



FINANSINSPEKTIONEN

Banks' interest rates and lending

MAY 2013 (Q1, 2013) SUMMARY



Summary

The development of the margins of new mortgages slowed during Q1 2013. Both the banks' funding cost and households' lending rate for new mortgages continued to fall during the quarter. At the same time, both corporate lending and lending to households increased. Growth in corporate loans almost doubled compared to Q4 2012.

Lending to Swedish non-financial corporations increased in Q1 2013. Growth in corporate lending was 3.3 per cent at the end of Q1 2013, which is almost two times what it was at the end of Q4 2012. The majority of the firms that were surveyed answered that their funding opportunities were slightly better or unchanged during the quarter compared to the previous quarter.

Growth in loans to Swedish households for housing purposes increased marginally during the quarter and was 4.8 per cent at the end of Q1 2013.

Margins on new mortgages increased in 2012. This growth slowed during Q1 2013 and the margins decreased slightly. The reason for the decrease is that the average lending rate on new three-month mortgages fell more than the funding cost during this period. This means that the gross margin fell during the quarter, from 1.31 percentage points to 1.28 percentage points. The net margin, in which other costs associated with mortgages are also deducted, decreased marginally during the quarter and was 0.62 percentage points. The average three-month rate on mortgages was 2.78 per cent during the first quarter.