



OESTERREICHISCHE NATIONALBANK

Eurosystem

# **THE RISKS OF FOREIGN CURRENCY FINANCING – ESPECIALLY IN COMBINATION WITH LUMP-SUM REPAYMENT**

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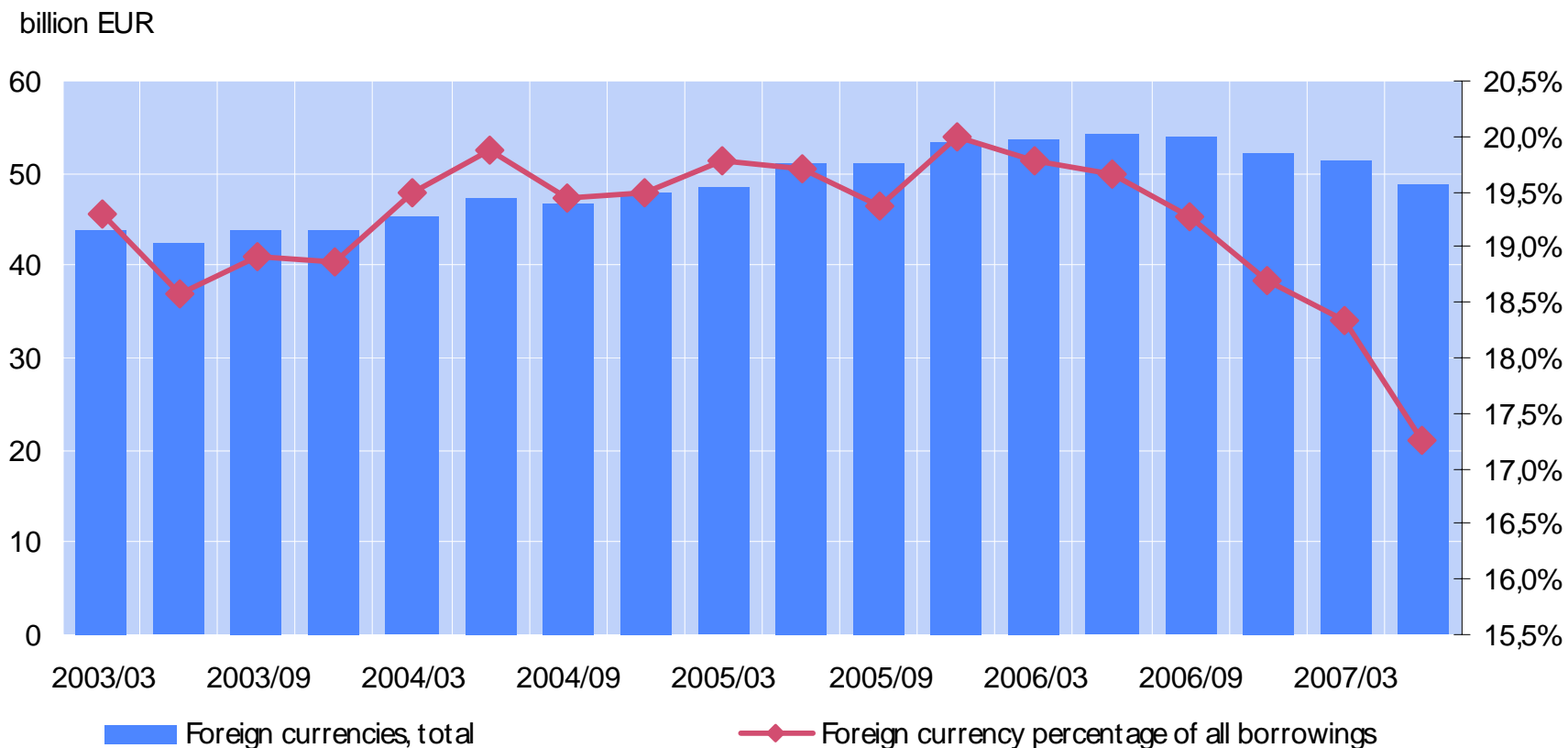
**Oesterreichische Nationalbank**

**European Association of Building Societies  
Prague, 25 October 2007**

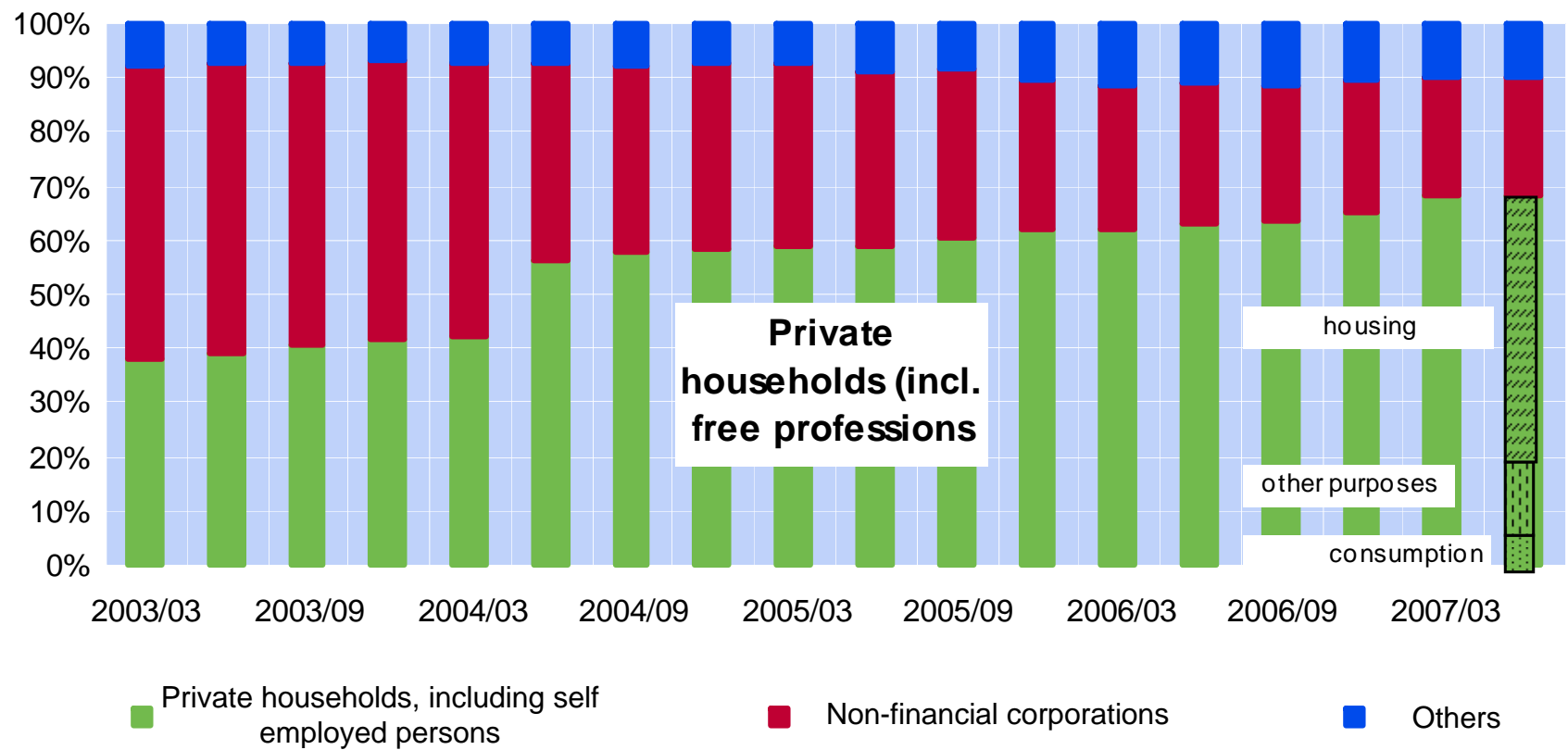
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Percentage of foreign currency loans has been declining since end of 2005

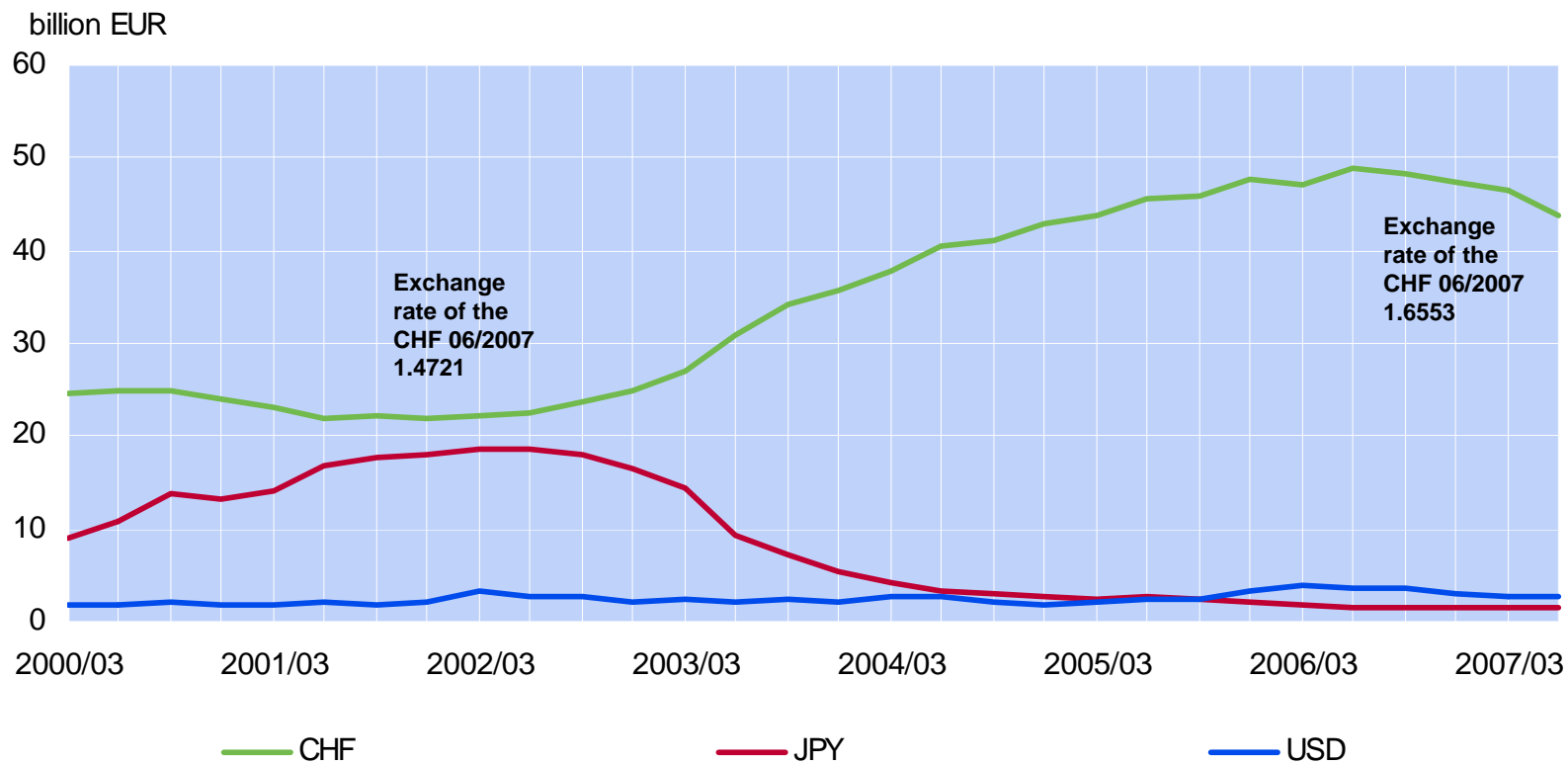


Percentage of private households among borrowers in foreign currency is increasing



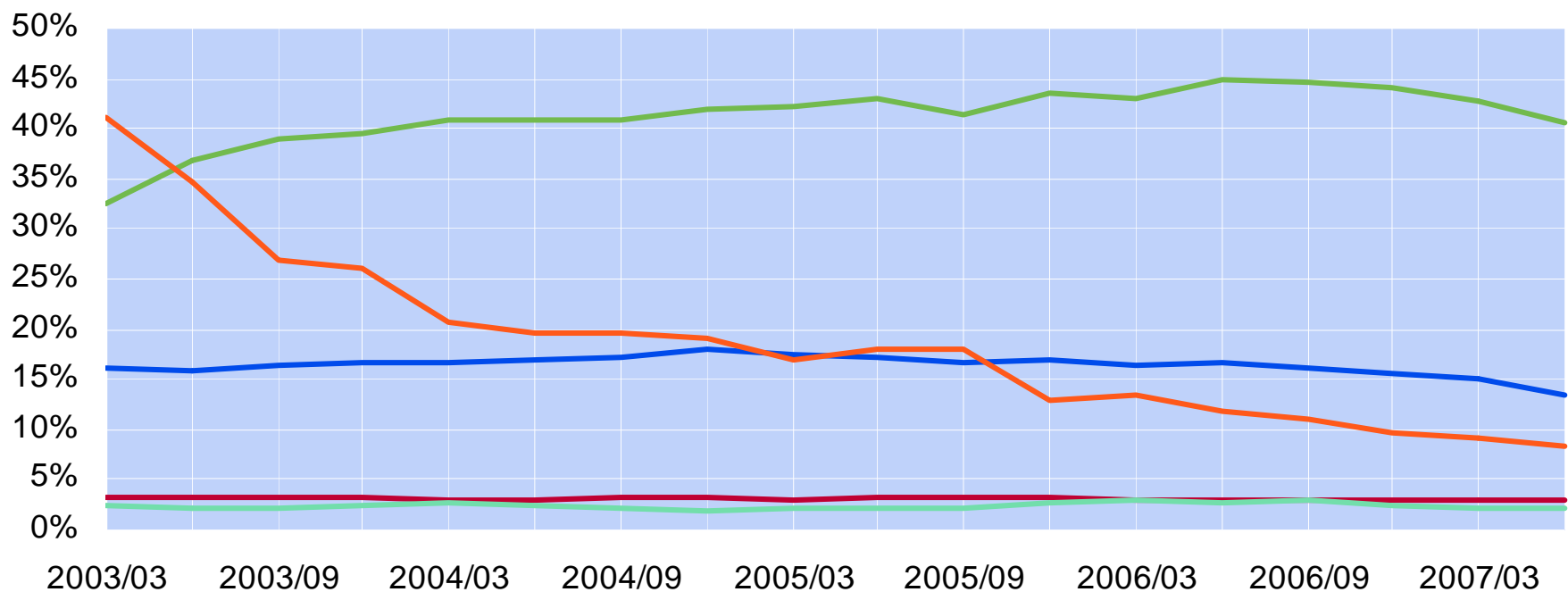
Source: OeNB

**CHF-credits are still dominating in the foreign currency sector**



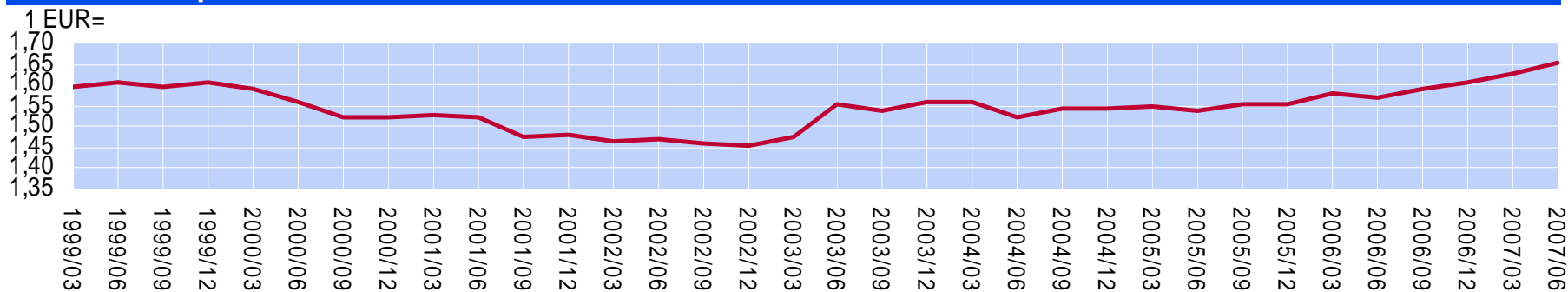
Source: OeNB.

### Austria's share of CHF-credits in the EURO area is still very high



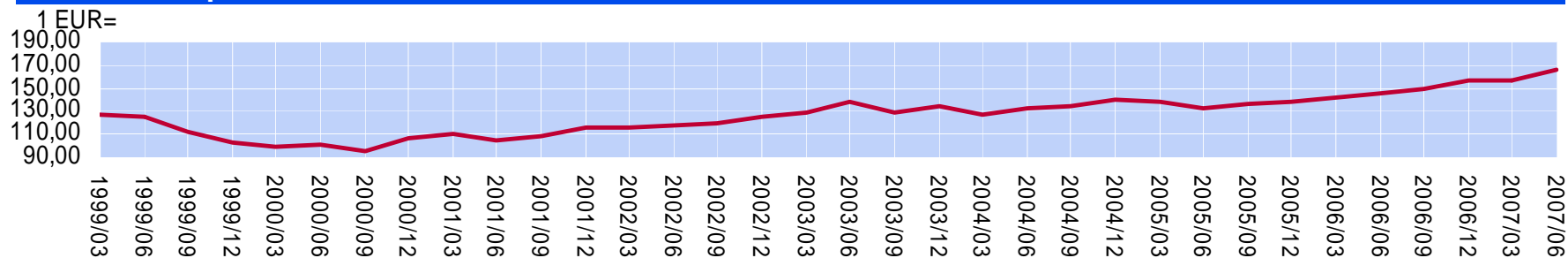
Source: OeNB — All currencies — Foreign currencies total — CHF — JPY — USD

### Chart development CHF /EUR



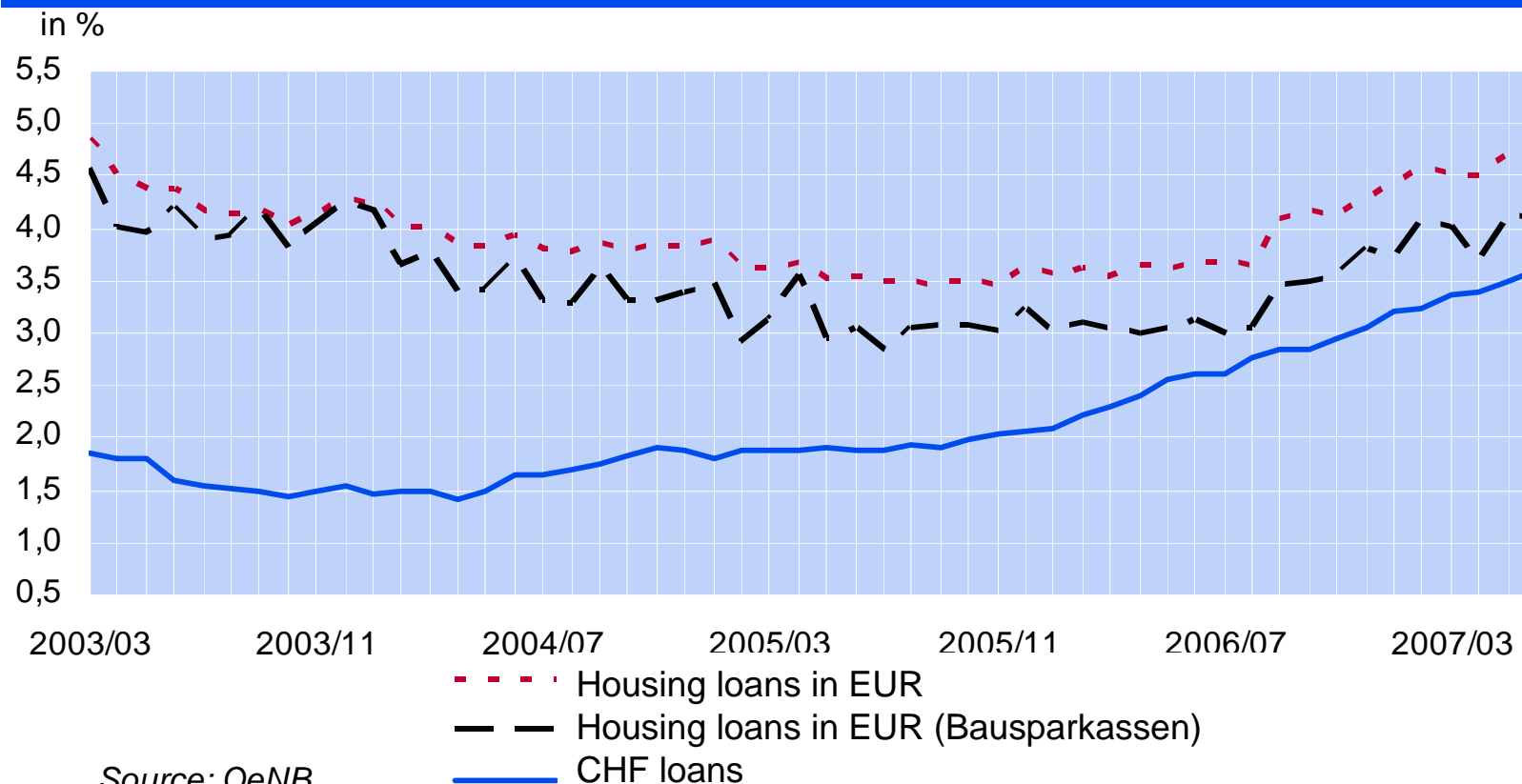
Source: OeNB.

### Chart development JPY/EUR

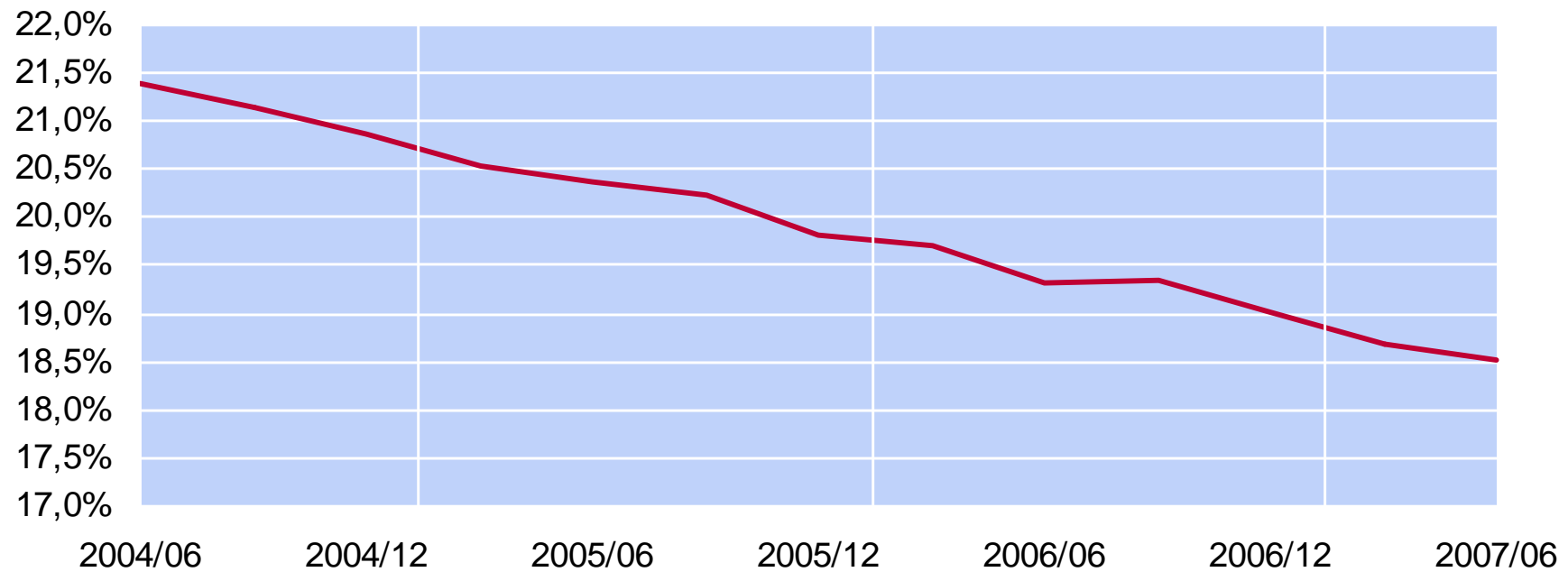


Source: OeNB.

**New business - interest rate difference between EUR housing loans and CHF credits is continuously decreasing**



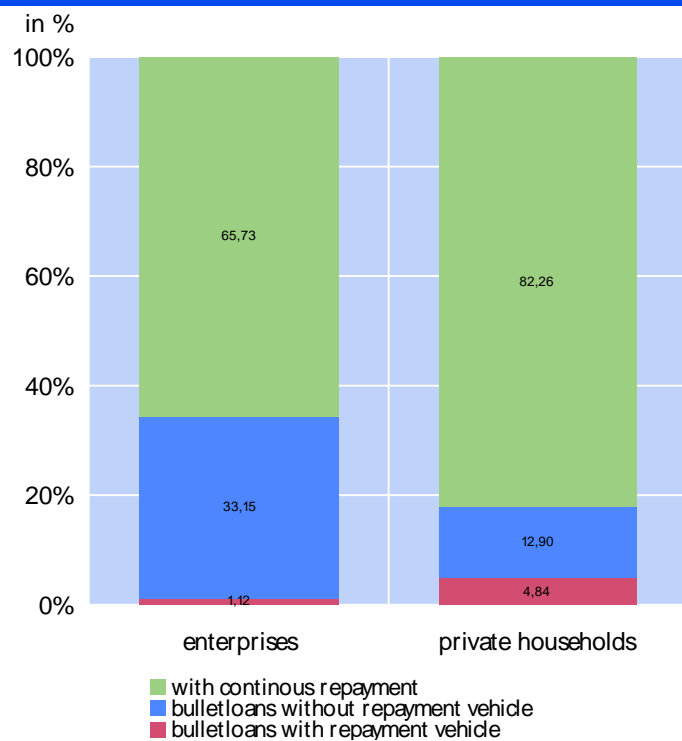
## Share of Bausparkassen in housing loans in Austria is decreasing



Source: OeNB.

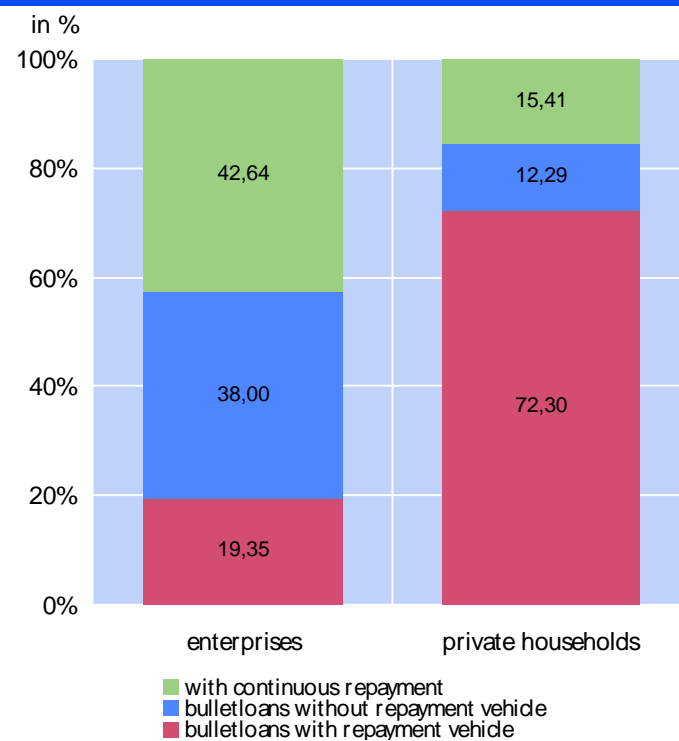


### EUR-credits: bullet loans vs. continuous repayment



Source: OeNB

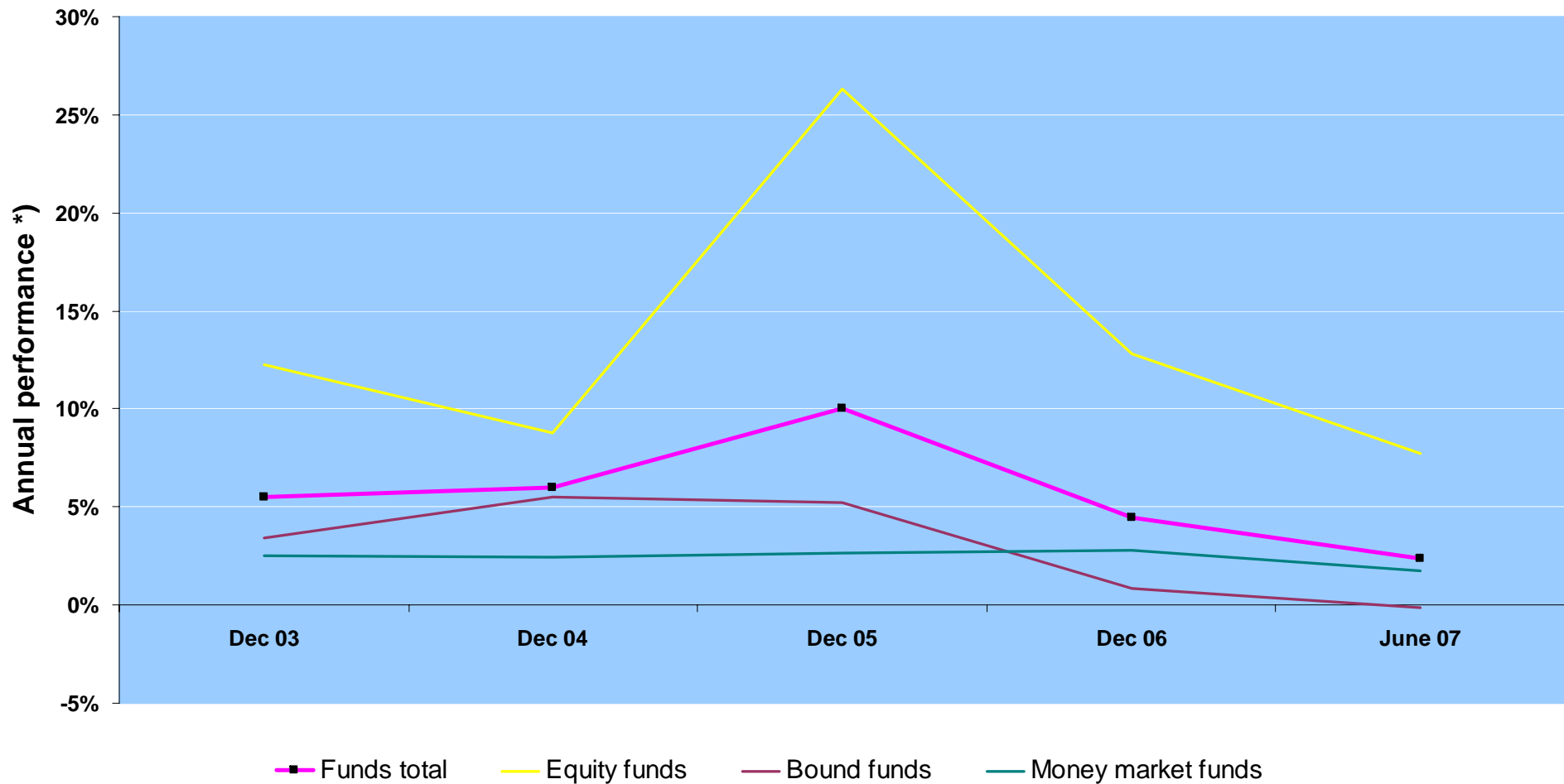
### Foreign currency credits: bullet loans vs. continuous repayment



Source: OeNB



**Annual performance of Austrian investment funds by fund category 2003 - June 2007**



Source: OeNB