

Loans to households France March 2017

9 May 2017

Continued strong growth in housing loans

- Housing loans outstanding amounts accelerate again in March (+5.4%, up from +5.1% in February), back to a growth rate not seen since 5 years.
- Seasonally adjusted outstanding amounts also increase compared with the previous month. This reflects a diminution in loan reimbursements slightly stronger than that of new property loans (€32,0 billion after €32,6 billion, seasonally adjusted). Overall, activity does not accelerate but remains nonetheless extremely dynamic.
- The decline in renegotiations (of which the share in new credits falls to 52% down from 60% in February) is accompanied by an increase in the monthly production of housing loans excluding renegotiations.
- After a slight rebound in February, the average interest rate of housing loans stabilizes at 1.54%.
- Credits for consumption remain very buoyant (+5.6%, after +5.9% in February and +6.0% in January). Overall, the annual growth rate of loans to households increases (+5.6%, up from +5.3%)

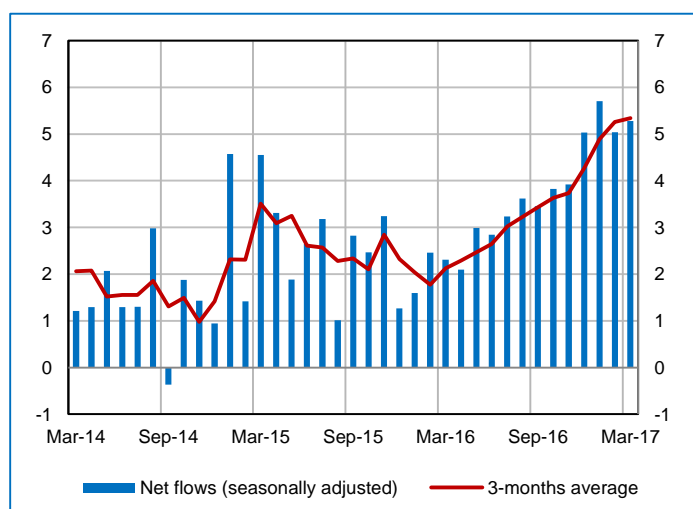
Outstanding amounts and annual growth rates (without seasonal adjustment)

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

	End-of-month level	Annual growth rate		
	mar-17	jan-17	feb-17	mar-17
Total	1 112	5.1	5.3	5.6
<i>Lending for house purchase</i>	914	4.8	5.1	5.4
<i>Credit for consumption</i>	161	6.0	5.9	5.6
<i>Other lending</i>	36	8.2	8.3	10.3

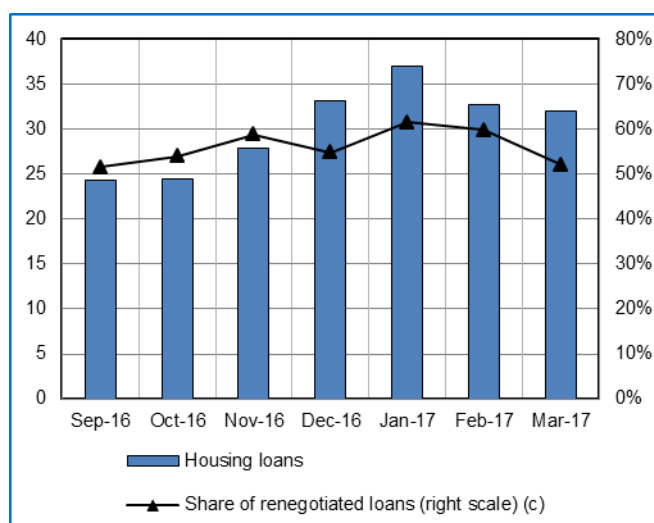
Monthly flows of housing loans (with seasonal adjustment)

(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)	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17
- loans for consumption purposes (b)	5.1	5.0	5.1	5.1	5.0	5.3
- housing loans	24.5	27.9	33.2	37.0	32.7	32.0
- proportion of renegotiation (not seasonally adjusted) in % (c)	54.0	58.9	54.9	61.6	59.9	52.1

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

(in %)	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17 (e)	Mar-17 (f)
- housing loans long term and fixed rates	1.60	1.56	1.50	1.50	1.54	1.53
- housing loans short term and floating rates	1.63	1.64	1.56	1.59	1.58	1.61
- loans for consumption purposes (b)	3.80	3.96	3.95	4.11	4.03	3.97
- overdrafts for individuals (d)	6.34	6.42	6.19	6.17	6.56	6.44

(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.

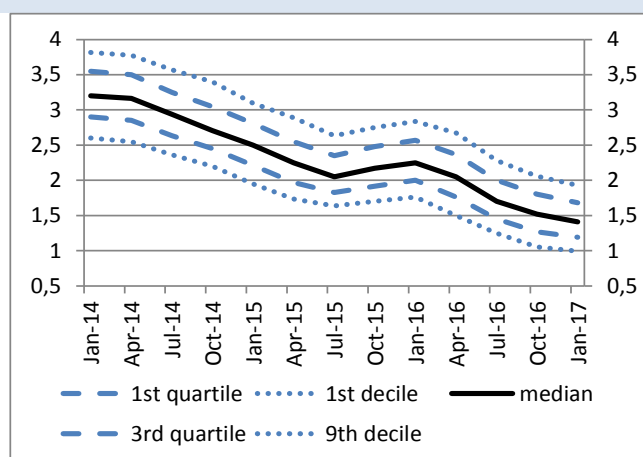
Interest rates on housing loans, all maturities

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



Distribution of interest rates on new housing loans

(Narrowly defined effective rate, all maturities, 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.