

QUARTERLY STATISTICS

European Mortgage Federation

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- ▶ In Q1 2011 new lending declined across most markets - reflecting expectations of further rises in interest rates, low consumers' sentiment and the fragile macroeconomic environment – albeit influenced by seasonality (Q1 is traditionally a period of subdued mortgage activity).
- ▶ Housing markets still reveal a mixed picture, but house prices in markets that experienced strong recoveries in the past quarters slow down, while the downturn in other markets (Greece, Ireland, Hungary and Spain) continues.
- ▶ Continued inflationary pressures in the EU led in Q1 2011 – as expected - to monetary policy tightenings by the ECB and other central banks. Mortgage interest rates increased in most markets, but remained very low in historical terms..

New mortgage lending generally slows down in Q1 2011, and in some markets the downturn continues

Following four consecutive quarters of stabilisation and recovery in most markets, a general cooling-off in new lending activity was recorded across the EU in Q1 2011 (Table 2 and Chart 2). These developments reflected expectations of further rises in interest rates, low consumers' sentiment and continued weakness in the macroeconomic environment (Table 6). The exceptions to this picture were France (where the mortgage and housing cycle still appear particularly buoyant) and Germany, with stable and positive developments. The overall performance in new lending should however be seen in the light of the seasonal pattern, according to which the first quarter of the year is traditionally a period of subdued activity. Following on from the indications already observed in Q4 2010, the unprecedented period of expansionary monetary policy in the EU came to an end, with rises in policy rates coupled with expectations for further increases in the forthcoming

quarters. These rises in mortgage interest rates, albeit moderate, may however undermine the decisive support provided by low mortgage rates to lending demand in the short term.

In the UK, gross lending recorded a fall of 10.5% compared to Q4 2010 but increased by 5.4% (1.4% in GBP values) compared to the same period last year. However, lending at the beginning of 2010 was dampened by the distorting effects of the end of the stamp duty holiday at the end of 2009 which increased lending at the end of 2009, as borrowers brought forward house purchase to take advantage of the stamp duty holiday, followed by a compensating fall at the start of 2010. When viewed in this context, the performance of lending in Q1 2011 was not as positive as this year-on-year comparison suggests. An increase in remortgage activity was a key driver of

total lending in Q1 2011, accounting for 37% of gross lending (compared to 30% in Q4 2010), but this increase was likely to have been linked to expectations of an increase in the Bank of England's rate. More recently this driver has abated somewhat with an imminent rate rise now looking less likely. In the first five months of this year lenders have continued to repay more of the support funds than had been previously arranged in the voluntary repayment plan. In May GDP 148 billion (EUR 173 million) had been repaid (out of the GDP 185 billion – EUR 217 million - lent under the Special Liquidity Scheme, SLS) compared to GBP 94 billion (EUR 110 million) in February 2011. In the absence of fully-functioning wholesale markets, the institutions facing this repayment burden will likely be looking to shrink their existing mortgage portfolios, and this will create a continuing drag on gross and net lending throughout this year.

Danish net mortgage lending in Q1 2011 amounted to EUR 912 million. Adjusted for inflation, this is the lowest level since Q4 1999. Gross lending decreased by 47.2% in year-on-year terms (after the moderate fall of 4.1% in Q4 2010) and by 52.4% on the previous quarter. The reason for this subdued performance was the high degree of uncertainty in the Danish economy and in the housing market, as real GDP declined quarter-on-quarter in both Q4 2010 and Q4 2011 (Table 6). During Q1 2011 around 26% of all new mortgage loans were issued with a 30-year fixed interest rate (Table 5D). As regards total outstanding loans, fixed-rate mortgages accounted for approximately 28% (Table 5C). The share of fixed-rate mortgage loans has been declining since the onset of the financial crisis in late 2008. This should be seen in relation to falling interest rates and a yield curve that remains relatively steep, which continue to make the adjustable-rate mortgage loans more attractive. Despite increasing interest rates during the last year this trend continued in the Q1 2011 as the yield curve remained steep. In Q1 2011 the short (variable) interest rate was 1.60% (Table 5A).

In Hungary, despite some improvement in the economy (Charts 5 and 6), the decline in mortgage lending continued in Q1 2011. New lending amounted to a mere HUF 65,725 million (EUR 241 million), the lowest quarterly figure on record. The amount of outstanding mortgage loans in HUF sharply decreased as a result of the appreciation of the CHF (53.3% of the Hungarian outstanding mortgage loan portfolio is CHF-denominated). Foreign currency mortgage lending was suspended in 2010, and since then all new mortgage loans were denominated in HUF. High interest mortgage rates on HUF loans (which were slightly above 10%, see Table 5A) have also probably contributed to the weak mortgage lending performance in Q1 2011.

In Ireland, new mortgage lending continued at a subdued level in Q1 2011, reflecting dampened demand and seasonal factors. Continued funding issues arising from events in sovereign debt markets for smaller European economies influenced the decline in the provision of mortgage credit. The number of mortgages issued declined by 42.1% compared to Q4 2010 and -53.1% year-on-year, reaching 3,259 loans. Similarly the value of mortgage drawdowns decreased by 41.2% quarter-on-quarter and by 52.7% year-on-year at EUR 577 million. In terms of net lending, the trend of household deleveraging continued with the total amount of residential mortgage debt outstanding, including securitisations, declining by 1.3% in Q1 2011 to reach EUR 134 billion. Continued uncertainty regarding income and employment prospects is weighing down on mortgage demand. A further decline in household disposable income is expected over the next year with new household taxes to be introduced such as water charges and a standing household tax as a precursor to a property tax. In Q1 2011, the principal domestic mortgage lenders were also undergoing rigorous stress tests as commissioned by the Central Bank of Ireland, the results of which were published in March - the "Financial Measures Programme" outlined a com-

prehensive set of measures to restore market confidence in the domestic banking sector. These measures include further recapitalisation, disposal of non-core assets and achieving target Loan-to-Deposit, Net Stable Funding and Liquidity Coverage ratios. One of the assumptions of the Financial Measures Programme is that the domestic mortgage lenders will have zero balance sheet growth over the stress testing time horizon which is likely to impact on the institutions' lending levels.

In Poland, net lending amounted to EUR 660 billion, which was an increase of 39.3% on Q1 2010. The new mortgage lending market is currently dominated by PLN loans (around 81%), followed by EUR-denominated (13%) and CHF-denominated (6%). About 12% of banks have tightened their lending policies – mainly in terms of LTV level – and around 30% of banks have recorded a decrease in demand for mortgage loans. However, most banks expect to ease their lending policies and foresee a slight increase in demand for mortgages. More recent developments confirm the trends observed in previous months: due to regulatory changes coming into force in mid-year (restrictions in the state-subsidised programme "Households in their own houses"; limits of debt to income ratios for both PLN and foreign-denominated loans) the availability of mortgage credit may fall even further, thus depressing demand.

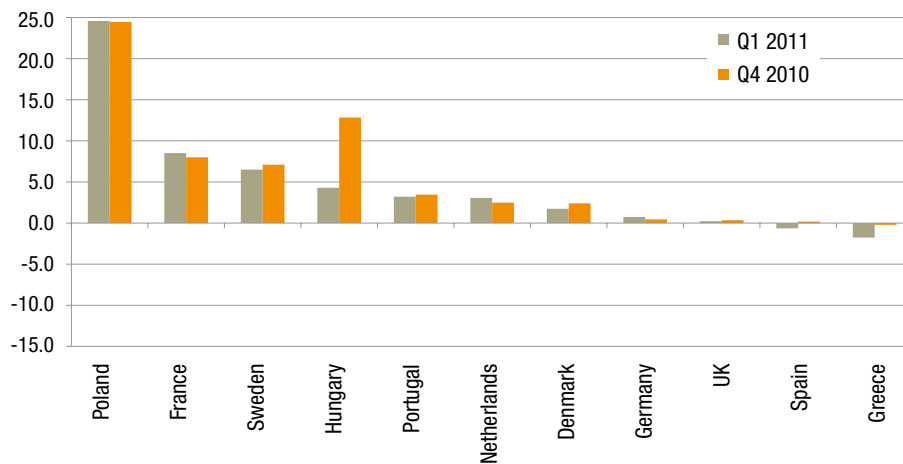
In Spain, the turning point in the mortgage lending cycle has not yet arrived despite some signs of recovery in the economy (Charts 5 and 6). Outstanding mortgage lending decreased by 1.9% over the previous quarter and by 0.6% in year-on-year terms. New lending activity was subdued due to the substantial drop in housing demand observed in Q1 2011 (housing transactions fell by 30% on Q1 2010 and by 50% on Q4 2010), following the rebound recorded at the end of 2010 prior to the end of the tax incentives for house purchases. In volume terms, new lending decreased by 44.5% on Q4 2010 but only by 5.9% on the same quarter of the previous year. Latest available data (April 2011) also showed a similar trend.

In Portugal, Q1 2011 figures provided evidence that the trends in mortgage lending recorded in Q4 and Q3 2010 continued. The deterioration of mortgage activity is also likely to continue over the next quarters, due to the economic and sovereign debt crisis that is leading to an increase in unemployment, a decrease in disposable income and tightened lending criteria by banks. New lending fell by 30% year-on-year and by 24.6% quarter-on-quarter, down to the lowest level since Q2 2003.

In Sweden, gross mortgage lending decreased on a yearly basis in Q1 2011 by 12.4% (26.9% quarter-on-quarter) down to its lowest level since Q1 2008. Equally, net lending decreased on the previous quarter and also when compared to Q1 2010. In addition, the measures put in place by the Swedish FSA to limit LTV on new mortgages to 75% contributed to the cooling-off of the mortgage market recovery in Sweden.

The German new lending market continued to perform positively and recorded a 28.8% growth in year-on-year terms (after 20.2% in Q4 2010). In quarter-on-quarter terms, new lending decreased by 15% but this comparison is distorted by the fact that the Q4 2010 figure was the highest value on record.

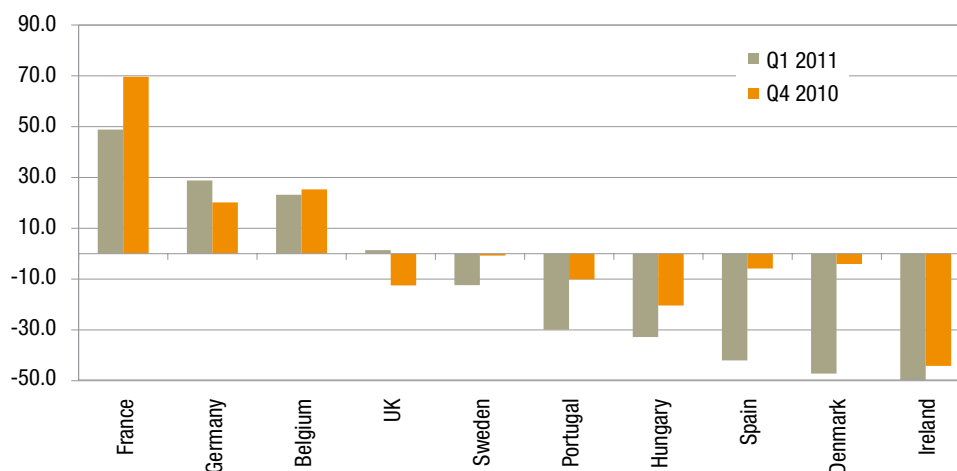
In France, new lending recorded a quarter-on-quarter decrease (of 22.5%), for the first time since since Q1 2010, but remained at very high levels in historical terms. Contrary to the usual seasonal pattern, the year-on-year comparison showed a bullish increase of 48.9%, albeit more moderate than what recorded in Q4 2010 (69.6%). This performance probably also reflected the fact that the changes in government's supporting schemes for house purchase have boosted households' purchase decisions in Q4 2010 – so the corresponding increase in new lending lagged by one quarter.

Chart 1 ▶ Total Outstanding Residential Lending, year-on-year growth rates (%)

Source: European Mortgage Federation

Notes:

Please note that figures are calculated on values expressed in local currencies for non-euro area countries.

Chart 2 ▶ Gross Residential Lending, year-on-year growth rates (%)

Source: European Mortgage Federation

Notes:

Please note that figures are calculated on values expressed in local currencies for non-euro area countries.

The recovery in housing markets cools off, with recession worsening in others

The de-coupling in house prices which has been observed across the EU since Q1 2009 (Chart 4) continued also in Q1 2011, but with clear signs of weakness in many housing markets. In the UK, in the first three months of 2011 house prices stabilised with small upwards and downwards monthly movements. Low interest rates continued to support house prices, but pressures on household disposable income from rising food and fuel prices and increased taxes limit the potential for further growth. House prices, as measured by the DCLG house price index at mortgage completion stage, fell by a moderate 0.7% (the second consecutive fall, after the 1.8% drop in Q4 2010) but were 0.6% higher than the first quarter of last year.

In Hungary, the FHB House Price index is not yet available, but according to preliminary estimates house prices stagnated in Q1 2011, with market analysts forecasting a turning point in house prices only from 2012. The housing market still appears to be frozen, as households that would move to larger or new houses still have a "wait and see" attitude. High mortgage interest rates (around 10%, see table 5A) also do not provide support to market revival.

In Ireland, in Q1 2011 the rate of decline in house prices accelerated somewhat influenced by the subdued economic environment plus the same factors that have restrained mortgage demand, in particular the

expectation that two household taxes will be introduced over the coming year (water charges and a property tax). According to a new, more robust source on house prices, the Central Statistics Office House Price Index, prices nationally fell by 4.5% in the quarter and 11.9% year-on-year. The peak-to-trough (Q3 2007) fall at the national level stands at almost 40%. There continues to be a considerable volume of excess supply on the market, with around 60,000 units available for sale. The tightening of the rental market and the continued improvement in house purchase affordability may encourage prospective homebuyers, who have delayed purchase due to the continued decline in house prices, to enter the market. It is also worth mentioning that the National Management Asset Agency (NAMA), which is the asset recovery vehicle for property development loanbooks of domestic lenders, signalled it would look to create a mortgage product which would seek to protect purchasers from negative equity. NAMA articulated that more details would be released on this initiative in the autumn.

In Poland, the trend of slowdown in property prices continued. After the 4.2% year-on-year increase recorded in Q4 2010, average national house prices increased on the previous year (albeit at a meagre 0.2%), but fell on a quarterly basis by 0.9%, which was the first quarter-on-quarter drop since Q2 2009.

In Spain, housing prices accelerated their decline in Q1 2011. The average house price decreased by 4.7% in year-on-year basis (after a drop of 3.5% in Q4 2010) and by -2.6% on a quarterly basis (compared to the slight decline of -0.4% in Q4 2010). Q2 2011 data will tell whether this is a temporary drop, i.e. an adjustment in order to boost housing demand in Q1 2011 and compensate the removal of tax incentives, or if it is a second round of the adjustment in housing prices.

In Greece the housing market recession continued but some improvement was recorded, i.e. an increase of 2.8% on the previous quarter, which however corresponded with a fall of 3.3% on a yearly basis (the seventh consecutive year-on-year fall). These developments were in line with the deterioration of the macroeconomic environment, despite a slight recovery in GDP growth in Q1 2011 (Table 6).

The German housing market continued with its positive trend, as the VdP house price index recorded a mere 0.3% increase on Q4 2010 but also a more robust 2.9% on a yearly basis, which was the highest year-on-year increase since Q4 2008.

The two housing markets which clearly outperformed compared to most other housing markets in the EU in recent quarters (Chart 4), i.e. Sweden and France both slowed down in Q1 2011. In France, the year-on-year growth rate in house prices eased but still equated with a robust 9.1% (against 9.6% in Q4 2010). The rate of increase on a quarterly basis also slowed down for the second consecutive quarter (0.5% after 1.5%). Low interest rates in historical terms and supportive conditions of the economy were behind this performance. The spectacular recovery in the Swedish housing market over the past quarters came to a halt in Q1 2011 as house prices recorded a moderate drop on the previous quarter (1.1%). This corresponded to a further cooling-off in the house price growth rate on a yearly basis, following the slowdown in Q4 2010 (5.2%), which resulted in a growth rate of 2.1%, i.e. the lowest since Q3 2009. This slowdown is likely to continue according to many analysts. Despite favourable macroeconomic developments in Sweden - i.e. higher real GDP growth compared to many EU countries (see Charts 5 and 6) - housing demand appears to be curbed by the uncertainty in the global macroeconomic environment and by rising interest rates.

Monetary policies come to a turnaround after record lows but interest rates remain supportive of mortgage demand

Q1 2011 marked a real turning point in monetary policy in the EU. Under continued inflationary pressures, with consumer prices rising on a yearly basis by more than 2% in most EU economies (Table 6), policy rates were raised up to 1.25% in the euro area – after remaining unchanged at 1.00% since May 2009 – Hungary (up to 6.00%), Poland (up to 3.75%) and Sweden (up to 1.50%). The acceleration in inflation rates continued in Q1 2011 (in the euro area it reached 3.1% in Q1 2011, i.e. 2.1 percentage points above the ECB target) which created expectations of further rises in policy interest rates in the near future. In accordance with these expectations, the ECB decided to continue focusing primarily on price levels (rather than on credit market conditions and on the need to support economic growth) and further raised its policy rates by 25 basis points (up to 1.50%) on July the 7th. Also in Sweden, the Central Bank after raising its repo rate in Q1 2011 from 1.25% to 1.50%, then raised it once more up to 1.75% in April.

As a result, mortgage interest rates rose in most markets on a quarterly basis, albeit at very moderate rates, ranging from 12 bps in Hungary to 70 bps in Sweden, so that they remained low in historical terms, i.e. well below the levels observed before the crisis (Table 5A). When considered in a year-on-year perspective, many markets recorded decreases in mortgage interest rates, such as Hungary (by 53 bps), Poland (by 40 bps) and the UK (by 24 bps). In other markets, conversely, mortgage interest rates increased compared to Q1 2010, the highest rises being recorded in Sweden (by 107 bps) – where it should however be noted that Q1 2010 had represented the record low of 1.44% - and also in Greece (by 85 bps) and Portugal (98 bps), with continued tensions in the sovereign debt markets representing the source of the problem for the latter two.

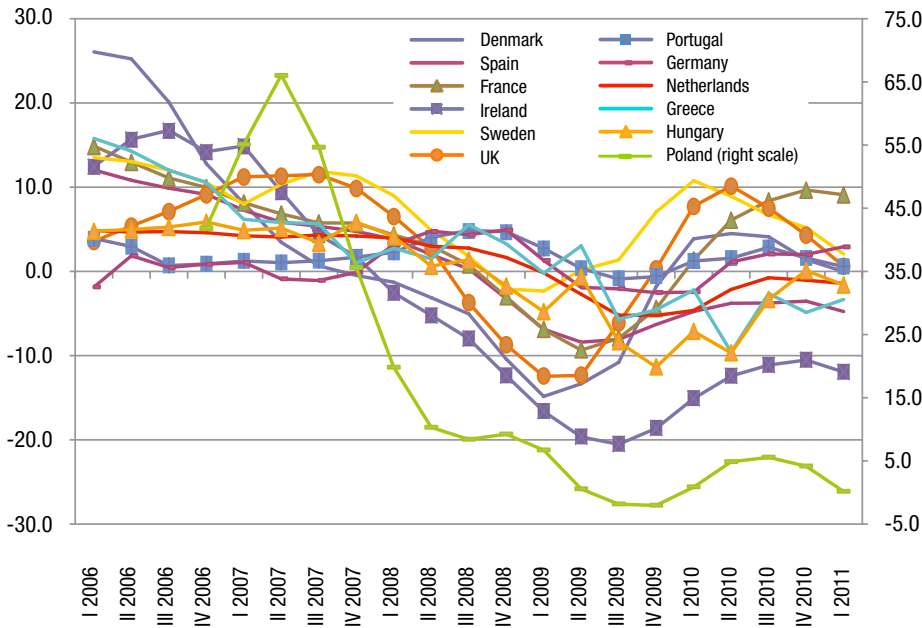


Chart 3 ▶
Nominal House Prices
year-on-year growth rates, %
(Q1 2006-Q1 2011)

Source: European Mortgage Federation

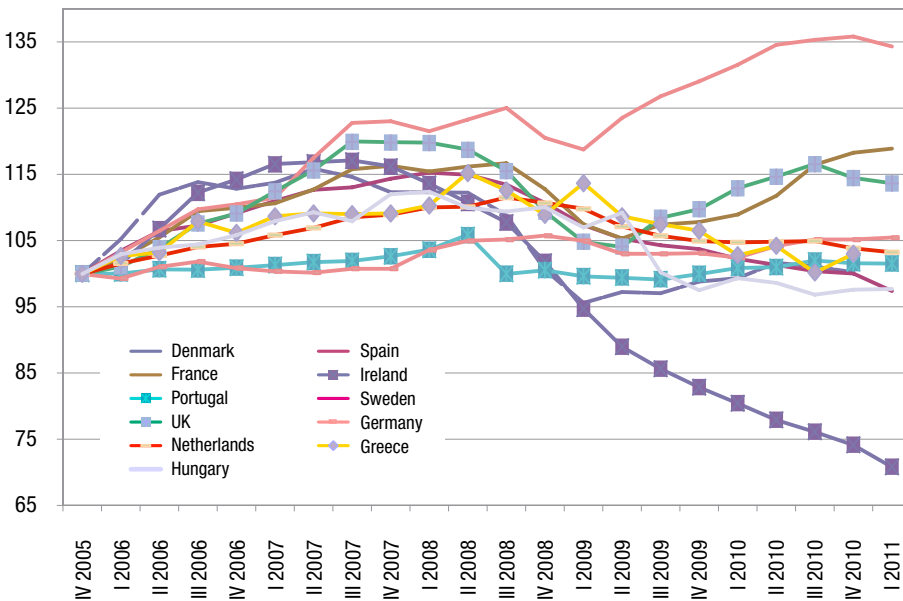
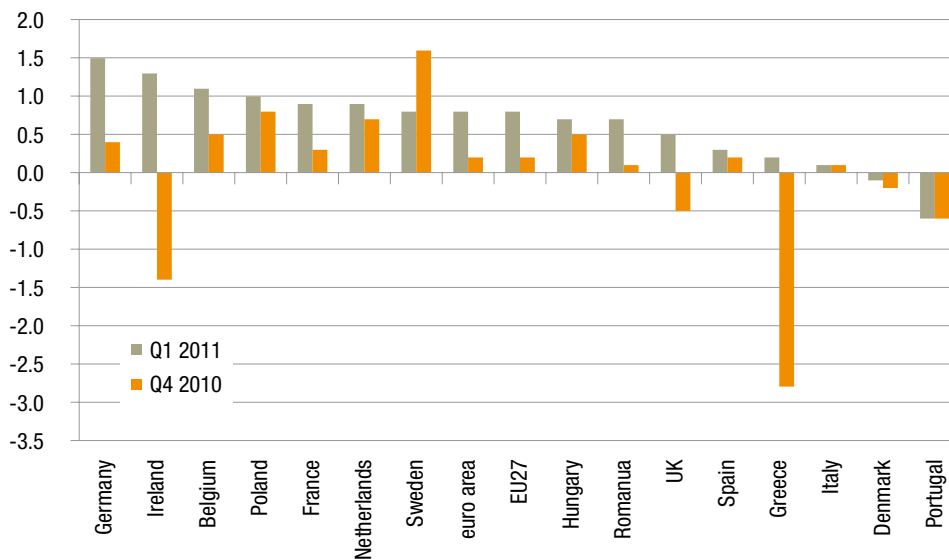


Chart 4 ▶
Nominal House Price Indices
(Q4 2005=100)

Note: standardised nominal house price indices on national values

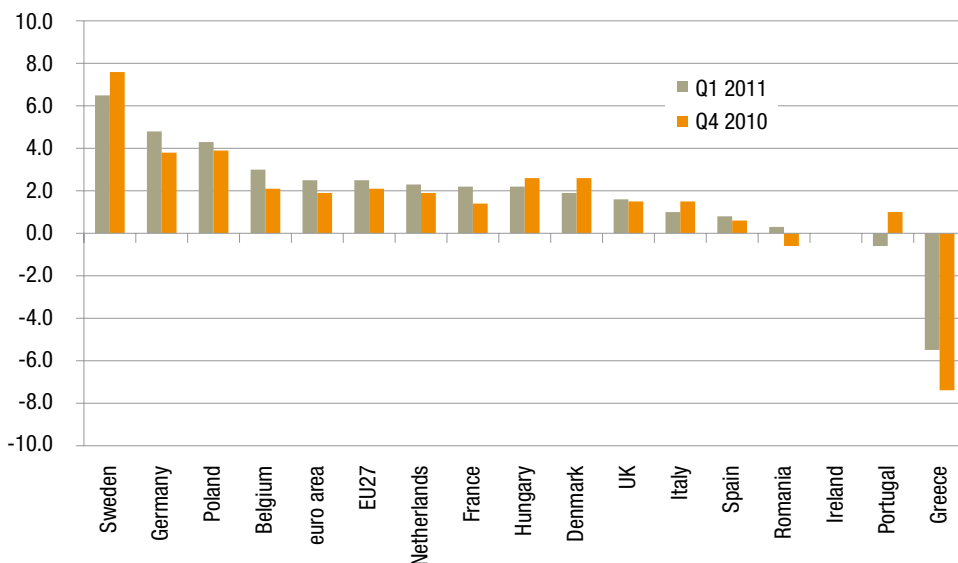
Source: European Mortgage Federation

Chart 5 ► Real GDP, quarter-on-quarter growth rates (%)



Source: Eurostat

Chart 6 ► Real GDP, year-on-year growth rates (%)



Source: Eurostat

Contributing National Experts

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Note on definitions:

Total Outstanding Residential Mortgage Lending: total amount of existing residential loans on lenders' balance sheets at the end of the period.

Gross Residential Lending: total amount of new loans advanced during the period.

Net Residential Lending: new loans advanced during the period minus repayments. It also corresponds to the change in outstanding mortgage loans at the end of the period.

Country Insight: Hungary / by Gyula Nagy, Hungarian Banking Association

Although the real growth rate of the Hungarian economy returned to positive territory in 2010 – with a GDP growth of 1.2% – the outlook remains heterogeneous and fragile. Economic growth is driven by exports, while domestic demand continues to be subdued. Real GDP growth rate for 2011 is forecast to reach 2.5 to 3% but contrary to what happened to other EU countries, real GDP recovery in Hungary was not followed by an increase in house prices so far. The FHB House Price Index stagnated in Q1 2011, as its value – normalised by the base year of 2000 – was 174.7 (the yearly average for 2010 being 175.4).

To understand the mortgage market trends today, it is worth looking at the developments in house prices over the past decade.

In the first period called ‘the good old days’, lasting from 1998 to 2000, there was a steep rise both in nominal and real house prices. Real estate prices almost doubled in real terms during this relatively short period. The steep rise in house prices was also partly caused by the relatively high (i.e. double-digit) inflation, when citizens showed a marked propensity to putting their savings into tangible assets, such as residential properties.

The period of fiscal expansion was recorded from the beginning of 2001 until the end of 2003. In this period housing prices continued to rise significantly, although more moderately than before. Credit growth in these years was driven exclusively by HUF-denominated loans with subsidised interest rates. During this period developers launched the first large-scale residential projects.

The “credit boom” period lasted from 2004 until the beginning of 2008. Despite the tightening in the mortgage subsidy system, competition in mortgage lending market was able to further strengthen demand, with growing amounts of loans granted every year. Banks started to offer foreign currency-denominated loans with lower interest rates and an increasing proportion of home loans were denominated in CHF. The share of home equity loans grew steadily, and by 2007 only 54% of mortgage loans were taken for housing purpose.

Housing prices reached their peak in Q1 2008, after which a period of ‘setback’ began in the second half of 2008. The quality of available loans deteriorated considerably and interest rates increased. During the crisis, the households’ growing fear of being unemployed as well as reduced household revenues and income severely impacted demand for new loans.

In response to the shocks on the financial markets, the Hungarian government imposed a moratorium on foreclosures and home evictions at the beginning of 2010. Other measures were the prohibition of mortgage lending denominated in foreign currencies as from July 2010, a ceiling to

the LTV ratio (which was set at 75% for HUF mortgage loans) and the end of purely collateral-based lending.

Although households are paying back significant amounts of their debts and there are also early repayments in addition to an increase in defaults – 8.4% of mortgage loans were considered as non-performing at the end of 2010 –, the stock of loans expressed in HUF is not decreasing due to the continuous strengthening of the CHF. The CHF appreciated by 30% vs. the HUF between 2007 and 2011. Annual percentage rates (APR) on HUF-denominated loans are currently around 10%, that is one of the highest levels in mortgage rates in the EU. As a result, the volume of new loan contracts in 2010 barely reached one fifth of the pre-crisis level.

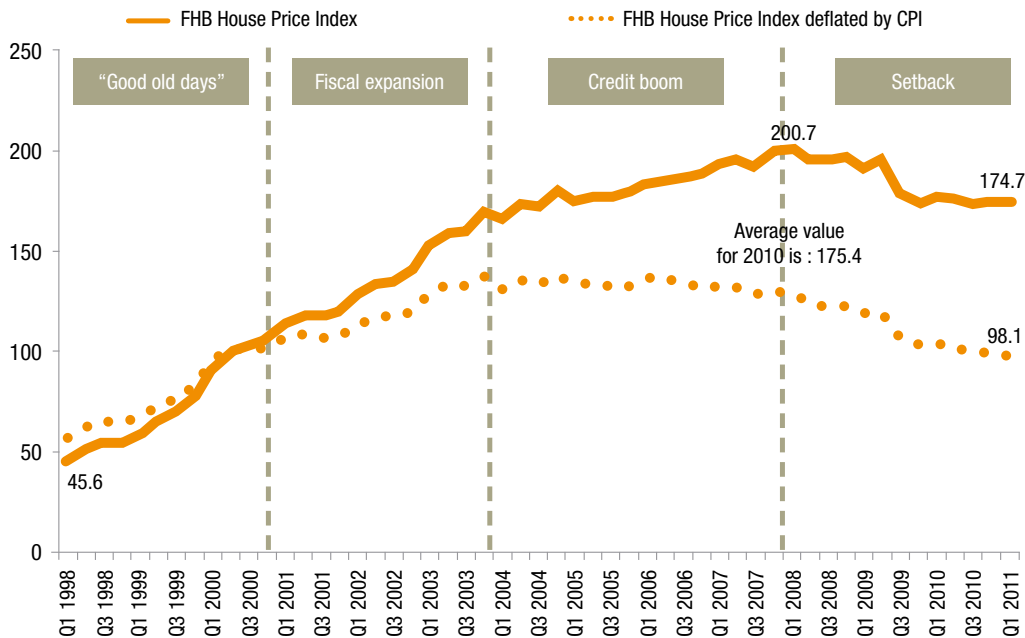
As regards residential property prices, both the pre-crisis surge and the post-crisis drop can be considered moderate when looking at international comparison. This is primarily due to the fact that no real estate price bubble had occurred in Hungary prior to the crisis. In 2010 the number of residential property transactions barely exceeded 80,000 units, i.e. one half compared to 2008. Residential construction activity has dropped considerably and the estimated number of new housing units in 2010 barely reached half of the 35,000 units that had been recorded before the crisis.

The banking sector has accumulated a substantial residential property exposure via its mortgage lending activity. The home ownership rate in Hungary amounts to 93% of the total stock of residential property – one of the highest figures in the EU – which contributed to the fact that the surge in total households’ lending was dominated by mortgage lending.

As a result of prolonged negotiations between the government and the Banking Association, the “Foreign-denominated debtors’ relief scheme” came into force on July 1st, 2011. As part of the action plan, mortgage debtors can request their monthly instalments to be calculated at a fixed exchange rate – the limit being set at HUF 180 for CHF-denominated loans and HUF 250 for EUR-denominated loans, while exchange rates are currently moving around HUF 220 and HUF 265 respectively. The difference between current and fixed exchange rates will cumulate on a separate account that debtors’ will have to begin paying back in 2014. In the meantime, the moratorium on foreclosures and home evictions will expire gradually. The government planned to set up a “National Fund Management Company” that will buy the homes of debtors in direct financial difficulties and allow them to stay in their properties as tenants.

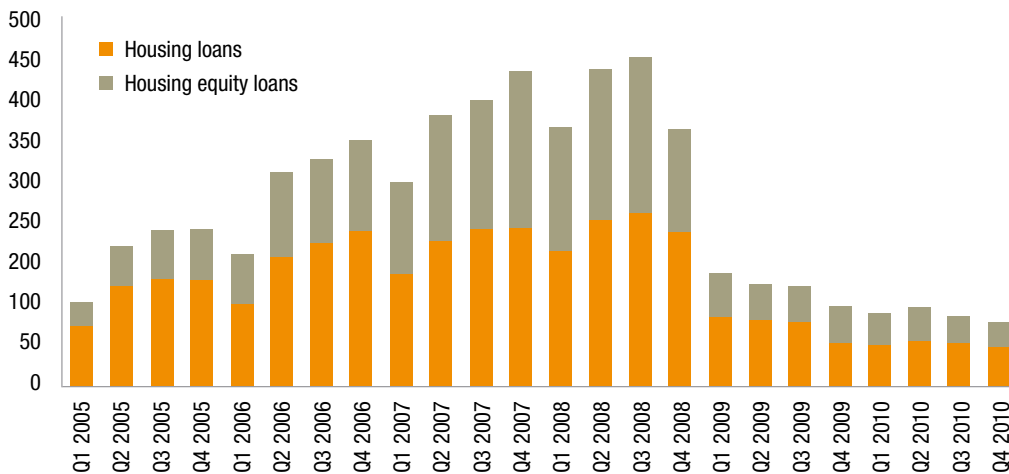
According to market experts the Hungarian housing market has reached its bottom level, and is expected to finally respond to the recovery of the Hungarian economy.

Chart 1 ► FHB House Price Index from 1998 to Q1 2011, nominal and real, quarterly data based on property transactions



Source: www.fhbindex.com

Chart 2 ► Gross residential mortgage lending in Hungary between 2005 and 2010, HUF billion



Source: Author's calculation on data from the Central Bank of Hungary

Table 1 ► Total Outstanding Residential Mortgage Lending (Million EUR)

	II 2009	III 2009	IV 2009	I 2010	II 2010	III 2010	IV 2010	I 2011	latest y-o-y change (%) (Q1 11), EUR values	previous y-o-y change (%) (Q4 10), EUR values	latest y-o-y change (%) (Q1 11), local currency	previous y-o-y change (%) (Q4 10), local currency
BE	137,901	141,097	145,206	147,816	150,592	153,605	157,912	n/a	n/a	8.8	n/a	8.8
DK	225,037	227,650	230,138	230,894	232,526	234,023	235,198	234,532	1.6	2.2	1.7	2.4
DE	1,141,853	1,146,564	1,146,969	1,142,702	1,143,236	1,148,882	1,152,195	1,151,143	0.7	0.5	0.7	0.5
GR	78,734	79,560	80,559	81,173	81,335	81,125	80,429	79,744	-1.8	-0.2	-1.8	-0.2
FR	716,000	726,500	737,600	745,000	756,500	773,300	796,600	808,400	8.5	8.0	8.5	8.0
ES	677,850	677,850	678,872	679,106	680,794	678,964	680,100	674,801	-0.6	0.2	-0.6	0.2
IE	148,795	148,351	147,947	146,763	144,240	143,279	135,806	134,000	-8.7	-8.2	-8.7	-8.2
IT	281,404	284,428	291,160	298,141	346,277	349,318	352,012	n/a	n/a	20.9	n/a	20.9
HU	21,031	22,201	22,425	22,861	24,831	23,353	24,853	23,501	2.8	10.8	4.3	12.8
NL	607,573	609,695	613,877	613,511	617,962	622,226	629,153	632,284	3.1	2.5	3.1	2.5
PL	51,756	54,949	51,720	54,569	62,099	62,781	67,669	68,682	25.9	30.8	24.6	24.5
PT	107,299	108,484	110,685	111,835	113,197	114,019	114,515	115,426	3.2	3.5	3.2	3.5
RO	5,262	5,286	5,650	5,978	6,588	6,492	6,680	6,578	10.0	18.2	12.9	18.8
SE	217,472	229,508	236,167	249,997	263,878	274,230	283,666	298,828	19.5	20.1	6.5	7.1
UK	1,394,932	1,416,103	1,372,861	1,393,826	1,457,087	1,490,923	1,442,685	1,452,295	4.2	5.1	0.2	0.4

Note: non seasonally-adjusted data.

Source: European Mortgage Federation

Quarterly figures for non-euro area countries are converted using 3-m average of EUR exchange rate as published in the ECB Monthly Bulletin.

Please note that the Swedish historical data has been revised due to a change in the statistical sources.

Please note the Polish data for Q1 2010 should not be compared with the corresponding figure of the previous year due to a change in methodology.

Please note that the Central Bank of Ireland issued revised time-series in June 2010 to account for revaluations and reclassifications. Q4 2010 figure includes change in methodology from the Central Bank of Ireland moving to figures reported net of impairment provisions. The Q4 2010 figures are also affected by the exit of a credit institution from the market.

Table 2 ► Gross Residential Mortgage Lending (Million EUR)

	I 2009	II 2009	III 2009	IV 2009	I 2010	II 2010	III 2010	IV 2010	I 2011	latest y-o-y change (%) (Q1 11), EUR values	previous y-o-y change (%) (Q4 10), EUR values	latest y-o-y change (%) (Q1 11), local currency	previous y-o-y change (%) (Q4 10), local currency
BE	4,091	5,461	6,143	6,381	5,535	6,462	6,775	7,996	6,819	23.2	25.3	23.2	25.3
DK	9,275	14,965	11,874	13,591	11,764	9,570	13,114	13,012	6,197	-47.3	-4.3	-47.2	-4.1
DE	18,500	20,000	21,300	22,300	17,700	20,200	22,700	26,800	22,800	28.8	20.2	28.8	20.2
FR	17,700	23,440	29,640	33,070	29,220	32,478	40,125	56,100	43,500	48.9	69.6	48.9	69.6
HU	523	481	497	401	364	389	333	313	241	-33.8	-21.8	-32.8	-20.4
ES	15,496	19,191	17,143	17,088	15,395	20,336	9,168	16,087	8,923	-42.0	-5.9	-42.0	-5.9
IE	1,998	2,173	2,145	1,760	1,220	1,305	1,239	982	577	-52.7	-44.2	-52.7	-44.2
IT	12,785	15,510	13,663	18,740	16,046	18,970	14,313	17,256	n/a	n/a	n/a	n/a	
NL	14,569	16,529	17,037	18,431	13,916	16,581	17,423	19,607	n/a	n/a	n/a	n/a	
PT	1,917	2,347	2,508	2,558	2,476	2,690	2,639	2,300	1,734	-30.0	-10.1	-30.0	-10.1
SE	7,983	11,328	9,600	11,046	9,568	12,130	11,068	12,363	9,408	-1.7	11.9	-12.4	-0.2
UK	35,630	37,642	44,829	43,030	33,472	40,494	45,521	39,422	35,282	5.4	-8.4	1.4	-12.5

Note: non seasonally-adjusted data.

Source: European Mortgage Federation

Quarterly figures for non-euro area countries are converted using 3-m average of EUR exchange rate as published in the ECB Monthly Bulletin.

German and Hungarian series have been revised

Table 3 ► Net Residential Mortgage Lending (Million EUR)

	I 2009	II 2009	III 2009	IV 2009	I 2010	II 2010	III 2010	IV 2010	I 2011	latest y-o-y change (%) (Q1 11), EUR values	previous y-o-y change (%) (Q4 10), EUR values	latest y-o-y change (%) (Q1 11), local currency	previous y-o-y change (%) (Q4 10), local currency
BE	1,562	1,628	2,979	4,249	2,610	2,776	3,012	4,308	n/a	n/a	n/a	n/a	n/a
DK	2,704	2,070	2,180	1,839	1,371	1,532	1,799	1,167	912	-33.5	-36.5	-33.4	-36.4
DE	-5,939	651	3,251	2,604	-4,707	474	5,068	4,181	-1,780	-62.2	60.6	-62.2	60.6
GR	366	668	826	999	614	162	-210	-696	-685	-211.6	-169.7	-211.6	-169.7
FR	2,900	3,100	10,500	12,600	7,400	11,500	16,800	23,300	11,800	59.5	84.9	59.5	84.9
ES	-1,113	4,529	0.173	1,022	331	1,682	-1,830	1,136	-5,299	n/a	11.2	n/a	11.2
IE	369	-377	-444	-404	-1,184	-2,523	-961	-7,473	-1,806	52.5	n/a	52.5	n/a
IT	3,290	6,788	3,036	6,720	6,981	48,136	3,041	2,694	n/a	n/a	n/a	n/a	n/a
NL	2,336	16,685	2,122	4,182	-366	4,450	4,264	6,927	3,131	n/a	65.6	n/a	65.6
HU	58	33	15	-51	-60	-85	4	-79	-60	1.6	56.0	3.0	58.8
PL	3,948	-529	112	1,287	473	7,941	572	4,202	660	39.3	226.6	37.9	-51.5
PT	779	1,310	1,185	2,201	1,150	1,362	822	496	911	-20.8	-77.5	-20.8	-77.5
SE	3,538	5,949	4,523	5,106	4,247	5,668	3,318	5,022	3,411	-19.7	-1.6	-28.4	-12.3
UK	86	3,235	5,313	4,598	594	2,987	4,138	2,219	1,068	79.9	-51.7	73.1	-53.9

Note: non seasonally-adjusted data.

Source: European Mortgage Federation

Quarterly figures for non-euro area countries are converted using 3-m average of EUR exchange rate as published in the ECB Monthly Bulletin.

Please note that the Swedish historical data has been revised due to a change in the statistical sources.

Please note the Polish data for Q1 2010 should not be compared with the corresponding figure of the previous year due to a change in methodology.

Please note that the Central Bank of Ireland issued revised time-series in June 2010 to account for revaluations and reclassifications.

The Spanish data for Q3 2009 should be read as EUR 173,000.

Table 4 ► House Price Indices, nominal year-on-year growth rates (%)

	IV 2007	I 2008	II 2008	III 2008	IV 2008	I 2009	II 2009	III 2009	IV 2009	I 2010	II 2010	III 2010	IV 2010	I 2011
BE	3.7	2.8	-0.2	5.6	1.5	-2.2	-3.6	0.7	4.0	4.5	3.2	4.6	3.4	n/a
DE	-0.1	3.2	4.7	4.3	4.9	1.3	-1.8	-2.0	-2.5	-2.4	1.1	2.1	2.0	2.9
DK	-0.5	-1.3	-3.1	-5.0	-10.4	-14.8	-13.3	-10.8	-1.8	3.9	4.5	4.1	1.4	n/a
GR	1.0	2.8	1.5	5.6	3.3	-0.2	3.0	-5.6	-4.5	-2.2	-9.5	-2.6	-4.8	-3.3
ES	4.7	3.8	2.0	0.3	-3.2	-6.8	-8.3	-8.0	-6.3	-4.7	-3.7	-3.7	-3.5	-4.7
FR	5.7	4.3	3.0	0.8	-3.0	-6.9	-9.3	-7.9	-4.4	1.4	6.1	8.4	9.6	9.1
HU	5.8	4.1	0.6	1.3	-1.7	-4.8	-0.6	-8.3	-11.3	-7.1	-9.6	-3.3	0.1	-1.6
IE	1.7	-2.5	-5.2	-8.0	-12.4	-16.6	-19.6	-20.5	-18.6	-15.1	-12.4	-11.1	-10.5	-11.9
NL	4.2	3.9	3.0	2.7	1.6	-0.2	-2.7	-5.1	-5.2	-4.6	-2.1	-0.7	-1.0	-1.4
PL	35.6	19.8	10.3	8.4	9.3	6.7	0.6	-1.8	-2.0	0.9	4.9	5.6	4.2	0.2
PT	1.7	2.3	4.0	4.8	4.7	2.7	0.4	-0.8	-0.6	1.3	1.6	2.8	1.6	0.6
SE	11.3	9.0	4.9	1.8	-2.0	-2.3	0.2	1.4	7.1	10.7	8.9	6.7	5.2	2.1
UK	9.8	6.5	2.7	-3.7	-8.7	-12.4	-12.3	-6.1	0.3	7.7	10.1	7.5	4.3	0.6

Note: it is worth mentioning that house prices are calculated according to different methodologies at the national level.

Source: European Mortgage Federation

Further information below:

Belgium: Stadim average price of existing dwellings

Germany: owner occupied single family houses, vdp index

Denmark: all dwellings

France: INSEE index (second-hand dwellings only)

Greece: urban areas house price index (other than Athens)

Hungary: FHB house price index (residential properties)

Ireland: House Price Index of the Central Statistics Office

Netherlands: CBS (Statistics Netherlands) house price index of existing homes

Portugal: *Confidencial Imobiliário* house price index

Spain: new house price index, first released by the Ministry of Housing on Q1 2005

Sweden: index of prices of one-dwelling and two-dwelling buildings

UK: Department of Communities and Local Government Index (all dwellings)

Table 5A ► Representative Mortgage Rates (%)														
	IV 2007	I 2008	II 2008	III 2008	IV 2008	I 2009	II 2009	III 2009	IV 2009	I 2010	II 2010	III 2010	IV 2010	I 2011
BE	4.93	4.88	4.85	5.26	4.99	4.52	4.49	4.62	4.43	4.32	4.03	3.90	3.82	3.98
DK	4.53	4.56	5.36	5.03	4.64	3.17	2.31	1.64	1.74	1.25	1.10	1.36	1.40	1.60
DE	5.03	4.89	5.06	5.17	4.83	4.40	4.39	4.37	4.29	4.09	3.89	3.65	3.70	4.10
GR	4.75	5.36	5.40	4.18	3.54	4.18	3.54	3.24	3.12	3.11	3.31	3.58	3.68	3.96
FR	4.60	4.70	4.70	5.00	5.20	4.80	4.40	4.40	4.70	4.40	4.40	3.90	4.00	4.20
ES	5.37	5.34	5.39	5.93	5.89	4.22	3.14	2.78	2.52	2.44	2.33	2.44	2.54	2.84
IE	5.07	5.00	5.23	5.58	4.33	3.23	2.68	2.62	2.61	2.77	2.83	2.96	3.01	3.09
IT	5.48	5.35	5.54	5.52	4.91	3.66	2.85	2.33	2.24	2.22	2.24	2.39	2.52	n/a
HU	11.48	10.80	11.45	11.71	13.34	13.22	14.16	13.56	11.65	10.63	9.79	9.24	9.44	10.10
NL	5.34	5.38	5.50	5.70	5.71	4.21	3.63	3.87	3.88	3.78	3.65	3.62	3.55	3.67
PL	6.20	6.51	7.80	8.40	8.70	7.30	7.20	7.30	7.10	6.80	6.70	6.30	6.10	6.40
PT	5.70	5.10	5.42	5.69	5.50	3.02	2.54	2.29	2.22	2.20	2.25	2.65	2.96	3.18
RO	6.51	6.65	5.93	5.90	6.76	7.74	7.68	5.05	4.97	4.76	4.86	5.80	5.18	5.35
SE	4.77	5.07	5.34	6.07	3.64	2.16	1.94	1.60	1.44	1.41	1.71	2.23	2.78	3.48
UK	6.07	5.89	5.80	6.04	5.52	4.39	4.32	4.36	4.09	3.82	3.78	3.77	3.63	3.58
Short-term initial fixed period rate, from 1 to 5 years maturity (%)														
	IV 2007	I 2008	II 2008	III 2008	IV 2008	I 2009	II 2009	III 2009	IV 2009	I 2010	II 2010	III 2010	IV 2010	I 2011
DE	5.33	5.01	5.24	5.50	4.84	4.12	3.88	3.81	3.76	3.56	3.36	3.25	3.31	3.70
GR	4.97	4.74	4.95	4.66	5.27	5.44	5.03	4.67	4.65	4.69	4.74	4.27	3.96	3.69
ES	5.76	5.67	5.74	6.18	6.06	4.71	3.94	3.46	3.19	3.04	2.78	2.83	2.95	3.28
IE	5.39	5.13	5.34	5.72	4.80	4.14	3.65	3.63	3.57	3.51	3.89	4.13	4.17	4.23
HU	12.39	12.28	13.10	13.43	14.25	15.49	15.52	14.17	12.98	12.58	12.11	11.47	11.18	11.33
IT	4.99	5.23	5.65	5.93	4.98	4.14	4.00	3.61	3.35	3.12	2.82	3.14	3.48	n/a
NL	5.18	5.05	5.06	5.49	5.50	4.98	4.82	4.97	4.90	4.77	4.56	4.39	4.22	4.29
SE	5.16	5.05	5.94	5.97	4.22	3.41	3.49	3.14	3.08	3.25	3.18	3.26	3.74	4.35
Variable rate and initial fixed period rate up to 1 year (%)														
	IV 2007	I 2008	II 2008	III 2008	IV 2008	I 2009	II 2009	III 2009	IV 2009	I 2010	II 2010	III 2010	IV 2010	I 2011
BE	5.26	5.16	5.58	5.98	4.87	3.74	3.21	2.97	2.92	2.91	2.82	2.87	3.12	3.34
DE	5.97	5.73	6.05	6.24	5.38	4.19	3.73	3.38	3.36	3.04	3.19	3.28	3.38	3.49
GR	4.75	5.36	5.40	4.18	3.54	4.18	3.54	3.24	3.12	3.11	3.31	3.58	3.68	3.96
ES	5.37	5.34	5.39	5.93	5.89	4.22	3.14	2.78	2.52	2.44	2.33	2.44	2.54	2.84
IE	5.07	5.00	5.23	5.58	4.33	3.23	2.68	2.62	2.61	2.77	2.83	2.96	3.01	3.09
HU	11.48	10.80	11.45	11.71	13.34	13.22	14.16	13.56	11.65	10.63	9.79	9.24	9.44	10.10
IT	5.48	5.35	5.54	5.52	4.91	3.66	2.85	2.33	2.24	2.22	2.24	2.39	2.52	n/a
NL	5.34	5.38	5.50	5.70	5.71	4.21	3.63	3.87	3.88	3.78	3.65	3.62	3.55	3.67
RO	6.51	6.65	5.93	5.90	6.76	7.74	7.68	5.05	4.97	4.76	4.86	5.80	5.18	5.35
SE	4.77	5.07	5.34	6.07	3.64	2.16	1.94	1.60	1.44	1.41	1.71	2.23	2.78	3.48
UK	6.06	5.88	5.80	6.04	5.52	4.39	4.32	4.36	4.09	3.82	3.78	3.77	n/a	n/a

Note: UK series has been revised

Source: European Mortgage Federation

Table 5B ► Mortgage Interest Rates

Long-term initial fixed period rate, 10-year or more maturity (%)														
	IV 2007	I 2008	II 2008	III 2008	IV 2008	I 2009	II 2009	III 2009	IV 2009	I 2010	II 2010	III 2010	IV 2010	I 2011
BE	4.93	4.88	4.85	5.26	4.99	4.52	4.49	4.62	4.43	4.32	4.03	3.90	3.82	3.98
DK	5.84	6.03	7.12	7.10	6.58	5.84	5.48	5.21	5.19	4.68	4.35	4.20	4.70	5.10
DE	5.01	4.88	5.09	5.21	4.73	4.49	4.53	4.45	4.38	4.30	3.90	3.64	3.77	4.26
GR	4.48	4.66	4.77	4.96	4.87	4.79	4.72	4.76	4.65	4.66	4.35	4.61	1.56	n/a
IT	5.88	5.78	5.99	5.93	5.21	5.01	5.18	5.02	4.92	4.74	4.42	4.09	4.30	n/a
NL	5.27	5.28	5.26	5.46	5.60	5.46	5.37	5.31	5.25	5.22	5.17	5.01	4.88	4.93
RO	4.33	5.90	5.90	n/a	n/a	10.69	10.59	8.57	6.92	5.39	4.87	4.89	5.06	5.06
Medium-term initial fixed period rate, from 5 to 10 years maturity (%)														
DE	5.03	4.89	5.06	5.17	4.83	4.40	4.39	4.37	4.29	4.09	3.89	3.65	3.70	4.10
GR	4.97	4.74	4.95	5.16	5.79	5.61	4.75	4.67	4.34	3.66	4.25	4.88	5.39	5.51
HU	18.42	18.66	18.60	21.43	21.33	22.61	20.99	20.35	16.87	19.38	21.48	17.66	15.64	12.65
IT	5.66	5.41	5.77	5.76	5.08	4.53	4.38	4.24	4.05	4.07	3.97	3.66	4.01	n/a
ES	7.24	7.51	7.69	8.09	7.93	7.62	7.53	7.68	7.41	7.71	7.64	8.00	6.97	6.62
NL	5.12	5.10	5.07	5.41	5.51	5.44	5.35	5.41	5.28	5.19	4.94	4.73	4.57	4.71
SE	5.23	5.19	5.91	5.83	4.87	4.84	5.26	4.21	4.55	4.78	4.22	4.05	4.83	5.20

Source: European Mortgage Federation

Table 5C ► Mortgage Markets' Breakdown by Interest Rate Type (%) - Outstanding Loans													
	I 2008	II 2008	III 2008	IV 2008	I 2009	II 2009	III 2009	IV 2009	I 2010	II 2010	III 2010	IV 2010	I 2011
Denmark													
fixed	n/a	n/a	n/a	43.5	41.9	38.7	36.2	34.0	31.0	30.0	29.0	28.5	28.1
variable	n/a	n/a	n/a	56.5	58.1	61.3	63.8	66.0	69.0	70.0	71.0	71.5	71.9
Hungary													
HUF denominated	48.9	48.7	44.8	39.4	35.6	38.4	38.2	37.6	37.0	34.0	35.5	34.7	37.0
EUR denominated	1.1	0.9	0.9	1.4	2.5	3.4	4.4	5.3	5.8	6.0	6.1	5.9	5.9
CHF denominated	49.2	49.3	52.9	57.5	59.7	56.0	55.3	54.9	54.6	57.0	55.2	55.8	53.3
Other FX denominated	0.8	1.1	1.4	1.7	2.2	2.2	2.1	2.2	2.5	3.0	3.2	3.6	3.7
Ireland													
fixed 1-3 years	16.4	14.9	13.9	11.6	9.0	7.9	7.1	6.3	6.3	7.1	6.8	n/a	n/a
fixed 3-5 years	5.7	5.8	6.1	6.0	5.6	5.3	5.4	5.2	5.2	5.8	6.1	n/a	n/a
fixed >5 years	2.1	2.2	2.3	2.4	2.9	2.7	2.3	2.2	2.8	1.5	1.4	n/a	n/a
variable and initial fixed up to 1 year	75.8	77.2	77.8	80.0	82.5	84.1	85.2	86.3	85.7	85.6	85.7	n/a	n/a
Sweden													
initial fixed >1 years	58.6	57.4	55.8	54.7	52.1	48.9	46.1	42.7	41.6	40.8	41.7	44.3	52.2
variable and fixed up to 1 year	41.4	42.6	44.2	45.3	47.9	51.1	53.9	57.3	58.4	59.2	58.3	55.7	47.8
UK													
initial fixed	51.4	51.1	50.8	48.1	44.4	42.5	40.1	37.6	35.6	33.8	32.4	31.5	30.8
variable	48.6	48.9	49.2	51.9	55.6	57.5	59.9	62.4	64.4	66.2	67.6	68.5	69.2

Note: Swedish series has been revised

Source: European Mortgage Federation

Hungarian series has been revised. Please note that only housing loans are included (not home equity loans).

For Ireland, the variable rate and initial fixed up to 1 year segment includes tracker mortgages, which account for 53.5% of all on-balance sheet loans for house purchase (at end-March 2011). A tracker mortgage is fixed at a margin (e.g. +1%) to a benchmark rate, normally the ECB main refinancing rate, resulting in immediate passthrough of ECB interest rate rises or cuts.

Table 5D ► Mortgage Markets' Breakdown by Interest Rate Type (%) - New Loans

	I 2008	II 2008	III 2008	IV 2008	I 2009	II 2009	III 2009	IV 2009	I 2010	II 2010	III 2010	IV 2010	I 2011
Belgium													
Fixed interest rate	85.0	82.7	82.5	82.7	70.3	52.3	38.3	32.8	28.8	40.7	51.8	71.7	75.5
Initial fixed rate	13.3	15.1	15.0	13.6	16.1	21.3	20.5	19.7	19.7	19.3	18.7	15.8	11.8
Variable rate (= initial fix <= 1 year)	1.8	2.2	2.4	3.7	13.6	26.4	41.2	47.6	51.5	39.9	29.5	12.5	12.7
Denmark*													
fixed	38.0	38.2	43.9	27.0	17.0	8.0	16.1	15.2	12.0	20.0	47.8	38.1	25.9
variable	62.0	61.8	56.1	73.0	83.0	92.0	83.9	84.8	88.0	79.9	52.2	61.9	74.1
Germany													
initial fixed 1-5 years	17.0	17.0	15.0	17.0	20.0	19.0	18.0	18.0	17.0	16.0	15.0	15.0	16.0
initial fixed 5-10 years	37.0	38.0	39.0	38.0	38.0	41.0	41.0	40.0	38.0	37.0	38.0	39.0	39.0
initial fixed >10 years	31.0	30.0	31.0	29.0	25.0	24.0	24.0	25.0	26.0	30.0	32.0	32.0	28.0
variable and initial fixed up to 1 year	15.0	15.0	15.0	16.0	17.0	16.0	17.0	17.0	19.0	17.0	15.0	14.0	17.0
Spain													
fixed	2.5	2.3	1.5	1.3	1.0	0.8	1.0	0.8	0.9	1.2	1.1	1.2	1.8
initial fixed	5.4	6.1	8.2	8.1	11.7	9.4	10.3	9.5	12.3	11.6	14.3	14.2	18.6
variable	92.0	91.5	90.3	90.6	87.4	89.8	88.7	89.7	86.8	87.2	84.6	84.5	79.6
Italy													
Variable	n/a	21.0	n/a	21.9	n/a	34.5	n/a	66.5	n/a	n/a	n/a	n/a	n/a
fixed to maturity	n/a	76.6	n/a	75.4	n/a	64.2	n/a	32.5	n/a	n/a	n/a	n/a	n/a
Ireland													
initial fix >1 year	11.7	23.6	21.8	9.4	11.6	39.0	16.3	16.1	32.3	24.2	24.8	23.2	32.3
variable and initial fixed up to 1 year	88.3	76.4	78.2	90.6	88.4	61.0	83.7	83.9	67.7	75.8	75.2	76.8	76.8
Hungary													
Variable or Initial fix up to 1 year (HUF denom)	4.8	4.0	4.4	5.8	9.9	15.4	14.9	13.5	25.0	65.4	81.1	84.6	81.1
Initial fix >1 = 5 years (HUF denom)	5.4	5.9	5.4	8.1	12.2	23.8	22.3	8.3	5.6	7.2	9.8	8.8	9.2
Initial fix > 5 = 10 years (HUF denom)	1.5	1.8	1.4	1.4	2.7	2.3	2.3	1.8	2.3	3.0	3.8	3.3	5.3
Initial fix > 10 years (HUF denom)	0.3	0.2	0.2	0.2	0.4	0.5	0.4	0.5	0.4	0.1	0.3	0.4	0.5
Variable or Initial fix up to 1 year (EUR denom)	0.4	0.3	0.3	10.6	46.6	44.2	47.3	58.9	49.7	21.0	4.6	1.2	1.4
Variable or Initial fix 1 year (CHF denom)	87.5	87.8	88.4	74.0	28.2	13.9	12.8	17.0	17.0	3.1	0.5	1.6	2.5

	I 2008	II 2008	III 2008	IV 2008	I 2009	II 2009	III 2009	IV 2009	I 2010	II 2010	III 2010	IV 2010	I 2011
Poland													
fixed	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
initial fixed	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
variable	n/a	n/a	n/a	100.0	n/a	n/a	n/a	100.0	100.0	100.0	100.0	100.0	100.0
Portugal													
fixed	1.9	3.6	5.2	6.6	4.7	1.6	0.9	0.7	0.7	0.6	1.0	0.9	0.8
variable	98.1	96.4	94.8	93.4	95.3	98.4	99.1	99.3	99.3	99.4	99.0	99.1	99.2
Romania													
fixed	2.3	0.5	0.9	0.9	9.3	4.6	1.1	1.0	1.6	3.0	7.4	2.7	4.3
initial fixed	48.8	56.5	55.5	71.8	39.1	12.3	38.9	19.9	19.7	17.9	16.8	14.8	17.6
variable	48.9	43.0	43.6	27.3	51.6	83.1	60.0	79.0	78.7	79.1	75.8	82.5	78.1
Sweden													
Variable and initial fix for <= 1 year	59.0	61.1	68.9	77.2	85.3	83.3	84.9	83.5	77.7	73.9	63.9	60.1	52.6
Initial fix >1<=5 years	27.2	28.1	24.6	19.5	11.4	13.5	12.6	13.9	18.0	20.1	26.0	32.4	42.6
Initial fix >5 years	13.8	10.8	6.4	3.2	3.2	3.1	2.6	2.7	4.3	6.0	10.1	7.5	4.7
UK													
initial fixed	54.9	64.8	60.1	53.6	57.1	74.1	76.4	58.9	46.0	46.2	51.0	51.7	59.5
variable	44.8	34.8	39.7	46.1	42.6	25.6	23.3	40.9	53.7	53.8	48.9	48.1	40.5

Notes:

Source: European Mortgage Federation

In Denmark the majority of loans are initial fixed with maturities between 1 and 5 years, and are defined as "variable rate loans". However in this context "initial fixed rate" is more appropriate.

Swedish, Hungarian, Italian and UK series have been revised.

According to the definition from the Central Bank of Portugal, new loans with initial fixed rate include floating rate loans.

Please note that in Hungary foreign-denominated mortgage lending was suspended in 2010. The values above 0 in EUR and CHF lending are the result of restructuring and remortgaging

Table 5E ▶ Description of Rates

The representative mortgage interest rates are an average of, or specific mortgage rates for, 1st ranking mortgages, involving no prior savings, with no discounts included, gross of tax relief, net of other bank costs. Other specifications are given below:

BE	Long term initial fixed period rate, 10 years or more maturity.
DK	Adjustable mortgage rate (variable and initial fixed up to 2 years)
DE	Renegotiable rate with a fixed period of 5 to 10 years.
EE	It is the weighted average of the annual interest rate on new EUR denominated housing loans granted to individuals.
GR	Reviewable rate after a fixed term of 1 year.
ES	Variable rate - Effective average interest rate not including costs. The interest rate usually floats every 6 or 12 months, according to an official reference rate for mortgage loans secured on residential property (non-subsidized housing). This should be the same rate as used in the Hypostat and should relate to broadly the same product over time.
FR	Fixed rate - The rate is fixed for the total maturity of the loan. The rate communicated is the fixed average rate of secured loans "PAS" with a maturity between 12 and 15 years.
IE	Variable rate (≤ 1).
IT	Until the 3rd quarter of 2006, the fixed rate was used. From the 4th quarter of 2006 onwards, the variable interest rate on a loan of EUR 100,000 with a maturity of 20 years has been used.
LV	Variable rate (≤ 1). The average interest rate on new EUR denominated loans.
LT	Variable rate (≤ 1). The average interest rate on new EUR denominated loans.
HU	Variable interest rate on HUF housing loans. All interest rates are average APR for housing loans at the end of the period (home equity interest rates are not included). Since Spring 2010, foreign-denominated mortgage lending has been suspended by the government.
PL	The indicator is a weighted average of variable mortgage rates denominated in PLN for all residential credits on outstanding amounts.
PT	Variable interest rate up to 1 year indexed to Euribor (≤ 1).
SE	Variable interest rate up to 1 year (≤ 1).
UK	The average mortgage rate charged on all regulated mortgage contracts except lifetime mortgages newly advanced in the period (Source: Council of Mortgage Lenders, Regulated Mortgage Survey).

Table 6 ► Macroeconomic Indicators

	Real GDP*		Unemployment rate**		HICP inflation		Policy interest rate	
	Latest quarter-on-quarter growth rate, (%), Q1 11	Previous quarter-on-quarter growth rate, (%), Q4 10	Q1 2011 (%)	Q4 2010 (%)	Q1 2011 (%)	Q4 2010 (%)	Q1 2011 (%)	Q4 2010 (%)
BE	1.1	0.5	7.2	7.9	3.5	3.4	1.25	1.00
DK	-0.1	-0.2	7.6	7.7	2.5	2.8	0.75	0.75
DE	1.5	0.4	6.3	6.7	2.3	1.9	1.25	1.00
FR	0.9	0.3	9.7	9.7	2.2	2.0	1.25	1.00
GR	0.2	-2.8	15.0	14.1	4.3	5.2	1.25	1.00
HU	0.7	0.5	11.0	11.0	4.6	4.6	6.00	5.75
IE	1.3	-1.4	14.2	14.4	1.2	-0.2	1.25	1.00
IT	0.1	0.1	8.2	8.4	2.8	2.1	1.25	1.00
NL	0.9	0.7	4.2	4.4	2.0	1.8	1.25	1.00
PL	1.0	0.8	9.3	9.6	4.0	2.9	3.75	3.50
PT	-0.6	-0.6	12.4	12.3	3.9	2.4	1.25	1.00
RO	0.7	0.1	7.0	7.4	8.0	7.9	6.25	6.25
ES	0.3	0.2	20.6	20.5	3.3	2.9	1.25	1.00
SE	0.8	1.6	7.7	7.9	1.4	2.1	1.50	1.25
UK	0.5	-0.5	7.7	7.8	4.0	3.7	0.50	0.50
euro area	0.8	0.2	9.9	10.1	2.7	2.2	1.25	1.00
EU27	0.8	0.2	9.5	9.6	3.1	2.7	n/a	n/a

Note:

* GDP at constant prices, seasonally-adjusted

**EU-harmonised unemployment rate, seasonally-adjusted

Sources: Eurostat, ECB, Central Banks



2011 EMF
Quarterly Statistics



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