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Media Release

MORTGAGE MARKET REFERENCE RATE (MMRR) INCREASES TO 2.75 PER CENT IN DECEMBER 2015

Increases in both the 15-year Central Government Treasury yield and commercial banks' cost of funds resulted in the MMRR for December 2015 rising to 2.75 per cent from 2.50 per cent in September 2015. Commercial banks and their affiliated non-bank financial institutions are expected to apply the MMRR plus a margin to all existing residential mortgage loans that are due to be re-priced as well as new mortgages granted from December 1, 2015. The margin will be negotiated between the commercial bank and customer. The margin takes into account the customer's credit rating, the location of the property, the size of the down payment and the size and quality of collateral.

The next MMRR announcement is scheduled for March 1, 2016.

December 1, 2015.

Table
Mortgage Market Reference Rates (MMRR)
and Commercial Banks' Residential Mortgage Rates
(Per cent Per Annum)

	MMRR*	Residential Mortgage Rate (Outstanding mortgages at end of period)	Residential Mortgage Rate (New mortgages during the quarter)
Jun-2012	3.25	7.21	6.60
Sep-2012	3.00	7.07	6.40
Dec-2012	2.50	6.95	6.28
Mar-2013	2.50	6.82	5.91
June-2013	2.25	6.53	5.58
Sep-2013	2.25	6.16	5.32
Dec-2013	2.25**	6.00 ^r	4.84
Mar-2014	2.25	5.83	4.60
Jun-2014	2.25	5.75	4.55
Sep-2014	2.25	5.58	4.63
Dec-2014	2.25	5.47	4.29
Mar-2015	2.25	5.39	4.28 ^r
Jun-2015	2.50	5.35	4.22
Sep-2015	2.50	5.34	4.58
Dec-2015	2.75	-	-

Source: Central Bank of Trinidad and Tobago.

r - Revised

* The MMRR is announced on the first business day of the last month of the relevant quarter.

** As at December 2, 2013, the MMRR methodology was adjusted to incorporate the 15-year Central Government bond yield rather than the 10-year Central Government bond yield.