



EUROPEAN CENTRAL BANK

EUROSYSTEM

# PRESS RELEASE

20 October 2015

## Results of the October 2015 euro area bank lending survey

- Further improvement in borrowing conditions for businesses
- Tighter borrowing conditions for households seeking housing loans
- Further increase in demand for loans to businesses and for housing loans
- ECB's asset purchase programme continues to support bank lending

In the October 2015 bank lending survey (BLS), euro area banks reported a net easing of credit standards on loans to enterprises in the third quarter of 2015 (a net percentage of -4% of banks reported that credit standards had become tighter, after -3% in the previous quarter), which was stronger than banks' expectations in the previous survey round. Competitive pressures were the main factor behind the easing of credit standards on loans to enterprises. Banks reported a net tightening of credit standards on loans to households for house purchase (a net percentage of 5% of banks reported tightened standards, from -9% in the previous quarter), broadly in line with the expected tightening of standards in the previous survey. For loans to households for house purchase, the tightening was driven by a notable worsening of "other factors" reported by banks, in particular relating to national regulation, which offset the easing effect of competition on credit standards.

When negotiating on the conditions for new loans, banks continued to ease their terms and conditions on loans across all categories, mainly driven by a further narrowing of margins on average loans, i.e. there was a smaller margin or spread over market rates. As with credit standards, the main factor contributing to the easing in terms and conditions was competition.

Net demand for loans to enterprises increased, due mainly to the general level of interest rates, as well as to increased needs for fixed investments. Net demand for housing loans continued to increase due to the low level of interest rates and housing market prospects.

**European Central Bank** Directorate General Communications  
Global Media Relations Division, Sonnemannstrasse 20, 60314 Frankfurt am Main, Germany  
Tel.: +49 69 1344 7455, e-mail: [media@ecb.europa.eu](mailto:media@ecb.europa.eu), website: [www.ecb.europa.eu](http://www.ecb.europa.eu)

**Reproduction is permitted provided that the source is acknowledged.**

Regarding euro area banks' access to retail and wholesale funding, access to funding improved for all main market instruments, while retail deposit funding deteriorated slightly.

Regarding the impact of the ECB's expanded asset purchase programme (APP), banks continue to report that the additional liquidity from the APP is being used for granting loans. The APP had a net easing impact on credit standards and particularly on credit terms and conditions. The easing impact was greatest for loans to enterprises.

The BLS, which is conducted four times a year, was developed by the Eurosystem in order to enhance the understanding of banks' lending behaviour in the euro area. The results reported in the October 2015 survey relate to changes in the third quarter of 2015 and to expectations of changes in the fourth quarter of 2015. The October 2015 BLS was conducted between 15 and 30 September 2015. With 141 banks participating in the survey, the response rate for the October 2015 BLS was 100%.

**For media queries, please contact William Lelieveldt, tel.: +49 69 1344 7316.**

**Notes:**

- The national and euro area data series are available on the ECB's website via the ECB's Statistical Data Warehouse. The survey report is available at <http://www.ecb.europa.eu/stats/money/surveys/lend/html/index.en.html>.
- Detailed data series for the aggregate euro area results are available on the ECB's website via the ECB's Statistical Data Warehouse (<http://sdw.ecb.europa.eu/browse.do?node=9484572>). National results as published by the respective national central banks can be obtained via <http://www.ecb.europa.eu/stats/money/surveys/lend/html/index.en.html#country>.