

# CREDIT MARKETS MONITORING REPORT

2022



BANCO DE  
PORTUGAL  
EUROSYSTEM



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2022



**BANCO DE PORTUGAL**  
EUROSISTEMA

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# Executive summary

The Credit Markets Monitoring Report looks at the evolution in 2022 of the home loans, mortgage loans and consumer credit markets subject to Banco de Portugal's banking conduct supervision<sup>1</sup>.

The chapter on **home loans and mortgage loans** presents the characteristics of new agreements and agreements in the portfolio at the end of 2022, such as amounts, maturities, types of interest rates and spreads. Early repayments and renegotiations that occurred in this type of agreements throughout the year are also analysed.

In the chapter on consumer credit, the characteristics of new agreements are analysed, such as amounts, maturities, types of interest rates and marketing channels. This information is broken down into three credit segments: personal loans, car loans and *revolving* credit.

## Home loans

... The amount of home loans granted went up by 6.8% in 2022, after growth of 36.4% in the previous year, returning, for the second consecutive year, to levels well above those observed in the pre-pandemic period.

On average, 9,644 home loan agreements were signed monthly, corresponding to a total amount of credit granted of 1,313 EUR million. Compared to 2021, the number of agreements signed dropped by 0.7% and the amount of credit granted went up by 6.8%.

The increase in the amount of home loans granted in 2022 was more pronounced in the first quarter of the year (29.9% more than in the first quarter of 2021). Year-on-year growth was less significant throughout the year and even fell in the last quarter of 2022 (14.2%). This development occurs against a backdrop of a significant rise in Euribor reference rates.

The average amount per home loan agreement was EUR 136,143, an increase of 7.5% compared to 2021 and in line with the increase in residential property prices.

... The number of agreements in the institutions' portfolio increased by 4.5% and the outstanding balance by 6.4%.

At the end of 2022, institutions had around 1.5 million home loan agreements in their portfolio (4.5% more than in 2021), corresponding to an outstanding balance of EUR 100.9 billion (6.4% more).

1. The analysis presented in this report is carried out based on data reported for banking conduct supervision purposes by all financial institutions that grant home loans, mortgage loans and consumer credit, in compliance with Banco de Portugal Instructions No. 33/2018 and No. 14/2013, respectively, which may differ from the information presented in other Banco de Portugal publications, due to differences in the universe of institutions, the temporal coverage considered or the methodology for calculating the indicators.

## ⋮ The average maturity of new home loan agreements went down to 31.8 years.

In 2022, new home loan agreements had an average maturity of 31.8 years, lower than the average maturity of agreements signed in the previous year (32.9 years).

The average term of agreements in the portfolio of institutions increased slightly between the end of 2021 and the end of 2022 (from 33.5 years to 33.6 years). This could be related to the evolution seen in the maturity of agreements that ended, either due to the normal expiry of the maturity or the effect of the increase in the number of early repayments, and to renegotiations involving the extension of maturities.

## ⋮ Mixed and fixed rates gained importance, accounting for around 19% of new agreements.

In 2022, 80.8% of home loan agreements were concluded at a variable rate, a lower proportion than in 2021 (84.9%). In contrast, the importance of mixed-rate agreements increased (from 10% of new agreements in 2021 to 12.3% in 2022) and fixed-rate agreements (from 5.1% in 2021 to 6.4% in 2022).

At the end of the year, variable rate agreements accounted for 92.6% of the institutions' home loan portfolio and 89% of the outstanding balance.

## ⋮ The average spread on new variable rate agreements dropped slightly again.

New variable-rate home loan agreements indexed to the 3, 6 or 12-month Euribor continued a downward trend in the average spread, which stood at 1.09 percentage points in 2022 (compared to 1.14 and 1.19 percentage points in 2021 and 2020, respectively).

Almost half of variable rate agreements (47.4%) had spreads between 1 and 1.5 percentage points, although this range of spreads lost importance compared to 2021 (60.1%). Conversely, the weight of spreads between 0.5 and 1 percentage points increased to 45.4% of variable rate agreements (32.5% in 2021).

Most new variable-rate agreements were indexed to the 12-month Euribor (51.6%), but this index lost importance in comparison to 2021 (66.3%). The 6-month Euribor, on the other hand, now accounts for 46.4% of new agreements, up from 32.5% in 2021, and the 3-month Euribor continues to be of residual importance (0.9% of variable-rate agreements signed in 2022).

The distribution of indexes in the institutions' portfolios is different from that of new agreements. At the end of 2022, 28.5% of the agreements in the institutions' portfolios were indexed to the 3-month Euribor, 41.3% to the 6-month Euribor and 28.5% to the 12-month Euribor.

## ⋮ The number of early repayments increased by around 20%.

In 2022 there were 141,952 early repayments on home loan agreements (20.4% more than in 2021), which corresponded to an amount repaid of around EUR 6.6 billion (15.1% more). The average amount per repayment fell slightly, from EUR 48,879 in 2021 to EUR 46,739 in 2022.

The increase in early repayments, more marked in the second half of the year, is taking place in a context of rising reference interest rates and the start, towards the end of the year, of a period of temporary suspension of the early repayment fee on permanent home loan agreements that are in a variable interest rate period.

### ⋮ The number of renegotiations rose by 17% and the amount renegotiated by 38%.

A total of 41,332 renegotiations were carried out on 39,417 home loan agreements, which corresponded to a total renegotiated amount of around EUR 4.2 billion. When compared to 2021, the number of renegotiations rose by 17.4% and the amount renegotiated went up by 38.4%.

In most of the renegotiated agreements (83.8%) the borrowers were not in default. However, renegotiations of agreements associated with default increased more significantly (69.4%) than renegotiations not associated with default (10.5%).

#### **Other mortgage loans**

### ⋮ The amount granted in other mortgage loans increased by 20%.

In 2022, 17,174 new credit agreements were signed with mortgage guarantees that were not for residential purposes (16.2% more than in 2021), which corresponded to an amount of credit granted of EUR 1.1 billion (20.1% more). These other mortgage loans continued to have a small weight in the total home loans and mortgage loans market, representing 12.9% of the number of agreements signed and 6.5% of the amount of credit granted in 2022 (11.3% of the agreements signed and 5.8% of the amount of credit granted in 2021).

At the end of the year, institutions had around 402,700 other mortgage loan agreements in their portfolio (18.4% less than at the end of 2021), which corresponded to an outstanding balance of EUR 9.8 billion (14.6% less). In the total home loans and mortgage loans portfolio, these loans accounted for 21.2% of the number of agreements and 8.9% of the outstanding balance, similar proportions to the previous year.

#### **Consumer credit**

### ⋮ The number of consumer credit agreements grew by 11.5% and the amount of credit granted increased by 15.6%.

In 2022, an average of 130,331 consumer credit agreements were signed per month, totalling around EUR 632.7 million. The rise in the amount of credit granted was higher year on year (15.6%, compared to 11.6% in 2021). The number of agreements signed went up by 11.5%, compared to a growth of 15.3% in 2021.

The amount of credit granted in 2022 is similar to 2019, the year that preceded the COVID-19 pandemic; however, the number of agreements signed continued to be lower than in that year.

The amount of credit granted to consumers grew year-on-year in the first three quarters of 2022 (with a 43.2% increase in the first quarter) but recorded a slight year-on-year decrease (0.8% less) in the last quarter of 2022.

## ... The amount of credit granted increased in all consumer credit segments, with the 26% increase in personal loans being the most significant.

In personal loans, the amount of credit granted increased by 25.7% compared to 2021, while *revolving* credit grew by 16.2%. Car loans were once again the credit segment with the least significant growth (up 4.1% in 2021), just as in the previous year.

This evolution led to a decrease in the relative weight of car loans in total consumer credit, with this segment now accounting for 35.2% of the amount of credit granted (39.2% in 2021). Conversely, the importance of personal loans increased (from 44.3% of the amount granted in 2021 to 48.1% in 2022). *Revolving* credit remained relatively stable (16.5% in 2021 and 16.7% in 2022).

## ... The average amount of agreements increased in all consumer credit segments.

Personal loan agreements had an average value of EUR 7,000 in 2022, which represents an increase in the average value in 2021 (EUR 6,800). In car loans, the average amount per agreement rose from EUR 14,300 in 2021 to EUR 14,800 in 2022. The average amount for *revolving* credit also grew, from EUR 1400 in 2021 to EUR 1500 in 2022.

In personal loans and car loans, the average maturity remained relatively stable. For personal loans, it stood at 4.9 years, the same as before, and for car loans, it went up from 7.4 years in 2021 to 7.5 years in 2022.

## ... The average cost of consumer credit agreements rose, albeit less sharply than the reference interest rates.

The average APR for consumer credit agreements stood at 11% in the last quarter of 2022, a year-on-year increase of 0.5 percentage points. The rise in the cost of credit was transversal to the three segments.

## ... The importance of contracting through credit intermediaries decreased in car loans.

Credit intermediaries accounted for 43.9% of the amount of consumer credit granted in 2022, down from 46.9% in 2021. This decrease was due not only to the loss of importance of this marketing channel in car loans (from 86.1% of the amount granted in 2021 to 83.9% in 2022), but also to the reduction in the weight of car loans in total consumer credit.

In personal loans, the weight of credit intermediaries increased slightly (from 15.9% in 2021 to 16.5% in 2022) and in *revolving* credit, this channel now accounts for 38.4% of the amount granted, up from 37.3% in 2021.



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# I Home loans and other mortgage loans

1 Market developments

2 Home loans

3 Other mortgage loans



# 1 Market developments

⋮ The number of agreements concluded fell slightly, but the amount of home loans granted increased.

In the **home loan market**, 115,729 new agreements were signed in 2022 (0.7% less than in 2021<sup>1</sup>) and around EUR 15.8 billion of credit was granted (6.8% more). The average amount of agreements signed in 2022 was around EUR 136,000 (7.5% more than in 2021).

There were 1.50 million home loan agreements in the portfolio at the end of 2022, higher than at the end of 2021 (1.43 million agreements). These agreements corresponded to an outstanding balance of EUR 100.9 billion (up 6.4%).

⋮ The number of other mortgage loans increased.

In 2022, 17,174 new **other mortgage loans** were signed<sup>2</sup> (16.2% more than in 2021) and around EUR 1097 million were granted (20.1% more). The average amount of new other mortgage loan agreements also went up (by 3.3%).

At the end of 2022, there were around 403,000 other mortgage loan agreements in the portfolio (down 18.4% on 2021), with an outstanding balance of EUR 9.8 billion (down 14.6%).

**Table I.1.1 • Key indicators of the home loans and mortgage loans market**

In 2022	Home loans	Other mortgage loans
Amount of credit granted	EUR 15.8 billion (+6.8% versus 2021)	EUR 1,097 million (+20.1% versus 2021)
Number of agreements concluded	115,729 (-0.7% versus 2021)	17,174 (+16.2% versus 2021)
Average amount per agreement	EUR 136,143 (+7.5% versus 2021)	EUR 63,858 (+3.3% versus 2021)
Position at 31-12-2022	Home loans	Other mortgage loans
Balance outstanding	EUR 100.9 billion (+6.4% versus 2021)	EUR 9.8 billion (-14.6% versus 2021)
Number of agreements	1.50 million (+4.5% versus 2021)	403,000 (-18.4% versus 2021)

Source: Banco de Portugal.

1. The figures for 2021 published in this report may differ from those published in the 2021 Banking Markets Monitoring Report due to corrections to the information reported by institutions.

2. Agreements that are not intended for the purchase or construction of housing, but are backed by a mortgage on the property.

## 2 Home loans

The purpose of home loan agreements is the acquisition or construction of residential property and land or buildings, whether or not they are secured by a mortgage on the property. They also include agreements in the form of financial leasing of residential property.

### 2.1 Developments in the contracting of home loans

... The growth in the amount of home loans granted was less  
... significant than in 2021.

An average of 9,644 **home loan agreements** were signed per month, which corresponds to a reduction of 0.7% versus 2021 and compares with the 28.6% increase seen that year. These agreements corresponded to a monthly average of EUR 1,313 million granted in home loans, an increase of 6.8% compared to 2021 and which follows the 36.4% growth seen that year.

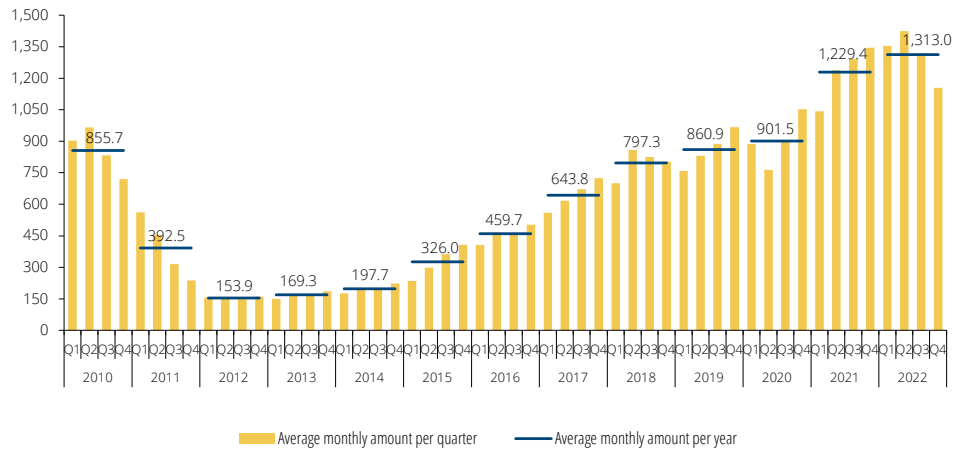
... In the second half of 2022, there were decreasing year-on-year  
... variations, in a context of a significant increase in Euribor rates.

The **amount of home loans** granted increased by 29.9% in the first quarter of the year, compared to the same period in 2021. This increase was followed by less significant year-on-year growth in the second and third quarters (15.1% and 2.1%, respectively) and, finally, a year-on-year decrease of 14.2% in the last quarter of 2021.

In terms of the **number of agreements concluded**, the first and second quarters of the year saw increases of 19.3% and 6.3%, respectively, compared to the same period in 2021. Conversely, in the third and fourth quarters, the number of agreements concluded fell by 6.2% and 18.1%, respectively, year on year.

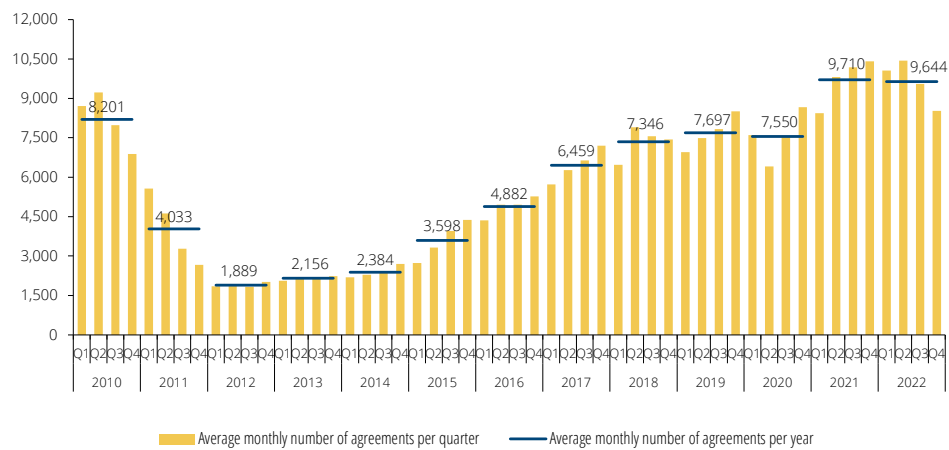
This development in the amount of home loans granted and the number of agreements concluded took place against a backdrop of successive increases in reference interest rates in the second half of 2022.

**Chart I.2.1 • Home loans | Average monthly amount of credit granted | EUR million | 2010–2022**



Source: Banco de Portugal.

**Chart I.2.2 • Home loans | Average monthly number of agreements concluded | 2010–2022**



Source: Banco de Portugal.

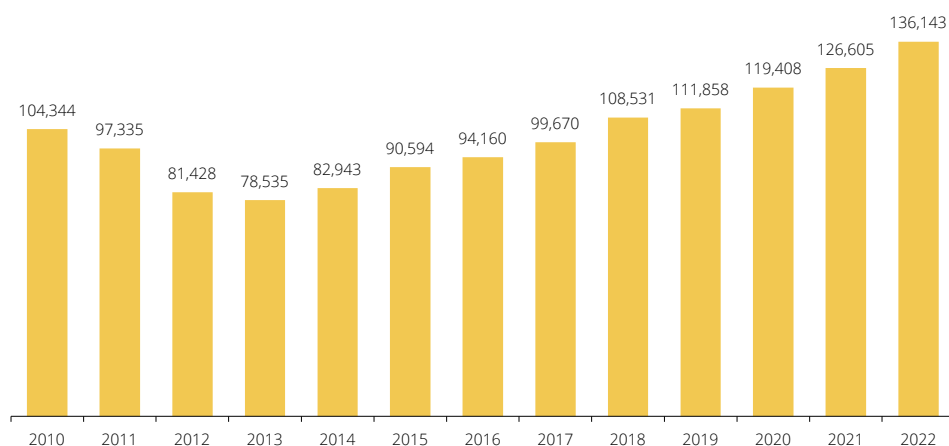
... The average value of agreements continued to grow,  
... with an increase of 7.5% compared to 2021.

The **average value of new agreements** went up from EUR 126,605 in 2021 to EUR 136,143 in 2022 (up 7.5%), which is in line with the 11.3% increase<sup>3</sup> in the house price index.

Amounts over EUR 150,000 were the most frequent in new agreements, with their weight increasing from 26.1% in 2021 to 30.4% in 2022. Conversely, the weight of agreements with amounts of less than EUR 90,000 fell once again, accounting for 33.9% of agreements (37.9% in 2021).

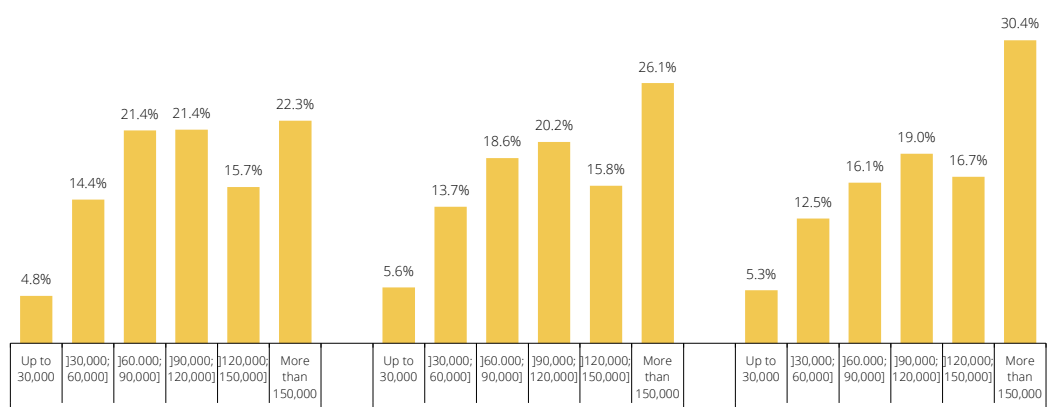
3. Year-on-year rate of change for the 4th quarter of 2022 (source: BPStat).

**Chart I.2.3 • Home loans | Average amount granted for agreements concluded | 2010–2022**



Source: Banco de Portugal.

**Chart I.2.4 • Home loans | Distribution of the number of new agreements per amount of credit granted | Agreements concluded 2020–2022**



Source: Banco de Portugal.

Most of the home loan agreements signed in 2022 had a mortgage guarantee (99.6% of the agreements and 99.7% of the amount granted). This year, 385 home loan agreements were also signed without a mortgage guarantee, with a total amount of credit granted of around EUR 32.2 million, and 46 home loan agreements in the form of property leasing, with a total amount of around EUR 9 million.

**Table I.2.1 • Home loans | Credit amount granted, number of agreements concluded and average amount per loan, by type of credit | Agreements concluded 2020–2022**

		Value			Percentage change	
		2020	2021	2022	2021–2020	2022–2021
Amount of credit granted (EUR million)	Mortgage-backed home loan	10,782	14,708	15,715	36.4%	6.8%
	Home loans not backed by a mortgage	29	33	32	14.6%	-3.6%
	Real-estate financial lease	7	11	9	61.9%	-19.0%
	<b>Total</b>	<b>10,818</b>	<b>14,752</b>	<b>15,756</b>	<b>36.4%</b>	<b>6.8%</b>
Number of agreements	Mortgage-backed home loan	90,200	116,033	115,298	28.6%	-0.6%
	Home loans not backed by a mortgage	348	424	385	21.8%	-9.2%
	Real-estate financial lease	50	65	46	30.0%	-29.2%
	<b>Total</b>	<b>90,598</b>	<b>116,522</b>	<b>115,729</b>	<b>28.6%</b>	<b>-0.7%</b>
Average amount per agreement (euros)	Mortgage-backed home loan	119,536	126,756	136,295	6.0%	7.5%
	Home loans not backed by a mortgage	83,921	78,912	83,739	-6.0%	6.1%
	Real-estate financial lease	135,530	168,821	193,201	24.6%	14.4%
	<b>Total</b>	<b>119,408</b>	<b>126,605</b>	<b>136,143</b>	<b>6.0%</b>	<b>7.5%</b>

Source: Banco de Portugal.

## 2.2 Portfolio developments

... The balance outstanding in institutions' home loan portfolios increased more than in the previous year.

Credit institutions had around 1.50 million **home loan agreements** in their portfolio at the end of 2022 (up from 1.43 million at the end of 2021)<sup>4</sup>. These agreements had an associated balance outstanding of EUR 100.9 billion (up 6.4% on 2021), a development that reinforces the increase already seen in 2021 (up 5.2%). The increase in the outstanding balance is in line with the increases seen in the number of agreements in the portfolio and the average amount of agreements concluded in 2022.

At the end of 2022, the mortgage-backed home loan portfolio totalled 1,490,998 agreements (99.7% of the total) and a balance outstanding of EUR 100,714 million (99.8% of the total). There were also 4643 home loan agreements not backed by a mortgage in the portfolio, with a balance of EUR 157 million, and 700 property leasing agreements, with a balance outstanding of EUR 69 million.

4. The evolution of the number of agreements in the portfolio is due not only to agreements concluded, but also to total early repayments, the sale of portfolios by some credit institutions and the expiry of agreements due to the normal lapse of time.

**Table I.2.2 • Home loans | Number of agreements, balance outstanding and average balance by type of credit | Position at 31 December (2020–2022)**

		Position of the portfolio			Percentage change	
		31-12-2020	31-12-2021	31-12-2022	2021–2020	2022–2021
Balance outstanding (EUR million)	Mortgage-backed home loan	89,918	94,602	100,714	5.2%	6.5%
	Home loans not backed by a mortgage	171	172	157	1.1%	-9.2%
	Real estate financial leasing	73	72	69	-1.9%	-3.4%
	<b>Total</b>	<b>90,161</b>	<b>94,846</b>	<b>100,939</b>	<b>5.2%</b>	<b>6.4%</b>
Number of agreements	Mortgage-backed home loan	1,441,729	1,427,203	1,490,998	-1.0%	4.5%
	Home loans not backed by a mortgage	4,916	4,495	4,643	-8.6%	3.3%
	Real estate financial leasing	752	734	700	-2.4%	-4.6%
	<b>Total</b>	<b>1,447,397</b>	<b>1,432,432</b>	<b>1,496,341</b>	<b>-1.0%</b>	<b>4.5%</b>
Average balance per agreement (euros)	Mortgage-backed home loan	62,368	66,285	67,548	6.3%	1.9%
	Home loans not backed by a mortgage	34,719	38,374	33,721	10.5%	-12.1%
	Real estate financial leasing	96,925	97,427	98,674	0.5%	1.3%
	<b>Total</b>	<b>62,292</b>	<b>66,213</b>	<b>67,457</b>	<b>6.3%</b>	<b>1.9%</b>

Source: Banco de Portugal.

## 2.3 Maturities of home loans

... The average term of new home loan agreements fell for the second year in a row.

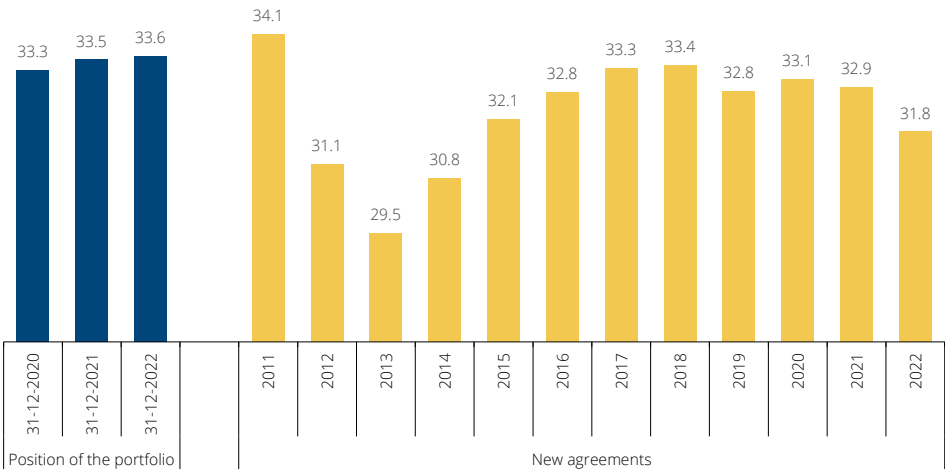
The average term of **home loan agreements signed in 2022** was 31.8 years, which is a reduction on the maturity of agreements concluded in 2021 (32.9 years). and reinforces the decrease that took place that year.

The **average maturity of agreements in the portfolio on 31 December 2022** was 33.6 years, compared to 33.5 years at the end of 2021. Despite the reduction in the average maturity of credit agreements concluded in 2022, the average maturity of the agreements in the portfolio did not decrease. This is related to the maturity of the agreements that have ended, due to normal expiry of the term or early repayment, and to renegotiations involving the extension of maturities.

The average remaining term of the home loan agreements in the portfolio at the end of 2022 was 21.6 years (21.5 years in 2021).



Chart I.2.5 • Home loans | Average loan maturity (years) | Position at 31 December (2020–2022) and agreements concluded (2011–2022)



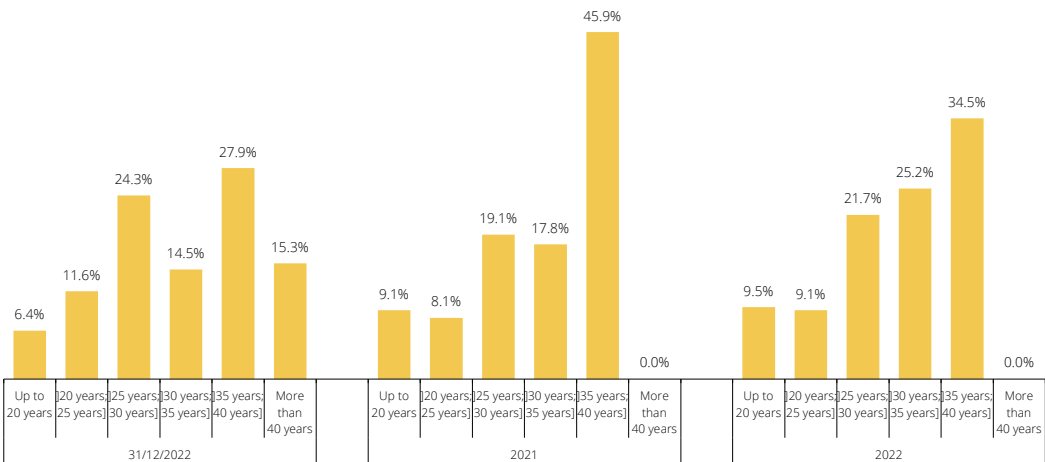
Source: Banco de Portugal.

Around a third of new home loan agreements had maturities of between 35 and 40 years.

Maturities between 35 and 40 years accounted for 34.5% of agreements signed in 2022, although their importance decreased (45.9% in 2021). In contrast, the percentage of new agreements with maturities of less than 35 years increased, in particular, with intermediate terms (between 20 and 35 years), from 45% in 2021 to 56% in 2022.

Most of the **agreements in the portfolio at the end of 2022** (66.7%) had maturities of between 25 and 40 years, with the most notable maturities being between 35 and 40 years (27.9%) and between 25 and 30 years (24.3%).

Chart I.2.6 • Home loans | Distribution of the maturity of agreements | Number of agreements | Position at 31-12-2022 and agreements concluded in 2021 and 2022



Source: Banco de Portugal.

## 2.4 Type of interest rate<sup>5</sup>

Most new home loan agreements continued to be with a variable interest rate, but their weight decreased when compared to 2021.

**Variable interest rates** accounted for 80.8% of the agreements concluded in 2022 and 79.3% of the amount of credit granted, lower proportions than in 2021 (84.9% and 84.7% respectively).

In contrast, the importance of mixed rate agreements (which have an initial fixed rate period followed by a variable rate period) grew. This type of interest rate now accounts for 12.3% of agreements signed (10% in 2021) and 14.3% of the amount of credit granted (10.7% in 2021).

The proportion of fixed-rate agreements also increased, representing 6.9% of the number of agreements concluded and 6.4% of the amount of credit granted (compared to 5.1% and 4.6% in 2021, respectively).

The growth in the relative importance of contracting home loans with a fixed or mixed interest rate, which avoids changes in the monthly instalment (temporarily, in the case of the mixed rate), is occurring in a context of rising reference interest rates (e.g. Euribor).

The **average APR<sup>6</sup>** for home loan agreements concluded in 2022 was 3.7%, which is an increase on the average APR for agreements concluded in 2021 (2.7%). This increase was seen across all interest rate types. The average APR for new variable-rate agreements was 3.5% (2.6% in 2021), for mixed-rate agreements 4.1% (3.2% in 2021) and for fixed-rate agreements 4.5% (3.5% in 2021).

Most of the agreements in the portfolio had a variable rate.

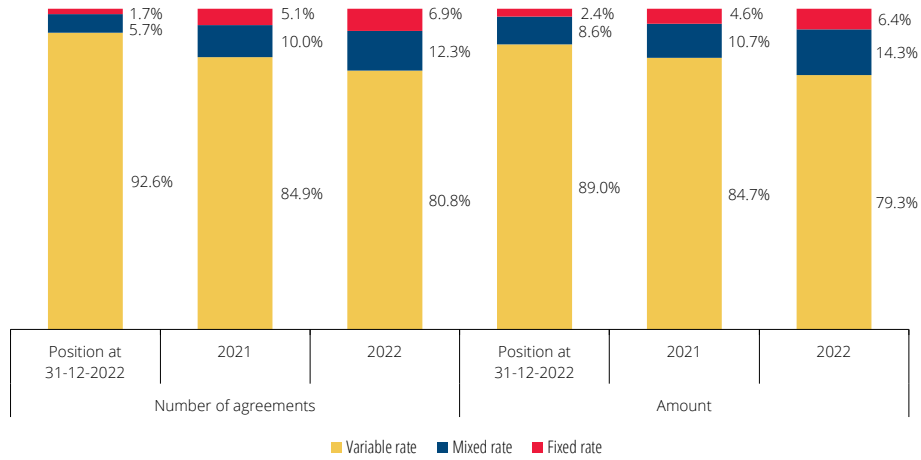
Variable rate agreements accounted for 92.6% of the number of agreements the institutions had in their **portfolios** at the end of 2022 and 89% of the balance outstanding.

The mixed rate accounted for 5.7% of the agreements in the portfolio and 8.6% of the balance outstanding, while the fixed rate continued to have a small weight, representing 1.7% of the number of agreements in the portfolio and 2.4% of the balance outstanding.

5. Credit agreements can be concluded with three types of interest rate: variable rate, fixed rate and mixed rate. In variable rate agreements, the interest rate is the sum of the index value (e.g. Euribor) and the spread established in the agreement. In fixed-rate contracts, the interest rate remains unchanged throughout the term of the agreement. Mixed rates are generally associated with agreements with an initial fixed rate period, followed by a variable rate for the remainder of the loan term.

6. In variable interest rate or mixed interest rate agreements, the APR calculation assumes that the interest rate remains the same throughout the duration of the agreement.

**Chart I.2.7 • Home loans | Distribution of the number of agreements and credit amount by type of interest rate | Position at 31-12-2022 and agreements concluded in 2021 and 2022**



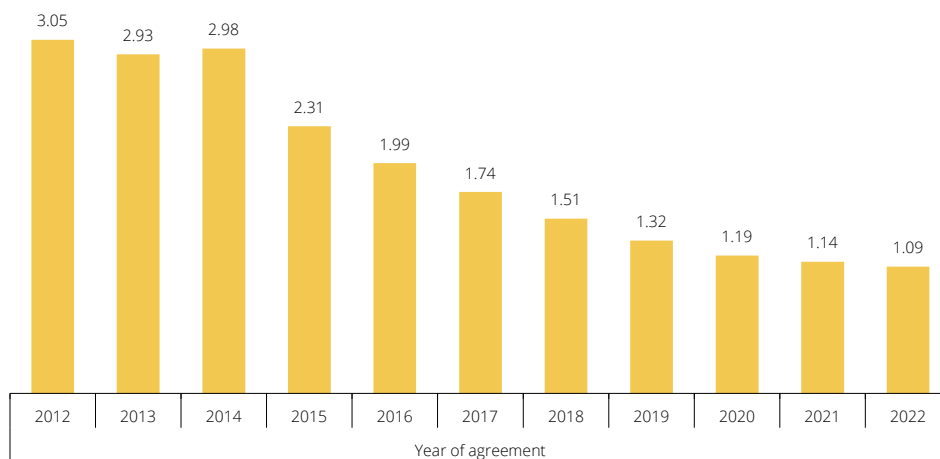
Source: Banco de Portugal.

#### 2.4.1 Variable interest rate

The average spread on new variable rate agreements fell once again, in line with previous years.

The average spread on **new home loan agreements** indexed to 3-, 6- and 12-month Euribor was 1.09 percentage points, compared to 1.14 percentage points in 2021.

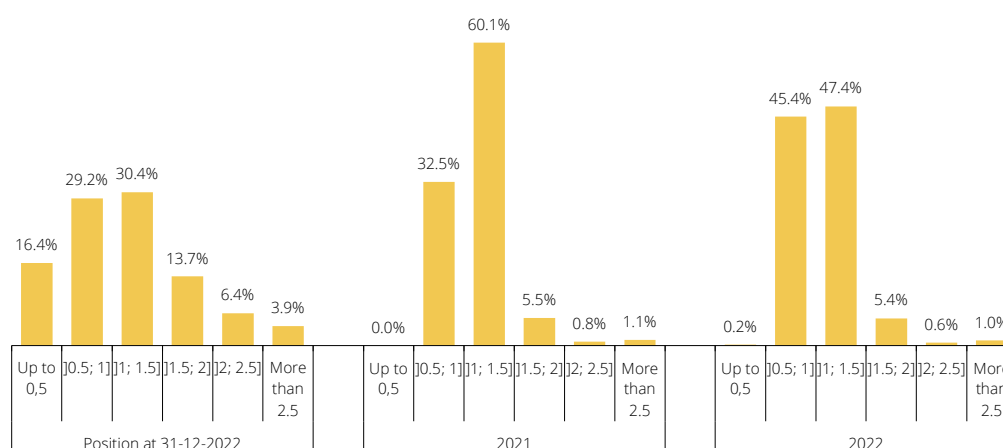
**Chart I.2.8 • Home loans | Evolution of average spreads of variable rate agreements indexed to 3, 6 and 12-month Euribors | Agreements concluded 2012–2022**



Source: Banco de Portugal.

A large proportion of variable rate agreements in 2022 (47.4%) continued to have spreads between 1 and 1.5 percentage points, although the importance of this range of spreads decreased significantly compared to the previous year (60.1%). In contrast, the weight of spreads between 0.5 and 1 percentage points increased, accounting for 45.4% of floating rate agreements, compared to 32.5% in 2021. The average spread on the **portfolio** stood at 1.19 percentage points at the end of 2022, which represents a relative stabilisation compared to the previous year (1.22 points).

**Chart I.2.9 • Home loans | Distribution of the spreads in variable-rate agreements | Position at 31-12-2022 and agreements concluded in 2021 and 2022**



Source: Banco de Portugal.

### ... The 12-month Euribor continued to be the most common index for new agreements, although its importance decreased.

The 12-month Euribor accounted for 51.6% of **new agreements** and 54.9% of the amount of credit granted in 2022, which represents a decrease in relation to 2021 (66.3% and 69.7% respectively).

By contrast, the weight of the 6-month Euribor increased. It was the index for 46.4% of new variable rate home loan agreements and accounted for 43.2% of the amount of credit granted (32.5% and 29.4% respectively in 2021).

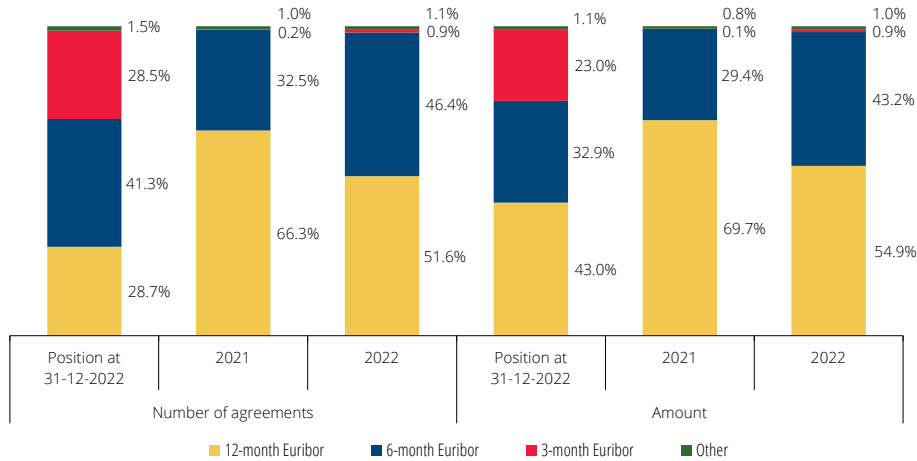
The 3-month Euribor continued to be of residual importance (0.9% of the number of agreements and of the amount granted).

### ... Approximately one third of the balance outstanding in the portfolio is indexed to the 6-month Euribor.

In the **portfolio of agreements as at 31 December 2022**, the most frequent indexing rates were the 6-month Euribor, in terms of number of agreements, and the 12-month Euribor, in terms of balance outstanding. The 6-month Euribor was the index for 41.3% of the agreements and 32.9% of the balance outstanding, while the 12-month Euribor was the index for 28.7% of the agreements and 43% of the balance outstanding.

The 3-month Euribor represented less than a third of the home loan portfolio in terms of number of agreements (28.5%) and less than a quarter of the portfolio in terms of balance outstanding (23%).

**Chart I.2.10 • Home loans | Distribution of the number of agreements and of the amount granted by reference rate of the variable interest rate | Position at 31-12-2022 and agreements concluded in 2021 and 2022**



Source: Banco de Portugal.

## 2.4.2 Mixed interest rate

### The initial fixed interest rate period of new mixed-rate agreements increased.

**New mixed-rate home loan agreements** had, on average, an initial rate fixation period of 13.1 years, a slight increase on the 12.9 years observed, on average, in the previous year's agreements. Compared to the agreements in the portfolio at the end of the year, the agreements concluded in 2022 had an average rate-setting period almost four years longer.

The nominal annual rate applicable in the initial fixed-rate period of new agreements was, on average, 2.31% (compared to 1.28% in 2021). As usual, this rate was higher than that of the variable rate agreements concluded in 2022, indexed to 3-, 6- and 12-month Euribor (1.78%).

In the **portfolio**, the average spread of mixed-rate agreements in which the index was 3-month, 6-month and 12-month Euribor and which were in the variable-rate period was 1.35 percentage points higher than in variable-rate agreements (1.19 percentage points).

### 2.4.3 Fixed interest rate

∴ The interest rate on new fixed-rate agreements went up.

**New fixed-rate agreements** not related to the regularisation of default situations<sup>7</sup> had an average term of 30.4 years, higher than in 2021 (29.3 years). Nonetheless, on average, the term of these agreements was shorter than that of other home loan agreements concluded in 2022 (32 years).

The nominal annual rate of the new fixed-rate agreements was 3.2% on average (1.9% in 2021). These agreements continued to have higher nominal annual rates than the initial variable interest rate agreements.

## 2.5 Early repayments

∴ The number of early repayments went up and the average amount per repayment went down.

There were 141,952 total or partial early repayments on housing loan agreements (20.4% more than in 2021). These repayments involved amortised capital of EUR 6.6 billion (15.1% more than in 2021), corresponding to around 6.6% of the portfolio's balance outstanding as at 31 December 2022. The average amount per repayment decreased from EUR 48,879 in 2021 to EUR 46,739 in 2022.

Of the 141,952 early repayments in 2022, 100,217 were total early repayments (12% more than in 2021), corresponding to an amount repaid of EUR 5.9 billion (10.2% more). In this type of reimbursement, the average amount reimbursed dropped from EUR 59,733 in 2021 to EUR 58,817 in 2022. The amounts repaid were less than or equal to EUR 25,000 in 32.9% of the total early repayments and more than half of the repayments (54.1%) did not exceed EUR 50,000.

There were also 41,735 **partial early repayments** on home loan agreements (47.1% more than in 2021), corresponding to EUR 740 million (78.1% more). On average, each partial repayment in 2022 corresponded to EUR 17,738, more than in 2021 (14,646 euros). The amount repaid did not exceed EUR 10,000 in 60.2% of partial early repayments and in 29.7% of cases the amount repaid was more than EUR 17,500.

The increase in early repayments, which was more significant in partial early repayments, occurred in a context of rising reference interest rates and the start, towards the end of the year, of a period of temporary suspension of the fee for early repayment in permanent home loan agreements that are in a variable interest rate period<sup>8</sup>. The number of early repayments increased especially during the second half of 2022, peaking in December (around 15,000 early repayments).

7. Around 0.7% of new fixed-rate home loan agreements had a duration of less than five years and small amounts. They were mostly intended to regularise situations of default on previously concluded agreements.

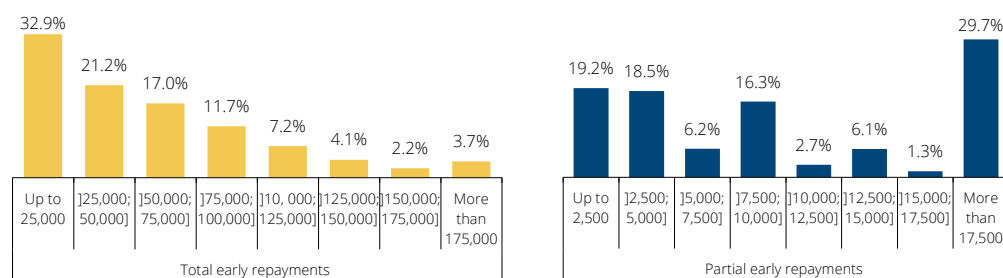
8. Decree-Law No. 80-A/2022 of 25 November, which came into force the day after it was published, established the temporary suspension of the early repayment fee until 31 December 2023 on permanent home loan agreements which are in a variable interest rate period.

**Table I.2.3 • Home loans | Early repayments | 2020-2022**

		Value			Percentage change	
		2020	2021	2022	2021-2020	2022-2021
Amount reimbursed (EUR million)	Total repayment	4,084	5,347	5,894	30.9%	10.2%
	Partial repayment	359	416	740	15.9%	78.1%
	<b>Total</b>	<b>4,442</b>	<b>5,762</b>	<b>6,635</b>	<b>29.7%</b>	<b>15.1%</b>
Number of reimbursements	Total repayment	70,089	89,509	100,217	27.7%	12.0%
	Partial repayment	32,983	28,379	41,735	-14.0%	47.1%
	<b>Total</b>	<b>103,072</b>	<b>117,888</b>	<b>141,952</b>	<b>14.4%</b>	<b>20.4%</b>
Average amount per reimbursement (euros)	Total repayment	58,263	59,733	58,817	2.5%	-1.5%
	Partial repayment	10,874	14,646	17,738	34.7%	21.1%
	<b>Total</b>	<b>43,098</b>	<b>48,879</b>	<b>46,739</b>	<b>13.4%</b>	<b>-4.4%</b>

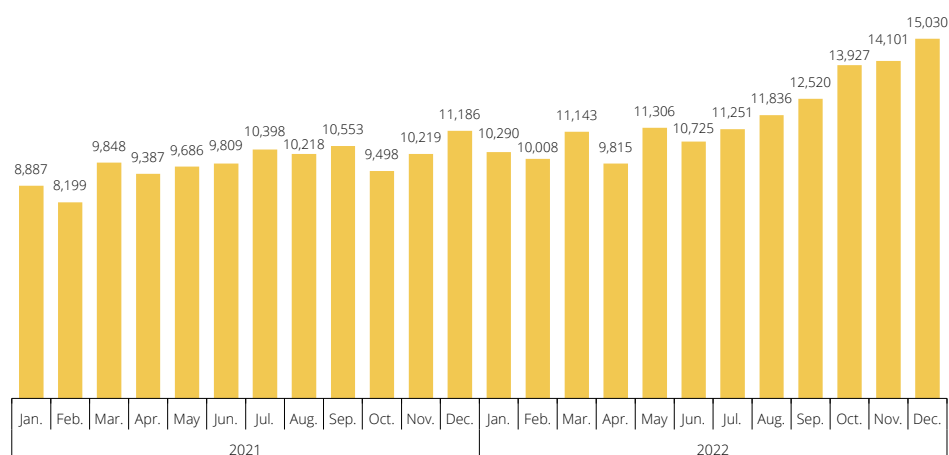
Source: Banco de Portugal.

**Chart I.2.11 • Home loans | Distribution of the amount repaid in advance | 2022**



Source: Banco de Portugal.

**Chart I.2.12 • Home loans | Number of early repayments | 2021-2022**



Source: Banco de Portugal.

## 2.6 Renegotiation of agreements

The number of renegotiations increased in 2022, albeit less significantly than in 2021.

There were 41,332 renegotiations of home loan agreements (17.4% more than the previous year), involving 39,417 credit agreements (17.1% more). Renegotiations carried out in 2022 involved a renegotiated credit amount of EUR 4.2 billion, an increase of 38.2% year on year.

**Table I.2.4 • Home loans | Renegotiations | 2020–2022**

	Valor			Percentage change	
	2020	2021	2022	2021–2020	2022–2021
Number of Renegotiations	25,826	35,218	41,332	36.4%	17.4%
Number of agreements renegotiated	24,756	33,654	39,417	35.9%	17.1%
Credit amount renegotiated (EUR million)	2,473	3,069	4,242	24.1%	38.2%
Average renegotiated amount (euros)	95,745	87,140	102,621	-9.0%	17.8%

Source: Banco de Portugal.

In most agreements that were renegotiated (83.8%), the borrowers were not in default, as in previous years (88.8% in 2021). However, the number of renegotiated home loan agreements in which the borrower was in default<sup>9</sup> grew (69.4% more) more significantly than the number of renegotiated agreements in which the borrower was not in default (10.5% more).

**Table I.2.5 • Home loans | Number of agreements renegotiated, by credit situation | 2020–2022**

	Value			Percentage change	
	2020	2021	2022	2021–2020	2022–2021
Defaulted on a mortgage loan or defaulted on other loans with the same credit institution	2,978	3,771	6,387	26.6%	69.4%
No default at the credit institution with which the home loan is held	21,779	29,884	33,031	37.2%	10.5%
<b>Total</b>	<b>24,756</b>	<b>33,654</b>	<b>39,417</b>	<b>35.9%</b>	<b>17.1%</b>

Source: Banco de Portugal.

Of the renegotiations carried out in 2022, 16.5% simultaneously altered the spread and other conditions of the agreement with a financial effect (other than the term, capital grace periods or the type of interest rate, which could include, for example, changing the index or setting a lower instalment for a limited period).

In 14.9% of the renegotiations only the term of the agreement was changed and in 10.4% the aim was to change other conditions of the agreement with a financial effect (other than the spread, the term, the capital grace periods or the type of interest rate). In 25.1% of renegotiations, more than two financial conditions were changed.

9. These are defaults on that agreement or on other credit agreements held with the same institution.



**Table I.2.6 • Home loans | Characterisation of Renegotiations | 2022**

	Distribution of the number of renegotiations	Average balance renegotiated (euros)
More than two conditions renegotiated	25.1%	95,768
Spread and other conditions with financial effect	16.5%	100,760
Only term	14.9%	87,019
Only other conditions with financial effect	10.4%	92,484
Capital grace period only	8.7%	105,702
Others	8.6%	88,923
Only type of interest rate	5.7%	123,735
Type of interest rate and other conditions with financial effect	5.2%	124,916
Term and spread	4.3%	94,408
Type of interest rate and spread	0.6%	172,211
<b>Total</b>	<b>100.0%</b>	<b>98,744</b>

Source: Banco de Portugal.

## 3 Other mortgage loans

“Other mortgage loans” are credit agreements that do not have a “residential purpose” but are backed by a mortgage on the property. This type of loan can have specific purposes, such as consolidating loans previously held by the bank customer, or it can be granted without identifying the purpose of the loan.

### 3.1 Developments in the contracting of home loans

#### ... The number of new agreements and the amount granted increased.

A total of 17,174 new non-housing mortgage credit agreements were signed, corresponding to an amount of credit granted of EUR 1.1 billion. In the total home loan and mortgage loan market, these loans represented 12.9% of the number of agreements concluded and 6.5% of the amount of credit granted in 2022.

The number of new agreements for other mortgage loans concluded in 2022 increased by 16.2% compared to 2021, and the amount of credit granted increased by 20.1%. The average amount of new agreements grew from EUR 61,819 in 2021 to EUR 63,858 in 2022.

Amounts of up to EUR 40,000 accounted for 47% of new agreements for other mortgage loans, a decrease when compared to 2021 (49.6%). In contrast, new agreements with amounts of more than EUR 40,000 were more frequent (50.4% of agreements concluded in 2021 and 53% in 2022), with an increase in the weight of amounts between EUR 50,000 and 100,000 (from 24.4% in 2021 to 25.8% in 2022).

Almost all the other mortgage loan agreements concluded in 2022 had other purposes<sup>10</sup> (97.3% of the number of agreements and 98% of the amount of credit granted) than credit consolidation. There were also 465 mortgage-backed loans concluded for the purpose of consolidating loans previously held by the customer, which represented an amount of credit granted of EUR 22 million. Although they represent a small proportion of total other mortgage loans, there was a 45.8% increase in the number of new credit consolidation agreements and a 63.5% increase in the amount granted. This trend may be associated with the increase in home loan renegotiations, where consolidation with other loans held by the customer is one of the types of solutions agreed.

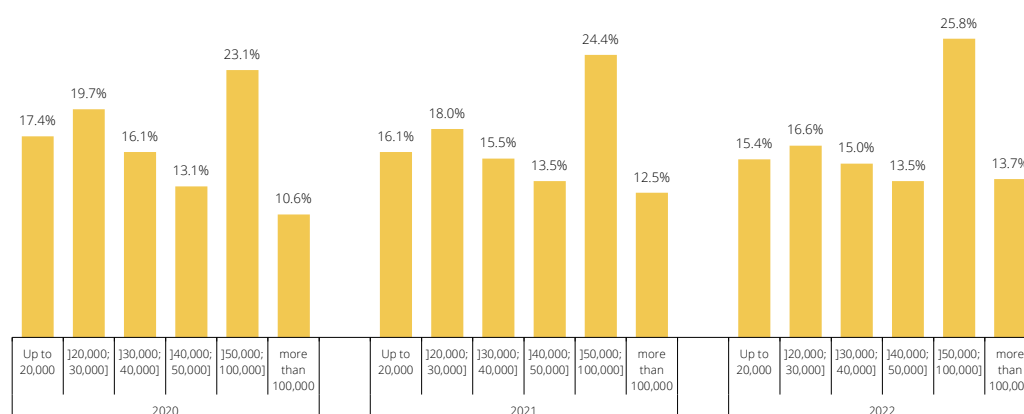
Other mortgage loans for other purposes had an average amount of EUR 64,320 in 2022, compared to EUR 47,265 for other mortgage loans for loan consolidation.

**Table I.3.1 • Other mortgage loans | Amount of credit granted, number of agreements concluded and average amount per agreement. by type of credit | Agreements concluded 2020–2022**

		Value			Percentage change	
		2020	2021	2022	2021–2020	2022–2021
Amount of credit granted (EUR million)	Consolidated credit	17	13	22	-19.9%	63.5%
	Other purposes	760	900	1,075	18.4%	19.4%
	<b>Total</b>	<b>777</b>	<b>913</b>	<b>1,097</b>	<b>17.5%</b>	<b>20.1%</b>
Number of agreements	Consolidated credit	431	319	465	-26.0%	45.8%
	Other purposes	13,193	14,456	16,709	9.6%	15.6%
	<b>Total</b>	<b>13,624</b>	<b>14,775</b>	<b>17,174</b>	<b>8.4%</b>	<b>16.2%</b>
Average amount per agreement (euros)	Consolidated credit	38,917	42,140	47,265	8.3%	12.2%
	Other purposes	57,625	62,254	64,320	8.0%	3.3%
	<b>Total</b>	<b>57,033</b>	<b>61,819</b>	<b>63,858</b>	<b>8.4%</b>	<b>3.3%</b>

Source: Banco de Portugal.

**Chart I.3.1 • Other mortgage loans | Distribution of the number of new agreements per amount of credit granted | Agreements concluded 2020–2022**



Source: Banco de Portugal.

10. This sub-segment includes credit agreements with an identified specific purpose, in particular agreements for the purchase of cars or other vehicles, as well as agreements with no identified specific purpose (including revolving credit agreements). Mortgage credit agreements intended to finance the purchase of vehicles and revolving credit agreements with a mortgage guarantee have a residual expression in the total of other mortgage loans, which is why they are not autonomised in the analysis.

## 3.2 Portfolio developments

The number of agreements in the portfolio and the balance outstanding decreased.

At the end of 2022, credit institutions had around 402,700 other mortgage loan agreements in their portfolio (18.4% less than at the end of 2021), which corresponded to a balance outstanding of EUR 9.8 billion (14.6% less). These loans accounted for 21.2% of the number of agreements and 8.9% of the outstanding amount in the total home loans and mortgage loans portfolio.

**Table I.3.2 • Other mortgage loans | Number, balance outstanding and average balance by type of credit | Position at 31 December (2020–2022)**

		Position of the portfolio			Percentage change	
		31-12-2020	31-12-2021	31-12-2022	2021–2022	2022–2021
Balance outstanding (EUR million)	Consolidated credit	213	197	111	-7.5%	-43.8%
	Other purposes	11,336	11,301	9,712	-0.3%	-14.1%
	<b>Total</b>	<b>11,549</b>	<b>11,498</b>	<b>9,823</b>	<b>-0.4%</b>	<b>-14.6%</b>
Number of agreements	Consolidated credit	8,763	8,273	3,290	-5.6%	-60.2%
	Other purposes	488,287	485,003	399,405	-0.7%	-17.6%
	<b>Total</b>	<b>497,050</b>	<b>493,276</b>	<b>402,695</b>	<b>-0.8%</b>	<b>-18.4%</b>
Average balance per agreement (euros)	Consolidated credit	24,334	23,838	33,679	-2.0%	41.3%
	Other purposes	23,215	23,301	24,317	0.4%	4.4%
	<b>Total</b>	<b>23,235</b>	<b>23,310</b>	<b>24,393</b>	<b>0.3%</b>	<b>4.6%</b>

Source: Banco de Portugal.

## 3.3 Maturities of other mortgage loans

The average term of new agreements was similar to the previous year.

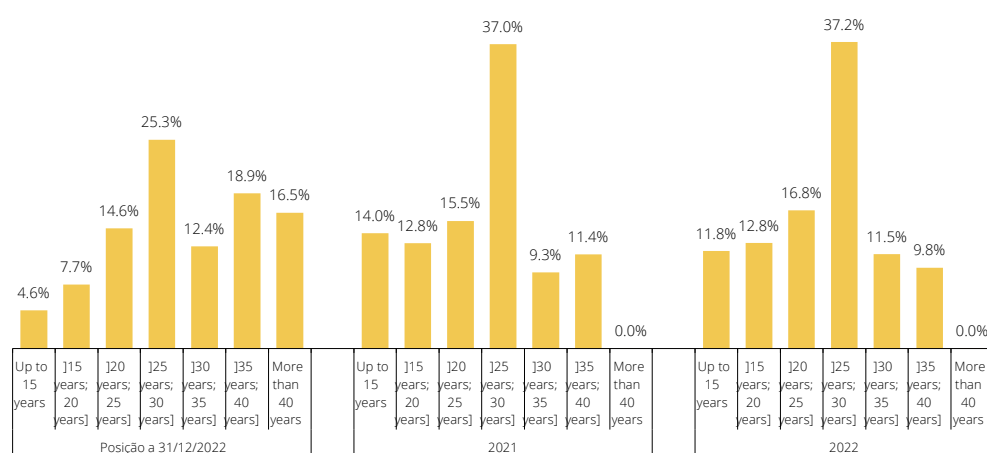
The average term of other mortgage loans concluded in 2022 was 26.3 years, similar to 2021 (26 years). The agreements in the portfolio on 31 December 2022 had an average maturity of 31.7 years. This term is mainly explained by the agreements signed between 2004 and 2010, which accounted for 55.3% of the agreements in the portfolio on 31 December 2022 and had an average term of 34.3 years.

The proportion of other mortgage loan agreements with terms of more than 35 years decreased.

The importance of new agreements with terms of between 25 and 30 years (37.2%) and between 15 and 20 years (12.8%) stabilised in comparison to the previous year (respectively). The importance of

agreements with terms of between 20 and 25 years increased from 15.5% in 2021 to 16.8% in 2022, and of agreements with terms of between 30 and 35 years, from 9.3% in 2021 to 11.5% in 2022. In contrast, the weight of agreements with terms of less than 15 years decreased (from 14% in 2021 to 11.8% in 2022) and of agreements with terms of between 35 and 40 years (from 11.4% in 2021 to 9.8% in 2022).

**Chart I.3.2 • Other mortgage loans | Distribution of the term of the agreement | Number of agreements | Position at 31-12-2022, agreements concluded in 2021 and 2022**



Source: Banco de Portugal.

## 3.4 Type of interest rate

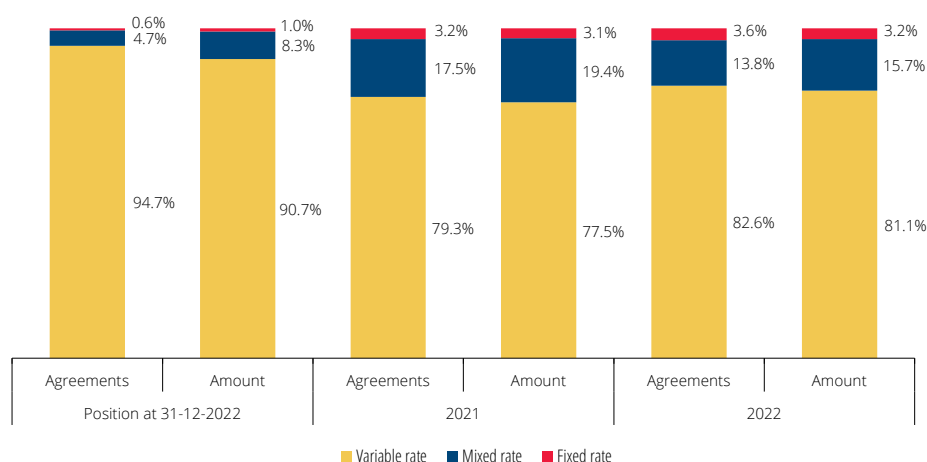
Variable interest rate agreements were the most frequent and gained importance compared to the previous year.

**Variable interest rates** accounted for 82.6% of other mortgage loan agreements concluded in 2022 and 81.1% of the amount of credit granted, higher than in 2021 (79.3% and 77.5% respectively). These agreements were mostly indexed to the 12-month Euribor (81.6% of the agreements concluded and 80.5% of the amount of credit granted). In new variable rate agreements, indexed to 3-, 6- and 12-month Euribor, the average spread was 1.74 percentage points, lower than the average spread for agreements signed in 2021 (1.83 percentage points).

The weight of other mortgage loans with a **mixed rate** decreased both in the number of agreements concluded (from 17.5% in 2021 to 13.8% in 2022) and in the amount of credit granted (from 19.4% in 2021 to 15.7% in 2022). In contrast, the importance of fixed rates increased slightly, accounting for 3.6% of other mortgage loan agreements signed in 2022 and 3.2% of the amount granted (respectively, 3.2% and 3.1% in 2021).

The average APR for other mortgage loans concluded in 2022 was 5%. The average APR for mixed rate agreements was the highest (6%). The **average APR** for new fixed-rate agreements was 5.4%, higher than the APR of 4.8% for variable-rate agreements.

**Chart I.3.3 • Other mortgage loans | Distribution of the number of agreements and credit amount by type of interest rate | Position at 31-12-2022 and agreements concluded in 2021 and 2022**



Source: Banco de Portugal.

## 3.5 Early repayments

The number of early repayments and the amount repaid increased, following the decreases seen in the previous year.

There were 33,405 **early repayments** on other mortgage loans, corresponding to an amortised capital of EUR 686 million (7% of the portfolio's outstanding balance at 31 December 2022).

A total of 27,835 early repayments were made on other mortgage loan agreements (9.5% more than in 2021), corresponding to a reimbursed amount of EUR 634 million (8% more than in 2021).

A total of 5,570 **partial early repayments** were made on other mortgage credit agreements, totalling around EUR 52 million. These figures represent increases of 20.4% in the number of repayments and 24.8% in the amount of credit repaid.

**Table I.3.3 • Other mortgage loans | Early repayments | 2020-2022**

		Value			Percentage change	
		2020	2021	2022	2021-2020	2022-2021
Amount reimbursed (EUR million)	Total repayment	589	587	634	-0.3%	8.0%
	Partial repayment	43	41	52	-3.3%	24.8%
	<b>Total</b>	<b>632</b>	<b>629</b>	<b>686</b>	<b>-0.5%</b>	<b>9.1%</b>
Number of repayments	Total repayment	26,672	25,412	27,835	-4.7%	9.5%
	Partial repayment	5,103	4,627	5,570	-9.3%	20.4%
	<b>Total</b>	<b>31,775</b>	<b>30,039</b>	<b>33,405</b>	<b>-5.5%</b>	<b>11.2%</b>
Average amount per reimbursement (euros)	Total repayment	22,101	23,117	22,786	4.6%	-1.4%
	Partial repayment	8,366	8,921	9,251	6.6%	3.7%
	<b>Total</b>	<b>30,467</b>	<b>32,038</b>	<b>32,037</b>	<b>5.2%</b>	<b>0.0%</b>

Source: Banco de Portugal.

## 3.6 Renegotiation of agreements

... The number of renegotiations and the amount of credit renegotiated both went up.

There were 5,930 renegotiations of other mortgage loans (22.1% more than in the previous year), involving 5,627 credit agreements (20.8% more than in 2021). These renegotiations corresponded to around EUR 252 million of credit. 34.9% more than in 2021.

**Table I.3.4 • Other mortgage loans | Renegotiations | 2020–2022**

	Value			Percentage change	
	2020	2021	2022	2021–2020	2022–2021
Number of Renegotiations	5,109	4,857	5,930	-4.9%	22.1%
Number of agreements renegotiated	4,885	4,657	5,627	-4.7%	20.8%
Credit amount renegotiated (EUR million)	206	187	252	-9.3%	34.9%
Average renegotiated amount (euros)	40,298	38,464	42,495	-4.6%	10.5%

Source: Banco de Portugal.

In most agreements renegotiated in 2022 (75.3%), the borrowers were not in default.

The number of renegotiated other mortgage loan agreements in which the borrower was in default (on that agreement or on other credit agreements held with the same institution) increased more significantly (83.4% compared to 2021) than the number of renegotiated agreements in which there was no default (8.7%).

**Table I.3.5 • Other mortgage loans | Distribution of the number of agreements renegotiated, by credit situation | 2020–2022**

	Value			Percentage change	
	2020	2021	2022	2021–2020	2022–2021
Defaulted on a mortgage loan or defaulted on other loans with the same credit institution	1,237	759	1,391	-38.7%	83.4%
No default at the credit institution with which the mortgage loan is held	3,649	3,899	4,236	6.9%	8.7%
<b>Total</b>	<b>4,885</b>	<b>4,657</b>	<b>5,627</b>	<b>-4.7%</b>	<b>20.8%</b>

Source: Banco de Portugal.

Around 29.9% of renegotiations in other mortgage loan agreements were aimed at modifying other conditions of the agreement with a financial effect (other than the spread, the term, the grace periods or the type of interest rate), which could include, for example, changing the index or setting a lower instalment for a limited period.

In 22.3% of the renegotiations carried out in 2022, only the agreement term was changed and in 15.2% of the renegotiations, the spread and other conditions with a financial effect were simultaneously changed.

**Table I.3.6 • Other mortgage loans | Characterisations of the renegotiations | 2022**

	Distribution of the number of renegotiations	Average balance renegotiated (euros)
Only other conditions with financial effect	29.9%	44,148
Only term	22.3%	52,834
Spread and other conditions with financial effect	15.2%	31,606
Capital grace period only	11.6%	34,234
Type of interest rate and spread	7.9%	35,317
More than two conditions renegotiated	4.8%	42,793
Term and spread	4.3%	35,986
Others	3.3%	73,011
Term and other conditions with financial effect	0.7%	28,155
<b>Total</b>	<b>100.0%</b>	<b>42,765</b>

Source: Banco de Portugal.

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## II Consumer credit

- 1 Market developments
- 2 Personal loans
- 3 Car loans
- 4 *Revolving* credit
- 5 Maximum rates



# 1 Market developments

The amount of consumer credit grew more sharply than in the previous year.

In 2022, the consumer credit market grew by 11.5% in the number of agreements concluded and 15.6% in the amount of credit granted, after an increase of 15.3% and 11.6%, respectively, in 2021.

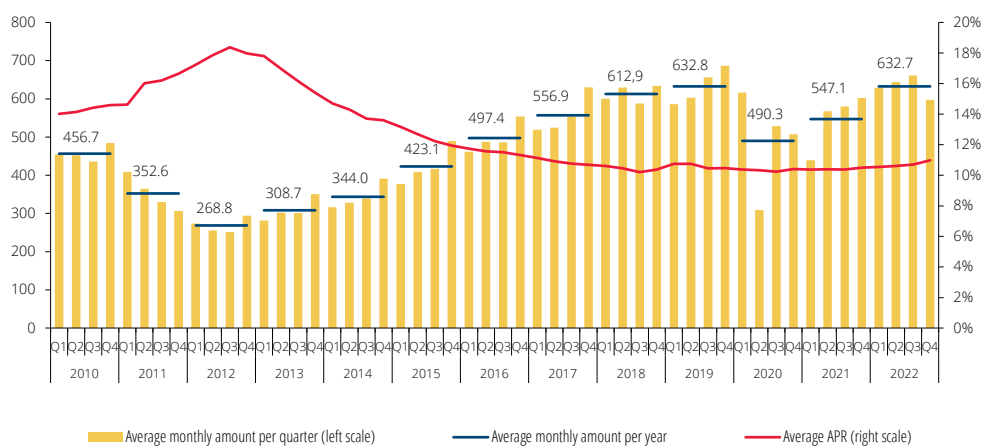
An average of EUR 632.7 million of consumer credit was granted per month, compared to an average of EUR 547.1 million in 2021. The average number of agreements concluded per month also went up (from 116,927 agreements in 2021 to 130,331 in 2022). In 2022, the amount of credit granted was similar to 2019 (an average of EUR 632.8 million per month), the year preceding the COVID-19 pandemic, although the number of agreements concluded continued to be lower than in 2019 (an average of 133,264 agreements per month).

The **amount of credit granted** fell slightly in the last quarter of 2022 (down 0.8% compared to the same quarter in 2021), after growth in previous quarters, with a 43.2% increase in the first quarter of the year, when compared to the same period in 2021.

The **number of agreements concluded** grew year-on-year in all quarters of 2022, with a 33.3% increase in the first quarter of the year compared to the same period in 2021.

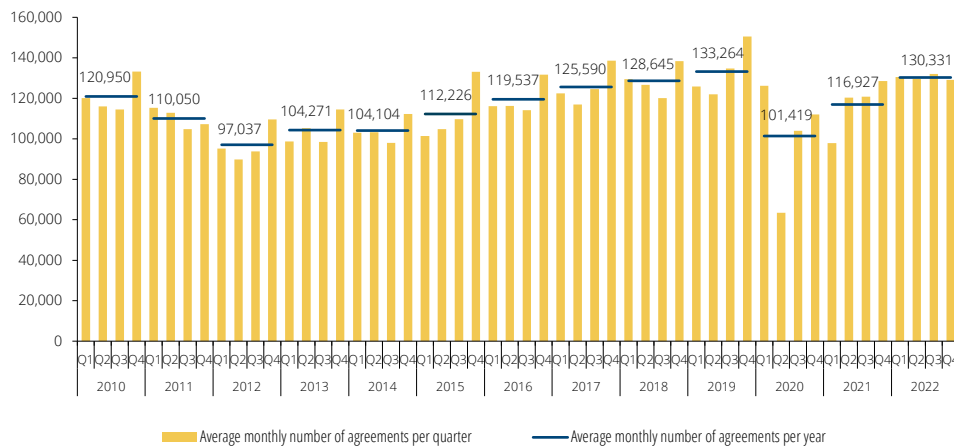
The **cost of consumer credit** grew in 2022, in the context of rising reference interest rates (e.g. Euribor). The market's average Annual Percentage Rate (APR) was 11% in the fourth quarter of 2022, an increase of 0.5 percentage points compared to the fourth quarter of 2021. The increase in the cost of credit cut across all three credit segments. Even so, this increase was below the rises in reference interest rates.

**Chart II.1.1 • Consumer credit | Average monthly amount of credit granted and average APR**  
| EUR million | 2010–2022



Source: Banco de Portugal. | Note: In the analysis carried out in this chapter, the information on overdraft facility agreements only considers credit agreements in the form of an overdraft facility with a repayment term of more than one month.

Chart II.1.2 • Consumer credit | Average monthly number of agreements | 2010–2022



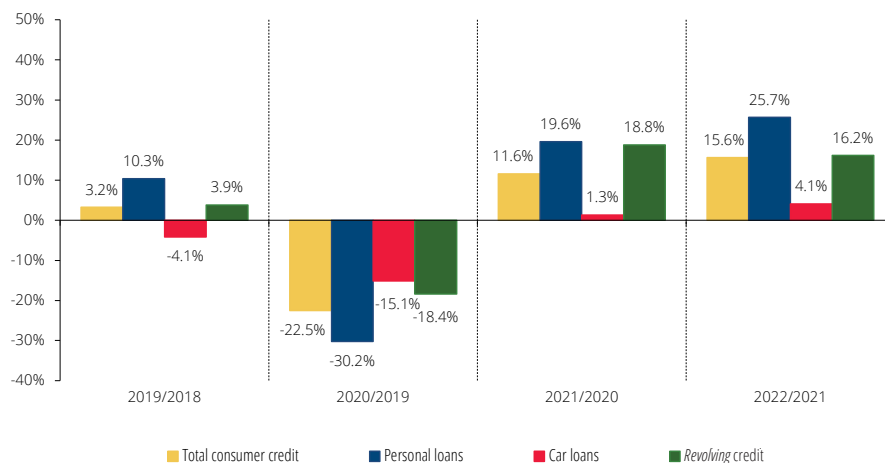
Source: Banco de Portugal.

## 1.1 Type of credit<sup>1</sup>

Personal loans was the segment with the highest growth.

Personal loans was the segment that showed the most significant growth in the amount granted in 2022 (25.7% more than in 2021), above the increase in 2021 (19.6%). *Revolving* credit went up by 16.2%, less than the previous year (18.8%). In *car loans*, the amount of credit granted grew by 4.1%, after the slight increase of 1.3% in 2021.

Chart II.1.3 • Consumer credit | Amount of credit granted | Rate of change | 2019–2022



Source: Banco de Portugal.

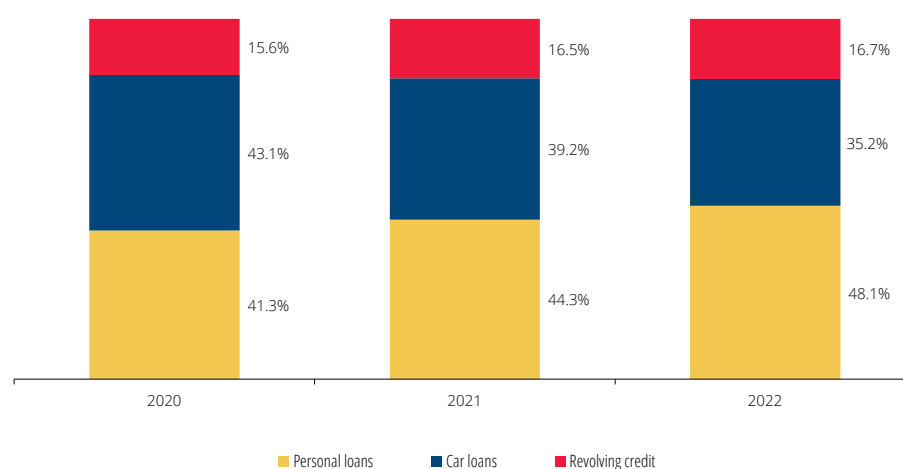
1. The credit segments and sub-segments referred to throughout this chapter are those adopted by Banco de Portugal for the purpose of implementing the maximum rates regime provided for in Decree-Law 133/2009.

## The relative weight of car loans decreased once again in total consumer credit.

This development was reflected in the structure of the amount of credit granted, with an increase in the importance of personal loans and *revolving* credit and, in contrast, a decrease in the relative importance of car loans.

The weight of **car loans** declined from 39.2% in 2021 to 35.2% in 2022. In turn, the weight of **personal loans** in the amount of credit granted increased from 44.3% in 2021 to 48.1% in 2022. **Revolving credit** accounted for 16.7% of the amount of credit granted (16.5% in 2021).

**Chart II.1.4 • Consumer credit | Distribution of the amount of credit granted | 2020–2022**



Source: Banco de Portugal.

## 1.2 Type of credit institution

The consumer credit market includes credit institutions with **universal activity** and institutions **specialised** in this type of financing<sup>2</sup>.

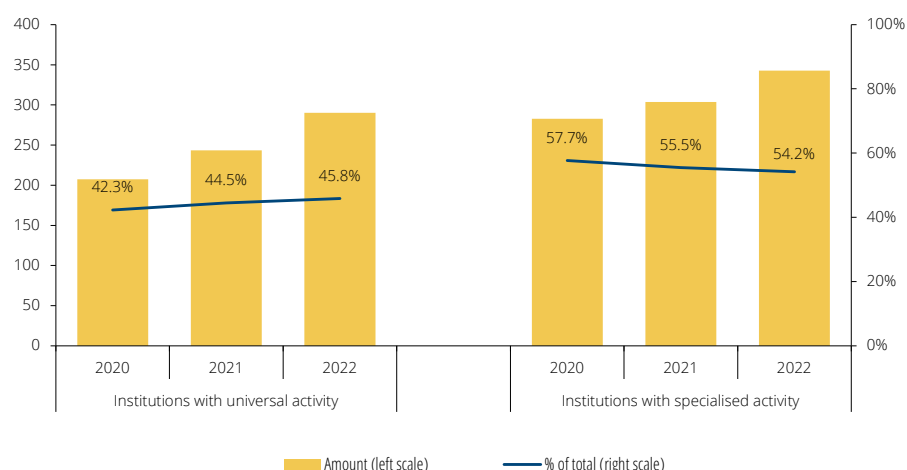
## Most of the credit continued to be granted by specialised institutions, although its weight decreased.

More than half of the amount of consumer credit was granted by institutions with specialised activity (54.2%), less than in 2021 (55.5%). In car loans, the majority of credit amount is granted by institutions with specialised activity. The reduction in the weight of institutions with specialised activity stems from the slight decrease in the importance of these institutions in car loans, on the one hand, and from the reduction in the weight of car loans in total consumer credit, on the other.

2. Universal activity includes taking deposits on a regular basis. Although some institutions with specialised activities are authorised to take deposits, they do not carry out this activity on a regular basis.

Both types of institutions recorded increases in the amount of credit granted, but the increase in institutions with universal activity (19.1% more) was more pronounced than that seen in institutions with specialised activity (12.9% more).

**Chart II.1.5 • Average monthly amount of credit granted, by type of institution | EUR million**  
| 2020–2022



Source: Banco de Portugal.

## 1.3 Marketing channel

... The weight of ancillary credit intermediaries in consumer credit  
... fell once again.

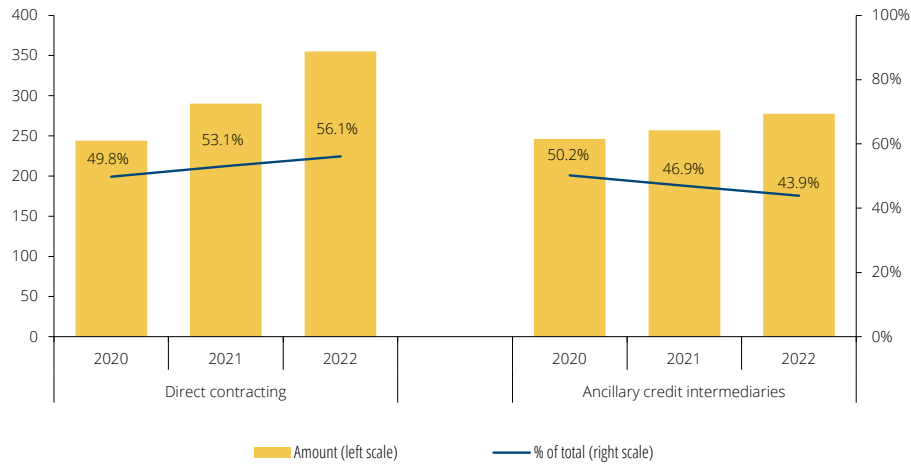
More than half of consumer credit was granted **directly by the credit institution**<sup>3</sup> (56.1%), a higher proportion than in 2021 (53.1%). Conversely, 43.9% of the amount of credit was granted through **ancillary credit intermediaries**<sup>4</sup> (46.9% in 2021).

In car loans, most loans are granted through credit intermediaries on an ancillary basis (83.9% in 2022). The decrease in the weight of these intermediaries is the result of the combined effect of the reduction in their importance in car loans and the decrease in the weight of car loans in total consumer credit.

3. Direct contracting can be carried out at the credit institution's counter or via remote means of communication (e.g. telephone, online channel, mobile applications).

4. In consumer credit, the information analysed only considers ancillary credit intermediaries. An ancillary credit intermediary is a natural or legal person who provides goods or services and who, on behalf of and under the full and unconditional responsibility of the lender or several lenders, acts as a credit intermediary, with a view to selling the goods or services offered by them.

**Chart II.1.6 • Consumer credit | Average monthly amount of credit granted, by marketing channel | EUR million | 2020-2022**



Source: Banco de Portugal.

## 2 Personal loans

∴ The contracting of personal loans exceeded the values of 2019.

The **amount of credit granted** went up by 25.7%, a higher growth than in 2021 (19.6%). The **number of agreements concluded** increased by 22.7%, higher than the 13.6% growth recorded in the previous year.

This development was mainly due to the “**other personal loans**” sub-segment<sup>5</sup>, which accounted for around 96% of the amount of personal loans granted. This sub-segment saw growth of 25.7% in the amount granted and 22.4% in the number of agreements concluded (up 19% and 13.2%, respectively, in 2021).

The “**education, health, renewable energy and equipment leasing**” sub-segment grew by 23.8% in the amount granted and 28.5% in the number of agreements concluded, after increases of 37% and 22.4%, respectively, in 2021. This sub-segment continued to represent a small proportion of the total amount of personal loans (around 4%).

5. In personal loans the repayment schedule, the amount of the loan and its duration are defined at the beginning of the agreement. This type of credit is intended for the purchase of goods and services other than cars or other vehicles. “Other personal loans” include the credit categories “no specific purpose”, “household purpose”, “consolidated credit”, “other purposes” and “credit for works”.

**Table II.2.1 • Personal loans | Amount and average monthly number of agreements concluded | 2020-2022**

		Value			Percentage change		
		2020	2021	2022	2020-2019	2021-2020	2022-2021
Amount (EUR thousand)	Education, health, renewable energy and equipment leasing	6,895	9,445	11,692	-27.8%	37.0%	23.8%
	Other personal loans	195,685	232,862	292,821	-30.3%	19.0%	25.7%
	<b>Total</b>	<b>202,581</b>	<b>242,308</b>	<b>304,513</b>	<b>-30.2%</b>	<b>19.6%</b>	<b>25.7%</b>
Number of agreements	Education, health, renewable energy and equipment leasing	1,505	1,843	2,368	-37.4%	22.4%	28.5%
	Other personal loans	29,781	33,701	41,248	-24.0%	13.2%	22.4%
	<b>Total</b>	<b>31,286</b>	<b>35,544</b>	<b>43,615</b>	<b>-24.8%</b>	<b>13.6%</b>	<b>22.7%</b>

Source: Banco de Portugal.

... The growth in personal loans was most significant in the first quarter of 2022, slowing down over the course of the year.

An average of EUR 304.5 million in personal loans was granted per month, corresponding to a monthly average of 43,615 agreements concluded, higher than in 2021 (on average, around EUR 242.3 million per month, corresponding to 35,544 agreements concluded). In 2022, the number of new agreements and the amount of personal loans granted exceeded those of 2019, before the COVID-19 pandemic.

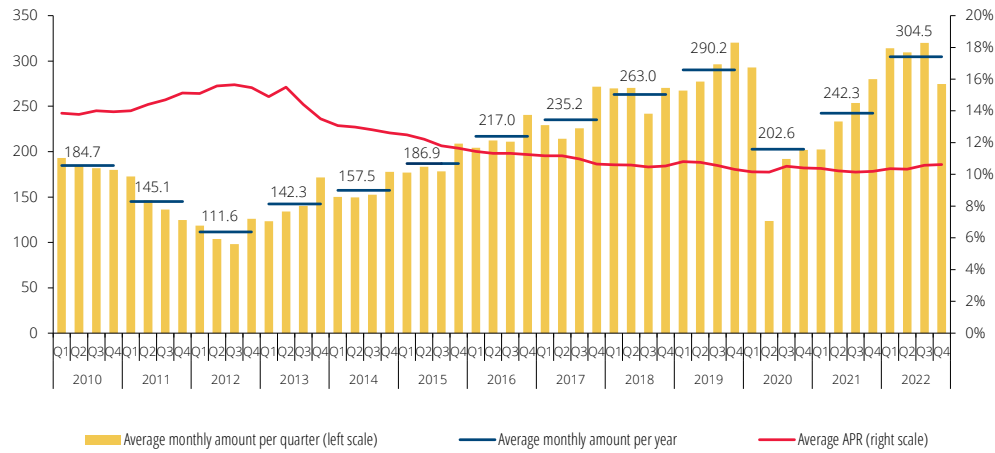
The **amount of personal loans granted** increased in all quarters of the year, except for the last quarter of 2022 (down 1.9% compared with the same period in 2021). In the remaining quarters of the year, the amount of personal loans granted grew significantly year-on-year, with a notable increase in the first quarter of the year (up 55.1% in comparison with the same period in 2021).

The **number of agreements concluded** grew year-on-year in all quarters of 2022, particularly in the first quarter (up 46.9% versus the same period in 2021).

The **average APR** for this segment rose by 0.4 percentage points in the last quarter, compared to the average APR for the same period in 2021. This contrasted with the 0.2 percentage point reduction between 2021 and 2020.

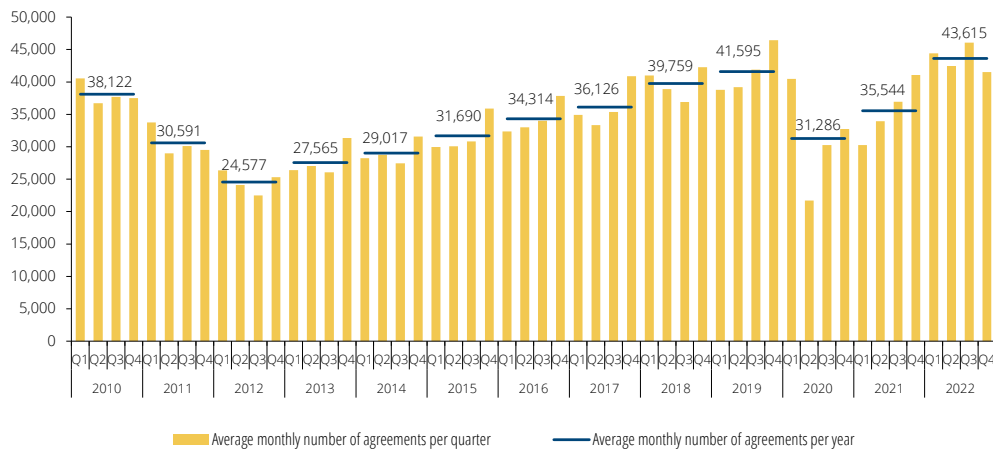


**Chart II.2.1 • Personal loans | Average monthly amount of credit granted and average APR**  
| EUR million | 2010–2022



Source: Banco de Portugal.

**Chart II.2.2 • Personal loans | Average monthly number of agreements concluded | 2010–2022**



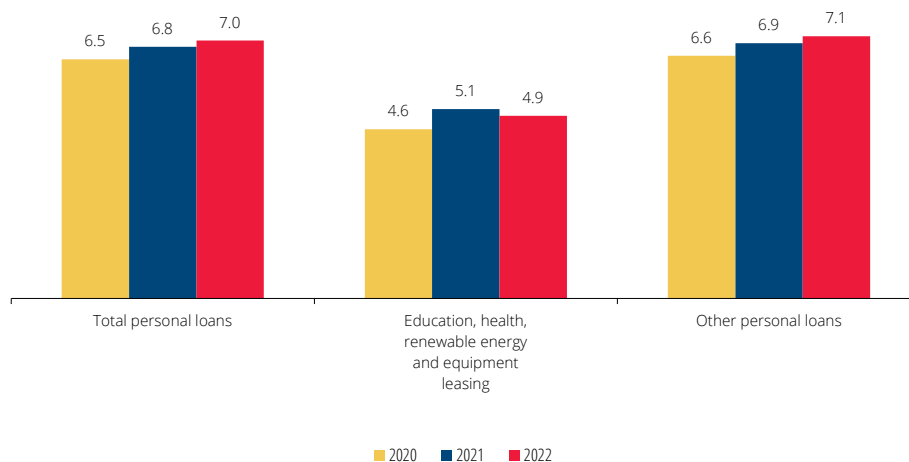
Source: Banco de Portugal.

## 2.1 Amount of agreements

... The average amount per agreement increased in the “other personal loans” sub-segment.

The average amount per agreement increased from EUR 6,800 in 2021 to EUR 7,000 in 2022. This development is exclusively due to the increase in the average amount per agreement in the “other personal loans” sub-segment (from EUR 6,900 in 2021 to EUR 7,100 in 2022). In contrast, the average amount per agreement fell in the “education, health, renewable energy and equipment leasing” sub-segment (from EUR 5,100 in 2021 to EUR 4,900 in 2022).

**Chart II.2.3 • Personal loans | Average loan amount, by loan sub-segment | EUR thousand**  
| 2020–2022

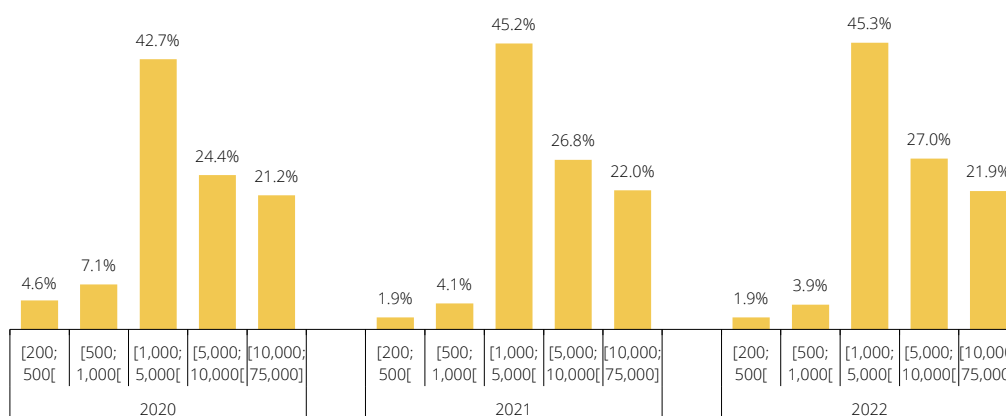


Source: Banco de Portugal.

Personal loans with amounts between EUR 1,000 and 5,000 were the most frequent.

In 2022, agreements between EUR 1,000 and 5,000 continued to be the most frequent in personal loans (45.3%, compared to 45.2% in 2021). Agreements with high amounts (above five thousand euros) accounted for 48.9% of the agreements signed, compared to 48.8% in 2021. Smaller agreements (under a thousand euros) accounted for 5.8% of the agreements signed in 2022 (6% in 2021).

**Chart II.2.4 • Personal loans | Distribution of the number of agreements, by amount**  
| 2020–2022



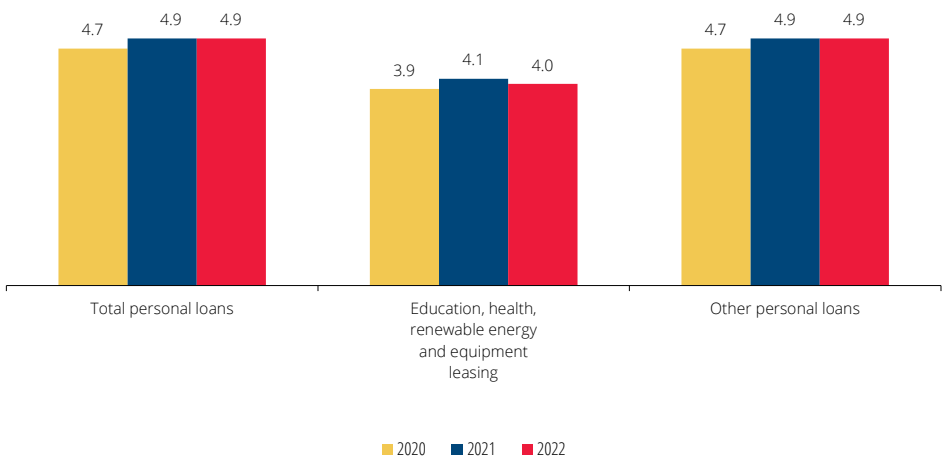
Source: Banco de Portugal.

## 2.2 Maturities of agreements

⋮ The average term of personal loan agreements remained stable.

The average term of personal loans was 4.9 years, unchanged from the previous year and the result of the stabilisation of the average term of the “other personal loans” sub-segment. In personal loans for “education, health, renewable energies and equipment leasing”, the average term of agreements concluded decreased slightly, from 4.1 years in 2021 to 4 years in 2022.

**Chart II.2.5 • Personal loans | Average loan maturities, by loan sub-segment (in years)**  
| 2020-2022

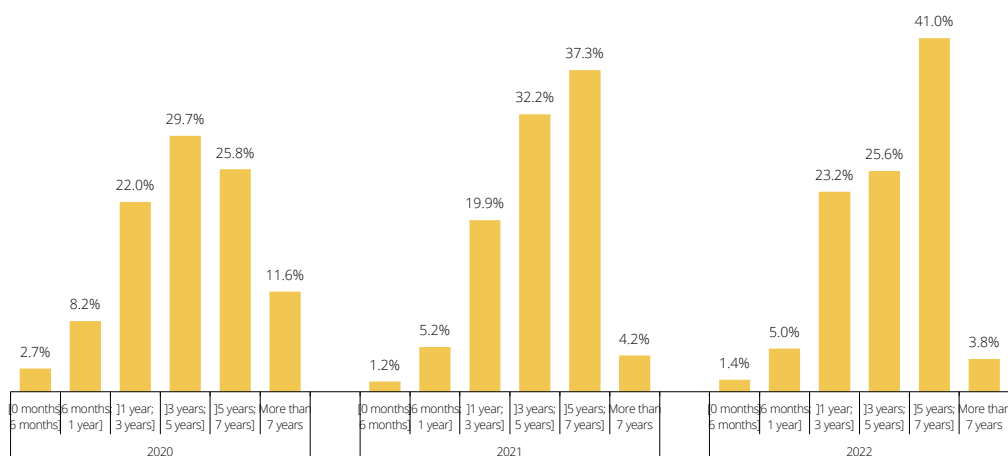


Source: Banco de Portugal.

⋮ The importance of personal loans with maturities of between five and seven years increased once again.

Agreements with maturities of between five and seven years continued to be the most common, with their relative weight increasing from 37.3% in 2021 to 41% in 2022. The weight of agreements with maturities of between one and three years also went up (from 19.9% in 2021 to 23.2% in 2022). Meanwhile, the weight of agreements with maturities of between three and five years fell (from 32.2% in 2021 to 25.6% in 2022) and of agreements with maturities of more than seven years (from 4.2% in 2021 to 3.8% in 2022).

**Chart II.2.6 • Personal loans | Distribution of the number of agreements. by maturity**  
| 2020–2022



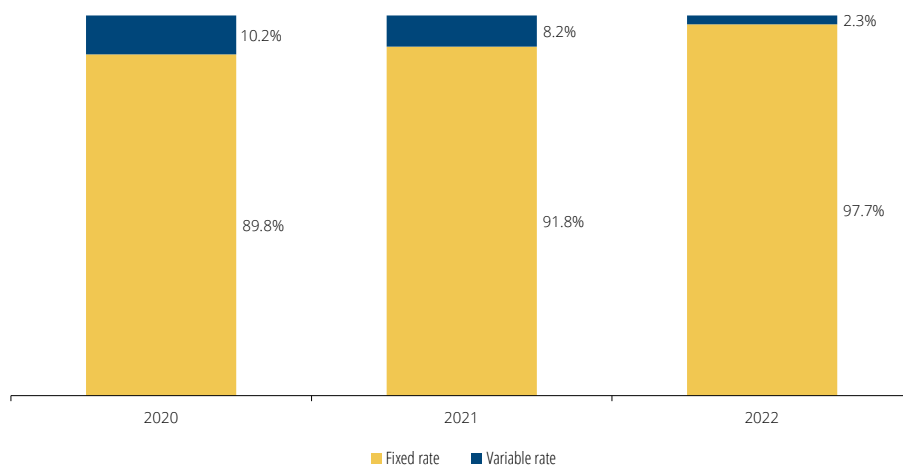
Source: Banco de Portugal.

## 2.3 Type of interest rate

∴ The importance of fixed interest rates in personal loans increased.

Personal loans were generally granted through **fixed-rate** agreements (97.7%), with the weight of this type of rate increasing compared to 2021 (91.8%). Conversely, the relative importance of **variable rate** agreements fell from 8.2% in 2021 to 2.3% in 2022.

**Chart II.2.7 • Personal loans | Type of interest rate as a percentage of the amount granted**  
| 2020–2022



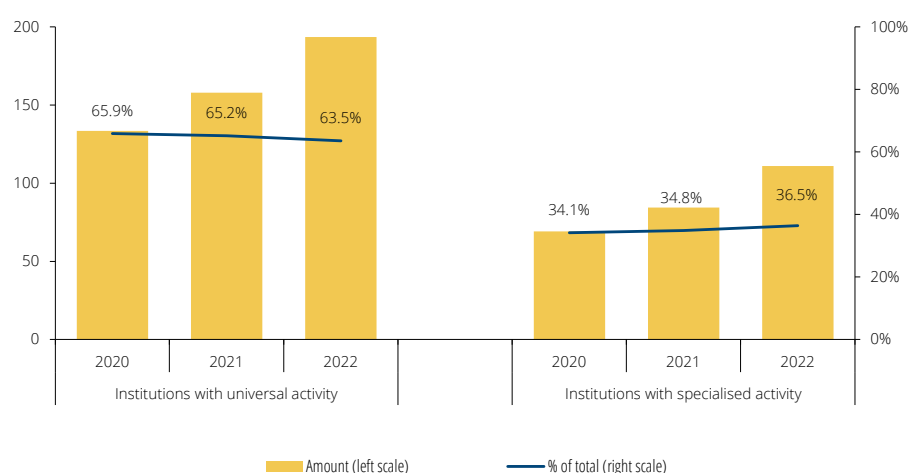
Source: Banco de Portugal.

## 2.4 Type of credit institution

The weight of specialised institutions continued to grow in personal loans.

In personal loans, the increase in the amount granted by **institutions with specialised activity** (31.5% more) was more pronounced than that recorded by **institutions with universal activity** (22.5% more). This resulted in an increase in the importance of specialised institutions, which now account for 36.5% of the amount of personal loans granted, compared to 34.8% in 2021. However, the majority of personal loans continued to be granted by institutions with universal activity (63.5%).

**Chart II.2.8 • Personal loans | Average monthly amount of credit granted, by type of institution**  
| EUR million | 2020–2022



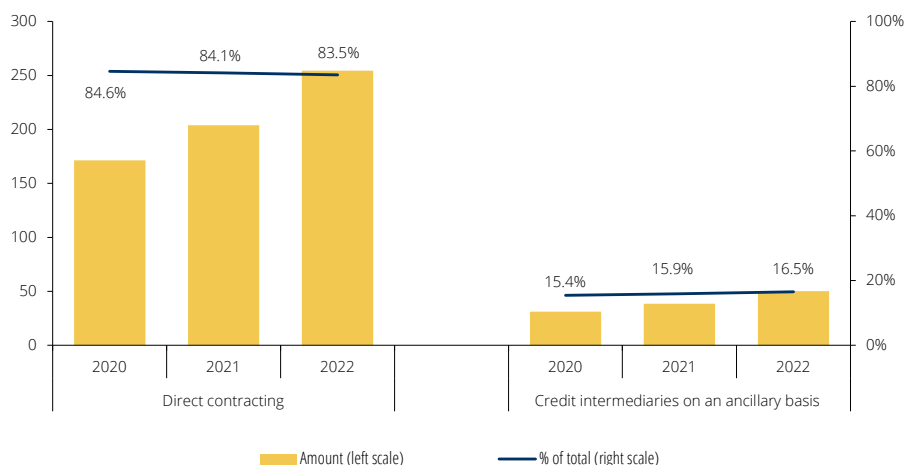
Source: Banco de Portugal.

## 2.5 Marketing channel

The importance of personal loans granted through ancillary credit intermediaries increased once again.

The majority of personal loans continued to be **granted directly at the credit institution** (83.5%), although there was a slight drop in the relative importance of this marketing channel (84.1% in 2021). This development is the result of the fact that the rise in the amount of personal loans granted through **credit intermediaries on an ancillary basis** (30.2% more) was greater than that in loans granted directly by the institution (24.8% more).

**Chart II.2.9 • Personal loans | Average monthly amount of credit granted, by marketing channel**  
| EUR million | 2020-2022



Source: Banco de Portugal.

### 3 Car loans

As in the previous year, car loans were the only segment not to show significant growth in the number of agreements concluded and the amount of credit granted. The **amount of credit granted** increased by 4.1% and the **number of agreements concluded** remained practically unchanged in comparison to 2021 (up 0.6%).

#### ⋮ The “with reservation of ownership and others” sub-segments ⋮ grew in relation to the previous year.

Only the “with reservation of ownership and other” sub-segments contributed to the increase in car loans in 2022. The sub-segment **“with reservation of ownership and others: used”** grew by 9.3% in relation to the amount granted and 2.5% in relation to the number of agreements concluded, compared to growths of 7.9% and 5.1% in the previous year. In the sub-segment **“with reservation of ownership and others: news”**, the amount granted grew by 12.8% and the number of agreements concluded by 7.1%, contradicting the decreases in 2021 (6.5% and 8.7%, respectively).

Conversely, contracting decreased in the “financial leasing or long-term rentals” sub-segments. The **“financial leasing or long-term rentals: used”** sub-segment saw decreases of 59.2% in the amount granted and 64.7% in the number of agreements concluded, reinforcing the reductions of 20.1% and 21.1% recorded in 2021. In the **“financial leasing or long-term rentals: new”** sub-segment, the decreases were 44.6% in the amount granted and 50.1% in the number of agreements concluded, after decreases of 19.9% in the amount granted and 25.6% in the number of agreements concluded.

**Table II.3.1 • Car loans | Amount and average monthly number of agreements concluded**  
| 2020-2022

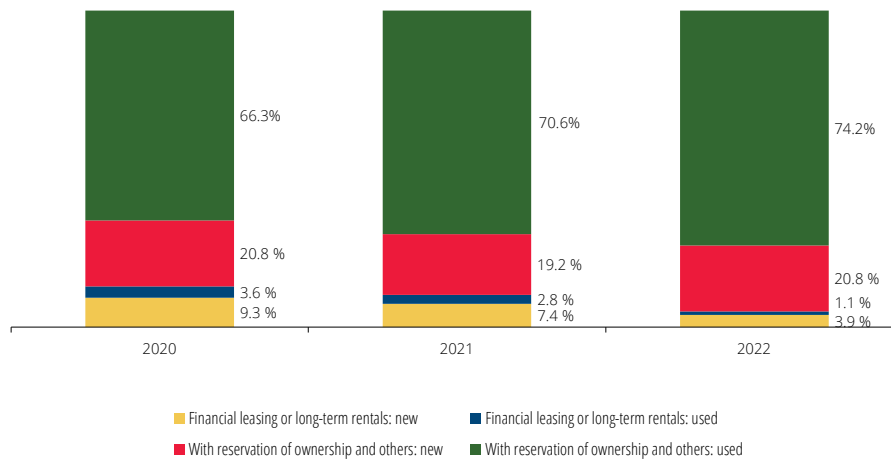
		Value			Percentage change		
		2020	2021	2022	2020-2019	2021-2020	2022-2021
Amount (EUR thousand)	Leasing and long-term rentals: new	19,739	15,814	8,758	-25.9%	-19.9%	-44.6%
	Leasing and long-term rentals: used	7,515	6,008	2,454	-16.9%	-20.1%	-59.2%
	With reservation of ownership and others: new	43,961	41,118	46,385	-18.6%	-6.5%	12.8%
	With reservation of ownership and others: used	140,301	151,322	165,387	-12.1%	7.9%	9.3%
	<b>Total</b>	<b>211,517</b>	<b>214,262</b>	<b>222,984</b>	<b>-15.1%</b>	<b>1.3%</b>	<b>4.1%</b>
Number of agreements	Leasing and long-term rentals: new	614	457	225	-33.5%	-25.6%	-50.7%
	Leasing and long-term rentals: used	308	243	86	-19.9%	-21.1%	-64.7%
	With reservation of ownership and others: new	3,145	2,873	3,077	-18.6%	-8.7%	7.1%
	With reservation of ownership and others: used	10,838	11,386	11,668	-12.7%	5.1%	2.5%
	<b>Total</b>	<b>14,905</b>	<b>14,958</b>	<b>15,055</b>	<b>-15.2%</b>	<b>0.4%</b>	<b>0.6%</b>

Source: Banco de Portugal.

### The importance of the “financial leasing or long-term rentals” sub-segments decreased.

The growth of the “with reservation of ownership and others” sub-segments for new and used vehicles, in a context where leasing or long-term rental operations declined, led to an increase in their relative importance. The “with reservation of ownership and others: used” sub-segment accounted for 74.2% of the amount of car loans granted, above that in 2021 (70.6%). The importance of the “with reservation of ownership and others: new” sub-segment also went up, from 19.2% in 2021 to 20.8% in 2022. In contrast, the relative importance of the “financial leasing or long-term rentals” sub-segments declined. The “leasing or long-term rentals: new” sub-segment accounted for 3.9% of the amount granted (7.4% in 2021) and the “leasing or long-term rentals: used” sub-segment accounted for 1.1% of the amount granted (2.8% in 2021).

**Chart II.3.1 • Car loans | Distribution of the amount of credit granted | 2020-2022**



Source: Banco de Portugal.

## Car loans only grew year-on-year in the 1st quarter of the year.

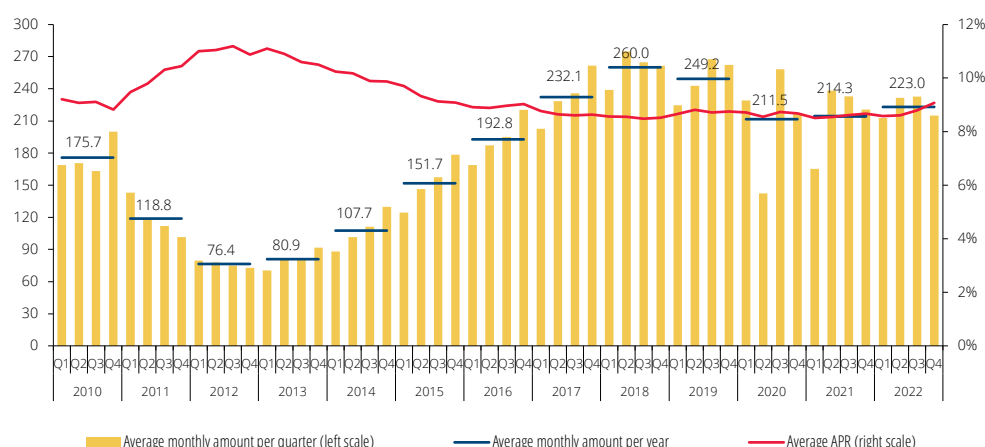
On average, EUR 223.0 million in car loans were granted per month, corresponding to 15,055 agreements, higher than in 2021 (on average EUR 214.3 million in car loans per month, corresponding to 14,958 agreements). Even so, the number of agreements concluded and the amount of car loans granted in 2022 remained below the figures recorded between 2017 and 2019.

In the first quarter of 2022, the **amount of car loans granted** increased (28.5% year-on-year). In the remaining quarters, the amount of car loans granted fell slightly year-on-year (2.8%, 0.1% and 2.5% in the second, third and fourth quarters of the year).

The evolution of the **number of agreements concluded** number of agreements concluded was similar. The number of new agreements increased by 25.5% in the first quarter of the year, while in the remaining quarters there were year-on-year reductions, particularly the 6.1% decrease in the fourth quarter.

The **average APR** for car loans in the last quarter of 2022 was 9.1%, higher than the average APR observed in the last quarter of 2021 (8.7%), which corresponds to an increase of 0.4 percentage points, after the stabilisation seen between 2020 and 2021.

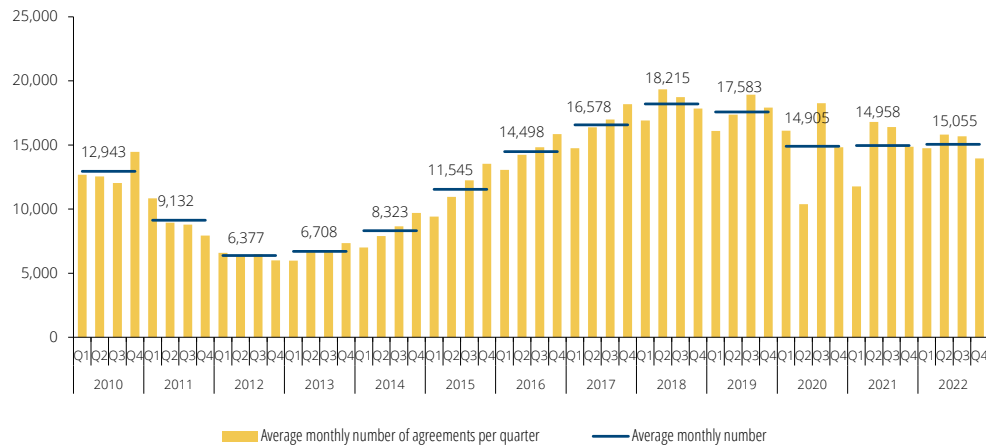
**Chart II.3.2 • Car loans | Average monthly amount of credit granted and average APR | EUR million | 2010–2022**



Source: Banco de Portugal.



**Chart II.3.3 • Car loans | Average monthly number of agreements concluded | 2010–2022**



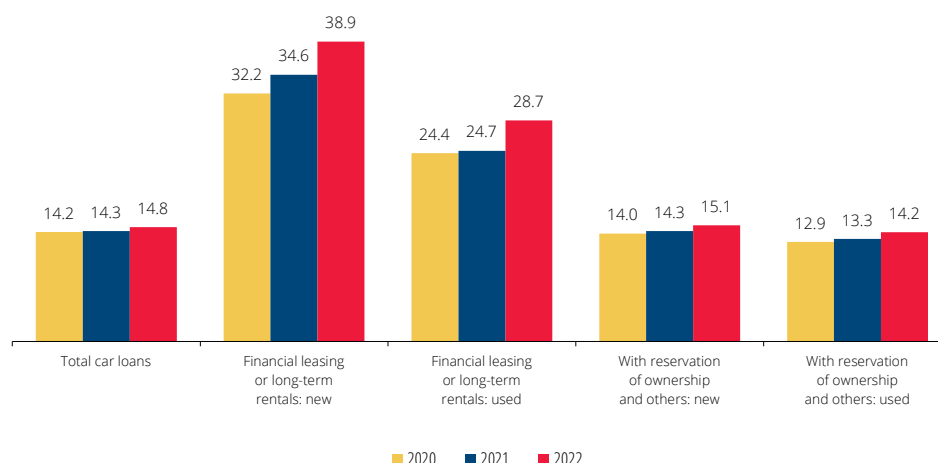
Source: Banco de Portugal.

### 3.1 Amounts of agreements

... The increase in the average amount of agreements was transversal  
... to all car loan sub-segments.

The average value of car loan agreements rose from EUR 14,300 in 2021 to EUR 14,800 in 2022. This increase was seen in all sub-segments of car loans, particularly in the “financial leasing or long-term rentals: new” sub-segment (with the average amount increasing from EUR 34,600 in 2021 to EUR 38,900 in 2022). This was followed by the “financial leasing or long-term rentals: used” sub-segment, which had an average amount per agreement of EUR 28,700, up from EUR 24,700 in 2021. In the “with reservation of ownership and others: used” sub-segment, the average amount per agreement increased from EUR 13,300 in 2021 to EUR 14,200 in 2022. In the “with reservation of ownership and others: new” sub-segment, the average amount per agreement was EUR 15,100 compared to EUR 14,300 in 2021.

Chart II.3.4 • Car loans | Average loan amount, by loan sub-segment | EUR thousand | 2020–2022



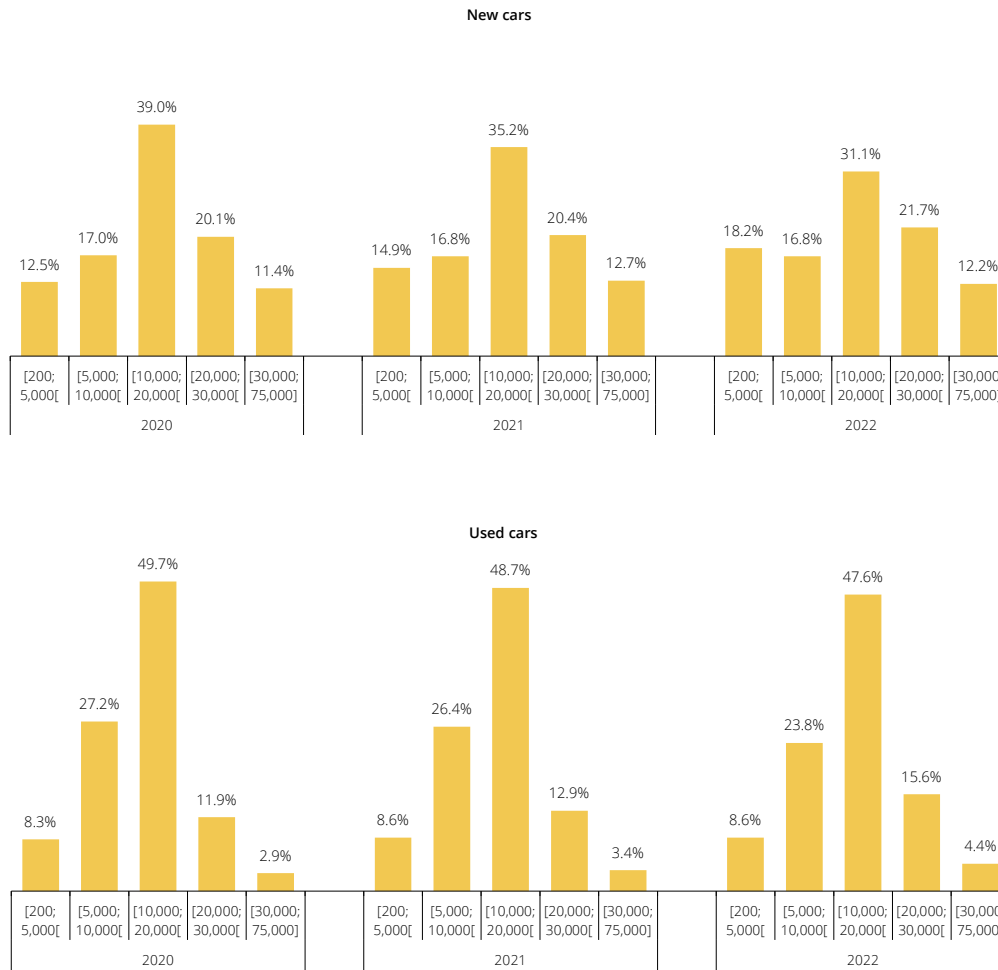
Source: Banco de Portugal.

### Car loan agreements with amounts between EUR 10 and 20 thousand were the most frequent, but they lost importance.

In the case of car loans for the purchase of **new cars**, agreements with amounts between EUR 10,000 and 20,000 continued to be the most frequent (31.1%), but they lost importance compared to 2021 (35.2%). Meanwhile, agreements with smaller amounts (below EUR 10,000) now account for 35%, compared to 31.7% in 2021. Agreements with higher amounts (EUR over 20,000) continued to account for around a third of all agreements.

In car loans for the purchase of **used cars**, agreements with amounts between EUR 10,000 and 20,000 also continued to be the most frequent (47.6%), but they lost importance in relation to 2021 (48.7%). Agreements with smaller amounts (below EUR 10,000) now account for 32.4%, while in 2021 they accounted for 35% of the total. Conversely, agreement with higher amounts (above EUR 20,000) now account for 20% of agreements concluded, while in 2021 they accounted for 16.3%.

Chart II.3.5 • Car loans | Distribution of the number of agreements, by amount | 2020–2022



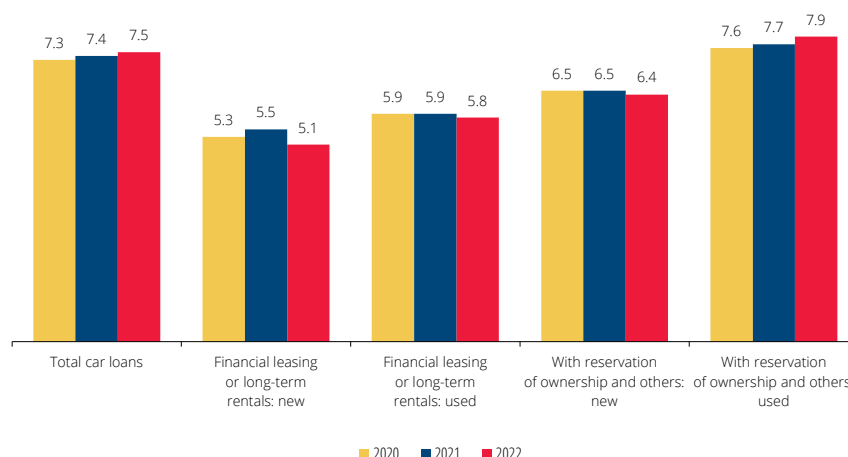
Source: Banco de Portugal.

## 3.2 Maturities of agreements

... The average maturity of car loans increased in the “with reservation of ownership and others: used” sub-segment.

The average term of car loans increased from 7.4 years in 2021 to 7.5 years in 2022. This development is exclusively the result of an increase in the average term in the “with reservation of ownership and others: used” sub-segment (from 7.7 years in 2021 to 7.9 years in 2022). In contrast, in the “financial leasing or long-term rentals: new” sub-segment, the average term declined (from 5.5 years in 2021 to 5.1 years in 2022). In the other sub-segments, the average term fell by around one month.

Chart II.3.6 • Car loans | Average terms of loans (in years), by loan sub-segment | 2020–2022



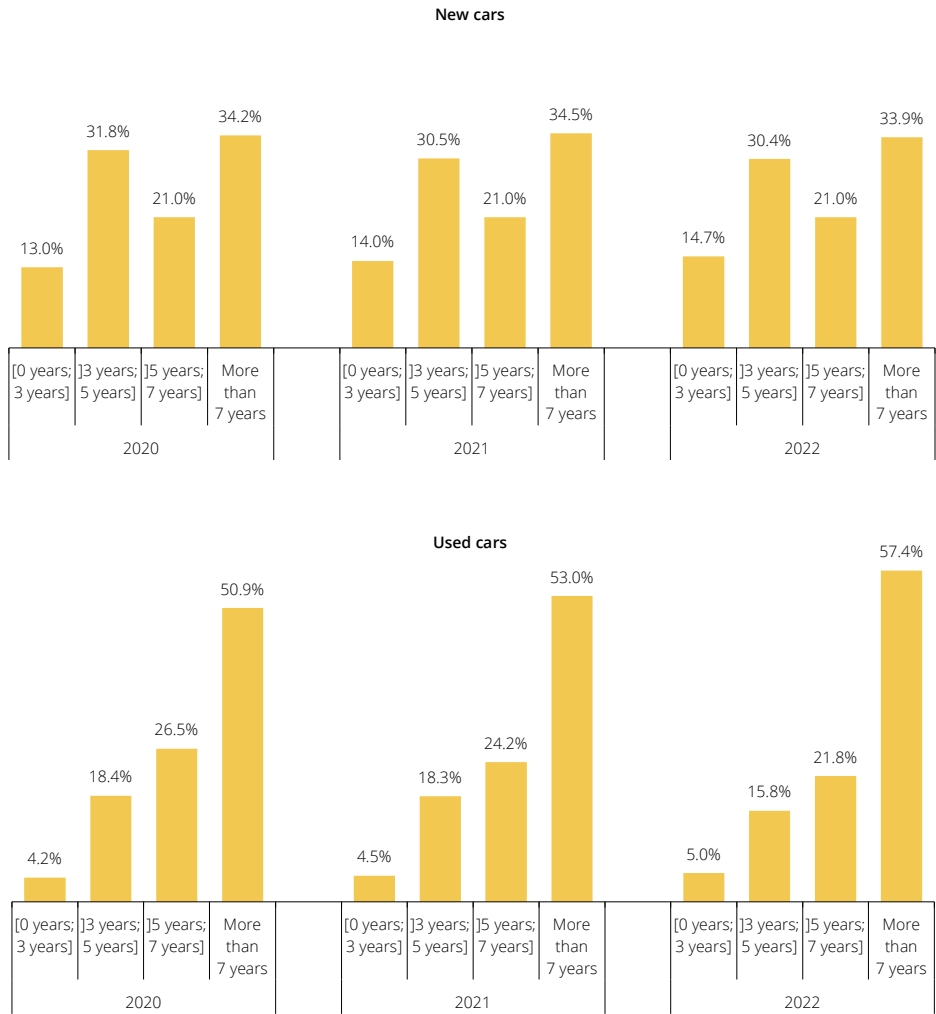
Source: Banco de Portugal.

... The importance of terms of more than seven years increased once again for used vehicles.

For **new vehicles**, terms of more than seven years accounted for around a third of the agreements concluded in 2022 (33.9%), below that for 2021 (34.5%). In contrast, the importance of agreements with terms of less than three years increased (from 14% in 2021 to 14.7% in 2022).

For **used vehicles**, more than half of the agreements concluded (57.4%) had terms of more than seven years, more than in 2021 (53%). The importance of agreements with terms of less than three years went up from 4.5% in 2021 to 5% in 2022. The importance of agreements with terms of between three and seven years dropped, however (from 42.5% in 2021 to 37.6% in 2022).

Chart II.3.7 • Car loans | Distribution of the number of agreements by maturity | 2020-2022



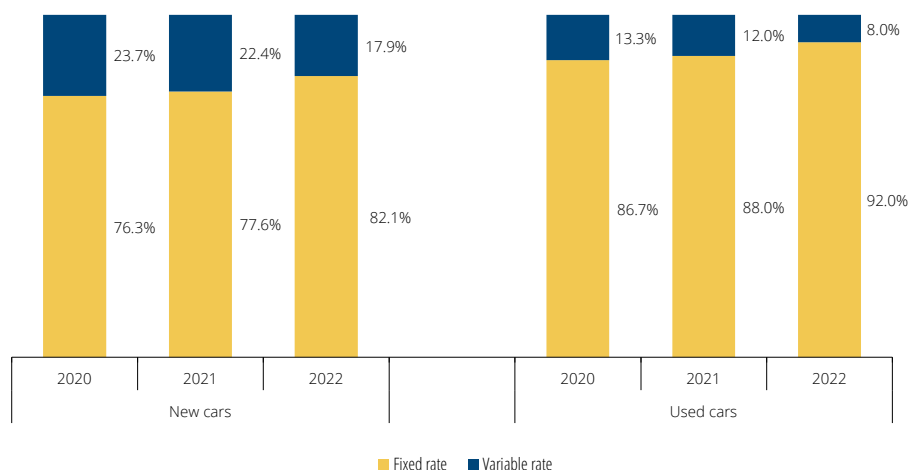
Source: Banco de Portugal.

### 3.3 Type of interest rate

⋮ The importance of fixed-rate car loan agreements went up.

For **new cars**, fixed-rate agreements now account for 82.1% of the amount of credit granted in 2022, compared to 77.6% in 2021. For **used cars**, 92% of the amount of credit was granted with this type of interest rate (88% in 2021).

Chart II.3.8 • Car loans | Type of interest rate as a percentage of the amount granted | 2020–2022



Source: Banco de Portugal.

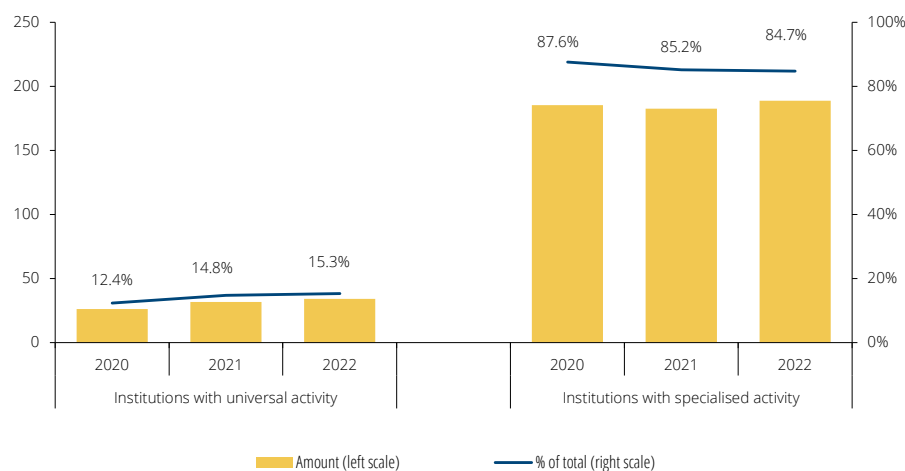
### 3.4 Type of credit institution

The importance of specialised institutions in car loans decreased slightly.

Most car loans continued to be granted by **institutions with specialised activity** (84.7% in 2022). However, the importance of this type of institution decreased slightly compared to 2021 (85.2%).

Both types of institution saw an increase in the amount of credit granted, although the increase in institutions with universal activity (up 7.7%) was greater than the increase in the amount granted by institutions with specialised activity (up 3.4%).

Chart II.3.9 • Car loans | Average monthly amount of credit granted, by type of institution | EUR million | 2020–2022



Source: Banco de Portugal.

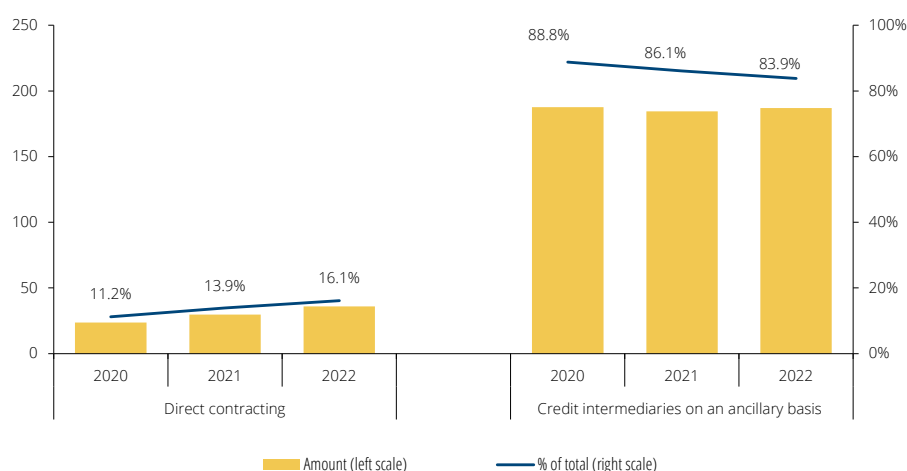
## 3.5 Marketing channel

The importance of contracting car loans directly with the credit institution went up once again.

Most car loans continued to be granted through **credit intermediaries on an ancillary basis** (83.9%). However, **contracting directly with the credit institution** now represents 16.1%, compared to 13.9% in 2021.

This is due to the fact that the increase in the amount of credit granted directly at the institution (up 20.8%) was greater than the increase in the amount granted through credit intermediaries on an ancillary basis (up 1.4%).

**Chart II.3.10 • Car loans | Average monthly amount of credit granted, by marketing channel**  
| EUR million | 2020–2022



Source: Banco de Portugal.

## 4 Revolving credit<sup>6</sup>

The amount of *revolving* credit granted in 2022 was the highest since 2010.

The **amount of *revolving* credit granted<sup>7</sup>** and the **number of agreements concluded** increased 16.2% and 7.9%, respectively, reinforcing the growth seen in 2021 (18.8% and 20.3%, respectively).

6. For *revolving* credit, the analyses by term and type of interest rate are not presented, since the agreements included in this credit segment are almost all of indefinite duration and have a fixed interest rate.

7. In the case of *revolving* credit, the amount of credit corresponds to the maximum ceiling made available to the customer.

In this segment, credit cards continued to account for the majority of the amount of credit granted (92%), compared to 94% in 2021.

**Table II.4.1 • Revolving credit | Amount and average monthly number of agreements concluded | 2020–2022**

	Value			Percentage change		
	2020	2021	2022	2020-2019	2021-2020	2022-2021
Amount (EUR thousand)	76,207	90,566	105,234	-18.4%	18.8%	16.2%
Number of agreements	55,228	66,424	71,661	-25.5%	20.3%	7.9%

Source: Banco de Portugal. | Note: Overdraft facility agreements included in *revolving* credit are only those with a repayment term of more than one month.

### ∴ *Revolving* credit grew year-on-year in every quarter of the year.

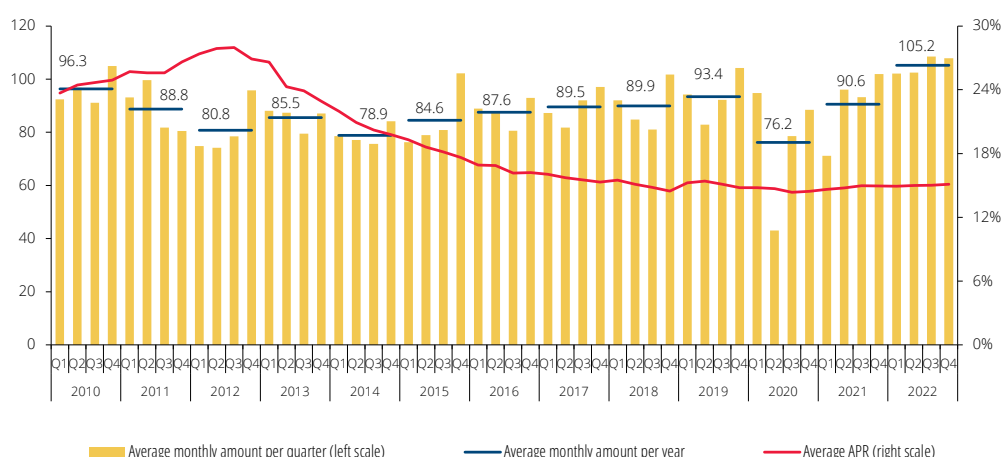
In 2022, an average of EUR 105.2 million of *revolving* credit per month was granted, corresponding to 71,661 agreements, higher than in 2021 (an average of EUR 90.6 million of *revolving* credit per month, corresponding to 66,424 agreements). In 2022, the amount of *revolving* credit granted exceeded the figures for 2010, the year which saw the highest amount of this type of credit contracted.

The **amount of revolving credit granted** grew year-on-year in every quarter of the year. The first quarter of the year stood out (up 43.5% compared to the same period in 2021).

The evolution in the **number of agreements concluded** was similar. The number of agreements increased in all quarters of the year, particularly in the first quarter (up 27.7% on the same period in 2021).

In the last quarter of 2022, the average APR for *revolving* credit stood at 15.1%, higher than the **average APR** recorded in the last quarter of 2021 (14.9%). This increase was less significant than that observed between the last quarter of 2021 and the last quarter of 2020 (up 0.5 percentage points).

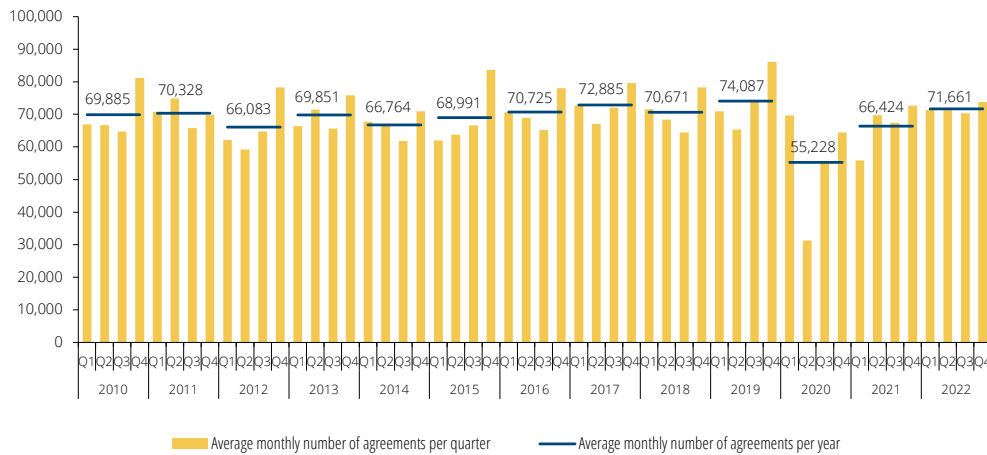
**Chart II.4.1 • Revolving credit | Average monthly amount of credit granted and average APR | EUR million | 2010–2022**



Source: Banco de Portugal. | Note: In *revolving* credit agreements, the amount of credit granted in each agreement corresponds to the maximum credit limit made available to the customer (ceiling) and not to the amount actually used.



Chart II.4.2 • *Revolving credit* | Average monthly number of agreements concluded | 2010–2022



Source: Banco de Portugal.

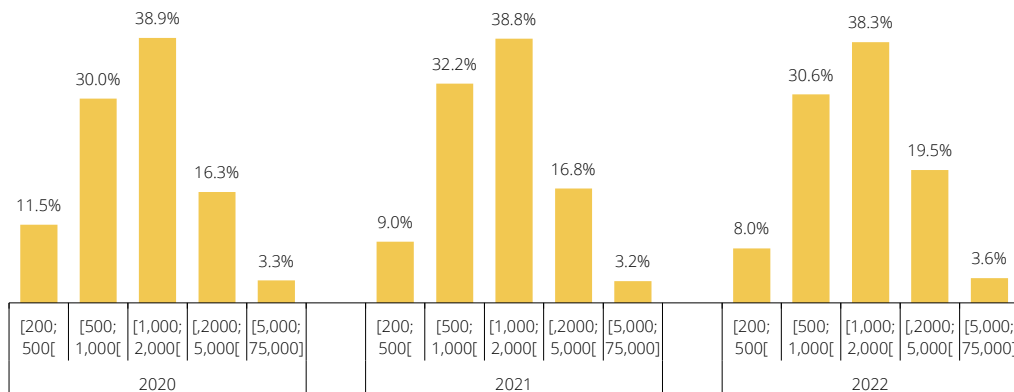
## 4.1 Amounts of agreements

∴ The average amount per agreement increased in *revolving credit*.

In *revolving credit*, the average amount per agreement stood at EUR 1,500, higher than in 2021 (EUR 1,400).

Agreements with amounts between EUR 1,000 and 2,000 represented 38.3% of the total in 2022 (38.8% in 2021). The weight of agreements between EUR 200 and 1,000 declined (from 41.2% in 2021 to 38.6% in 2022). In contrast, the weight of agreements between EUR 2,000 and 5,000 increased from 16.8% in 2021 to 19.5% in 2022.

Chart II.4.3 • *Revolving credit* | Distribution of the number of agreements, by amount | 2020–2022



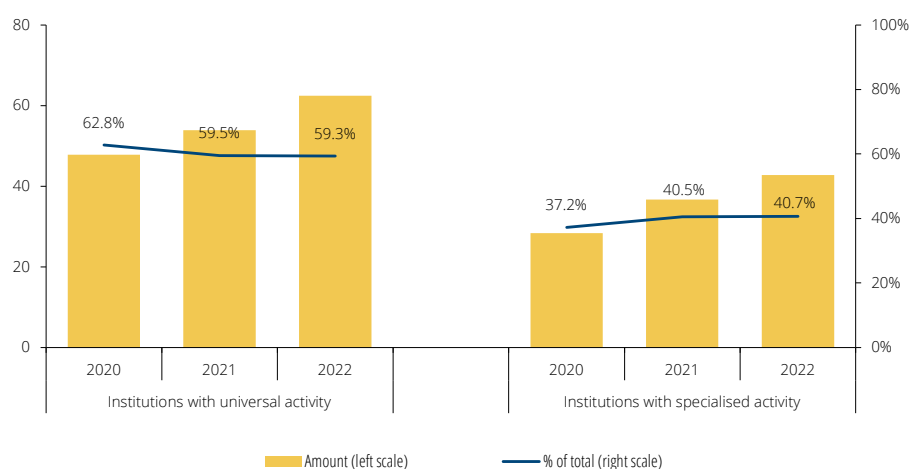
Source: Banco de Portugal.

## 4.2 Type of credit institution

... In *revolving* credit, the weight of each type of institution remained stable.

More than half of the amount of *revolving* credit was granted by institutions with universal activity (59.3%) and the remaining 40.7% by institutions with specialised activity, in proportions similar to those in 2021 (59.5% and 40.5% respectively).

**Chart II.4.4 • *Revolving* credit | Average monthly amount of credit granted, by type of institution**  
| EUR million | 2020–2022



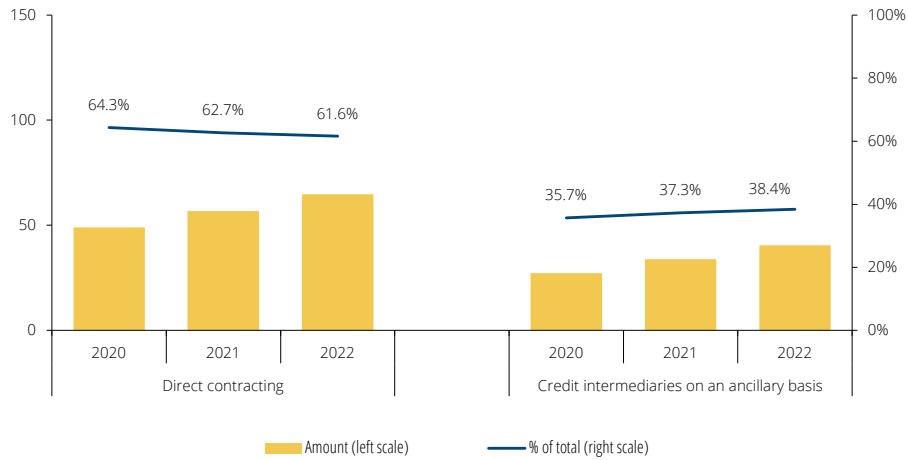
Source: Banco de Portugal.

## 4.3 Marketing channel

... The weight of *revolving* credit contracted through credit intermediaries increased.

Contracting directly with a credit institution continued to be the most frequent marketing channel for *revolving* credit, accounting for 61.6% of the amount contracted in 2022. However, credit intermediaries on an ancillary basis now account for 38.4% of the amount of *revolving* credit granted, compared to 37.3% in 2021.

**Chart II.4.5 • Revolving credit | Average monthly amount of credit granted, by marketing channel | EUR million | 2020–2022**



Source: Banco de Portugal.

## 5 Maximum rates

In the fourth quarter of 2022, the maximum APRs<sup>8</sup> in force in this market ranged from 3.3% in the “financial leasing or long-term rentals: new” sub-segment to 16% in the *revolving* credit segment.

### Maximum rates increased in almost all credit sub-segments.

In a context of rising market reference rates as a result of the change in monetary policy during the year, maximum rates increased in all consumer credit sub-segments, with the exception of the car loans sub-segment “with reservation of ownership and others: new”, in which the maximum APR fell by 0.4 percentage points between the last quarter of 2021 and the last quarter of 2022.

The most significant increase was seen in the “education, health, renewable energy and equipment leasing” sub-segment of personal loans: 0.6 percentage points between the last quarter of 2021 and the last quarter of 2022. Also noteworthy was the 0.4 percentage point rise in the maximum rates of the “other personal loans”, “financial leasing or long-term rentals: used” and “*revolving* credit” sub-segments.

8. It should be recalled that, in accordance with Decree-Law 133/2009, the maximum rates correspond to the average APR for each type of credit in the previous quarter, plus one quarter. In addition, the maximum rate for any type of credit may not exceed the market average by more than 50%, a restriction that has only been active in the *revolving* credit segment.

**Table II.5.1 • Consumer credit | Maximum rates | 4th quarter of 2021 — 4th quarter of 2022**

	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022
<b>Personal loans</b>					
Education, health, renewable energy and financial leasing of equipment	6.2%	6.2%	6.4%	6.6%	6.8%
Other personal loans	12.9%	13.0%	13.1%	13.0%	13.3%
<b>Car loans</b>					
Financial leasing or long-term rentals: new	3.1%	3.0%	3.0%	3.0%	3.3%
Financial leasing or long-term rentals: used	4.7%	4.9%	4.8%	5.0%	5.1%
With reservation of ownership and others: new	9.3%	9.2%	9.0%	8.8%	8.9%
With reservation of ownership and others: used	11.8%	11.9%	11.8%	11.7%	11.9%
<b>Credit cards, credit lines, current accounts and overdraft facilities</b>	15.6%	15.7%	15.8%	15.9%	16.0%

Source: Banco de Portugal.

