

2nd October 2020

Loans to individuals– France • August 2020

Housing loans grew by 5.3% on an annual basis

- Outstanding housing loans to individuals increased by 4.7 billion euros (seasonally adjusted), an increase comparable to the average monthly change over the past three years (4.8 billion). Since this increase is close to that observed in August 2019 (+4.9 billion), outstanding annual growth was almost stable in August at +5.3% (after +5.4% in July).
- Monthly seasonally adjusted new housing loans excluding renegotiations (and external redemptions), amounted to 16.4 billion.
- Annual growth in consumer credit is increasing (+1.1%, after +0.7% in July).
- Overall, the annual growth rate of personal credit was almost unchanged in August (+4.7%, after +4.8% in July).
- The interest rate on new housing loans (including renegotiated loans) rose by two basis points in August to 1.31%, and the one excluding renegotiated loans rose by three basis points to 1.30%.

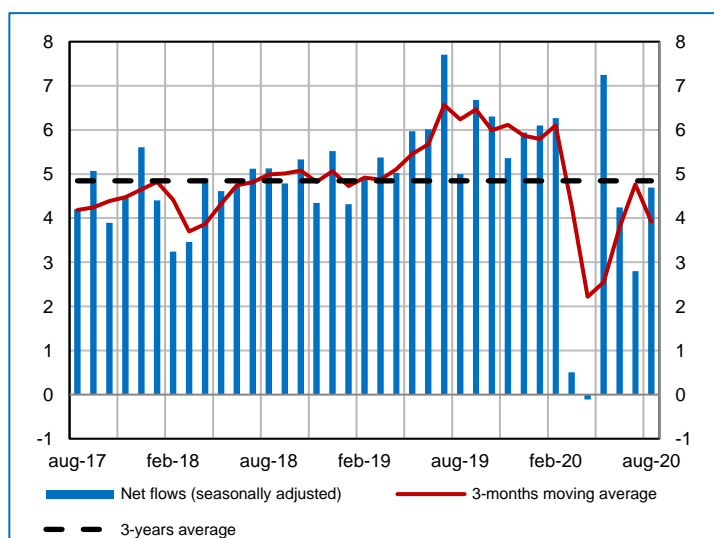
Outstanding amounts and annual growth rates (without seasonal adjustment)

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

	End-of-month level	Annual growth rate		
	Aug-20	Jun-20	Jul-20	Aug-20
Total	1 328	5.2	4.8	4.7
<i>Lending for house purchase</i>	<i>1 109</i>	<i>5.9</i>	<i>5.4</i>	<i>5.3</i>
<i>Credit for consumption</i>	<i>187</i>	<i>0.8</i>	<i>0.7</i>	<i>1.1</i>
<i>Other lending</i>	<i>32</i>	<i>8.0</i>	<i>7.6</i>	<i>6.1</i>

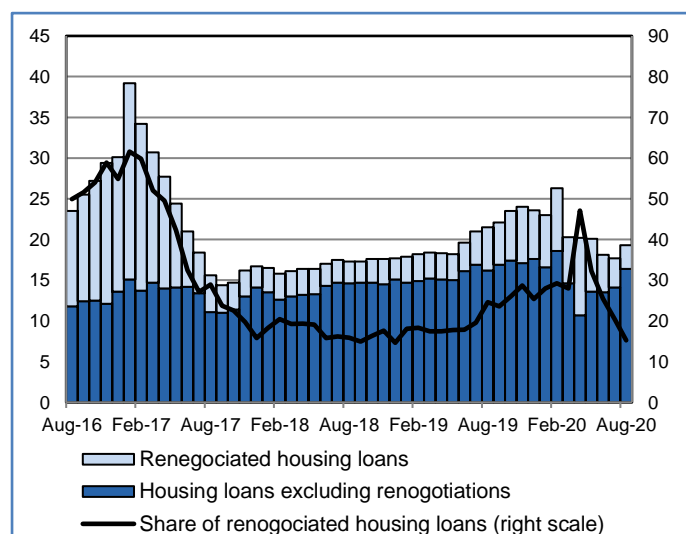
Housing loans to individuals (with seasonal adjustment)

(Monthly changes in stocks, in € Bn, sales and securitization included, excluding write-offs/write-downs)



Share of renegotiation of new property loans

(Monthly new loans seasonally adjusted, in € Bn and share in %)





Production of new loans

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

(in € Bn)	Mar-20	Apr-20	May-20	Jun-20	July-20	Aug-20
- loans for consumption purposes (b)	4.1	1.9	3.7	6.2	6.3	6.5
- housing loans	20.3	20.2	20.0	18.1	17.7	19.3
of which housing loans excluding renegotiations	14.6	10.7	13.6	13.5	14.1	16.4
- proportion of renegotiation (not seasonally adjusted) in % (c)	28.0	47.1	32.2	25.5	20.5	15.2

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

(in %)	Mar-20	Apr-20	May-20	Jun-20	July-20 (e)	Aug-20 (f)
- housing loans long term and fixed rates	1.19	1.31	1.25	1.26	1.29	1.31
- housing loans short term and floating rates	1.24	1.37	1.34	1.32	1.34	1.38
- housing loans excluding renegotiations	1.18	1.16	1.17	1.22	1.27	1.30
- loans for consumption purposes (b)	3.76	3.83	3.86	3.61	3.61	3.75
- overdrafts for individuals (d)	5.72	5.94	5.73	5.30	4.98	5.15

(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

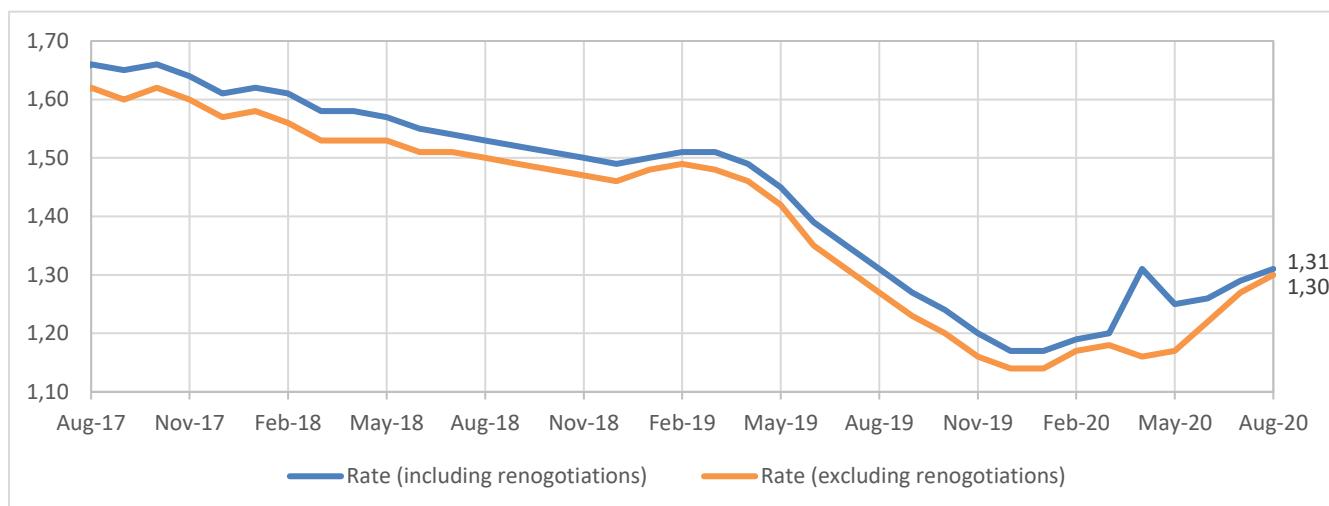
(d) Overdrafts: negative balance of ordinary accounts + commercial credits + factoring + cash credits without fixed repayment schedule (including mobilization of revolving loans).

(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 from monthly changes in stocks (including sales and securitization) by correcting from modifications that do not reflect economic changes, especially, the accounting derecognition of loans from the MFI's statistical balance sheet due to write-offs/write-downs. Conversely, exchange rate effects are taken into account without any change for technical reasons.

Monthly growth rates are those of new loans agreed, i.e. disbursed. Nevertheless, new loan production represents new loans granted, even when they are not actually disbursed to the borrower, in accordance with the Eurosystem harmonised methodology, which aims to provide the public with an indicator that rapidly reflects changes in loan production. For this reason, the production of new loans differs from monthly changes in outstanding loans. Indeed, on the one hand, outstanding loans are recorded after the effective disbursement of funds and, on the other hand, they are reduced by the amortization of old loans.

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 external mortgage repurchases.

