



Statistical release

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Effective interest rates: January 2015

The effective rate paid on households' outstanding time deposits decreased by 1bp to 1.72% in January and the rate for households' new time deposits decreased by 3bps to 1.47%.

The effective rate on the stock of outstanding secured loans (mortgages) decreased by 1bp to 3.17% in January and the new secured loan rate fell to 2.81%, a decrease of 19bps on the month. The rate on outstanding unsecured personal loans increased by 5bps to 7.27% in January and the new unsecured personal loan rate decreased by 12bps to 7.15%. The credit card rate (all balances) increased to 10.57%, a 21bps increase on the month (See Table A for households' effective rates).

The effective rate paid on private non-financial corporations' (PNFCs) outstanding time deposits was unchanged at 0.68% in January, and the rate on PNFCs' new time deposits decreased by 6bps to 0.42%. The rate on PNFCs' outstanding loans increased by 1bp to 3.16% in January and the rate on new lending decreased by 13bps to 2.50%. (See Table B for PNFCs' effective rates).

Table A: Effective interest rates paid/received on household balances by UK MFIs (excluding central bank)

Per cent

Not seasonally adjusted

Table with 10 columns: Year, Month, Sight deposits (HSCV), Time deposits (HSCW), Credit card (all bals) (HSDP), Unsecured loans (HSDI), Secured loans (HSDE), Time deposits (BJ74), Unsecured loans (BJ93), Secured loans (BJ95). Rows include 2014 Oct, Nov, Dec and 2015 Jan.

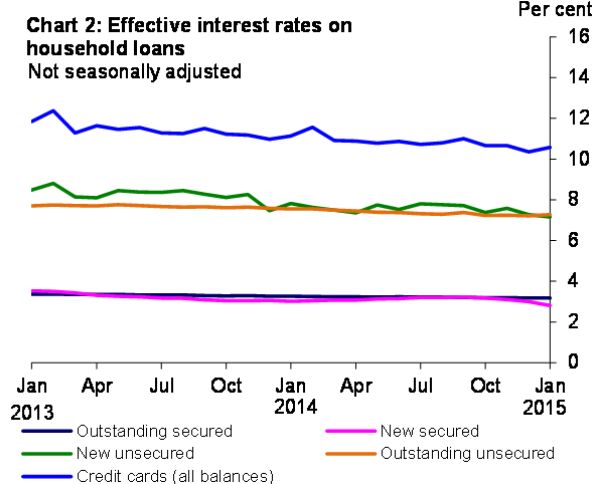
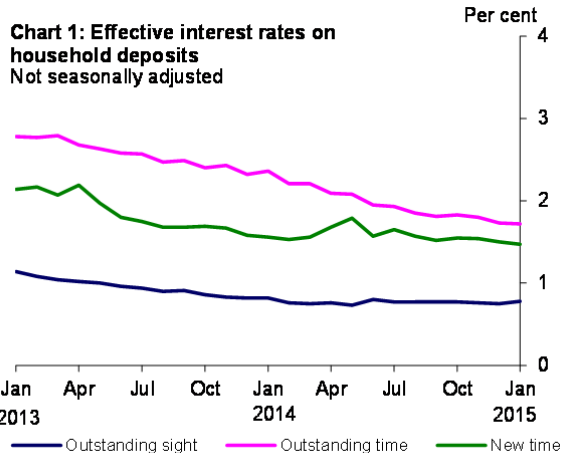


Table B: Effective interest rates paid/received on PNFC balances by UK MFIs (excluding central bank)

Per cent

Not seasonally adjusted

		Outstanding			New business	
		Sight deposits		Loans	Time deposits	
		H SCT	H SCU		BJ72	BJ82
2014	Oct	0.38	0.80	3.15	0.43	2.61
	Nov	0.37	0.68	3.14	0.41	2.71
	Dec	0.38	0.68	3.15	0.48	2.63
2015	Jan	0.37	0.68	3.16	0.42	2.50

Chart 3: Effective interest rates on PNFC deposits

Not seasonally adjusted

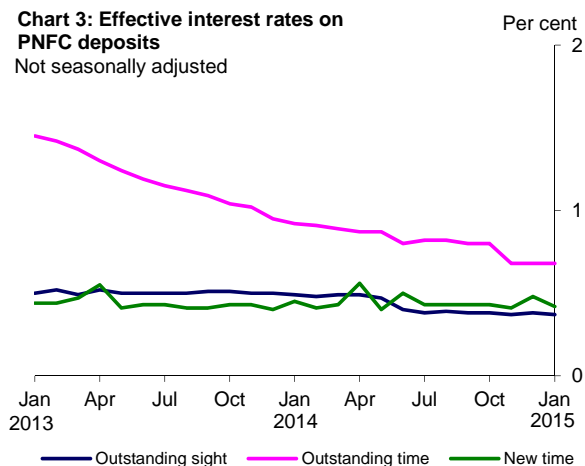
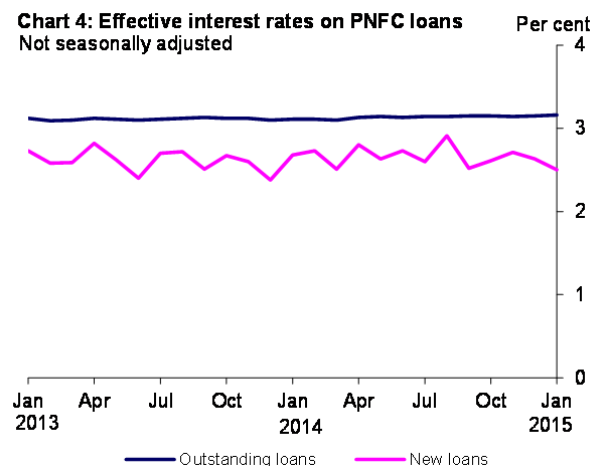


Chart 4: Effective interest rates on PNFC loans

Not seasonally adjusted



Technical notes

- 1 Full data on effective rates are available in Table G1.4 of Bank of England Monetary and Financial Statistics (<http://www.bankofengland.co.uk/statistics/bankstats/current/index.htm#1>); these data are sourced from the Bank's Effective Interest Rates Return, currently completed by 23 MFIs.
- 2 The Statistical Interactive Database (<http://www.bankofengland.co.uk/mfsd/iadb/NewInterMed.asp>) provides long runs of statistical data with comprehensive search options and the ability to download in a variety of formats. The series codes are listed in the tables in this release.
- 3 For further information on the compilation of the Bank's effective interest rates series please refer to the explanatory notes (http://www.bankofengland.co.uk/mfsd/iadb/notesIADB/effective_int.htm)