

Loans to households France September 2016

4 November 2016

The rise of housing loans continues

- After a sharp rise in August, the annual growth rate of housing loans increases again (+ 3.8% in September, up from + 3.7% in August), still sustained by very favorable borrowing conditions. Conversely, the growth of credit for consumption slows down (+ 4.1%, down from + 5.6%) due to a base effect that removes a dynamic September 2015. Overall, the annual growth rate of loans to households is almost stable in September 2016 (3.9%, down from + 4.0% in August).
- The production of new housing loans (seasonally adjusted) goes on increasing in September (€23.7 billion, up from €23.1 billion in August), mainly due to the rise of loan renegotiations which represent a little more than half of these new loans (51.6%, not seasonally adjusted). Excluding renegotiations and repurchases, the average maturity of new housing loans stands at 19 years in July 2016, a maturity 5 months longer than in July 2015.
- Interest rates on long term and fixed rates new housing loans decrease again (1.68%, down from 1.72%). Since the beginning of 2016, the decrease in interest rates on new housing loans reaches 65 basis points (2.33% in December 2015).

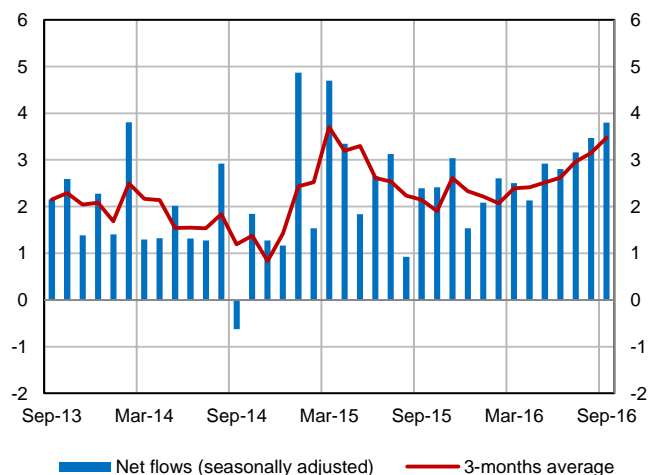
Outstanding amounts and annual growth rates (without seasonal adjustment)

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

	End-of-month level Sep-16	Annual growth rate		
		Jul-16	Aug-16	Sep-16
Total	1 086	3,7	4,0	3,9
<i>Lending for house purchase</i>	893	3,3	3,7	3,8
<i>Credit for consumption</i>	156	5,7	5,6	4,1
<i>Other lending</i>	36	4,3	4,8	5,6

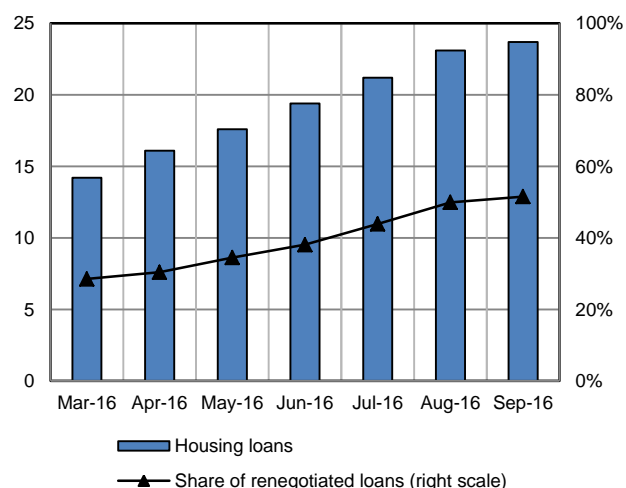
Monthly flows of housing loans (with seasonal adjustment)

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



Share of renegotiation of new property loans

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



Production of new loans

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

(in € Bn)	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16
- loans for consumption purposes (b)	4.6	4.7	5.1	4.7	4.5	5.0
- housing loans	16.1	17.6	19.4	21.2	23.1	23.7
- proportion of renegotiation (not seasonally adjusted) in % (c)	30.4	34.5	38.1	43.9	49.9	51.6

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

(in %)	Apr-16	May-16	Jun-16	Jul-16	Aug-16 (e)	Sep-16 (f)
Loans to individuals :						
Of which:						
- housing loans long term and fixed rates	2.10	1.98	1.85	1.78	1.72	1.68
- housing loans short term and floating rates	1.94	1.91	1.86	1.60	1.69	1.61
- loans for consumption purposes (b)	4.37	4.37	4.02	3.98	4.20	3.87
- overdrafts for individuals (d)	6.30	6.29	6.36	6.29	6.27	6.46

(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

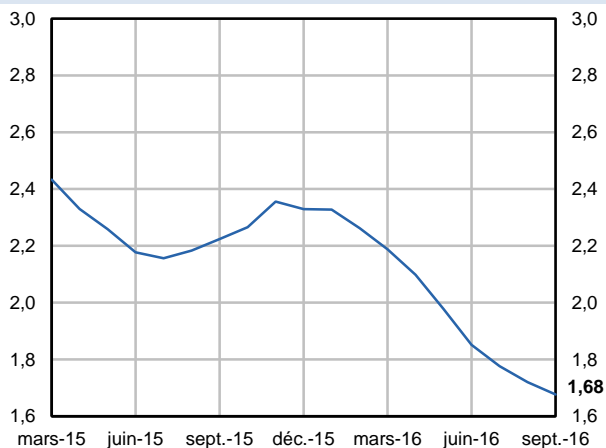
(d) Overdrafts: negative balance of ordinary accounts + commercial credits + factoring + cash credits without fixed repayment schedule (including mobilization of revolving loans).

(e) Revisional data.

(f) Provisional data.

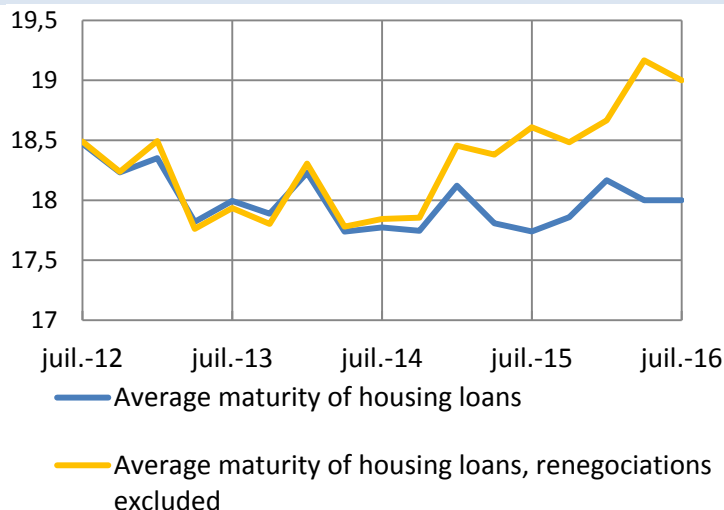
Taux des crédits nouveaux à l'habitat toutes durées

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



Average maturity of the housing loans

(in years)



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.

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