



**SVERIGES  
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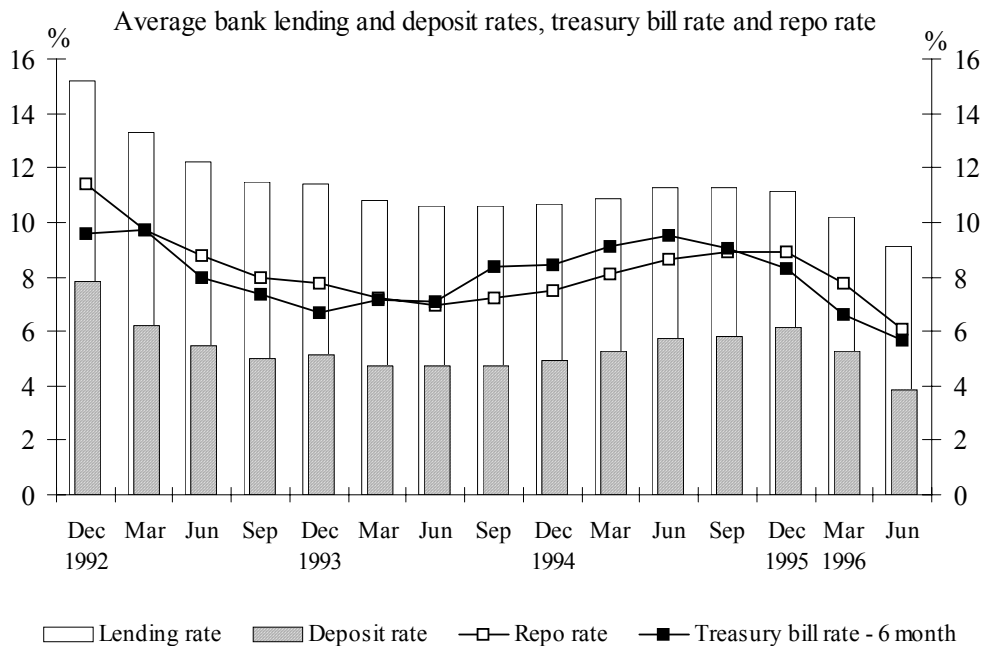
# Press Release

## **AVERAGE LENDING AND DEPOSIT RATES OF BANKS AND HOUSING INTERMEDIARIES**

*Bank lending and deposit rates, as well as lending rates of house mortgage institutions, at end June 1996 have been studied by the Riksbank.*

At end June the average total rate on all loans from banks and housing intermediaries was 9.9 per cent. Compared with the end of March 1996 the average interest cost to the non-bank public for sound advances in Swedish kronor from these Swedish institutions had accordingly fallen by 0.6 percentage points. The loan stock in question constitutes about 80 per cent of the total stock of domestic currency loans to the non-bank public.

For bank advances, the average rate at end June was 9.1 per cent and for loans from housing intermediaries 10.2 per cent.



Bank lending rates were lowered by an average of 1.1 percentage points from March to June this year, which reflects the fall in short market rates. Bank deposit rates were reduced in this quarter by an average of 1.4 percentage points, to 3.9 per cent. The spread between bank lending and deposit rates accordingly widened to 5.2 percentage points.

The average rate on ordinary loans to non-financial enterprises was 8.7 per cent and to households 10.2 per cent. During the quarter the fall in lending rates was less marked to firms (-1.0) than to households (-1.3).

The change in deposit rates in the second quarter was the same for households as for firms, -1.4 percentage points. The total deposit rate was 4.6 per cent for firms and 3.4 per cent for households. Bank savings accounts gave households an average rate of 3.8 per cent at end June. The highest savings account rate advertised in June was 6.50 per cent.

The average variable lending rate of housing intermediaries, which is the closest equivalent to bank lending rates, fell in the second quarter by 1.4 percentage points, to 7.1 per cent. Explanations for the institutional difference are that the bank lending rate includes rates for credit on account and that house mortgage loans are secured with real estate to a greater extent than bank advances.

For further enquiries,  
call Anna-Karin Nedersjö, phone: Int. 1 + 46 8 787 01 27, or Enar Olofsson, phone: Int. 1 + 46 8 787 01 38.

SVERIGES RIKSBANK