2)</sup>	553.8	564.5	574.5	578.0	595.0	605.1	601.0	622.2	623.2	614.7	617.5	612.5	618.0
Other loans up to EUR 1 million: <i>floating rate and up to 1 year initial rate fixation</i>	72.7	77.8	73.9	71.2	72.0	76.1	71.7	74.7	81.8	55.7	72.0	74.5	63.4
<i>over 1 and up to 5 years' initial rate fixation</i>	5.7	6.1	5.5	5.5	5.3	6.4	5.1	5.7	6.0	3.8	4.5	5.0	4.3
<i>over 5 years' initial rate fixation</i>	6.9	7.5	7.5	5.9	5.8	6.9	6.7	7.1	7.6	5.8	6.0	6.2	5.8
Other loans over EUR 1 million: <i>floating rate and up to 1 year initial rate fixation</i>	185.8	263.7	215.8	201.0	227.7	234.1	223.9	276.1	297.3	225.5	260.6	287.2	224.9
<i>over 1 and up to 5 years' initial rate fixation</i>	9.9	17.2	12.1	9.8	9.4	11.2	10.2	13.2	12.7	8.7	10.1	9.9	8.4
<i>over 5 years' initial rate fixation</i>	13.0	21.1	14.5	9.6	10.5	12.4	10.6	14.2	15.3	10.9	10.0	12.2	9.9
Annual percentage rate of charge <sup>5)</sup> (APRC) on loans to households for consumption	22.0	19.5	21.1	20.2	19.5	22.4	20.1	20.6	21.5	15.5	18.0	19.4	16.2
Annual percentage rate of charge <sup>5)</sup> (APRC) on loans to households for house purchases	59.4	57.5	55.0	53.0	51.4	62.1	57.8	59.1	63.9	44.7	47.1	50.9	43.0

Source: ECB MFI interest rate statistics.

1) In the above table 'up to' shall mean 'up to and including'. Cypriot and Maltese data are included in euro area aggregates as of January 2008.

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 <sup>1)</sup>***(percentages per annum excluding charges; end-of-period)*

	Nov. 07	Dec. 07	Jan. 08	Feb. 08	Mar. 08	Apr. 08	May 08	June 08	July 08	Aug. 08	Sep. 08	Oct. 08	Nov. 08
<b>Deposits</b>													
From households													
With agreed maturity: <i>up to 2 years</i>	3.85	3.95	3.98	3.99	4.01	4.07	4.13	4.20	4.31	4.38	4.45	4.54	4.51
<i>over 2 years</i>	3.06	3.03	3.06	3.11	3.07	3.07	3.06	3.08	3.07	3.09	3.11	3.08	3.11
From non-financial corporations													
With agreed maturity: <i>up to 2 years</i>	4.21	4.33	4.27	4.23	4.29	4.37	4.43	4.47	4.59	4.65	4.73	4.68	4.44
<i>over 2 years</i>	4.18	4.16	4.21	4.24	4.23	4.29	4.26	4.31	4.39	4.38	4.44	4.45	4.42
Repos	3.97	4.01	4.01	3.97	3.96	3.91	4.04	4.12	4.24	4.23	4.32	4.06	3.95
<b>Loans</b>													
To households													
For house purchases: <i>up to 1 year maturity</i>	5.48	5.54	5.62	5.60	5.61	5.59	5.62	5.68	5.72	5.78	5.79	5.81	5.74
<i>over 1 and up to 5 years maturity</i>	4.72	4.75	4.75	4.82	4.80	4.85	4.85	4.89	4.93	4.95	5.02	5.05	4.99
<i>over 5 years maturity</i>	4.99	5.00	5.01	5.03	5.02	5.03	5.05	5.07	5.11	5.11	5.14	5.17	5.16
Consumer credit and other loans: <i>up to 1 year maturity</i>	8.86	8.97	8.99	9.05	9.06	9.07	9.08	9.11	9.19	9.26	9.38	9.45	9.24
<i>over 1 and up to 5 years maturity</i>	7.12	7.13	7.15	7.21	7.19	7.22	7.22	7.29	7.34	7.38	7.47	7.48	7.51
<i>over 5 years maturity</i>	6.21	6.22	6.24	6.26	6.25	6.28	6.27	6.35	6.37	6.41	6.47	6.48	6.47
To non-financial corporations: <i>up to 1 year maturity</i>	5.96	6.08	6.06	5.99	5.99	6.04	6.09	6.18	6.25	6.28	6.39	6.43	6.17
<i>over 1 and up to 5 years maturity</i>	5.49	5.57	5.55	5.52	5.51	5.54	5.59	5.68	5.76	5.79	5.90	5.99	5.81
<i>over 5 years maturity</i>	5.22	5.28	5.27	5.30	5.27	5.29	5.32	5.39	5.44	5.46	5.54	5.58	5.51

Source: ECB MFI interest rate statistics.

1) In the above table 'up to' shall mean 'up to and including'. Cypriot and Maltese data are included in euro area aggregates as of January 2008.

**Table 4****Volumes of outstanding amounts of euro-denominated deposits and loans by euro area residents <sup>1),2)</sup>***(EUR billions)*

	Nov. 07	Dec. 07	Jan. 08	Feb. 08	Mar. 08	Apr. 08	May 08	June 08	July 08	Aug. 08	Sep. 08	Oct. 08	Nov. 08
<b>Deposits</b>													
From households													
With agreed maturity: <i>up to 2 years</i>	916.6	956.1	1,015.6	1,041.3	1,058.0	1,090.1	1,114.1	1,134.7	1,177.9	1,206.4	1,219.6	1,276.7	1,298.1
<i>over 2 years</i>	555.6	560.4	557.7	552.5	547.6	543.1	539.0	534.1	530.4	529.2	523.1	514.7	510.3
From non-financial corporations													
With agreed maturity: <i>up to 2 years</i>	416.2	429.3	425.0	446.8	446.0	467.1	467.2	454.2	460.2	464.9	456.8	467.4	460.3
<i>over 2 years</i>	56.7	55.1	55.3	55.7	55.5	56.0	56.4	57.1	58.4	58.2	58.6	59.8	59.3
Repos	111.2	110.5	113.7	119.0	118.3	118.4	122.9	121.3	130.4	134.2	132.9	129.9	120.0
<b>Loans<sup>3)</sup></b>													
To households													
For house purchases: <i>up to 1 year maturity</i>	15.7	15.6	15.6	15.5	15.8	15.8	15.5	15.5	15.5	15.6	16.1	16.2	16.1
<i>over 1 and up to 5 years maturity</i>	72.9	73.1	73.0	72.8	72.5	72.3	72.3	72.5	72.6	71.8	71.9	71.2	70.4
<i>over 5 years maturity</i>	3,289.2	3,299.3	3,317.2	3,332.8	3,335.9	3,345.3	3,358.1	3,343.0	3,361.4	3,372.4	3,388.0	3,383.9	3,376.2
Consumer credit and other loans: <i>up to 1 year maturity</i>	274.3	276.7	274.6	272.2	274.5	272.8	272.1	283.9	277.4	275.0	280.9	278.4	280.0
<i>over 1 and up to 5 years maturity</i>	306.3	304.5	305.6	304.8	304.9	304.0	302.8	302.9	301.8	299.6	298.0	296.2	293.6
<i>over 5 years maturity</i>	763.0	762.5	769.1	773.8	775.5	780.4	783.6	788.7	792.8	793.8	794.3	797.7	799.0
To non-financial corporations: <i>up to 1 year maturity</i>	1,201.0	1,212.2	1,225.5	1,236.0	1,259.4	1,266.3	1,266.3	1,291.0	1,298.6	1,279.8	1,290.2	1,293.0	1,290.8
<i>over 1 and up to 5 years maturity</i>	804.9	820.0	836.8	846.0	856.6	861.6	867.4	880.3	885.6	892.3	898.4	905.3	906.6
<i>over 5 years maturity</i>	2,138.7	2,172.2	2,200.2	2,217.3	2,236.2	2,263.1	2,283.1	2,293.2	2,311.3	2,323.7	2,336.2	2,356.7	2,368.8

Source: ECB MFI interest rate statistics.

1) In the above table 'up to' shall mean 'up to and including'. Cypriot and Maltese data are included in euro area aggregates as of January 2008.

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.