

8th January 2020

Loans to individuals – France • November 2019

Renegotiated loans rise again in November

- In November, growth in housing loans to individuals continues at +6.8% (after +6.7% in October), while the slowdown in consumer credit growth was confirmed (+5.4%, after +5.6% in October and +6.5% in September).
- Renegotiated loans continue to support the production of housing loans, which stood at €24.4 billion in November. Within the new loans, their weight rises again to 28.7% (after 26% in October).
- The fixed and long-term average interest rate on new housing loans continues to fall (1.20%, after 1.23% in October), while the rate on credit for consumption rises at 3.75%.

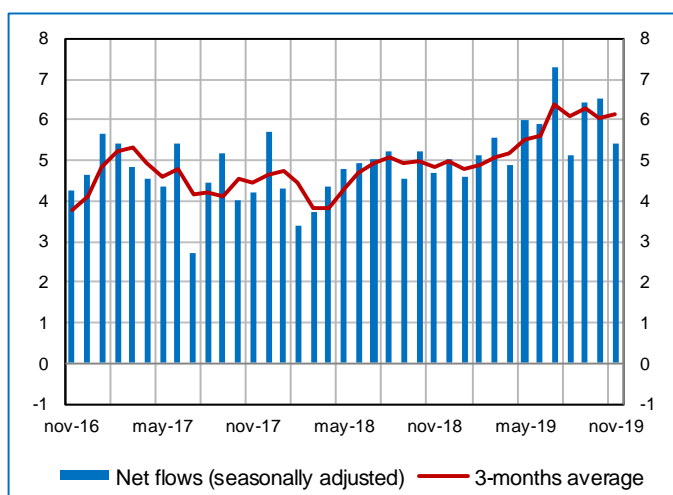
Outstanding amounts and annual growth rates (without seasonal adjustment)

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

	End-of-month level	Annual growth rate		
	Nov-19	Sept-19	Oct-19	Nov-19
Total	1 292	6.6	6.5	6.5
<i>Lending for house purchase</i>	<i>1 071</i>	<i>6.6</i>	<i>6.7</i>	<i>6.8</i>
<i>Credit for consumption</i>	<i>188</i>	<i>6.5</i>	<i>5.6</i>	<i>5.4</i>
<i>Other lending</i>	<i>33</i>	<i>5.4</i>	<i>4.3</i>	<i>3.5</i>

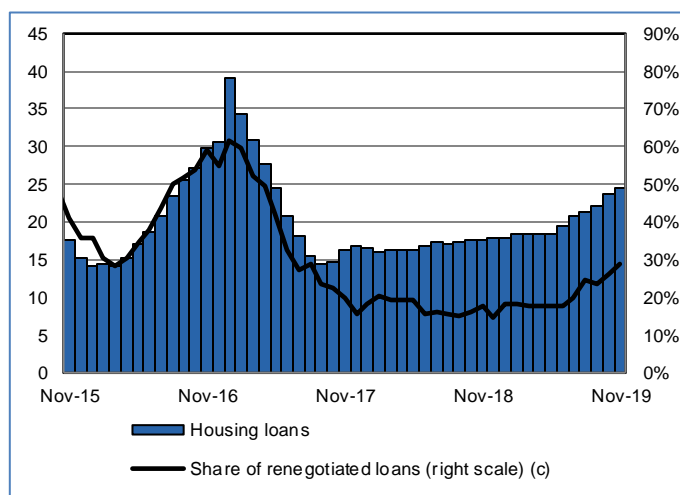
Monthly flows of housing loans (with seasonal adjustment)

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



Share of renegotiation of new property loans

(New property loans seasonally adjusted, in € Bn and in %)





Production of new loans

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

(in € Bn)	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19
- loans for consumption purposes (b)	5.3	5.8	5.7	5.8	5.6	5.7
- housing loans	19.4	20.8	21.3	22.1	23.6	24.4
<i>of which housing loans excluding renegotiations</i>	15.9	16.7	16.1	16.9	17.5	17.4
- proportion of renegotiation (not seasonally adjusted) in % (c)	17.8	19.6	24.6	23.6	26.0	28.7

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

(in %)	Jun-19	Jul-19	Aug-19	Sept-19	Oct-19 (e)	Nov-19 (f)
- housing loans long term and fixed rates	1.39	1.34	1.31	1.27	1.23	1.20
- housing loans short term and floating rates	1.41	1.44	1.37	1.36	1.38	1.29
- loans for consumption purposes (b)	3.81	3.71	3.83	3.55	3.68	3.75
- overdrafts for individuals (d)	5.76	5.50	5.70	5.69	5.54	5.76

(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

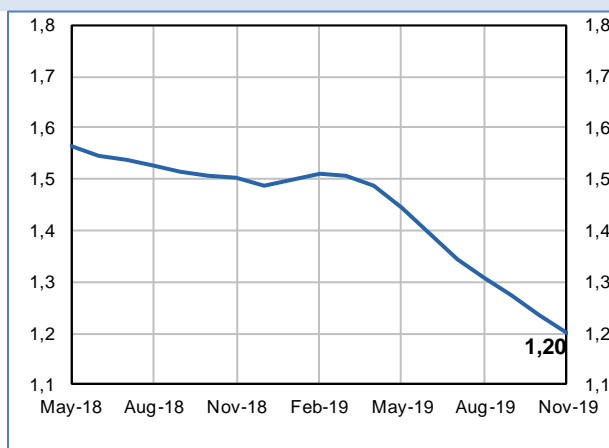
(d) Overdrafts: negative balance of ordinary accounts + commercial credits + factoring + cash credits without fixed repayment schedule (including mobilization of revolving loans).

(e) Revised data.

(f) Provisional data.

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 accounting modifications that do not reflect economic changes. In particular the accounting derecognition of loans from the MFI's statistical balance sheet due to their sale, securitization or write-offs/write-downs is corrected. Conversely, exchange rate effects are taken into account without any change.

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 repurchases. The production of the new loans represents the new granted loans, even when they are not actually remitted to the borrower. This method, which is common to all Eurosystem central banks, allows having an advanced indicator of loans production, which is useful particularly for economic analysis.

