Banc Ceannais na hÉireann
Central Bank of Ireland
Eurosystem

Statistical Release

Retail Interest Rates – March 2025

14 May 2025

Table 1: Retail Interest Rates Key Statistics

Category	Interest Rate (%)	M-o-M (bps)	Y-o-Y (bps)	Euro Area Average
Loans				
Pure New Lending for House Purchase	3.77	−2	−54	3.33
New Consumer Lending	7.29	0	−36	7.52
New NFC Lending	5.98	+32	−53	3.80
Deposits				
Household Overnight Deposits	0.13	0	0	0.31
New Household Term Deposits	2.26	−7	−25	2.11
NFC Overnight Deposits	0.07	−3	−3	0.67
New NFC Term Deposits	2.11	−9	−122	2.33

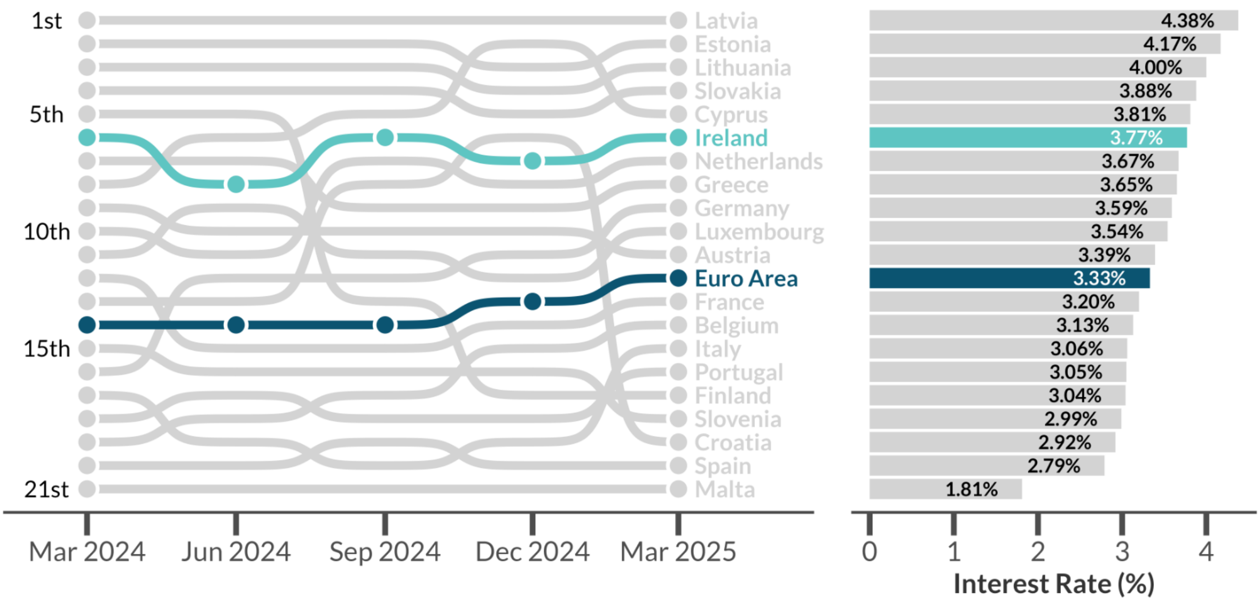
Source: Retail Interest Rates Table B.1.1, Table B.2.1 and ECB Data Portal

Household Lending Interest Rates

- The **weighted average interest rate on new Irish mortgage agreements** at end-March 2025 was 3.77 per cent, down 2 basis points from 3.79 in February and 54 basis points lower in annual terms. The equivalent euro area average was unchanged at 3.33 (Table 1). The rate in Ireland exceeded the euro area average by 44 basis points in March (Chart 1), falling one place to 6th highest in the euro area.

As of March, Ireland had the 6th highest weighted average interest rate on new mortgage agreements in the Euro Area

Chart 1: Rank of country and euro area interest rates, pure new mortgage lending

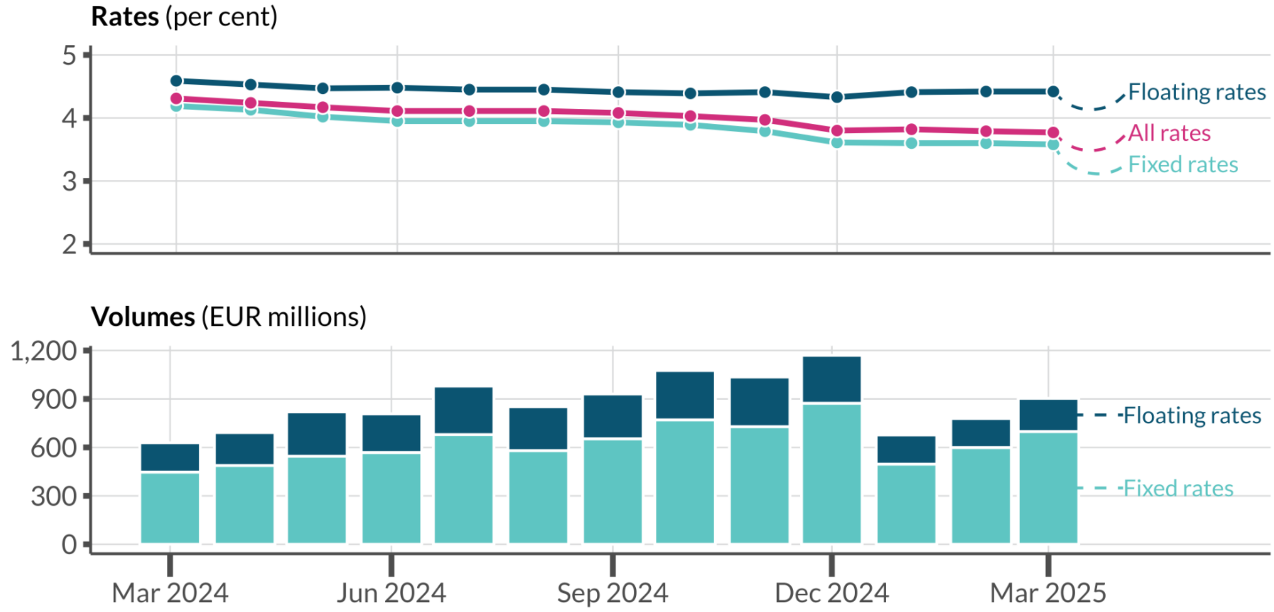


Source: Retail Interest Rates Table B.2.1 and ECB Data Portal

[1] Mortgage rates and volumes quoted on this page exclude renegotiations unless otherwise stated.

- The **weighted average interest rate on new fixed rate mortgage agreements,** which constitute 77 per cent of the volume of new mortgage agreements (71 per cent in March 2024), was 3.58 per cent in March, 2 basis points lower than February 2025 and 61 basis points lower than in March 2024.
- The **weighted average interest rate on new variable rate mortgage agreements** was 4.42 in March, unchanged from February and 17 basis points lower in annual terms.
- **The total volume of pure new mortgage agreements** increased to €904 million in March, a €125 million (16 per cent) increase in monthly terms and a €274 million or 43 per cent increase annually (Chart 2).
- **Renegotiated mortgages** totalled €292 million in March, €24 million lower than the previous month and €147 million higher than March 2024. At end-March 2025, fixed rate mortgages constituted 62 per cent of renegotiated mortgages and the weighted average interest rate on renegotiated fixed rate mortgages was 3.46 per cent, a decrease of 69 basis points in annual terms.

The volume of pure new mortgage lending in March was 43% higher compared to last year
Chart 2: Weighted average interest rate and volume, pure new mortgage lending



Source: Retail Interest Rates Table B.2.1

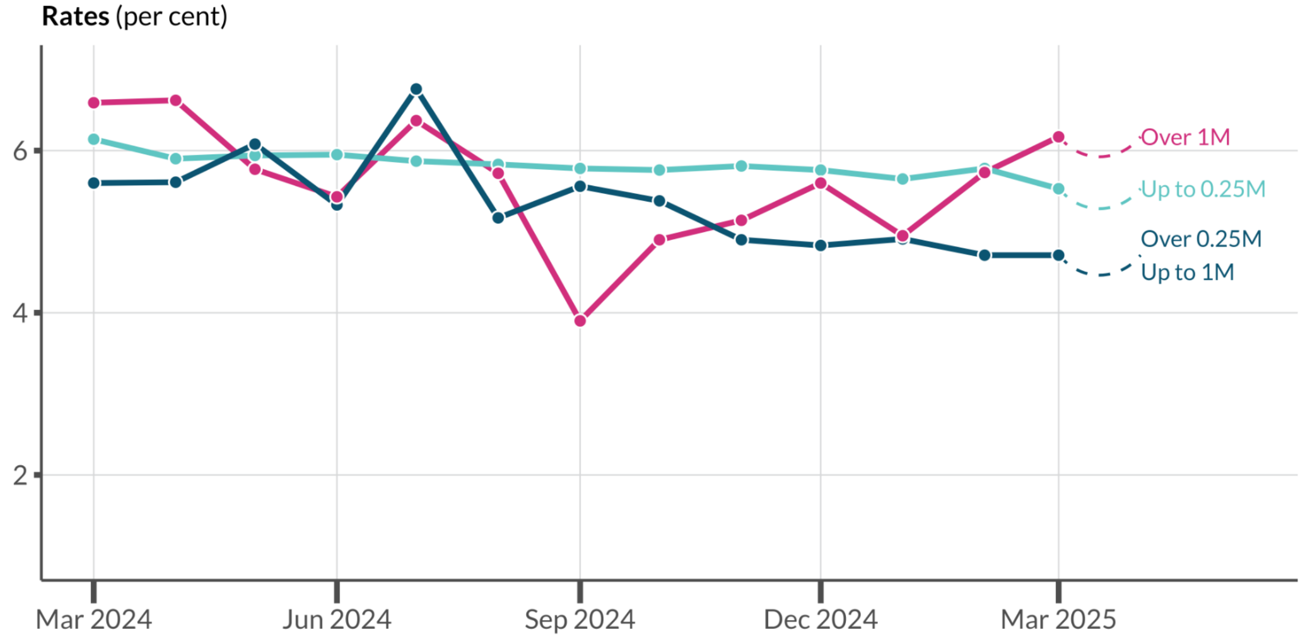
- The interest rate on **new consumer loans** was unchanged at 7.29 per cent in March 2025. The total volume of new consumer loans was €257 million in March, 63 per cent of which had a floating rate. New floating rate consumer loans had a weighted average interest rate of 8.37 at end-March, 296 basis points higher than the weighted average rate on new fixed rate consumer lending at a rate of 5.41 per cent.

Non-Financial Corporation Lending Interest Rates

- **New NFC loan agreements** increased to €1.6 billion in March 2025, a monthly increase of 19 per cent and a yearly decrease of 10 per cent. The associated weighted average interest rate was 5.98 per cent in March 2025, up 32 basis points from February and down 53 points annually. The equivalent rate in the euro area fell from 4 per cent in February to 3.88 per cent in March 2025.

- The volume of **new NFC loans with value over €1 million**, which in March accounted for 82% of the volume of all new NFC loans, increased to €1.3 billion in March, up 18 per cent compared to February. The weighted average interest rate on this instrument category was 6.17 per cent in March (Chart 3). This reflects a monthly increase of 44 basis points and a yearly decrease of 42 basis points.

Interest rates on new NFC loans greater than €1 million increased by 44 basis points in March
Chart 3: Weighted average interest rates by loan size, new lending to NFCs



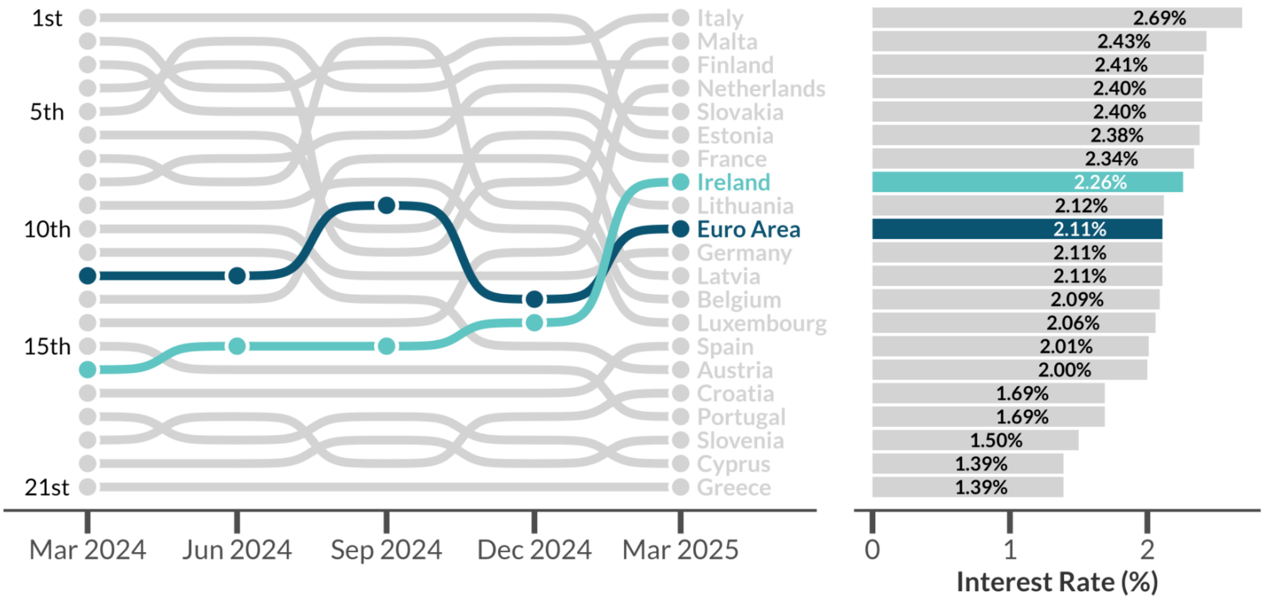
Source: Retail Interest Rates [Table B.2.1]

Household and Non-Financial Corporation Deposit Rates

- Interest rates on **household overnight deposits** stood at 0.13 per cent in March 2025, remaining unchanged since November 2024. The weighted average interest rate on **new household deposits with agreed maturity** decreased to 2.26 per cent in March, **a 7 basis point decrease from February** 2025 and a 25 basis point decrease annually (Chart 4). As of March 2025, the average rate on new household deposits with agreed maturity was at its lowest level since August 2023. The level of new business in this category was €1.2 billion, a 4 per cent monthly decrease and a 24 per cent annual increase.

Over the last year, the weighted average interest rate on new household term deposits rose from 16th to 8th highest in the Euro Area

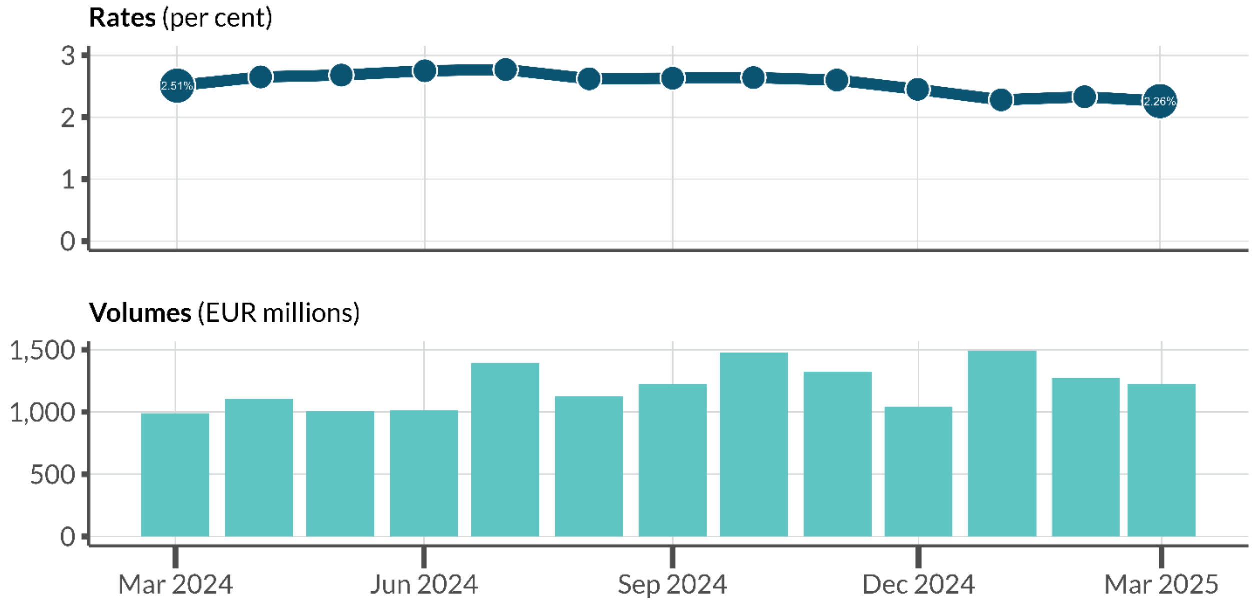
Chart 4: Rank of country and euro area average interest rates, new household deposits with agreed maturity



Source: Retail Interest Rates Table B.2.1 and ECB Data Portal

- The equivalent household term deposit rate in the euro area decreased to 2.11 per cent, a 105 basis points decrease from March 2024 (Chart 4). In March 2025, the household term deposit rate in Ireland exceeded the rate in the Euro Area by 15 basis points and remained 8th highest in the euro area.
- **The weighted average interest rate on new household deposits with agreed maturity decreased by 7 basis points over the last month**

Chart 5: Weighted average interest rate and volume, new household deposits with agreed maturity



Source: Retail Interest Rates Table B.2.1

- Interest rates on **NFC overnight deposits** decreased from 0.10 per cent in February to 0.07 in March 2025. Interest rates on **new NFC deposits with agreed maturity** decreased to 2.11 per cent in March, a 9 basis point decrease from February and a 122 basis point decrease compared to last year. The corresponding euro area average was 2.33 per cent (down 17 basis points from the previous month).

Box A: Interest Rates on Outstanding Mortgage Loans held in Non-Bank Entities

The monthly *Retail Interest Rate Statistics* are compiled using data collected from a sample of Irish resident credit institutions only, in accordance with the relevant ECB Regulation. The Central Bank recently conducted a tenth data collection exercise from non-bank entities[1] relating to their outstanding stock of Primary Dwelling Home (PDH) mortgage loans and the weighted average interest rates applied to these loans. The data were reported with reference to end-March 2025, and are shown in Table A below. As is the case with all interest rates reported in the *Retail Interest Rate Statistics*, weighted averages can mask the underlying distribution of interest rates among the population of loans in each category. The Central Bank published a Frontier Statistics series exploring the Interest Rate Distributions within the Bank and Non-Bank Sector.

Table A: Total Irish PDH Mortgage Lending by Non-Banks, as at end-March 2025

	Total Non-Banks				Banks[2]
	Outstanding Amount (€000's)	Number of Accounts	Non-Banks Interest rate (%)	Non-Bank Q-on-Q Change bps	Interest rate (%)
Variable	5,752,927	41,309	5.69	-15	4.16
Tracker	5,853,793	36,217	3.91	-51	3.90
Fixed	8,729,847	40,463	2.93	4	3.21
Total	**20,336,567**	**117,989**	**4.00**	**-16**	**3.50**

- The cohort of non-bank entities can be further disaggregated into those that are initiating new mortgage loans and those that hold mortgage loans but are not actively lending. The weighted average interest rate on all outstanding mortgage loans for the "lending non-banks" was 3.39 per cent (3.36 per cent in Q4), and for the "non-lending non-banks" it was 4.57 per cent, at end-March 2025 (4.89 per cent in Q4).
- The weighted average interest rate on variable rate mortgages for the "lending non-banks" was 4.43 per cent (4.54 per cent in Q4), and for the "non-lending non-banks" was 6.21 per cent, at end-March 2025 (6.30 per cent in Q4).
- Among the non-bank entities, 35 per cent of all PDH mortgage loan accounts were on a variable rate at end-March 2025 (35 per cent in Q4), 31 per cent on a tracker rate (31 per cent in Q4), and 34 per cent on a fixed rate (34 per cent in Q4). Fixed rate mortgages account for 70 per cent of mortgages among the "lending non-banks" (71 per cent in Q4), while variable and tracker rates dominate among the "non-lending non-banks", with a share of 44 per cent and 45 percent each respectively (variable 44 and tracker 45 per cent in Q4).

[1] The reporting population is the non-bank entities that report the quarterly Mortgage Arrears Statistics. Non-bank entities are comprised of Retail Credit Firms and Credit Servicing Firms.
[2] The outstanding value of bank-held mortgage loans, and the corresponding interest rates, are published in Table B.3.1 on the website.

- “Non-Lending non-banks” account for €10.44 billion of outstanding PDH mortgage lending and 71,314 accounts (60%), while “lending non-banks” account for €9.89 billion and 46,675 accounts (40%).[3]

[3] Statistical confidentiality rules prevent publication of further disaggregation of lending/non-lending non- banks by interest rate type.

Note 1:

Interest rates and new business volumes are collected from credit institutions with a significant level of lending or deposit business with households or non-financial corporations (NFCs). The sample is monitored to ensure compliance with ECB Regulation.

Monthly *Retail Interest Rate Statistics* in Tables B.1.1 to B.2.2 cover all euro-denominated lending to, and deposits from, households and NFCs in the euro area. New business is defined as any new agreement during the month between the customer and the credit institution. This agreement covers all financial contracts that specify the interest rate for the first time, including any renegotiation of existing business (excluding automatic renewals). These statistics are compiled under ECB Regulation and are comparable across the euro area.

Quarterly *Retail Interest Rate Statistics* in Table B.3.1 cover all euro and non-euro denominated mortgage lending in the Republic of Ireland only. New business refers to new mortgage lending drawdowns during the quarter, broken down by type of interest rate (i.e. fixed, tracker and SVR). These statistics are not compiled under ECB MFI interest rate Regulation.

Note 2:

There are a number of factors that can lead to differences between *Retail Interest Rate* statistics and interest rates advertised by resident credit institutions. These include renegotiated loans, the inclusion of home improvement loans, and the underlying statistical compilation methodology.

Note 3:

The retail interest rate statistics are compiled using a sampling method as outlined in the relevant ECB Regulation and Guideline. The sampling methodology is refined and enhanced over time to maintain alignment with relevant international standards and maintain a quality sampling approach. In such situations, revised methodology will be applied to historic data to ensure a consistent and coherent compilation of data across time and to allow for time series analysis. The period of revisions will be determined by the impact, feasibility and cost of undertaking the revision. Occasions when methodological revision have occurred are:

- Enhancements to the calculation of the national weighted average interest rates and national total business volumes have been introduced in ECB Guideline (ECB/2014/15) on monetary and financial statistics. These enhancements introduced in the Guideline involve changes to the sampling methods. The changes made contribute to a further harmonization of the data compilation process thus improving cross-country data comparison. The changes apply for reference period December 2014. As a result of these enhancements, data have been recalculated, as per the requirements of Guideline ECB/2014/15, for previous reference periods.

- Changes applied to reduce the maximum grossing factor used in estimating total population data. The changes reduce the potential volatility caused by irregular high grossing factors. The impact of the change is largely confined to new business loans to NFCs, with some minor changes to new business consumer loans. The changes apply from reference period April 2021. Data for previous reporting periods have been recalculated back to February 2019.

Recent data is often provisional and may be subject to revision.

For further detail, please see the Retail Interest Rates webpage for:

- An extensive set of Retail Interest Rate Tables;
- *Retail Interest Rate Statistics Explanatory Note*;

Previous Interest Rate Statistical Releases can be found here.

Note 4:

Statistical classification of sole proprietors

In line with their treatment in ESA 2010, the Central Bank has harmonised the treatment of sole proprietors as reported by reporting agents across various datasets. This has resulted in a movement of loans and deposits from the NFC to the Household sector. These amendments were made in February 2022 with respect to reference data from February 2021.

Specifically, these changes result in an increase in loan and deposit volume amounts reported vis-à-vis the household sector, and a decline in balances reported vis-à-vis the NFC sector. This applies to both outstanding and new lending volumes in Tables B.1.2 and Table B.2.1.

For lending rates, this change means that both the aggregate interest rates on NFC loan agreements and on non-mortgage household loans has slightly reduced. The reason for this is that, in general, loans to sole proprietors typically attract a higher average interest rate than NFC loans, and therefore excluding them from the NFC category results in a slight reduction in the aggregated NFC interest rate.

Additionally, the interest rate on loans to sole proprietors is typically lower than the average interest rate on non-mortgage household loans, and therefore including them results in a reduction in the aggregated interest rate on household loans 'for other purposes' in Table B.2.1, and on household 'consumer loans and other loans' in Table B.1.2.

Treatment of securitised loans

As a result of an update to the ECB Regulation on the balance sheet items of credit institutions and of the monetary financial institutions sector (recast) (ECB/2021/2), there have been changes to how certain securitised loans are required to be classified for the purposes of statistical reporting. The following treatment, allowed under the previous Regulation ECB/2013/33, is no longer permitted: 'MFIs […] may be allowed by their NCB to exclude from the stocks […] any loans disposed of by means of a securitisation in accordance with national practice […]'.

The removal of this derogation from the updated Regulation ECB/2021/2 results in an increase in the reported volume of outstanding house purchase loans in Table B.1.2.