

Loans to households France November 2016

5 January 2017

Acceleration of credits for consumption

- The annual growth rate of loans to households continues to rise (+ 4.1% in November, up from + 4.0% in October and +3.9% in September), driven by buoyant housing loans (+ 3.9% up from + 3.8% in October, increase in outstanding amounts net of renegotiations) and an acceleration of credits for consumption.
- Credits for consumption have been rising steadily since September 2016 (+ 4.8% year on year in November, up from + 4.6% in October and + 4.4% in September). The Stat Info “Crédits à la consommation”, to be published on the 10th of January, will provide more detailed information on rates, distribution channels and a European comparison.
- The interest rates of the new housing loans decrease again for long-term maturity and fixed rate loans (1.56% in November, down from 1.60% in October). These attractive borrowing conditions push the production of new housing loans upwards (€ 27.5 billion, up from € 24.8 billion, seasonally adjusted), and more particularly renegotiations (59%, after 54%).

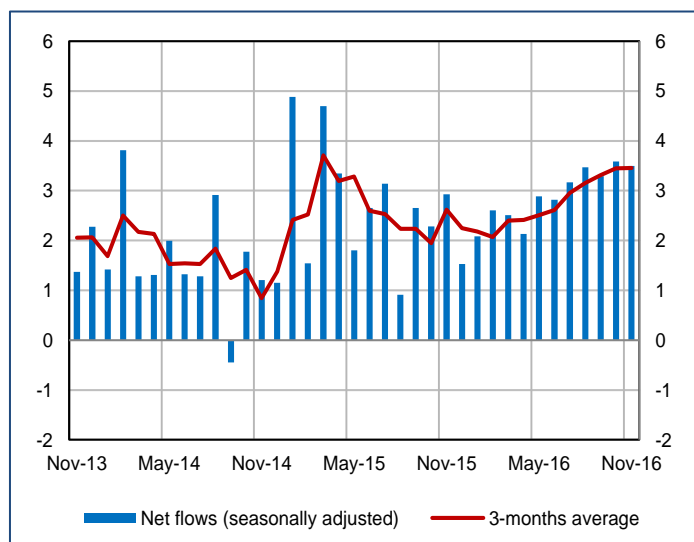
Outstanding amounts and annual growth rates (without seasonal adjustment)

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

	End-of-month level	Annual growth rate		
	Nov-16	Sep-16	Oct-16	Nov-16
Total	1 086	3,9	4,0	4,1
<i>Lending for house purchase</i>	891	3,7	3,8	3,9
<i>Credit for consumption</i>	159	4,4	4,6	4,8
<i>Other lending</i>	35	5,6	5,2	3,9

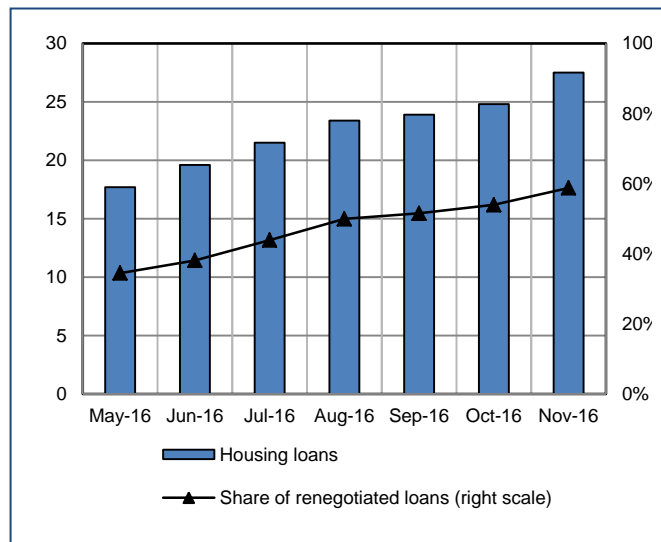
Monthly flows of housing loans (with seasonal adjustment)

(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)	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16
- loans for consumption purposes (b)	5.1	4.7	4.5	5.0	5.1	5.0
- housing loans	19.6	21.5	23.4	23.9	24.8	27.5
- proportion of renegotiation (not seasonally adjusted) in % (c)	38.1	43.9	49.9	51.6	54.0	58.8

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

(in %)	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16 (e)	Nov-16 (f)
- housing loans long term and fixed rates	1.85	1.78	1.72	1.68	1.60	1.56
- housing loans short term and floating rates	1.86	1.60	1.69	1.61	1.63	1.64
- loans for consumption purposes (b)	4.02	3.98	4.20	3.87	3.80	3.96
- overdrafts for individuals (d)	6.36	6.29	6.27	6.46	6.34	6.45

(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.

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.

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