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PRESS RELEASE

EURO AREA MFI INTEREST RATE STATISTICS: DECEMBER 2009

In December 2009 most of the average MFI interest rates on new loans further decreased. Almost all the average MFI interest rates on outstanding amounts of deposits and loans also further decreased to reach a minimum over life time of these series. The average MFI interest rates on new deposits remain broadly unchanged.

MFI interest rates on new business: in December 2009 the weighted average rate on deposits from households with an agreed maturity of up to one year remained unchanged at 1.67% while the corresponding deposit rate for non-financial corporations increased by 7 basis points to 0.77%. The weighted average rate on deposits from households redeemable at up to three months' notice remained basically unchanged at 1.53%.

The interest rate on housing loans to households at a floating rate or with an initial rate fixation period of up to one year remained unchanged in December 2009 at 2.71%. The corresponding rate on loans with an initial rate fixation period of more than five years and up to ten years decreased by 4 basis points to 4.42%. 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 4 basis points to 6.25%.

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 December 2009 by 7 basis points to 3.27%, for loans up to EUR 1 million and decreased by 4 basis points to 2.18%, 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 22 basis points to 3.58%.

MFI interest rates on outstanding amounts: in December 2009 the weighted average interest rate on outstanding amounts of deposits from households with an agreed maturity of up to two years decreased by 15 basis points to 2.36%. The corresponding rate on deposits with an agreed maturity of over two years decreased by 5 basis points to 2.90%. 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 6 basis points to 1.56% in the same month.

In December 2009 the weighted average interest rate on outstanding amounts of loans to households for house purchase with over five years' maturity decreased by 6 basis points to 4.06% and the weighted average interest rate on outstanding amounts of loans to non-financial corporations with over five years' maturity decreased by 8 basis points to 3.49%.

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 December 2009, 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.*
- *Unless otherwise indicated, the statistics refer to the changing composition of the euro area, i.e. they cover the EU Member States that had adopted the euro at the time to which the data relate. The statistics include Greece as of January 2001, Slovenia as of January 2007, Cyprus and Malta as of January 2008 and Slovakia as of January 2009.*
- *The corresponding business volumes for each of the MFI interest rate categories are shown in Tables 2 and 4 of the annex.*

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- *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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