



NEW DYNAMICS IN HOUSING LOANS IN PORTUGAL

THE USE OF MICRODATA

3 JUN. 2025 | SANTIAGO, CHILE

BANCO CENTRAL CHILE, 6TH STATISTICS
CONFERENCE

ANA REIS

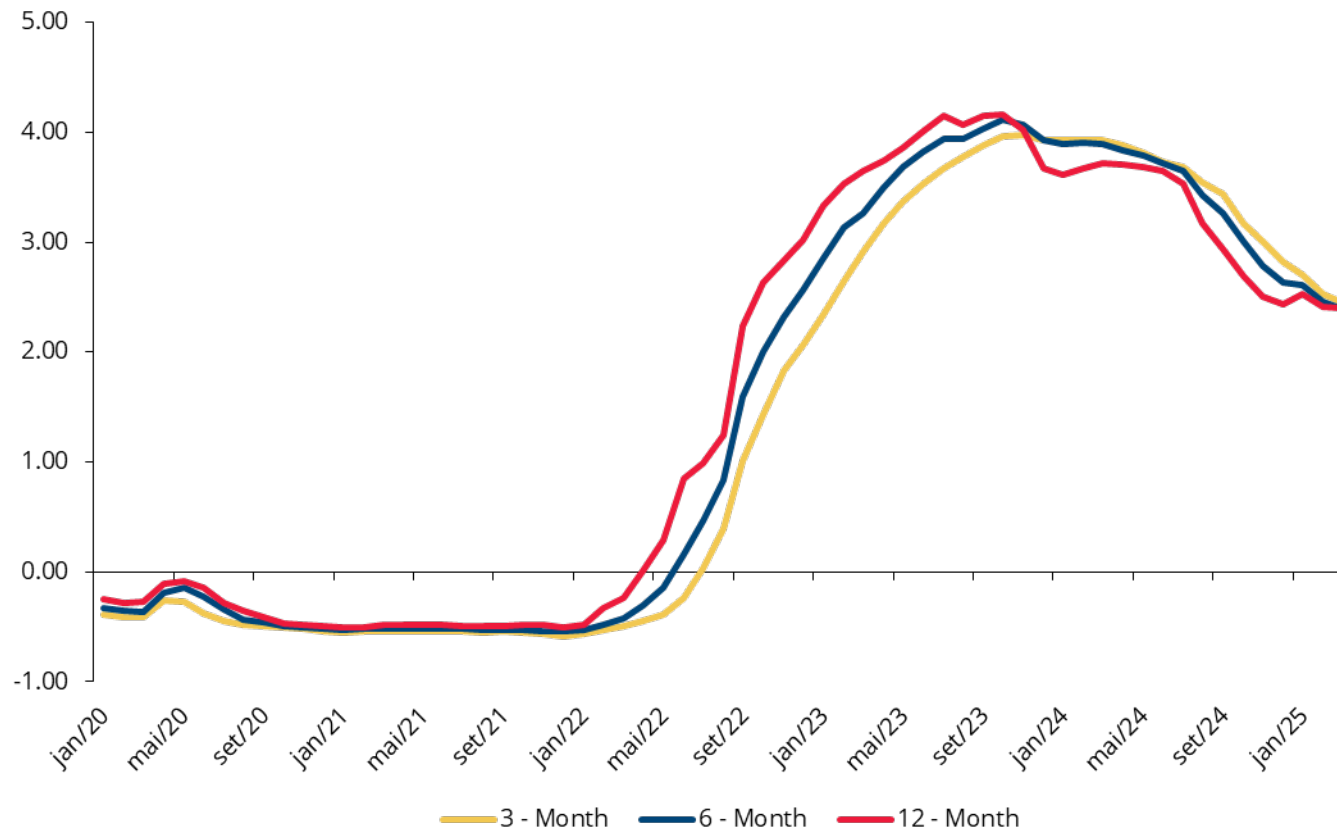


BANCO DE
PORTUGAL
EUROSYSTEM

NEW DYNAMICS IN HOUSING LOANS IN PORTUGAL

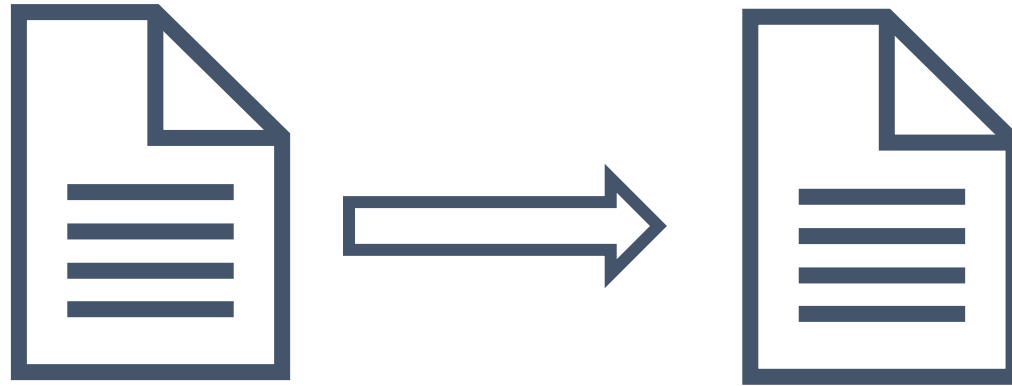


EURIBOR | %



- **Fast increase in interest rates**, in 2022.
- In January 2022, Portugal had **91%** of its housing loans on a **floating rate**.
- In November 2022, it was **introduced a ban on fees for early repayments** on housing loans.
- There was a **need for a more comprehensive analysis** beyond the frequently compiled statistics on housing loans.

LOAN TRANSFERS



Early repaied loan

New Loan

THE SAME SET OF
DEBTORS

THE SAME HOUSE AS
COLLATERAL

REPAYMENT AND NEW
LOAN AT THE SAME TIME

LOAN TRANSFERS



THE SAME HOUSE AS
COLLATERAL

- Lack of harmonization of data about collateral across reporting institutions

REPAYMENT AND NEW
LOAN AT THE SAME TIME

- Delays in recording of early repayments
- Frequency of our data (monthly)

THE ALGORITHM FOR LOAN TRANSFERS



AMOUNT BASED ALGORITHM

- The same set of debtors in both loans
- Does not consider any information about collateral
- Early repaid amount of the old and initial amount of the new loan differ in less than 5%

COLLATERAL BASED ALGORITHM

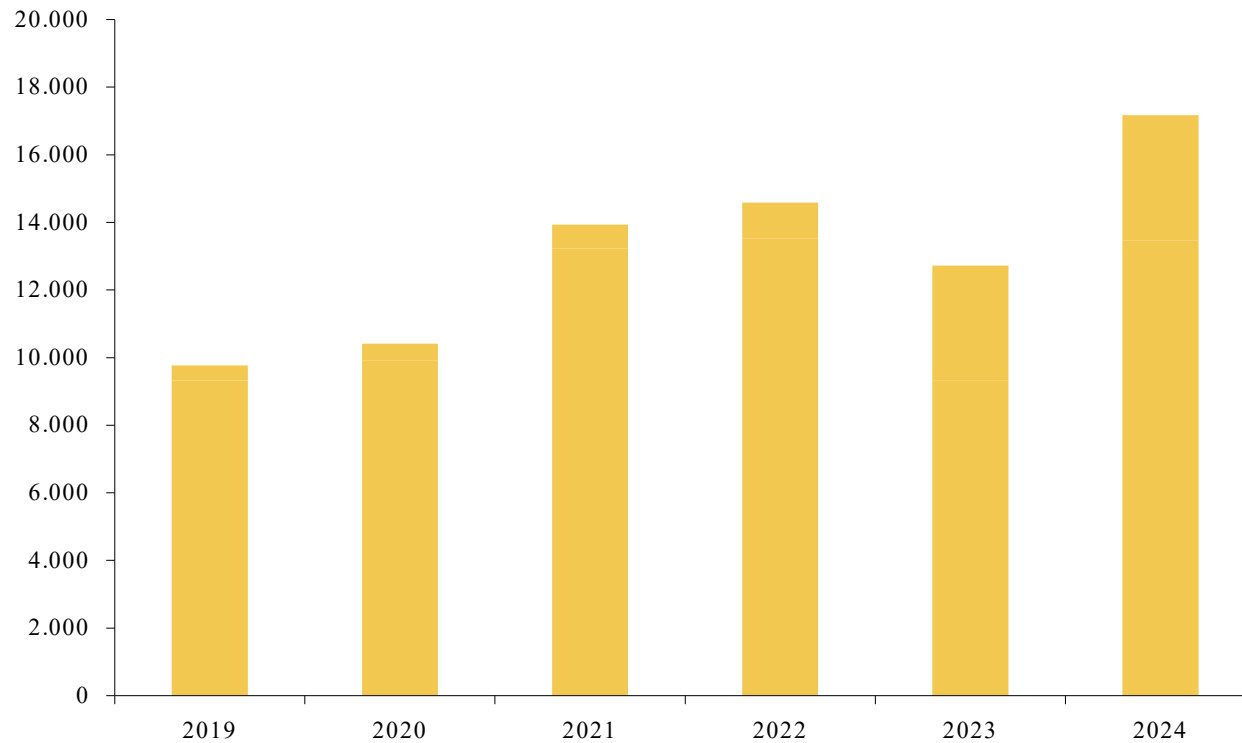
- The old and new loans have the same collateral
- The amounts may be different

Final algorithm to **identify loan transfers at a granular level**

A NEW DYNAMICS IN HOUSING LOANS



NEW HOUSING LOANS | M€

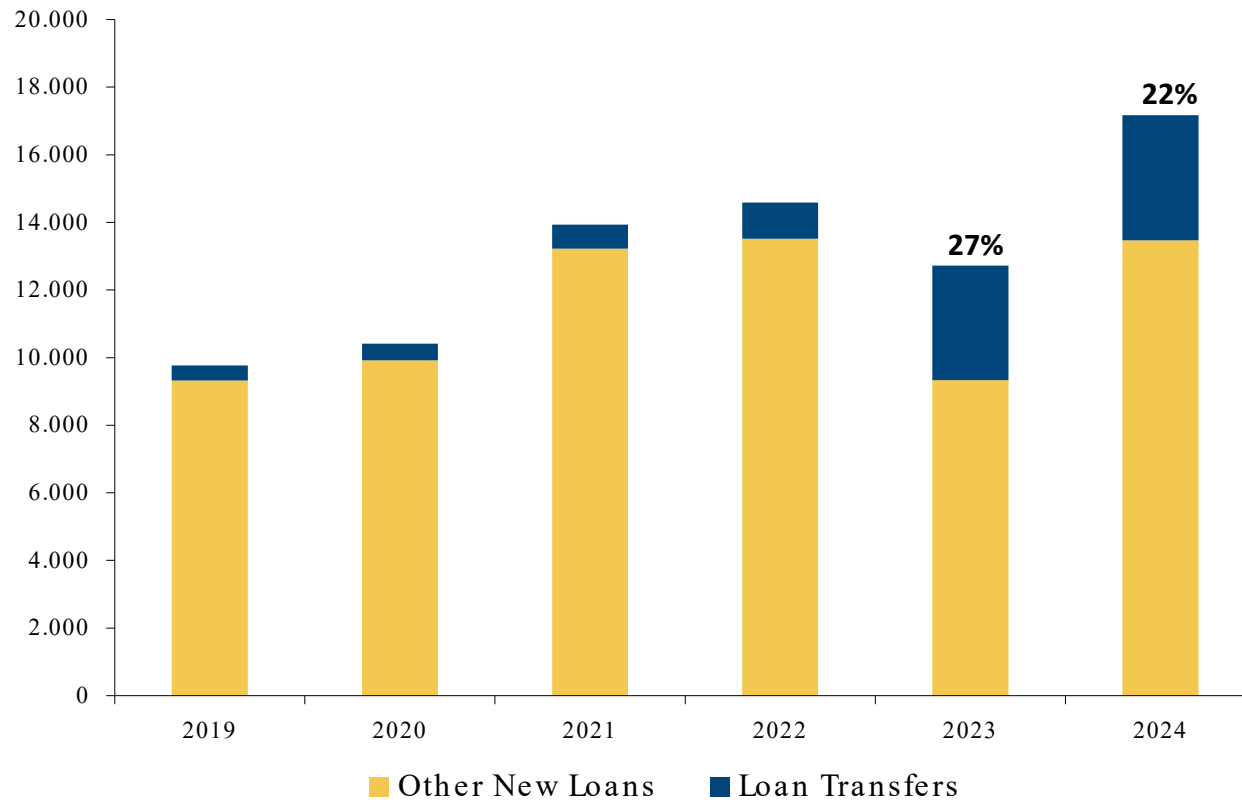


- In 2023, €12.8 billion of new housing loans was granted by banks.
- 13% reduction from 2022.

A NEW DYNAMICS IN HOUSING LOANS



NEW HOUSING LOANS | M€



- In 2023, €12.8 billion of new housing loans was granted by banks.
- 13% reduction from 2022.
- €3.4 billion were loan transfers
- In 2024, loan transfers accounted for 22% of new housing credit.



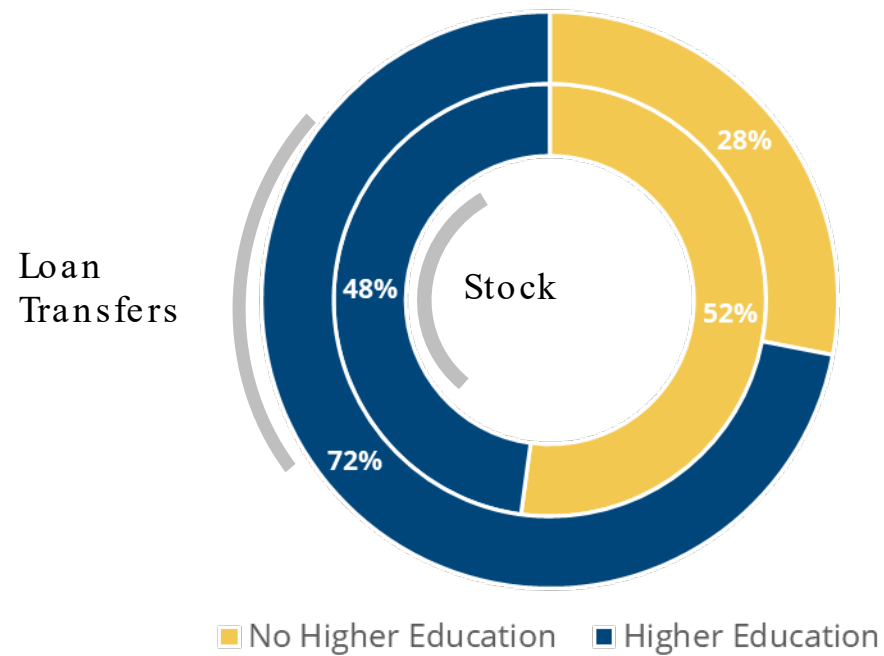
WHO TRANSFERED THEIR LOANS?



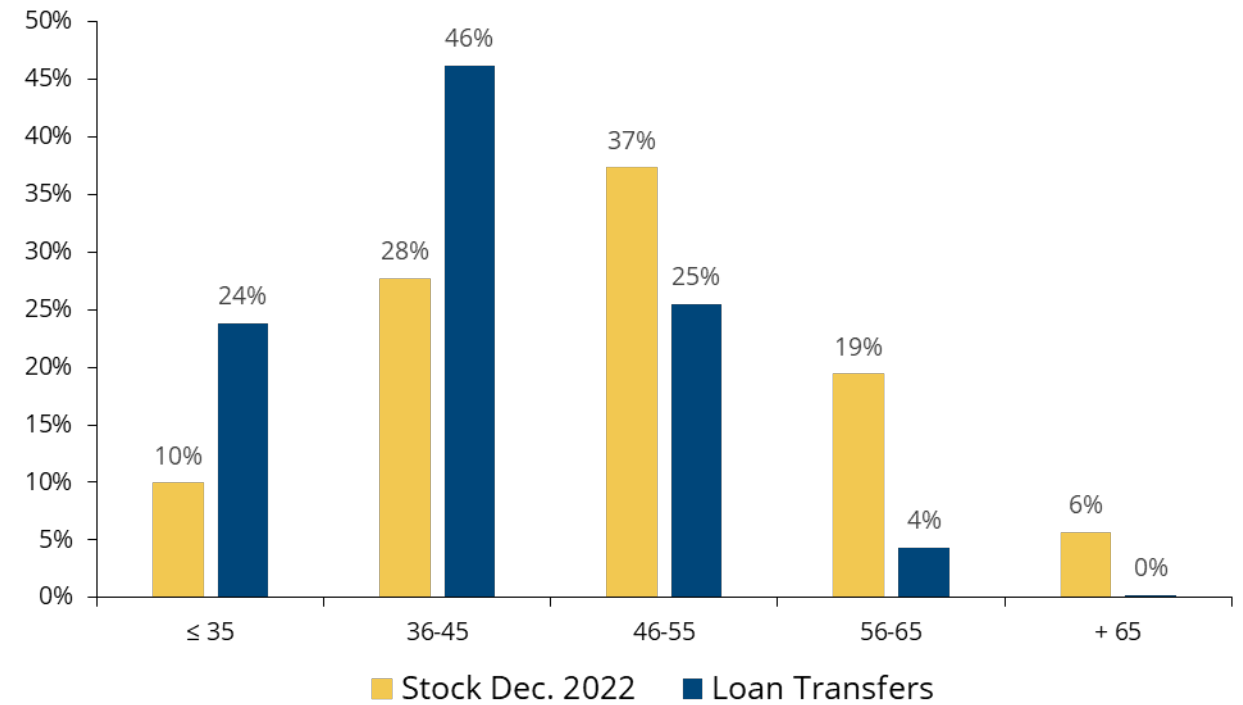
WHO TRANSFERED THEIR LOANS?

Stock at December 2022 vs loan transfers in 2023 and 2024

BORROWERS BY EDUCATION LEVEL | %



BORROWERS BY AGE | %

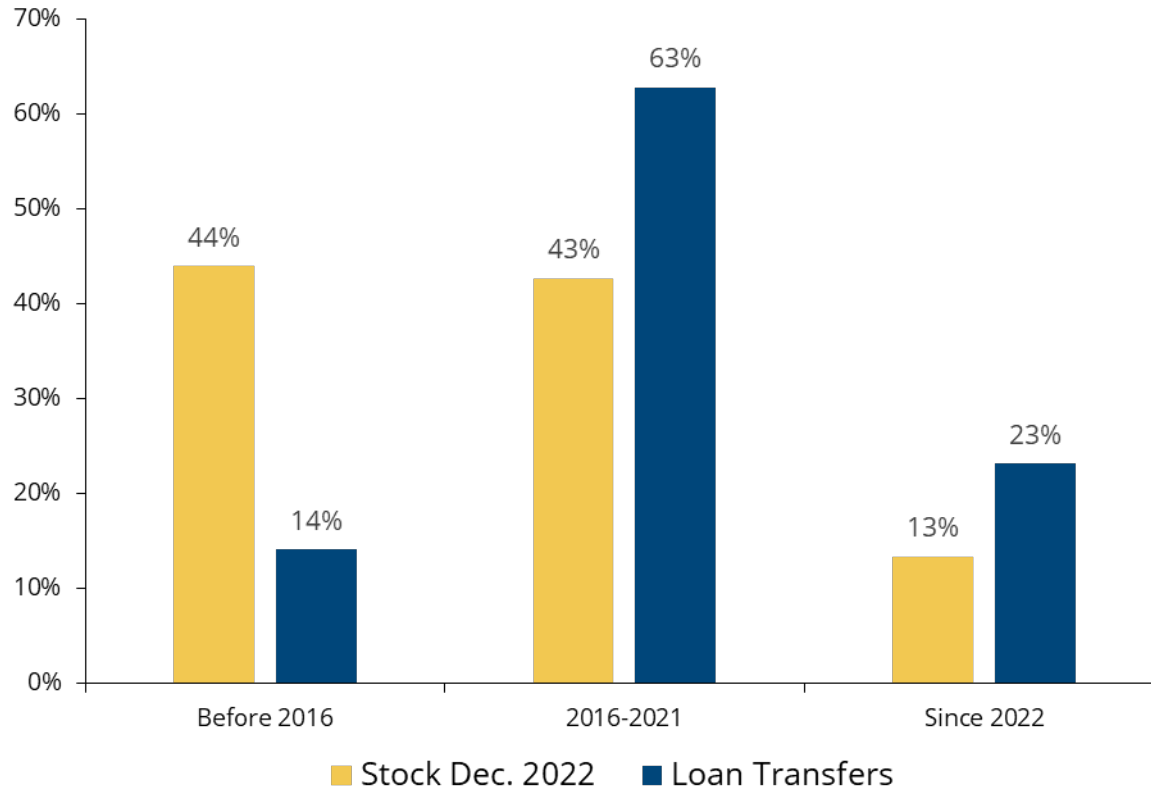




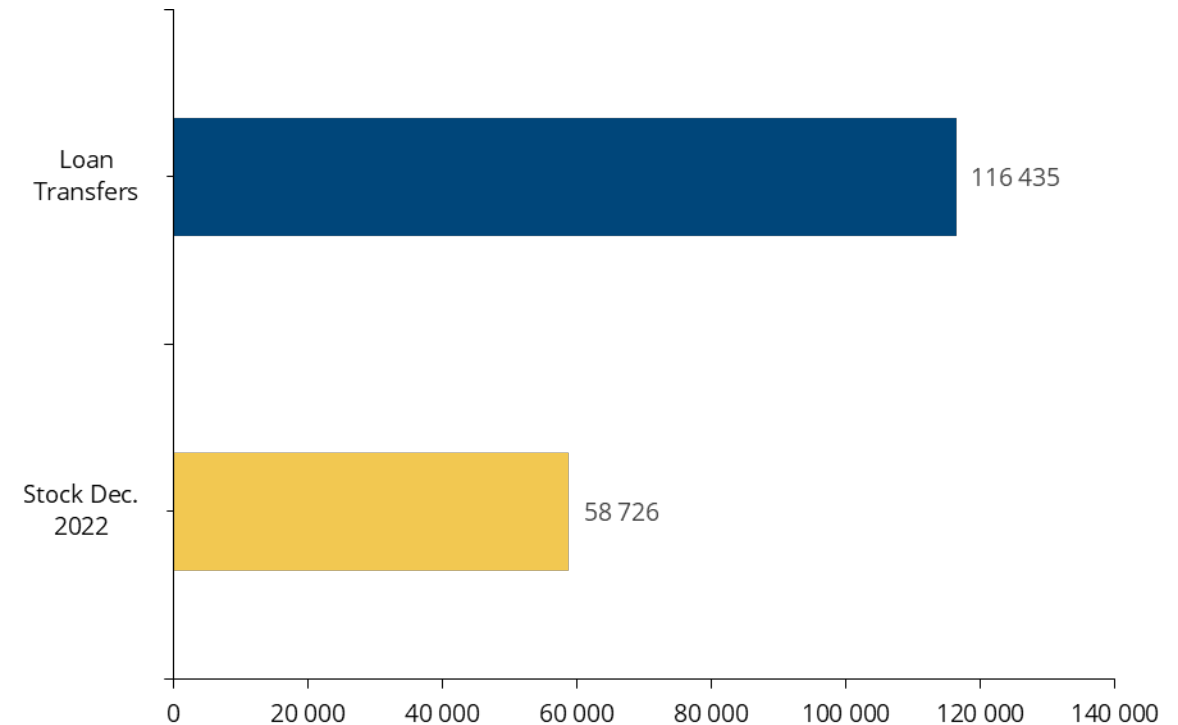
WHO TRANSFERED THEIR LOANS?

Stock at December 2022 vs loan transfers in 2023 and 2024

LOANS BY INCEPTION DATE | %



AVERAGE AMOUNT PER LOAN | €





HOW MUCH DID FAMILIES SAVE?



HOW MUCH DID FAMILIES SAVE?

How much would they be paying without the transfer?

REPAID LOANS ARE NO
LONGER IN THE
DATABASE

- The old loan does not exist anymore.
- How can we know the monthly payment that would be paid?

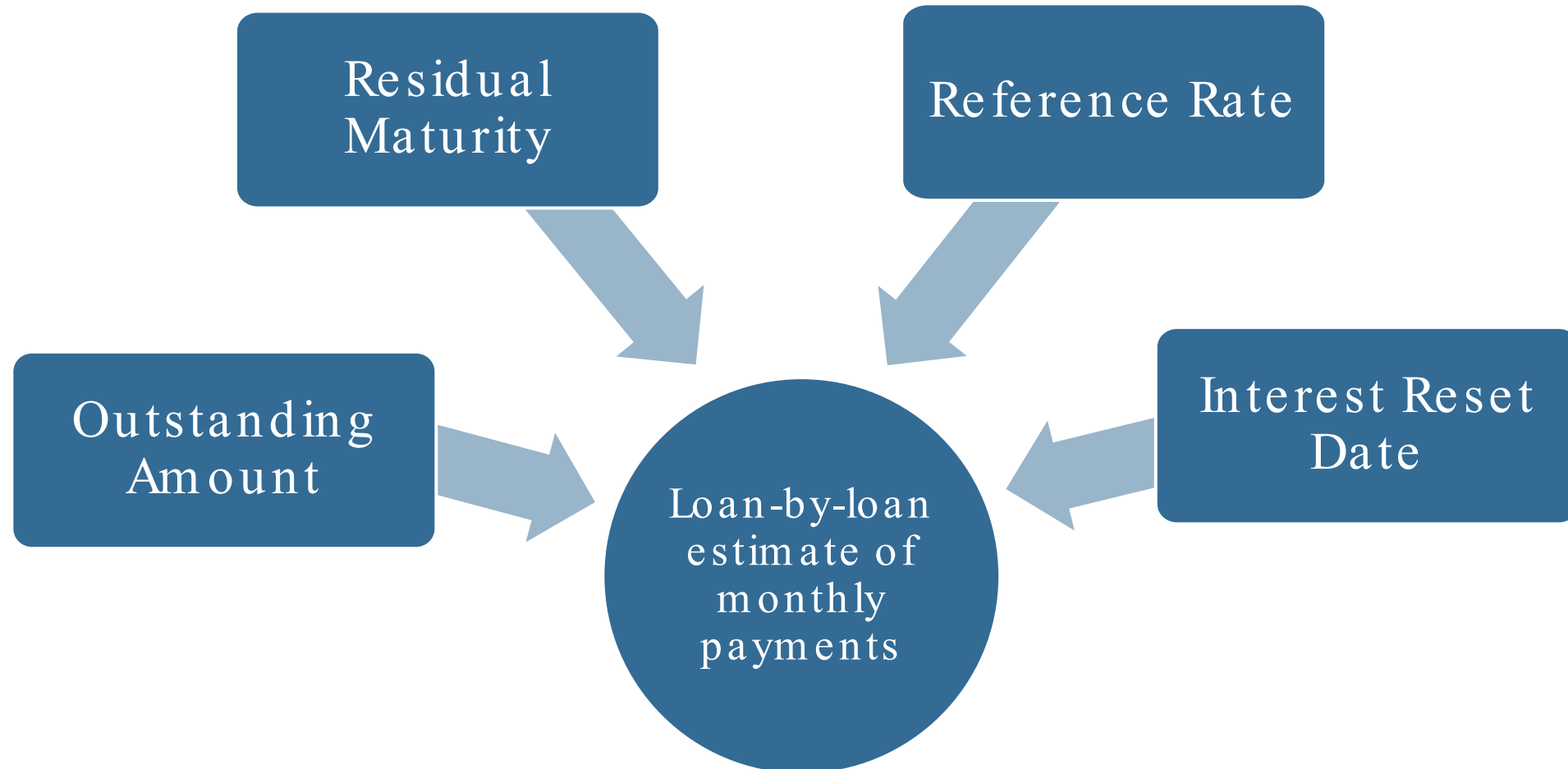
MOST LOANS WERE ON
FLEXIBLE RATES

- Most loans had reset dates shortly after the date of transfer.
- It is not a good estimate to use the last value for the monthly payment.



HOW CAN WE ESTIMATE MONTHLY PAYMENTS?

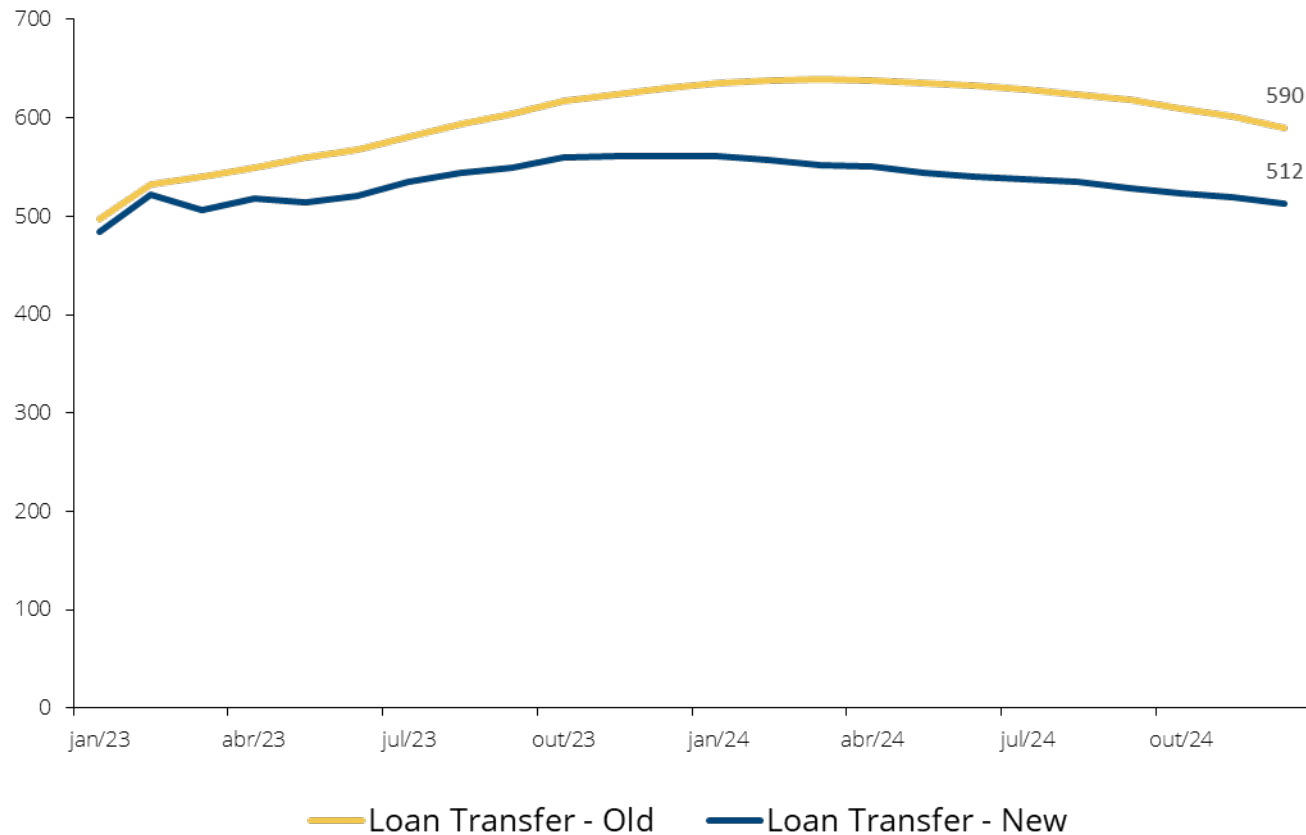
The central credit register (CCR) has detailed information about loan characteristics



HOW MUCH DID FAMILIES SAVE?

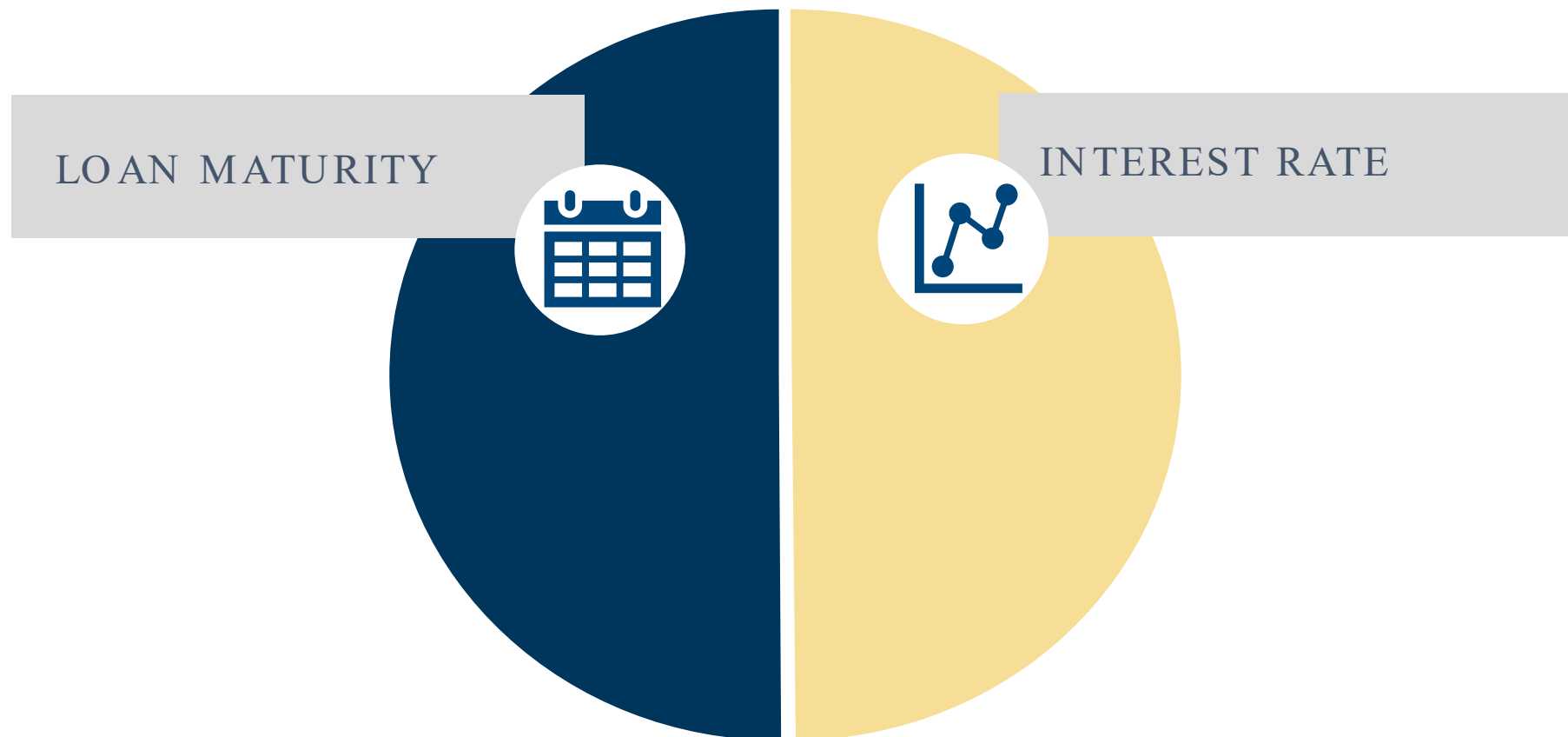


AVERAGE MONTHLY PAYMENTS OF TRANSFERRED
HOUSING LOANS| €



- By the end of 2024, families were saving **13%** on their monthly payments.
- Families that transferred in 2023 saved in total **€26 million** during 2024.
- These families saved in one year **13%** in payments to the bank.

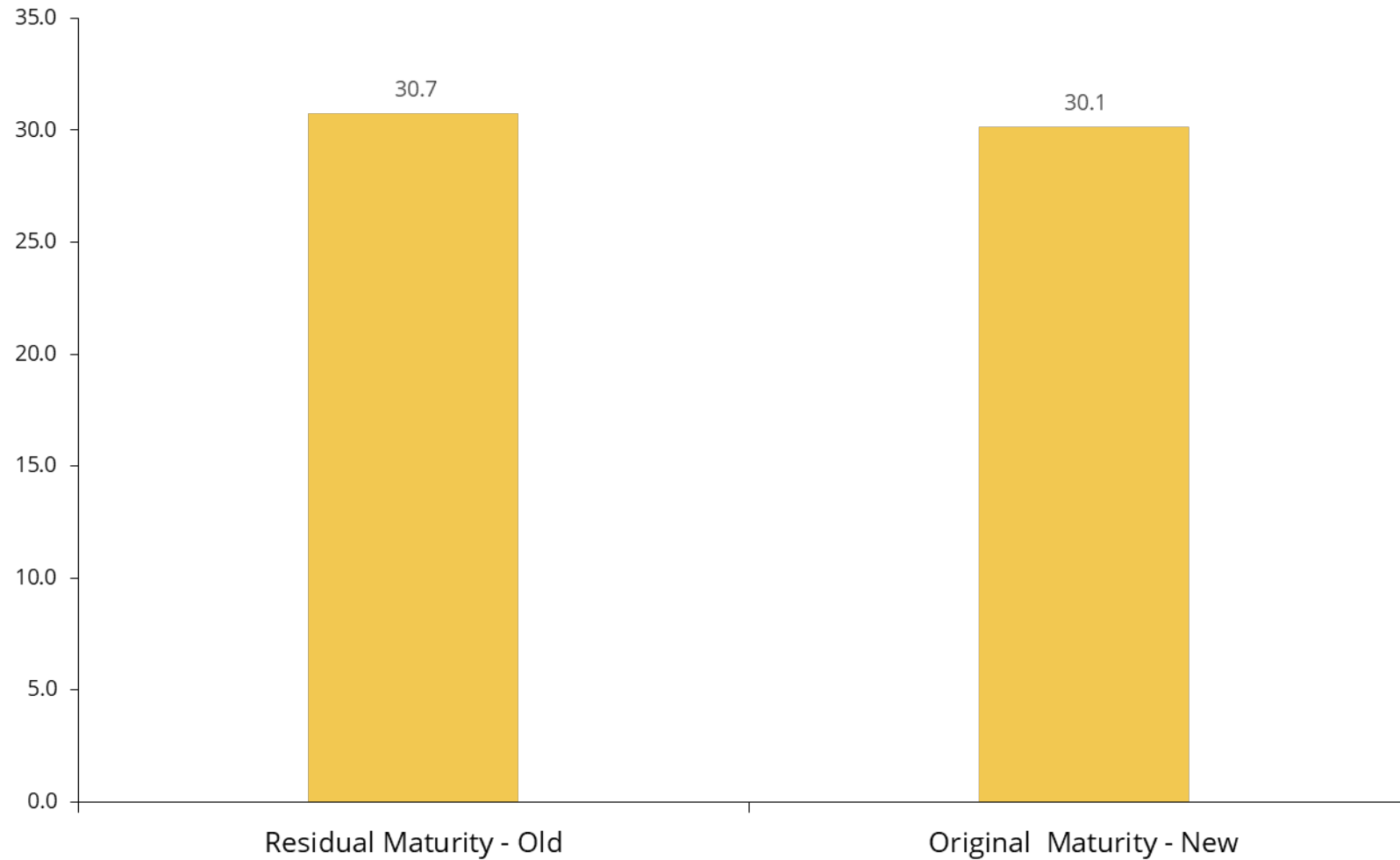
WHAT WERE THE CHANGES?



LOAN MATURITY



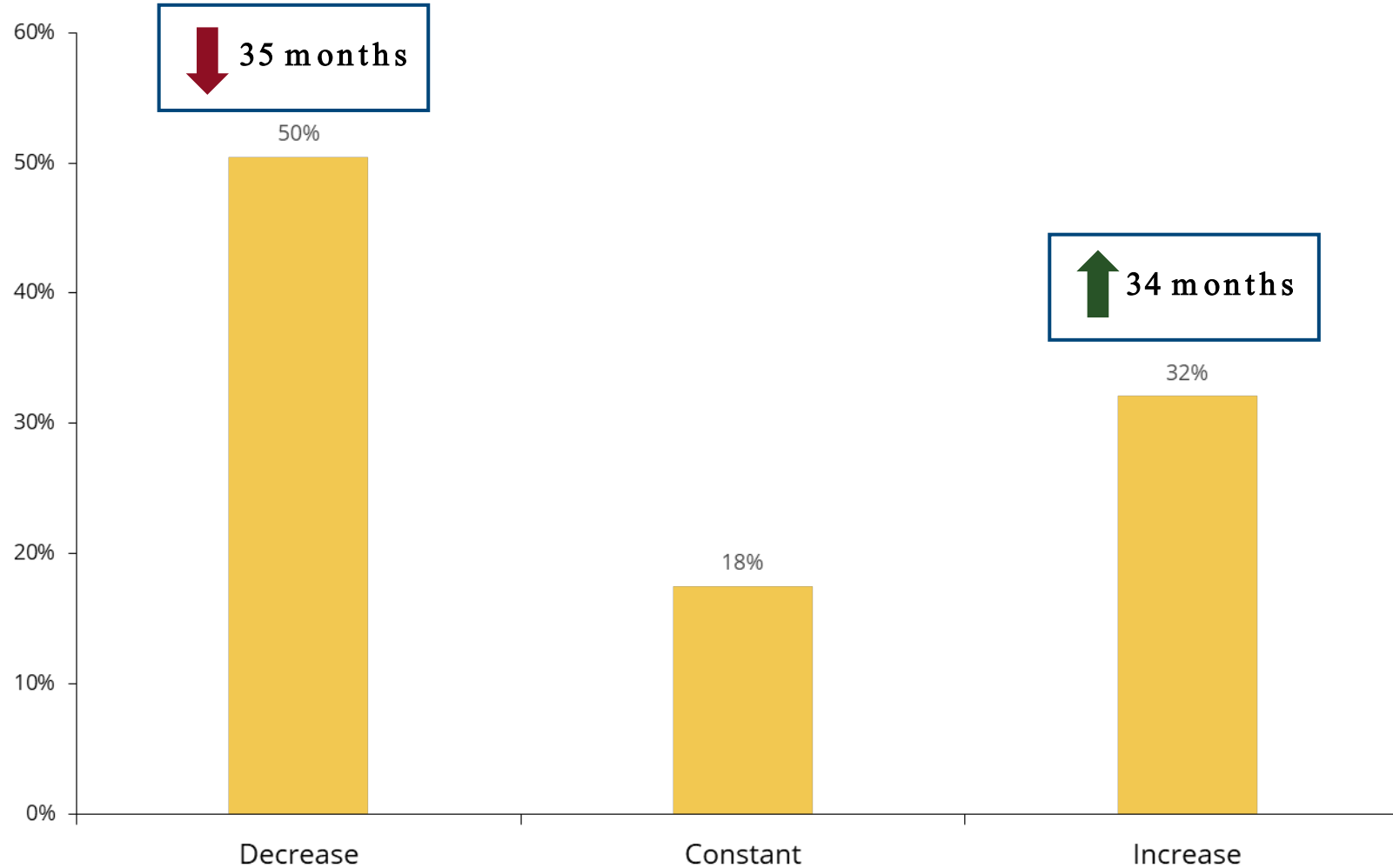
AVERAGE LOAN MATURITY | YEARS



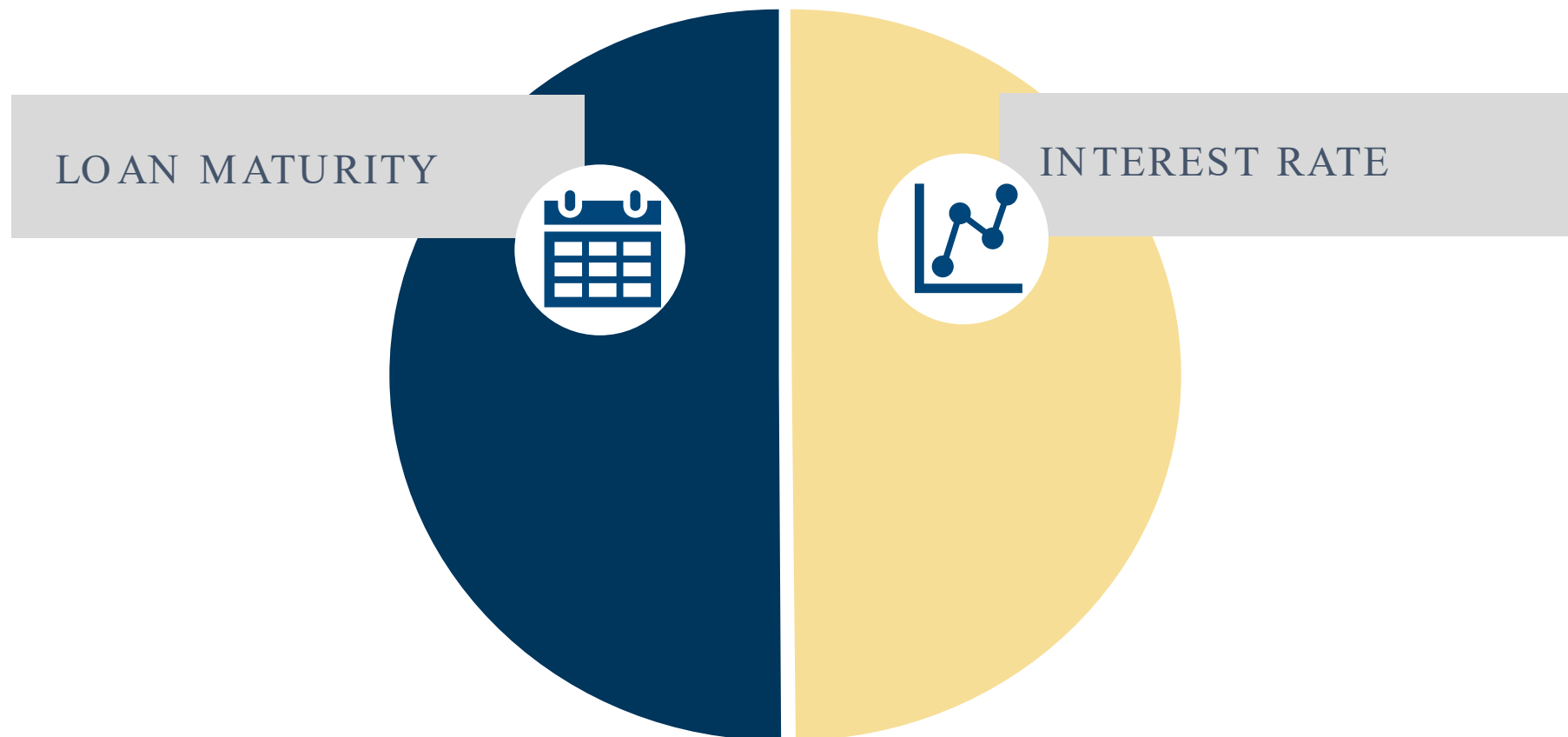
LOAN MATURITY



CHANGES IN LOAN MATURITY | %



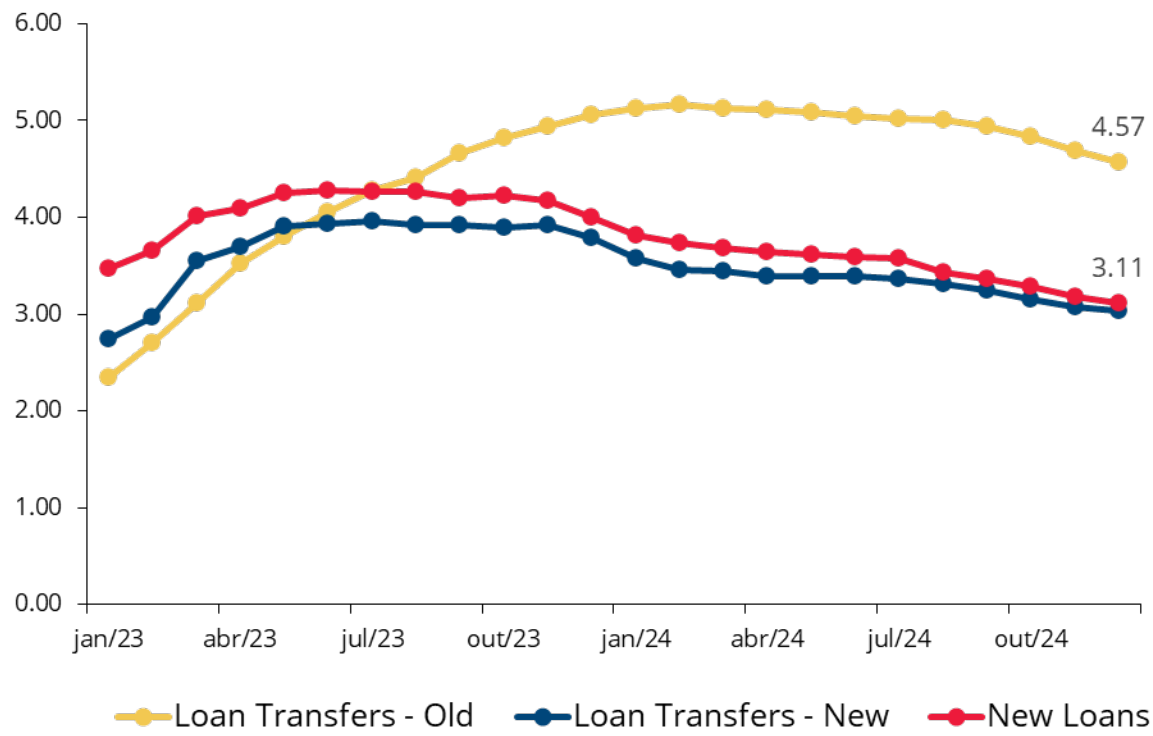
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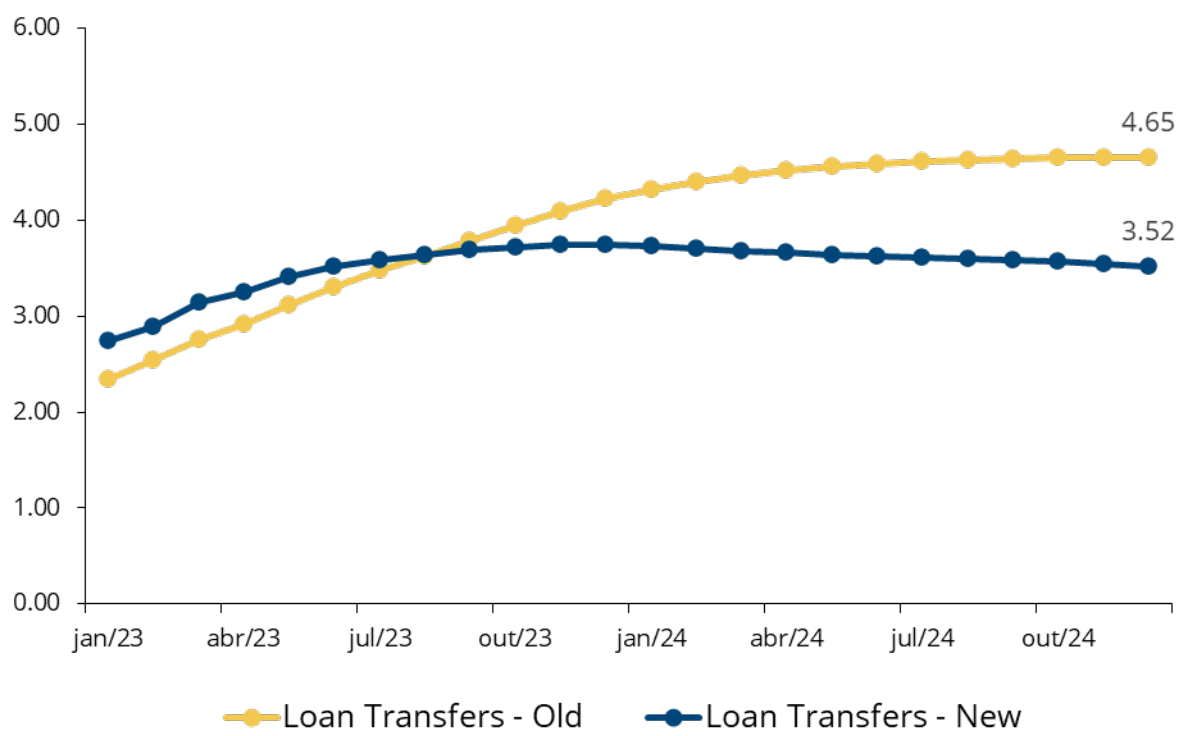


INTEREST RATE

AVERAGE INTEREST RATE AT THE DATE OF TRANSFER | %



EVOLUTION OF THE INTEREST RATE OF TRANSFERRED LOANS | %





CONCLUSIONS

LOAN TRANSFERS

- Loan transfers became a relevant phenomena after 2023, in Portugal.
- Households that transferred their mortgage made significant savings.

GRANULAR DATA

- It is as a magnifying glass which makes it possible to look beyond the aggregate statistics.
- Granular data allows for flexibility to capture new phenomena.



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