Press release

9 April 2024

April 2024 euro area bank lending survey

- Credit standards were broadly unchanged in the first quarter of 2024
- Loan demand from firms declined substantially, contrary to bank expectations of a recovery
- Ongoing central bank balance sheet reduction continued to exert tightening pressure
- The positive impact of policy rate decisions on bank profits is expected to diminish over the next six months

According to the April 2024 euro area bank lending survey (BLS), euro area banks reported a small net tightening of their credit standards – i.e. banks' internal guidelines or loan approval criteria – for loans or credit lines to enterprises in the first quarter of 2024 (net percentage of banks of 3%; Chart 1), which was less than banks had expected in the previous round (9%). Banks, for the first time since the fourth quarter of 2021, reported a moderate net easing of their credit standards for loans to households for house purchase (net percentage of -6%), whereas credit standards for consumer credit and other lending to households tightened further (net percentage of 9%). Risk perceptions continued to exert tightening pressures across all loan categories, while competition and, for housing loans, also banks' risk tolerance, contributed to an easing of credit standards. For the second quarter of 2024, banks expect moderate net tightening for loans to firms and unchanged credit standards for loans to households.

Banks' overall terms and conditions – i.e. the actual terms and conditions agreed in loan contracts – remained broadly unchanged for loans to firms, while they eased for housing loans and tightened for consumer credit. Lending rates were the main driver of the net easing in terms and conditions for housing loans, while margins on average and riskier loans largely drove the tightening in terms and conditions for consumer credit.

Banks reported a further substantial decline in demand from firms for loans or drawing of credit lines and a small decline in demand for housing loans, while demand for consumer credit and other lending to households was reported as broadly stable in the first quarter of 2024 (Chart 2). As has been the

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case in recent quarters, higher interest rates, as well as lower fixed investment for firms and lower consumer confidence for households, exerted dampening pressure on loan demand. The substantial decline in loan demand from firms contrasted with banks' prior expectations of a stabilisation. Banks are expecting a moderate net decrease in demand for loans to firms and a net increase in demand for loans to households in the second quarter of 2024.

According to the banks surveyed, access to funding improved for debt securities and, to a lesser extent, for money markets, while access to retail funding deteriorated in the first quarter of 2024. The latter was driven by a further deterioration in banks' access to short-term retail funding.

The reduction of the ECB's monetary policy asset portfolio has had a further negative impact on banks' financing conditions and liquidity positions over the past six months, resulting in a moderate tightening of terms and conditions and a negative effect on lending volumes. The impact on credit standards was seen as broadly neutral, although banks are expecting further tightening pressure over the next six months.

Euro area banks also indicated that the phase-out of the third series of targeted longer-term refinancing operations (TLTRO III) continued to negatively affect banks' liquidity positions. Reflecting the very significant repayments made since November 2022 and the comparatively small remaining outstanding amounts of TLTRO III, banks reported only a small tightening impact on their overall funding conditions and a neutral effect on lending conditions.

Euro area banks reported a further markedly positive impact of the ECB's key interest rate decisions on their net interest margins over the past six months, although the cumulative impact is expected to diminish over the next six months. Banks indicated a dampening impact via their net volumes, which is expected to persist over the next six months. The dampening impact of the ECB's interest rate decisions expected over the next six months also extends to overall bank profitability, with a moderately negative contribution from provisioning and impairments.

The euro area BLS, which is conducted four times a year, was developed by the Eurosystem to improve its understanding of bank lending behaviour in the euro area. The results reported in the April 2024 survey relate to changes observed in the first quarter of 2024 and changes expected in the second quarter of 2024, unless otherwise indicated. The April 2024 survey round was conducted between 29 February and 15 March 2024. A total of 157 banks were surveyed in this round, with a response rate of 100%.

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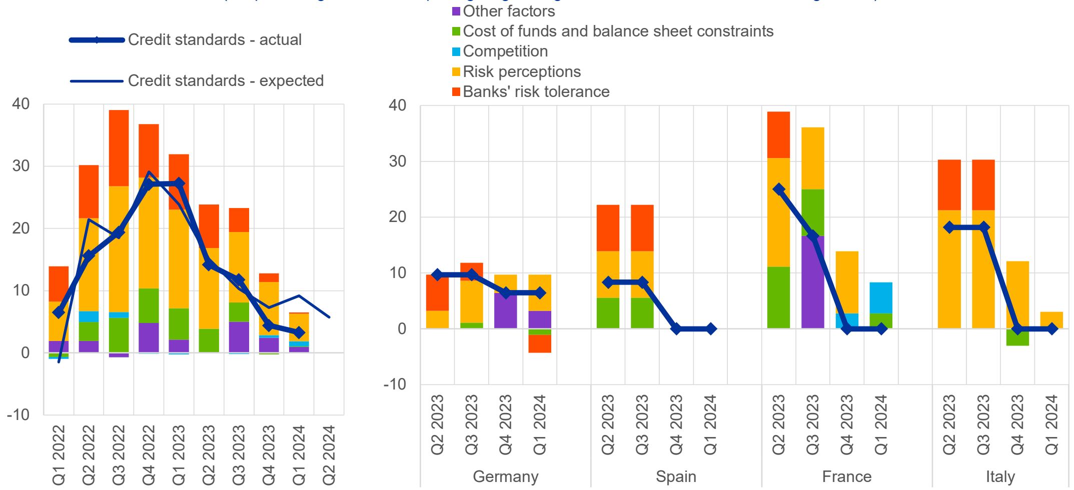
Chart 1

Changes in credit standards for loans or credit lines to enterprises, and contributing factors

(net percentages of banks reporting a tightening of credit standards, and contributing factors)



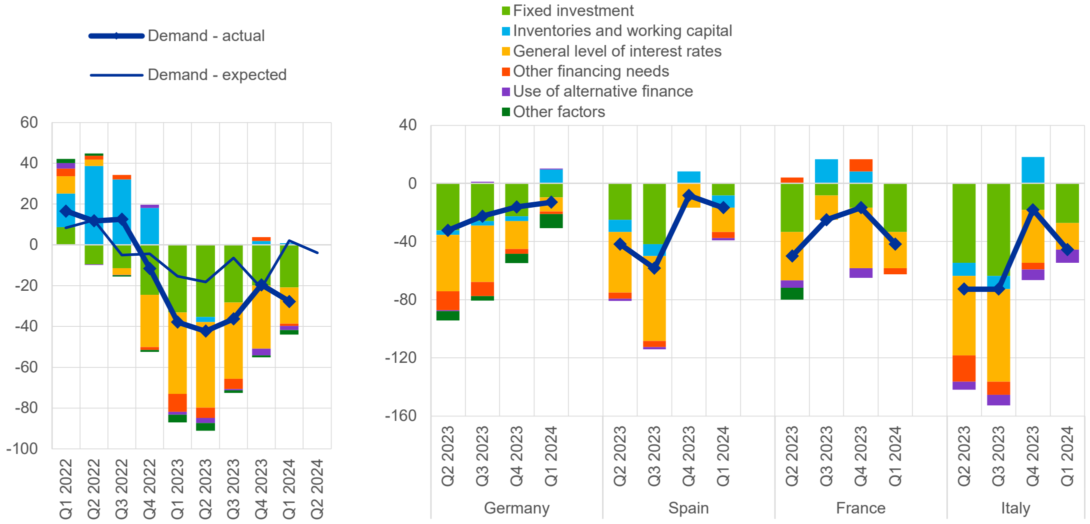
Source: ECB (BLS).

Notes: Net percentages are defined as the difference between the sum of the percentages of banks responding "tightened considerably" and "tightened somewhat" and the sum of the percentages of banks responding "eased somewhat" and "eased considerably". The net percentages for "Other factors" refer to an average of the further factors which were mentioned by banks as having contributed to changes in credit standards.

Chart 2

Changes in demand for loans or credit lines to enterprises, and contributing factors

(net percentages of banks reporting an increase in demand, and contributing factors)



Source: ECB (BLS).

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Notes: Net percentages for the questions on demand for loans are defined as the difference between the sum of the percentages of banks responding "increased considerably" and "increased somewhat" and the sum of the percentages of banks responding "decreased somewhat" and "decreased considerably". The net percentages for "Other factors" refer to an average of the further factors which were mentioned by banks as having contributed to changes in loan demand.

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Notes

- A report on this survey round is available on the ECB's website. A copy of the questionnaire, a glossary of BLS terms and a BLS user guide with information on the BLS series keys can be found here too.
- **The euro area and national data series** are available on the ECB's website via the ECB Data Portal. National results, as published by the respective national central banks, can be obtained via the ECB's website.
- **For more detailed information** on the BLS, see Köhler-Ulbrich, P., Dimou, M., Ferrante, L. and Parle, C., "Happy anniversary, BLS – 20 years of the euro area bank lending survey", *Economic Bulletin*, Issue 7, ECB, 2023, and Huennekes, F. and Köhler-Ulbrich, P., "What information does the euro area bank lending survey provide on future loan developments?", *Economic Bulletin*, Issue 8, ECB, 2022.

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Annex 1
Results for the standard questions*

Loans or credit lines to enterprises

Question 1

Over the past three months, how have your bank's credit standards[1] as applied to the approval of loans or credit lines to enterprises[2, 3, 4] changed? Please note that we are asking about the change in credit standards, rather than about their level.

(in percentages, unless otherwise stated)

	Overall		Loans to small and medium-sized enterprises[5]		Loans to large enterprises[5]		Short-term loans[6]		Long-term loans[6]	
	Jan 24	Apr 24	Jan 24	Apr 24	Jan 24	Apr 24	Jan 24	Apr 24	Jan 24	Apr 24
Tightened considerably	0	0	0	0	0	0	0	0	0	0
Tightened somewhat	4	5	5	8	4	6	4	4	7	6
Remained basically unchanged	96	94	92	88	96	92	91	90	93	93
Eased somewhat	0	1	0	2	0	1	0	2	0	1
Eased considerably	0	0	0	0	0	0	0	0	0	0
NA[7]	0	0	2	2	0	0	4	4	0	0
Total	100	100	100	100	100	100	100	100	100	100
Net percentage	**4**	**3**	**5**	**6**	**4**	**5**	**4**	**3**	**7**	**5**
Diffusion index	2	2	3	3	2	3	2	1	3	3
Mean	2.96	2.97	2.95	2.94	2.96	2.95	2.96	2.97	2.93	2.95
Number of banks responding	148	148	143	143	144	144	148	148	148	148

1) See Glossary for Credit standards.
2) See Glossary for Loans.
3) See Glossary for Credit line.
4) See Glossary for Enterprises.
5) See Glossary for Enterprise size.
6) See Glossary for Maturity.
7) "NA" (not applicable) does not include banks which do not have any business in or exposure to the respective lending category.
Notes: The net percentage is defined as the difference between the sum of the percentages for "tightened considerably" and "tightened somewhat", and the sum of the percentages for "eased somewhat" and "eased considerably". The diffusion index is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered "considerably" a weight twice as high (score of 1) as lenders having answered "somewhat" (score of 0.5). The mean of the banks' responses is calculated using weights from 1 to 5 for the five possible response options. The number of banks responding refers to all participating banks which have business in or exposure to the respective lending category.

* Figures might not add up to 100 due to rounding

Question 2

Over the past three months, how have the following factors affected your bank's credit standards as applied to the approval of loans or credit lines to enterprises?

(in percentages, unless otherwise stated)

	--	-	°	+	++	NA[7]	NetP Jan 24	NetP Apr 24	DI Jan 24	DI Apr 24	Mean Jan 24	Mean Apr 24
Overall												
A) Cost of funds and balance sheet constraints[1]												
Your bank's capital and the costs related to your bank's capital position[2]	0	0	98	1	0	1	0	0	0	0	3.00	3.00
Your bank's ability to access market financing[3]	0	0	95	1	0	3	-1	-1	-1	-1	3.01	3.01
Your bank's liquidity position	0	2	96	1	0	1	0	2	0	1	3.00	2.98
B) Pressure from competition												
Competition from other banks	0	3	94	2	0	2	0	1	0	0	3.00	2.99
Competition from non-banks[4]	0	0	98	0	0	2	0	0	0	0	3.00	3.00
Competition from market financing	0	2	96	0	0	2	2	2	1	1	2.98	2.98
C) Perception of risk[5]												
General economic situation and outlook	0	6	93	0	0	0	10	6	5	3	2.90	2.94
Industry or firm-specific situation and outlook/borrower's creditworthiness[6]	0	7	92	1	0	0	12	6	6	3	2.87	2.94
Risk related to the collateral demanded	0	1	99	0	0	0	4	1	2	1	2.96	2.99
D) Your bank's risk tolerance[5]												
Your bank's risk tolerance	0	2	97	1	0	0	1	0	1	0	2.99	3.00
Small and medium-sized enterprises												
A) Cost of funds and balance sheet constraints[1]												
Your bank's capital and the costs related to your bank's capital position[2]	0	0	94	3	0	3	0	-2	0	-1	3.00	3.03
Your bank's ability to access market financing[3]	0	1	91	3	0	5	0	-2	0	-1	3.00	3.03
Your bank's liquidity position	0	0	96	1	0	3	0	-1	0	0	3.00	3.01
B) Pressure from competition												
Competition from other banks	0	3	91	2	0	4	0	1	0	0	3.00	2.99
Competition from non-banks[4]	0	0	96	0	0	4	0	0	0	0	3.00	3.00
Competition from market financing	0	0	96	0	0	4	0	0	0	0	3.00	3.00
C) Perception of risk[5]												
General economic situation and outlook	0	4	93	0	0	2	10	4	5	2	2.89	2.96
Industry or firm-specific situation and outlook/borrower's creditworthiness[6]	0	8	89	1	0	2	11	7	6	3	2.88	2.93
Risk related to the collateral demanded	0	1	96	0	0	2	4	1	2	1	2.96	2.99
D) Your bank's risk tolerance[5]												
Your bank's risk tolerance	0	3	93	1	0	2	2	2	1	1	2.98	2.98

	--	-	°	+	++	NA[7]	NetP		DI		Mean	
							Jan 24	Apr 24	Jan 24	Apr 24	Jan 24	Apr 24
Large enterprises												
A) Cost of funds and balance sheet constraints[1]												
Your bank's capital and the costs related to your bank's capital position[2]	0	0	99	0	0	1	0	0	0	0	3.00	3.00
Your bank's ability to access market financing[3]	0	0	96	1	0	3	-1	-1	-1	0	3.01	3.01
Your bank's liquidity position	0	2	97	0	0	1	0	2	0	1	3.00	2.98
B) Pressure from competition												
Competition from other banks	0	3	94	1	0	2	0	1	0	1	3.00	2.99
Competition from non-banks[4]	0	0	98	0	0	2	0	0	0	0	3.00	3.00
Competition from market financing	0	2	96	0	0	2	2	2	1	1	2.98	2.98
C) Perception of risk[5]												
General economic situation and outlook	0	5	94	0	0	0	7	5	3	3	2.93	2.95
Industry or firm-specific situation and outlook/borrower's creditworthiness[6]	0	7	92	1	0	0	8	6	4	3	2.91	2.94
Risk related to the collateral demanded	0	1	99	0	0	0	1	1	1	1	2.99	2.99
D) Your bank's risk tolerance[5]												
Your bank's risk tolerance	0	1	98	1	0	0	1	0	0	0	2.99	3.00

1) See Glossary for Cost of funds and balance sheet constraints.
2) Can involve the use of credit derivatives, with the loans remaining on the bank's balance sheet.
3) Involves the sale of loans from the bank's balance sheet, i.e. off-balance sheet funding.
4) See Glossary for Non-banks.
5) See Glossary for Perception of risk and risk tolerance.
6) Risks related to non-performing loans may be reflected not only in the "industry or firm-specific situation and outlook/borrower's creditworthiness", but also in the bank's "cost of funds and balance sheet constraints".
7) "NA" (not applicable) does not include banks which do not have any business in or exposure to the respective lending category.
Notes: The net percentage (NetP) is defined as the difference between the sum of banks responding "--" (contributed considerably to tightening) and "-" (contributed somewhat to tightening), and the sum of banks responding "+" (contributed somewhat to easing) and "++" (contributed considerably to easing). "°" means "contributed to basically unchanged credit standards". The diffusion index (DI) is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered "considerably" a weight twice as high (score of 1) as lenders having answered "somewhat" (score of 0.5). The mean of the banks' responses is calculated using weights from 1 to 5 for the five possible response options.

Question 3

Over the past three months, how have your bank's terms and conditions[1] for new loans or credit lines to enterprises changed?

(in percentages, unless otherwise stated)

	--	-	°	+	++	NA[6]	NetP Jan 24	NetP Apr 24	DI Jan 24	DI Apr 24	Mean Jan 24	Mean Apr 24
Overall												
A) Overall terms and conditions[1]												
Overall terms and conditions	0	5	91	4	0	0	4	1	2	1	2.96	2.99
B) Interest rates and margins												
Your bank's lending rates	0	6	86	7	1	0	-	-2	-	-2	-	3.03
Your bank's margin on average loans[2]	0	3	92	5	1	0	-1	-3	0	-2	3.01	3.04
Your bank's margin on riskier loans	0	6	90	2	1	1	4	4	2	2	2.96	2.96
C) Other conditions and terms												
Non-interest rate charges[3]	0	1	98	0	0	0	2	1	1	0	2.98	2.99
Size of the loan or credit line	0	3	96	1	0	0	3	2	1	1	2.97	2.98
Collateral[4] requirements	0	4	96	0	0	0	3	4	2	2	2.97	2.96
Loan covenants[5]	0	2	98	1	0	0	6	1	3	1	2.94	2.99
Maturity	0	0	100	0	0	0	1	0	1	0	2.99	3.00
Small and medium-sized enterprises												
A) Overall terms and conditions[1]												
Overall terms and conditions	0	5	88	4	0	2	4	1	2	1	2.95	2.99
B) Margins												
Your bank's lending rates	0	6	83	7	1	2	-	-2	-	-2	-	3.04
Your bank's margin on average loans[2]	0	3	89	5	1	2	-1	-3	0	-2	3.01	3.04
Your bank's margin on riskier loans	1	6	88	2	1	3	4	4	2	2	2.96	2.97
C) Other conditions and terms												
Non-interest rate charges[3]	0	0	97	1	0	2	1	-1	1	0	2.99	3.01
Size of the loan or credit line	0	4	94	0	0	2	3	3	2	2	2.97	2.97
Collateral[4] requirements	0	2	95	0	0	2	2	2	1	1	2.97	2.98
Loan covenants[5]	0	1	95	1	0	2	4	1	2	0	2.95	2.99
Maturity	0	1	97	0	0	2	2	0	1	0	2.98	3.00
Large enterprises												
A) Overall terms and conditions[1]												
Overall terms and conditions	0	4	94	3	0	0	4	1	2	0	2.96	2.99
B) Margins												
Your bank's lending rates	0	6	86	8	1	0	-	-3	-	-2	-	3.04
Your bank's margin on average loans[2]	0	3	92	5	1	0	0	-3	0	-2	3.00	3.04
Your bank's margin on riskier loans	0	6	89	3	1	0	4	2	2	1	2.96	2.98
C) Other conditions and terms												
Non-interest rate charges[3]	0	1	99	0	0	0	2	1	1	1	2.98	2.99
Size of the loan or credit line	0	4	95	1	0	0	1	2	1	1	2.99	2.98
Collateral[4] requirements	0	3	96	0	0	0	2	3	1	2	2.98	2.97
Loan covenants[5]	0	2	98	0	0	0	6	2	3	1	2.94	2.98
Maturity	0	0	100	0	0	0	1	0	1	0	2.99	3.00

1) See Glossary for Credit terms and conditions.
2) See Glossary for Loan margin/spread over a relevant market reference rate.
3) See Glossary for Non-interest rate charges.
4) See Glossary for Collateral.
5) See Glossary for Covenant.
6) "NA" (not applicable) does not include banks which do not have any business in or exposure to the respective lending category.
Notes: The subitem for banks' lending rates was introduced in April 2024. The net percentage (NetP) is defined as the difference between the sum of banks responding "--" (contributed considerably to tightening) and "-" (contributed somewhat to tightening), and the sum of banks responding "+" (contributed somewhat to easing) and "++" (contributed considerably to easing). "°" means "contributed to keeping credit terms and conditions basically unchanged". The diffusion index (DI) is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered "considerably" a weight twice as high (score of 1) as lenders having answered "somewhat" (score of 0.5). The mean of the banks' responses is calculated using weights from 1 to 5 for the five possible response options.

Question 4

Over the past three months, how have the following factors[1] affected your bank's credit terms and conditions as applied to new loans or credit lines to enterprises?

(in percentages, unless otherwise stated)

	--	-	°	+	++	NA[2]	NetP Jan 24	NetP Apr 24	DI Jan 24	DI Apr 24	Mean Jan 24	Mean Apr 24
Overall impact on your bank's credit terms and conditions												
A) Cost of funds and balance sheet constraints												
Your bank's capital and the costs related to your bank's capital position	0	1	99	0	0	0	2	1	1	1	2.98	2.99
Your bank's ability to access market financing	0	0	98	1	0	1	1	0	0	0	2.99	3.01
Your bank's liquidity position	0	0	100	0	0	0	0	0	0	0	3.00	3.00
B) Pressure from competition												
Competition from other banks	0	1	89	10	0	1	-6	-9	-3	-5	3.06	3.09
Competition from non-banks	0	0	98	1	0	1	0	-1	0	-1	3.00	3.01
Competition from market financing	0	0	99	0	0	1	0	0	0	0	3.00	3.00
C) Perception of risk												
General economic situation and outlook	0	9	91	0	0	0	16	9	8	5	2.84	2.91
Industry or firm-specific situation and outlook/borrower's creditworthiness	0	6	93	0	0	0	13	7	7	4	2.86	2.93
Risk related to the collateral demanded	0	4	96	0	0	0	2	4	1	2	2.98	2.96
D) Your bank's risk tolerance												
Your bank's risk tolerance	0	1	98	1	0	0	5	1	2	0	2.95	2.99
Impact on your bank's margins on average loans												
A) Cost of funds and balance sheet constraints												
Your bank's capital and the costs related to your bank's capital position	0	0	100	0	0	0	3	0	1	0	2.97	3.00
Your bank's ability to access market financing	0	0	97	1	0	1	1	-1	1	0	2.99	3.01
Your bank's liquidity position	0	0	100	0	0	0	0	0	0	0	3.00	3.00
B) Pressure from competition												
Competition from other banks	0	1	88	10	0	1	-8	-10	-4	-5	3.08	3.10
Competition from non-banks	0	0	98	1	0	1	-1	-1	-1	-1	3.01	3.01
Competition from market financing	0	0	99	0	0	1	0	0	0	0	3.00	3.00
C) Perception of risk												
General economic situation and outlook	0	8	92	0	0	0	11	8	5	4	2.89	2.92
Industry or firm-specific situation and outlook/borrower's creditworthiness	0	4	95	0	0	0	9	5	5	3	2.90	2.95
Risk related to the collateral demanded	0	3	97	0	0	0	1	3	0	1	2.99	2.97
D) Your bank's risk tolerance												
Your bank's risk tolerance	0	1	99	1	0	0	3	0	2	0	2.97	3.00

Impact on your bank's margins on riskier loans												
A) Cost of funds and balance sheet constraints												
Your bank's capital and the costs related to your bank's capital position	0	1	98	0	0	1	4	1	2	1	2.96	2.99
Your bank's ability to access market financing	0	0	97	1	0	2	2	0	1	0	2.98	3.01
Your bank's liquidity position	0	0	99	0	0	1	1	0	0	0	2.99	3.00
B) Pressure from competition												
Competition from other banks	0	1	92	6	0	2	1	-5	0	-3	2.99	3.05
Competition from non-banks	0	0	97	1	0	2	1	-1	0	-1	2.99	3.01
Competition from market financing	0	0	98	0	0	2	0	0	0	0	3.00	3.00
C) Perception of risk												
General economic situation and outlook	0	11	88	0	0	1	14	10	7	5	2.86	2.89
Industry or firm-specific situation and outlook/borrower's creditworthiness	0	8	91	0	0	1	11	8	6	4	2.87	2.92
Risk related to the collateral demanded	0	3	96	0	0	1	2	3	1	1	2.98	2.97
D) Your bank's risk tolerance												
Your bank's risk tolerance	0	1	98	0	0	1	6	1	3	1	2.94	2.99

1) The factors refer to the same sub-factors as in question 2. Detailed sub-factors were introduced in April 2022.
2) "NA" (not applicable) does not include banks which do not have any business in or exposure to the respective lending category.
Notes: The net percentage (NetP) is defined as the difference between the sum of banks responding "--" (contributed considerably to tightening) and "-" (contributed somewhat to tightening), and the sum of banks responding "+" (contributed somewhat to easing) and "++" (contributed considerably to easing). "°" means "contributed to keeping credit terms and conditions basically unchanged". The diffusion index (DI) is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered "considerably" a weight twice as high (score of 1) as lenders having answered "somewhat" (score of 0.5). The mean of the banks' responses is calculated using weights from 1 to 5 for the five possible response options.

Question 5

Over the past three months (apart from normal seasonal fluctuations), has the share of formal and informal enterprise loan applications[1] that were completely rejected[2] by your bank increased, remained unchanged or decreased (loan volume, relative to the total volume of loan applications in that loan category)?

(in percentages, unless otherwise stated)

	Share of rejected applications					
	Overall		Loans to small and medium-sized enterprises		Loans to large enterprises	
	Jan 24	Apr 24	Jan 24	Apr 24	Jan 24	Apr 24
Decreased considerably	0	0	0	0	0	0
Decreased somewhat	1	1	1	3	0	0
Remained basically unchanged	85	94	79	89	90	95
Increased somewhat	13	4	17	5	9	4
Increased considerably	0	0	0	0	0	0
NA[3]	1	1	3	3	1	1
Total	100	100	100	100	100	100
Net percentage	**12**	**3**	**16**	**2**	**9**	**4**
Diffusion index	6	1	8	1	5	2
Mean	3.12	3.03	3.17	3.02	3.09	3.04
Number of banks responding	148	148	143	143	144	144

1) See Glossary for Loan application.
2) See Glossary for Loan rejection.
3) "NA" (not applicable) does not include banks which do not have any business in or exposure to the respective lending category.
Notes: Additional breakdowns were introduced in April 2022. The net percentage is defined as the difference between the sum of banks responding "increased considerably" and "increased somewhat", and the sum of banks responding "decreased somewhat" and "decreased considerably". The diffusion index is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered "considerably" a weight twice as high (score of 1) as lenders having answered "somewhat" (score of 0.5). The mean of the banks' responses is calculated using weights from 1 to 5 for the five possible response options. The number of banks responding refers to all participating banks which have business in or exposure to the respective lending category.

Question 6

Over the past three months (apart from normal seasonal fluctuations), how has the demand for loans[1] or credit lines[2] to enterprises changed at your bank? Please refer to the financing need of enterprises independent of whether this need will result in a loan or not.

(in percentages, unless otherwise stated)

	Overall		Loans to small and medium-sized enterprises		Loans to large enterprises		Short-term loans		Long-term loans	
	Jan 24	Apr 24	Jan 24	Apr 24	Jan 24	Apr 24	Jan 24	Apr 24	Jan 24	Apr 24
Decreased considerably	2	0	3	1	2	0	1	0	2	1
Decreased somewhat	26	33	25	29	20	28	18	17	27	33
Remained basically unchanged	64	62	60	61	71	66	68	73	64	62
Increased somewhat	8	5	10	6	7	5	8	5	7	4
Increased considerably	0	1	0	1	0	0	0	1	0	1
NA[3]	0	0	2	2	0	0	4	4	0	0
Total	100	100	100	100	100	100	100	100	100	100
Net percentage	**-20**	**-28**	**-17**	**-24**	**-15**	**-23**	**-11**	**-11**	**-22**	**-29**
Diffusion index	-11	-14	-10	-12	-8	-12	-6	-5	-12	-15
Mean	2.79	2.73	2.79	2.74	2.83	2.77	2.88	2.88	2.76	2.71
Number of banks responding	148	148	143	143	144	144	148	148	148	148

1) See Glossary for Demand for loans.
2) See Glossary for Credit line.
3) “NA” (not applicable) does not include banks which do not have any business in or exposure to the respective lending category.
Notes: The net percentage is defined as the difference between the sum of banks responding “increased considerably” and “increased somewhat” , and the sum of banks responding “decreased somewhat” and “decreased considerably”. The diffusion index is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered “considerably” a weight twice as high (score of 1) as lenders having answered “somewhat” (score of 0.5). The mean of the banks’ responses is calculated using weights from 1 to 5 for the five possible response options. The number of banks responding refers to all participating banks which have business in or exposure to the respective lending category.

Question 7

Over the past three months, how have the following factors affected the overall demand for loans or credit lines to enterprises?

(in percentages, unless otherwise stated)

Overall

	--	-	°	+	++	NA[2]	NetP		DI		Mean	
							Jan 24	Apr 24	Jan 24	Apr 24	Jan 24	Apr 24
A) Financing needs/underlying drivers or purpose of loan demand												
Fixed investment	0	24	73	3	0	0	-20	-21	-11	-11	2.78	2.79
Inventories and working capital	0	4	89	5	0	1	2	1	1	0	3.02	3.01
Mergers/acquisitions and corporate restructuring	0	9	88	1	0	2	-1	-8	-1	-4	2.99	2.92
General level of interest rates	1	18	79	1	0	0	-31	-18	-18	-10	2.65	2.81
Debt refinancing/restructuring and renegotiation[1]	0	2	90	8	0	0	5	6	3	3	3.05	3.06
B) Use of alternative finance												
Internal financing	0	9	89	2	0	0	-7	-7	-3	-3	2.93	2.93
Loans from other banks	0	1	99	0	0	0	-3	-1	-1	0	2.97	2.99
Loans from non-banks	0	1	99	0	0	0	1	-1	0	-1	3.01	2.99
Issuance/redemption of debt securities	0	0	92	1	0	6	-4	1	-2	0	2.96	3.01
Issuance/redemption of equity	0	1	91	0	0	8	-4	-1	-2	-1	2.96	2.99

Small and medium-sized enterprises

	--	-	°	+	++	NA[2]	NetP		DI		Mean	
							Jan 24	Apr 24	Jan 24	Apr 24	Jan 24	Apr 24
A) Financing needs/underlying drivers or purpose of loan demand												
Fixed investment	1	25	67	5	0	2	-19	-20	-11	-10	2.78	2.78
Inventories and working capital	0	3	87	7	0	3	3	3	1	2	3.03	3.04
Mergers/acquisitions and corporate restructuring	0	5	89	1	0	6	0	-4	0	-2	3.00	2.96
General level of interest rates	2	14	78	4	0	2	-31	-12	-18	-7	2.63	2.86
Debt refinancing/restructuring and renegotiation[1]	0	0	92	6	0	2	4	6	2	3	3.04	3.06
B) Use of alternative finance												
Internal financing	0	7	88	2	0	2	-7	-5	-4	-3	2.92	2.95
Loans from other banks	0	1	97	0	0	2	-3	-1	-2	-1	2.96	2.99
Loans from non-banks	0	0	98	0	0	2	1	0	0	0	3.01	3.00
Issuance/redemption of debt securities	0	1	91	0	0	8	-1	-1	0	0	2.99	2.99
Issuance/redemption of equity	0	0	90	0	0	10	-1	0	0	0	2.99	3.00

Large enterprises

	--	-	°	+	++	NA[2]	NetP		DI		Mean	
							Jan 24	Apr 24	Jan 24	Apr 24	Jan 24	Apr 24
A) Financing needs/underlying drivers or purpose of loan demand												
Fixed investment	0	20	76	3	0	0	-19	-17	-11	-9	2.78	2.82
Inventories and working capital	0	4	90	5	0	1	1	1	1	1	3.01	3.01
Mergers/acquisitions and corporate restructuring	0	9	89	1	0	1	-4	-9	-2	-4	2.96	2.91
General level of interest rates	1	15	81	1	1	0	-29	-14	-16	-7	2.67	2.85
Debt refinancing/restructuring and renegotiation[1]	0	2	91	7	0	0	3	5	2	2	3.03	3.05
B) Use of alternative finance												
Internal financing	0	9	89	2	0	0	-3	-7	-1	-3	2.97	2.93
Loans from other banks	0	0	100	0	0	0	-1	0	0	0	2.99	3.00
Loans from non-banks	0	2	98	0	0	0	1	-2	0	-1	3.01	2.98
Issuance/redemption of debt securities	0	1	92	1	0	5	-2	0	-1	0	2.98	3.00
Issuance/redemption of equity	0	2	92	0	0	6	-4	-2	-2	-1	2.96	2.98

1) See Glossary for Debt refinancing/restructuring and renegotiation.
2) "NA" (not applicable) does not include banks which do not have any business in or exposure to the respective lending category.
Notes: Additional breakdowns were introduced in April 2022. The net percentage (NetP) is defined as the difference between the sum of banks responding "++" (contributed considerably to higher demand) and "+" (contributed somewhat to higher demand), and the sum of banks responding "-" (contributed somewhat to lower demand) and "--" (contributed considerably to lower demand). "°" means "contributed to keeping demand basically unchanged". The diffusion index (DI) is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered "considerably" a weight twice as high (score of 1) as lenders having answered "somewhat" (score of 0.5). The mean of the banks' responses is calculated using weights from 1 to 5 for the five possible response options.

Question 8

Please indicate how you expect your bank's credit standards as applied to the approval of loans or credit lines to enterprises to change over the next three months. Please note that we are asking about the change in credit standards, rather than about their level.

(in percentages, unless otherwise stated)

	Overall		Loans to small and medium-sized enterprises		Loans to large enterprises		Short-term loans		Long-term loans	
	Jan 24	Apr 24	Jan 24	Apr 24	Jan 24	Apr 24	Jan 24	Apr 24	Jan 24	Apr 24
Tighten considerably	0	0	0	0	0	0	0	0	0	0
Tighten somewhat	10	7	11	8	13	7	9	5	11	7
Remain basically unchanged	89	92	86	90	86	92	86	90	88	92
Ease somewhat	1	1	1	0	1	1	1	0	1	1
Ease considerably	0	0	0	0	0	0	0	0	0	0
NA[1]	0	0	2	2	0	0	4	4	0	0
Total	100	100	100	100	100	100	100	100	100	100
Net percentage	**9**	**6**	**10**	**8**	**12**	**6**	**9**	**5**	**10**	**6**
Diffusion index	5	3	5	4	6	3	4	2	5	3
Mean	2.91	2.94	2.90	2.92	2.88	2.94	2.91	2.95	2.90	2.94
Number of banks responding	148	148	143	143	144	144	148	148	148	148

1) "NA" (not applicable) does not include banks which do not have any business in or exposure to the respective lending category.

Notes: The net percentage is defined as the difference between the sum of the percentages for "tighten considerably" and "tighten somewhat", and the sum of the percentages for "ease somewhat" and "ease considerably". The diffusion index is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered "considerably" a weight twice as high (score of 1) as lenders having answered "somewhat" (score of 0.5). The mean of the banks' responses is calculated using weights from 1 to 5 for the five possible response options. The number of banks responding refers to all participating banks which have business in or exposure to the respective lending category.

Question 9

Please indicate how you expect demand for loans or credit lines to enterprises to change at your bank over the next three months (apart from normal seasonal fluctuations)? Please refer to the financing need of enterprises independent of whether this need will result in a loan or not.

(in percentages, unless otherwise stated)

	Overall		Loans to small and medium-sized enterprises		Loans to large enterprises		Short-term loans		Long-term loans	
	Jan 24	Apr 24	Jan 24	Apr 24	Jan 24	Apr 24	Jan 24	Apr 24	Jan 24	Apr 24
Decrease considerably	0	0	1	0	0	0	0	0	0	0
Decrease somewhat	8	11	10	12	6	8	7	7	8	11
Remain basically unchanged	81	82	81	81	85	85	82	84	81	82
Increase somewhat	10	7	6	5	8	7	7	5	11	6
Increase considerably	0	0	0	0	0	0	0	0	0	0
NA[1]	0	0	2	2	0	0	4	4	0	0
Total	100	100	100	100	100	100	100	100	100	100
Net percentage	**2**	**-4**	**-4**	**-7**	**2**	**-1**	**0**	**-2**	**2**	**-5**
Diffusion index	1	-2	-2	-4	1	-1	0	-1	1	-3
Mean	3.02	2.96	2.95	2.93	3.02	2.99	3.00	2.97	3.02	2.95
Number of banks responding	148	148	143	143	144	144	148	148	148	148

1) “NA” (not applicable) does not include banks which do not have any business in or exposure to the respective lending category.

Notes: The net percentage is defined as the difference between the sum of the percentages for “increase considerably” and “increase somewhat”, and the sum of the percentages for “decrease somewhat” and “decrease considerably”. The diffusion index is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered “considerably” a weight twice as high (score of 1) as lenders having answered “somewhat” (score of 0.5). The mean of the banks’ responses is calculated using weights from 1 to 5 for the five possible response options. The number of banks responding refers to all participating banks which have business in or exposure to the respective lending category.

Loans to households

Question 10

Over the past three months, how have your bank's credit standards[1] as applied to the approval of loans[2] to households[3] changed? Please note that we are asking about the change in credit standards, rather than about their level.

(in percentages, unless otherwise stated)

	Loans for house purchase		Consumer credit and other lending[4]	
	Jan 24	Apr 24	Jan 24	Apr 24
Tightened considerably	1	0	0	0
Tightened somewhat	2	5	11	10
Remained basically unchanged	96	85	89	88
Eased somewhat	1	11	0	1
Eased considerably	0	0	0	0
NA[5]	0	0	0	0
Total	100	100	100	100
Net percentage	**2**	**-6**	**11**	**9**
Diffusion index	1	-3	6	4
Mean	2.98	3.06	2.88	2.91
Number of banks responding	138	137	145	144

1) See Glossary for Credit standards.
2) See Glossary for Loans.
3) See Glossary for Households.
4) See Glossary for Consumer credit and other lending.
5) "NA" (not applicable) does not include banks which do not have any business in or exposure to the respective lending category.
Notes: The net percentage is defined as the difference between the sum of the percentages for "tightened considerably" and "tightened somewhat", and the sum of the percentages for "eased somewhat" and "eased considerably". The diffusion index is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered "considerably" a weight twice as high (score of 1) as lenders having answered "somewhat" (score of 0.5). The mean of the banks' responses is calculated using weights from 1 to 5 for the five possible response options. The number of banks responding refers to all participating banks which have business in or exposure to the respective lending category.

Question 11

Over the past three months, how have the following factors affected your bank's credit standards as applied to the approval of loans to households for house purchase?

(in percentages, unless otherwise stated)

	--	-	°	+	++	NA[8]	NetP Jan 24	NetP Apr 24	DI Jan 24	DI Apr 24	Mean Jan 24	Mean Apr 24
A) Cost of funds and balance sheet constraints[1]												
Your bank's capital and the costs related to your bank's capital position[2]	0	0	100	0	0	0	1	0	1	0	2.99	3.00
Your bank's ability to access market financing[3]	0	0	98	0	0	2	1	0	0	0	2.99	3.00
Your bank's liquidity position	0	0	98	1	0	1	0	-1	0	-1	3.00	3.01
B) Pressure from competition												
Competition from other banks	0	0	90	8	1	1	-2	-9	-1	-5	3.02	3.11
Competition from non-banks[4]	0	0	97	0	1	1	0	-1	0	-1	3.00	3.03
C) Perception of risk[5]												
General economic situation and outlook	0	3	97	0	0	0	4	3	2	1	2.96	2.97
Housing market prospects, including expected house price developments[6]	0	3	94	3	0	0	4	-1	2	0	2.96	3.01
Borrower's creditworthiness[7]	0	1	99	0	0	0	1	1	0	1	2.99	2.99
D) Your bank's risk tolerance[5]												
Your bank's risk tolerance	0	0	96	4	0	0	1	-4	1	-2	2.99	3.04

1) See Glossary for Cost of funds and balance sheet constraints. Detailed sub-factors were introduced in April 2022.
2) Can involve the use of credit derivatives, with the loans remaining on the bank's balance sheet.
3) Involves the sale of loans from the bank's balance sheet, i.e. off-balance sheet funding.
4) See Glossary for Non-banks.
5) See Glossary for Perception of risk and risk tolerance.
6) See Glossary for Housing market prospects, including expected house price developments.
7) Risks related to non-performing loans may be reflected not only in the "borrower's creditworthiness", but also in the bank's "cost of funds and balance sheet constraints".
8) "NA" (not applicable) does not include banks which do not have any business in or exposure to the respective lending category.
Notes: The net percentage (NetP) is defined as the difference between the sum of banks responding "--" (contributed considerably to tightening) and "-" (contributed somewhat to tightening), and the sum of banks responding "+" (contributed somewhat to easing) and "++" (contributed considerably to easing). "°" means "contributed to basically unchanged credit standards". The diffusion index (DI) is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered "considerably" a weight twice as high (score of 1) as lenders having answered "somewhat" (score of 0.5). The mean of the banks' responses is calculated using weights from 1 to 5 for the five possible response options.

Question 12

Over the past three months, how have your bank's terms and conditions[1] for new loans to households for house purchase changed?

(in percentages, unless otherwise stated)

	--	-	°	+	++	NA[6]	NetP Jan 24	NetP Apr 24	DI Jan 24	DI Apr 24	Mean Jan 24	Mean Apr 24
A) Overall terms and conditions												
Overall terms and conditions	0	2	89	9	0	0	-4	-7	-2	-3	3.03	3.07
B) Interest rates and margins												
Your bank's lending rates	0	4	70	25	1	0	-	-23	-	-12	-	3.24
Your bank's loan margin on average loans[2]	0	11	79	10	1	0	1	0	1	-1	2.98	3.01
Your bank's loan margin on riskier loans	0	8	85	4	0	2	10	4	6	2	2.89	2.96
C) Other terms and conditions												
Collateral[3] requirements	0	0	100	0	0	0	1	0	1	0	2.99	3.00
"Loan-to-value" ratio[4]	0	0	99	1	0	0	2	-1	1	-1	2.97	3.01
Other loan size limits	0	1	99	0	0	0	-3	1	-2	0	3.03	2.99
Maturity	0	0	99	1	0	0	0	-1	0	0	3.00	3.01
Non-interest rate charges[5]	0	0	100	0	0	0	3	0	1	0	2.97	3.00

1) See Glossary for Credit terms and conditions.
2) See Glossary for Loan margin/spread over a relevant market reference rate.
3) See Glossary for Collateral.
4) See Glossary for Loan-to-value ratio.
5) See Glossary for Non-interest rate charges.
6) "NA" (not applicable) does not include banks which do not have any business in or exposure to the respective lending category.
Notes: The subitem for banks' lending rates was introduced in April 2024. The net percentage (NetP) is defined as the difference between the sum of banks responding "--" (tightened considerably) and "-" (tightened somewhat), and the sum of banks responding "+" (eased somewhat) and "++" (eased considerably). "°" means "remained basically unchanged". The diffusion index (DI) is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered "considerably" a weight twice as high (score of 1) as lenders having answered "somewhat" (score of 0.5). The mean of the banks' responses is calculated using weights from 1 to 5 for the five possible response options.

Question 13

Over the past three months, how have the following factors[1] affected your bank's credit terms and conditions as applied to new loans to households for house purchase?

(in percentages, unless otherwise stated)

	--	-	°	+	++	NA[2]	NetP Jan 24	NetP Apr 24	DI Jan 24	DI Apr 24	Mean Jan 24	Mean Apr 24
Overall impact on your bank's credit terms and conditions												
A) Cost of funds and balance sheet constraints												
Your bank's capital and the costs related to your bank's capital position	0	1	96	3	0	0	-	-2	-	-1	-	3.02
Your bank's ability to access market financing	0	1	97	1	0	1	-	0	-	0	-	3.00
Your bank's liquidity position	0	0	100	0	0	0	-	0	-	0	-	3.00
B) Pressure from competition												
Pressure from competition	0	4	81	15	0	0	-13	-11	-6	-6	3.12	3.11
C) Perception of risk												
Perception of risk	0	1	99	0	0	0	0	1	0	1	3.00	2.99
D) Your bank's risk tolerance												
Your bank's risk tolerance	0	0	100	0	0	0	1	0	0	0	2.99	3.00
Impact on your bank's margins on average loans												
A) Cost of funds and balance sheet constraints												
Your bank's capital and the costs related to your bank's capital position	0	1	93	6	0	0	-	-4	-	-2	-	3.04
Your bank's ability to access market financing	0	1	97	1	0	1	-	0	-	0	-	3.00
Your bank's liquidity position	0	0	100	0	0	0	-	0	-	0	-	3.00
B) Pressure from competition												
Pressure from competition	0	4	78	18	0	0	-15	-14	-7	-7	3.14	3.14
C) Perception of risk												
Perception of risk	0	0	100	0	0	0	1	0	1	0	2.99	3.00
D) Your bank's risk tolerance												
Your bank's risk tolerance	0	0	100	0	0	0	1	0	1	0	2.99	3.00
Impact on your bank's margins on riskier loans												
A) Cost of funds and balance sheet constraints												
Your bank's capital and the costs related to your bank's capital position	0	1	94	3	0	2	-	-2	-	-1	-	3.02
Your bank's ability to access market financing	0	1	95	1	0	3	-	0	-	0	-	3.00
Your bank's liquidity position	0	0	98	0	0	2	-	0	-	0	-	3.00
B) Pressure from competition												
Pressure from competition	0	7	85	6	0	2	1	1	1	0	2.98	2.99
C) Perception of risk												
Perception of risk	0	0	98	0	0	2	3	0	1	0	2.97	3.00
D) Your bank's risk tolerance												
Your bank's risk tolerance	0	0	98	0	0	2	4	0	2	0	2.96	3.00

1) The factors refer to the same sub-factors as in question 11.
2) “NA” (not applicable) does not include banks which do not have any business in or exposure to the respective lending category.
Notes: For A), detailed sub-factors were introduced in April 2024. The net percentage (NetP) is defined as the difference between the sum of banks responding “--” (contributed considerably to tightening) and “-” (contributed somewhat to tightening), and the sum of banks responding “+” (contributed somewhat to easing) and “++” (contributed considerably to easing). “°” means “contributed to keeping credit terms and conditions basically unchanged”. The diffusion index (DI) is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered “considerably” a weight twice as high (score of 1) as lenders having answered “somewhat” (score of 0.5). The mean of the banks' responses is calculated using weights from 1 to 5 for the five possible response options.

Question 14

Over the past three months, how have the following factors affected your bank's credit standards as applied to the approval of consumer credit and other lending to households?

(in percentages, unless otherwise stated)

	--	-	°	+	++	NA[2]	NetP Jan 24	NetP Apr 24	DI Jan 24	DI Apr 24	Mean Jan 24	Mean Apr 24
A) Cost of funds and balance sheet constraints												
Your bank's capital and the costs related to your bank's capital position	0	2	98	0	0	0	2	2	1	1	2.98	2.98
Your bank's ability to access market financing	0	1	97	0	0	2	1	1	1	0	2.99	2.99
Your bank's liquidity position	0	0	99	0	0	1	0	0	0	0	3.00	3.00
B) Pressure from competition												
Competition from other banks	0	0	99	0	0	1	-1	0	0	0	3.01	3.00
Competition from non-banks	0	0	99	0	0	1	0	0	0	0	3.00	3.00
C) Perception of risk												
General economic situation and outlook	0	9	91	0	0	0	8	9	4	4	2.92	2.91
Creditworthiness of consumers[1]	0	11	89	0	0	0	7	11	4	5	2.93	2.89
Risk on the collateral demanded	0	0	92	0	0	8	1	0	0	0	2.99	3.00
D) Your bank's risk tolerance												
Your bank's risk tolerance	0	3	95	1	0	0	6	2	3	1	2.94	2.98

1) Risks related to non-performing loans may be reflected not only in the "creditworthiness of consumers", but also in the bank's "cost of funds and balance sheet constraints".
2) "NA" (not applicable) does not include banks which do not have any business in or exposure to the respective lending category.
Notes: For A), detailed sub-factors were introduced in April 2022. The net percentage (NetP) is defined as the difference between the sum of banks responding "--" (contributed considerably to tightening) and "-" (contributed somewhat to tightening), and the sum of banks responding "+" (contributed somewhat to easing) and "++" (contributed considerably to easing). "°" means "contributed to basically unchanged credit standards". The diffusion index (DI) is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered "considerably" a weight twice as high (score of 1) as lenders having answered "somewhat" (score of 0.5). The mean of the banks' responses is calculated using weights from 1 to 5 for the five possible response options.

Question 15

Over the past three months, how have your bank's terms and conditions for new consumer credit and other lending to households changed?

(in percentages, unless otherwise stated)

	--	-	°	+	++	NA[1]	NetP Jan 24	NetP Apr 24	DI Jan 24	DI Apr 24	Mean Jan 24	Mean Apr 24
A) Overall terms and conditions												
Overall terms and conditions	0	8	92	0	0	0	7	8	4	4	2.93	2.92
B) Interest rates and margins												
Your bank's lending rates	0	10	79	11	0	0	-	-1	-	0	-	3.01
Your bank's loan margin on average loans	0	10	87	3	0	0	9	7	4	3	2.91	2.93
Your bank's loan margin on riskier loans	0	10	88	0	0	1	12	10	6	5	2.88	2.90
C) Other terms and conditions												
Collateral requirements	0	1	90	0	0	9	1	1	0	0	2.99	2.99
Size of the loan	0	2	98	0	0	0	1	2	1	1	2.99	2.98
Maturity	0	1	99	0	0	0	0	1	0	1	3.00	2.99
Non-interest rate charges	0	0	95	0	0	4	0	0	0	0	3.00	3.00

1) "NA" (not applicable) does not include banks which do not have any business in or exposure to the respective lending category.

Notes: The subitem for banks' lending rates was introduced in April 2024. The net percentage (NetP) is defined as the difference between the sum of banks responding "--" (tightened considerably) and "-" (tightened somewhat), and the sum of banks responding "+" (eased somewhat) and "++" (eased considerably). "°" means "remained basically unchanged". The diffusion index (DI) is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered "considerably" a weight twice as high (score of 1) as lenders having answered "somewhat" (score of 0.5). The mean of the banks' responses is calculated using weights from 1 to 5 for the five possible response options.

Question 16

Over the past three months, how have the following factors[1] affected your bank's credit terms and conditions as applied to new consumer credit and other lending to households?

(in percentages, unless otherwise stated)

	--	-	°	+	++	NA[2]	NetP Jan 24	NetP Apr 24	DI Jan 24	DI Apr 24	Mean Jan 24	Mean Apr 24
Overall impact on your bank's credit terms and conditions												
A) Cost of funds and balance sheet constraints												
Your bank's capital and the costs related to your bank's capital position	0	2	98	0	0	0	-	2	-	1	-	2.98
Your bank's ability to access market financing	0	3	96	0	0	1	-	3	-	1	-	2.97
Your bank's liquidity position	0	0	100	0	0	0	-	0	-	0	-	3.00
B) Pressure from competition												
Pressure from competition	0	2	94	3	0	1	-3	-1	-1	-1	3.03	3.01
C) Perception of risk												
Perception of risk	0	10	89	1	0	0	4	9	2	5	2.96	2.91
D) Your bank's risk tolerance												
Your bank's risk tolerance	0	7	93	0	0	0	5	7	2	3	2.95	2.93
Impact on your bank's margins on average loans												
A) Cost of funds and balance sheet constraints												
Your bank's capital and the costs related to your bank's capital position	0	1	99	0	0	0	-	1	-	1	-	2.99
Your bank's ability to access market financing	0	3	95	1	0	1	-	2	-	1	-	2.98
Your bank's liquidity position	0	0	100	0	0	0	-	0	-	0	-	3.00
B) Pressure from competition												
Pressure from competition	0	2	91	6	0	1	-5	-4	-2	-2	3.05	3.04
C) Perception of risk												
Perception of risk	0	7	92	1	0	0	4	6	2	3	2.96	2.94
D) Your bank's risk tolerance												
Your bank's risk tolerance	0	5	95	0	0	0	5	5	2	2	2.95	2.95
Impact on your bank's margins on riskier loans												
A) Cost of funds and balance sheet constraints												
Your bank's capital and the costs related to your bank's capital position	0	1	98	0	0	1	-	1	-	1	-	2.99
Your bank's ability to access market financing	0	3	95	0	0	2	-	3	-	1	-	2.97
Your bank's liquidity position	0	0	99	0	0	1	-	0	-	0	-	3.00
B) Pressure from competition												
Pressure from competition	0	4	93	1	0	2	3	3	1	1	2.97	2.97
C) Perception of risk												
Perception of risk	0	9	89	1	0	1	6	8	3	4	2.94	2.92
D) Your bank's risk tolerance												
Your bank's risk tolerance	0	6	93	0	0	1	7	6	4	3	2.93	2.94

1) The factors refer to the same sub-factors as in question 14.
2) "NA" (not applicable) does not include banks which do not have any business in or exposure to the respective lending category.
Notes: For A), detailed sub-factors were introduced in April 2024. The net percentage (NetP) is defined as the difference between the sum of banks responding "--" (contributed considerably to tightening) and "-" (contributed somewhat to tightening), and the sum of banks responding "+" (contributed somewhat to easing) and "++" (contributed considerably to easing). "°" means "contributed to keeping credit terms and conditions basically unchanged". The diffusion index (DI) is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered "considerably" a weight twice as high (score of 1) as lenders having answered "somewhat" (score of 0.5). The mean of the banks' responses is calculated using weights from 1 to 5 for the five possible response options.

Question 17

Over the past three months (apart from normal seasonal fluctuations), has the share of formal and informal household loan applications[1] that were completely rejected[2] by your bank increased, remained unchanged or decreased (loan volume, relative to the total volume of loan applications in that loan category)?

(in percentages, unless otherwise stated)

	Loans for house purchase		Consumer credit and other lending	
	Jan 24	Apr 24	Jan 24	Apr 24
Decreased considerably	0	0	0	0
Decreased somewhat	1	0	2	4
Remained basically unchanged	91	96	87	86
Increased somewhat	6	2	10	10
Increased considerably	1	1	0	0
NA[3]	1	1	1	1
Total	100	100	100	100
Net percentage	**6**	**3**	**8**	**6**
Diffusion index	3	2	4	3
Mean	3.06	3.04	3.08	3.06
Number of banks responding	138	137	145	144

1) See Glossary for Loan application.
2) See Glossary for Loan rejection.
3) “NA” (not applicable) does not include banks which do not have any business in or exposure to the respective lending category.
Notes:The net percentage is defined as the difference between the sum of banks responding “increased considerably” and “increased somewhat”, and the sum of banks responding “decreased somewhat” and “decreased considerably”. The diffusion index is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered “considerably” a weight twice as high (score of 1) as lenders having answered “somewhat” (score of 0.5). The mean of the banks’ responses is calculated using weights from 1 to 5 for the five possible response options. The number of banks responding refers to all participating banks which have business in or exposure to the respective lending category.

Question 18

Over the past three months (apart from normal seasonal fluctuations), how has the demand for loans[1] to households changed at your bank? Please refer to the financing need of households independent of whether this need will result in a loan or not.

(in percentages, unless otherwise stated)

	Loans for house purchase		Consumer credit and other lending	
	Jan 24	Apr 24	Jan 24	Apr 24
Decreased considerably	7	1	0	0
Decreased somewhat	32	33	11	10
Remained basically unchanged	49	35	85	79
Increased somewhat	12	29	4	11
Increased considerably	0	2	0	0
NA[2]	0	0	0	0
Total	100	100	100	100
Net percentage	**-26**	**-3**	**-7**	**1**
Diffusion index	-17	-1	-4	1
Mean	2.66	2.98	2.93	3.01
Number of banks responding	138	137	145	144

1) See Glossary for Demand for loans.

2) “NA” (not applicable) does not include banks which do not have any business in or exposure to the respective lending category.

Notes: The net percentage is defined as the difference between the sum of banks responding “increased considerably” and “increased somewhat”, and the sum of banks responding “decreased somewhat” and “decreased considerably”. The diffusion index is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered “considerably” a weight twice as high (score of 1) as lenders having answered “somewhat” (score of 0.5). The mean of the banks’ responses is calculated using weights from 1 to 5 for the five possible response options. The number of banks responding refers to all participating banks which have business in or exposure to the respective lending category.

Question 19

Over the past three months, how have the following factors affected the demand for loans to households for house purchase?

(in percentages, unless otherwise stated)

	--	-	°	+	++	NA[4]	NetP Jan 24	NetP Apr 24	DI Jan 24	DI Apr 24	Mean Jan 24	Mean Apr 24
A) Financing needs/underlying drivers or purpose of loan demand												
Housing market prospects, including expected house price developments	0	36	51	13	0	0	-23	-24	-12	-12	2.77	2.76
Consumer confidence[1]	0	16	77	7	0	0	-20	-10	-10	-5	2.80	2.90
General level of interest rates	1	27	51	20	1	0	-39	-7	-23	-4	2.55	2.93
Debt refinancing/restructuring and renegotiation[2]	0	1	98	0	0	0	-3	-1	-1	-1	2.97	2.99
Regulatory and fiscal regime of housing markets	0	3	95	2	0	0	-1	0	0	0	2.99	3.00
B) Use of alternative sources for housing finance												
Internal finance of house purchase out of savings/down payment[3]	0	4	95	1	0	0	-4	-3	-2	-1	2.96	2.97
Loans from other banks	0	5	94	1	0	0	-2	-3	-1	-2	2.97	2.97
Other sources of external finance	0	2	98	0	0	0	-2	-2	-1	-1	2.98	2.98

1) See Glossary for Consumer confidence.
2) See Glossary for Debt refinancing/restructuring and renegotiation.
3) See Glossary for Down payment.
4) “NA” (not applicable) does not include banks which do not have any business in or exposure to the respective lending category.
Notes: The net percentage (NetP) is defined as the difference between the sum of banks responding “++” (contributed considerably to higher demand) and “+” (contributed somewhat to higher demand), and the sum of banks responding “-” (contributed somewhat to lower demand) and “--” (contributed considerably to lower demand). “°” means “contributed to keeping demand basically unchanged”. The diffusion index (DI) is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered “considerably” a weight twice as high (score of 1) as lenders having answered “somewhat” (score of 0.5). The mean of the banks’ responses is calculated using weights from 1 to 5 for the five possible response options.

Question 20

Over the past three months, how have the following factors affected the demand for consumer credit and other lending to households?

(in percentages, unless otherwise stated)

	--	-	°	+	++	NA[2]	NetP		DI		Mean	
							Jan 24	Apr 24	Jan 24	Apr 24	Jan 24	Apr 24
A) Financing needs/underlying drivers or purpose of loan demand												
Spending on durable consumer goods	0	7	86	7	0	0	-1	0	0	0	3.00	3.00
Consumer confidence	0	5	92	3	0	0	-9	-2	-5	-1	2.91	2.98
General level of interest rates	0	6	91	3	0	0	-12	-3	-6	-2	2.88	2.97
Consumption expenditure financed through real-estate guaranteed loans[1]	0	1	83	0	0	16	1	-1	0	-1	3.01	2.98
B) Use of alternative finance												
Internal finance out of savings	0	3	96	1	0	0	-2	-2	-1	-1	2.98	2.98
Loans from other banks	0	2	98	0	0	0	-1	-2	0	-1	2.99	2.98
Other sources of external finance	0	0	100	0	0	0	0	0	0	0	3.00	3.00

1) Consumption expenditure financed through real-estate guaranteed loans

2) “NA” (not applicable) does not include banks which do not have any business in or exposure to the respective lending category.

Notes: The net percentage (NetP) is defined as the difference between the sum of banks responding “++” (contributed considerably to higher demand) and “+” (contributed somewhat to higher demand), and the sum of banks responding “-” (contributed somewhat to lower demand) and “--” (contributed considerably to lower demand). “°” means “contributed to keeping demand basically unchanged”. The diffusion index (DI) is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered “considerably” a weight twice as high (score of 1) as lenders having answered “somewhat” (score of 0.5). The mean of the banks’ responses is calculated using weights from 1 to 5 for the five possible response options.

Question 21

Please indicate how you expect your bank's credit standards as applied to the approval of loans to households to change over the next three months. Please note that we are asking about the change in credit standards, rather than about their level.

(in percentages, unless otherwise stated)

	Loans for house purchase		Consumer credit and other lending	
	Jan 24	Apr 24	Jan 24	Apr 24
Tighten considerably	0	0	0	1
Tighten somewhat	14	4	11	2
Remain basically unchanged	81	93	89	93
Ease somewhat	5	4	0	4
Ease considerably	0	0	0	0
NA[1]	0	0	0	0
Total	100	100	100	100
Net percentage	**8**	**0**	**11**	**0**
Diffusion index	4	0	5	1
Mean	2.92	3.00	2.89	2.99
Number of banks responding	138	137	145	144

1) "NA" (not applicable) does not include banks which do not have any business in or exposure to the respective lending category.
Notes: The net percentage is defined as the difference between the sum of the percentages for "tightened considerably" and "tightened somewhat", and the sum of the percentages for "eased somewhat" and "eased considerably". The diffusion index is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered "considerably" a weight twice as high (score of 1) as lenders having answered "somewhat" (score of 0.5). The mean of the banks' responses is calculated using weights from 1 to 5 for the five possible response options. The number of banks responding refers to all participating banks which have business in or exposure to the respective lending category.

Question 22

Please indicate how you expect demand for loans to households to change over the next three months at your bank (apart from normal seasonal fluctuations). Please refer to the financing need of households independent of whether this need will result in a loan or not.

(in percentages, unless otherwise stated)

	Loans for house purchase		Consumer credit and other lending	
	Jan 24	Apr 24	Jan 24	Apr 24
Decrease considerably	0	0	0	0
Decrease somewhat	10	3	9	1
Remain basically unchanged	74	73	88	92
Increase somewhat	16	25	3	7
Increase considerably	0	0	0	0
NA[1]	0	0	0	0
Total	100	100	100	100
Net percentage	**5**	**22**	**-6**	**6**
Diffusion index	3	11	-3	3
Mean	3.05	3.22	2.94	3.06
Number of banks responding	138	137	145	144

1) “NA” (not applicable) does not include banks which do not have any business in or exposure to the respective lending category.

Notes: The net percentage is defined as the difference between the sum of the percentages for “increase considerably” and “increase somewhat”, and the sum of the percentages for “decrease somewhat” and “decrease considerably”. The diffusion index is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered “considerably” a weight twice as high (score of 1) as lenders having answered “somewhat” (score of 0.5). The mean of the banks’ responses is calculated using weights from 1 to 5 for the five possible response options. The number of banks responding refers to all participating banks which have business in or exposure to the respective lending category.

Annex 2
Results for ad hoc questions

Question 111
As a result of the situation in financial markets, has your market access changed when tapping your usual sources of wholesale and retail funding[1] and/or has your ability to transfer risk changed over the past three months, or are you expecting this access/activity to change over the next three months?

(in percentages, unless otherwise stated)

	Over the past three months									Over the next three months								
	--	-	°	+	+ +	NA[2]	NetP	Mean	Std. dev.	--	-	°	+	+ +	NA[2]	NetP	Mean	Std. dev.
A) Retail funding																		
Short-term deposits (up to one year)	0	11	76	4	0	9	7	2.91	0.42	0	5	83	2	2	8	1	3.01	0.42
Long-term (more than one year) deposits and other retail funding instruments	0	10	69	9	2	11	-1	3.04	0.59	0	4	79	5	2	11	-3	3.07	0.45
B) Inter-bank unsecured money market																		
Very short-term money market (up to 1 week)	0	1	76	6	0	17	-5	3.07	0.29	0	3	78	2	0	17	1	2.98	0.25
Short-term money market (more than 1 week)	0	0	77	7	0	16	-7	3.09	0.31	0	1	79	5	0	16	-4	3.06	0.29
C) Wholesale debt securities[3]																		
Short-term debt securities (e.g. certificates of deposit or commercial paper)	0	0	55	14	0	31	-14	3.18	0.41	0	0	62	7	1	30	-8	3.10	0.37
Medium to long term debt securities (incl. covered bonds)	0	3	52	29	1	15	-27	3.32	0.58	0	2	70	13	0	15	-11	3.13	0.41
D) Securitisation[4]																		
Securitisation of corporate loans	0	0	38	7	0	55	-7	3.19	0.44	0	0	41	4	0	55	-4	3.10	0.32
Securitisation of loans for house purchase	0	0	34	3	0	63	-3	3.05	0.23	0	0	36	2	0	63	-2	3.02	0.17
E) Ability to transfer credit risk off balance sheet[5]																		
Ability to transfer credit risk off balance sheet	0	1	44	5	0	50	-4	3.12	0.40	0	1	47	2	0	50	-1	3.02	0.22

1) Retail funding is defined as funding via deposits held by non-financial corporations and households.
2) "NA" (not applicable) includes banks for which the source of funding is not relevant.
3) Usually involves on-balance sheet funding.
4) Usually involves the sale of loans from banks' balance sheets, i.e. off-balance sheet funding
5) Usually involves the use of credit derivatives, with the loans remaining on banks' balance sheets.
Notes: The net percentage (NetP) is defined as the difference between the sum of the percentages of banks responding "--" (deteriorated considerably/will deteriorate considerably) and "-" (deteriorated somewhat/will deteriorate somewhat), and the sum of banks responding "+" (eased somewhat/will ease somewhat) and "++" (eased considerably/will ease considerably). "°" means "remained unchanged/will remain unchanged". The mean of the banks' responses is calculated using weights from 1 to 5 for the five possible response options. Std. dev. denotes standard deviation. Figures may not exactly add up due to rounding.

Question 130

Over the past six months, has the ECB's monetary policy asset portfolio[1] led to a change in your bank's assets or affected (either directly or indirectly) your bank in any of the following areas? Is it likely to have an impact here over the next six months?

(in percentages, unless otherwise stated)

	Over the past six months									Over the next six months								
	--	-	°	+	+ +	NA[2]	NetP	Mean	Std. dev.	--	-	°	+	+ +	NA[2]	NetP	Mean	Std. dev.
A) Your bank's total assets																		
Your bank's total assets (non-risk weighted volume)	1	4	89	0	0	6	-5	2.95	0.29	0	2	88	3	0	6	1	3.02	0.26
of which:																		
euro area sovereign bond holdings	1	6	77	7	0	9	0	2.98	0.47	0	3	83	5	0	9	2	3.03	0.33
B) Your bank's cost of funds and balance sheet situation																		
Your bank's overall liquidity position	0	5	88	2	0	5	-4	2.96	0.28	0	4	91	1	0	5	-3	2.97	0.23
Your bank's overall market financing conditions	0	10	83	2	0	5	-8	2.92	0.38	0	6	86	3	0	5	-2	2.98	0.33
D) Your bank's profitability																		
Your bank's overall profitability	0	10	78	8	0	5	-2	2.97	0.46	0	3	86	6	0	5	3	3.03	0.35
owing to:																		
net interest income[3]	0	10	77	8	0	5	-1	2.97	0.46	0	2	86	7	0	5	5	3.06	0.33
capital gains/losses	0	1	91	0	0	7	-1	2.99	0.12	0	1	91	1	0	7	0	3.00	0.13
E) Your bank's capital position																		
Your bank's capital ratio[4]	0	0	87	5	3	5	9	3.14	0.46	0	1	89	6	0	5	5	3.05	0.28

1) Changes in the ECB's monetary policy asset portfolio can arise as a result of net purchases or any other transactions, including reinvestments of the principal payments from maturing securities purchased, related to the following (potential) monetary policy tools: corporate sector purchase programme (CSPP); public sector purchase programme (PSPP); asset-backed securities purchase programme (ABSPP); covered bond purchase programme (CBPP); pandemic emergency purchase programme (PEPP); Outright Monetary Transactions (OMT); Transmission Protection Instrument (TPI). Direct and indirect effects of the changes in the ECB's monetary policy asset portfolio, i.e. there may be indirect effects on your bank's financial situation and asset allocation even if your bank has not been involved in any related transactions vis-à-vis the Eurosystem.
2) "NA" (not applicable) includes banks which do not have any business in or exposure to this category.
3) The net interest income is defined as the difference between the interest earned and interest paid on the outstanding amount of interest-bearing assets and liabilities by the bank.
4) Defined in accordance with the regulatory requirements set out in the CRR/CRD IV, including both tier 1 capital and tier 2 capital.
Notes: The net percentage (NetP) is defined as the difference between the sum of the percentages of banks responding "--" (contributed/will contribute considerably to a decrease or deterioration) and "-" (contributed/will contribute somewhat to a decrease or deterioration), and the sum of banks responding "+" (contributed/will contribute somewhat to an increase or improvement) and "++" (contributed/will contribute considerably to an increase or improvement). "°" means "has had/will have basically no impact". The mean of the banks' responses is calculated using weights from 1 to 5 for the five possible response options. Std. dev. denotes standard deviation.

Question 132

Over the past six months, has the ECB's monetary policy asset portfolio led to a change in your bank's lending policy and lending volume? And what will be the impact over the next six months?

(in percentages, unless otherwise stated)

	Over the past six months										Over the next six months									
	--	-	°	+	+ +	NA[1]	NetP	Mean	Std. dev.	No of banks	--	-	°	+	+ +	NA[1]	NetP	Mean	Std. dev.	No of banks
A) Your bank's credit standards																				
For loans to enterprises	0	1	97	0	0	2	1	2.99	0.09	148	0	5	93	0	0	2	5	2.95	0.24	148
For loans to households for house purchase	0	0	97	0	0	3	0	3.00	0.00	137	3	2	93	0	0	3	4	2.92	0.40	137
For consumer credit and other lending to households	0	0	92	0	0	8	0	3.00	0.00	144	2	1	89	0	0	8	3	2.94	0.37	144
B) Your bank's terms and conditions																				
For loans to enterprises	0	3	94	0	0	2	3	2.96	0.19	148	0	2	96	0	0	2	2	2.98	0.14	148
For loans to households for house purchase	0	5	90	1	0	3	4	2.96	0.28	137	0	2	95	0	0	3	2	2.98	0.15	137
For consumer credit and other lending to households	0	3	89	0	0	8	3	2.96	0.21	144	0	1	91	0	0	8	1	2.99	0.10	144
C) Your bank's lending volume																				
For loans to enterprises	0	4	93	0	0	2	-4	2.96	0.22	148	0	5	93	0	0	2	-4	2.96	0.24	148
For loans to households for house purchase	0	5	90	2	0	3	-2	2.97	0.29	137	0	5	92	1	0	3	-4	2.95	0.25	137
For consumer credit and other lending to households	0	4	87	1	0	8	-3	2.96	0.25	144	0	4	88	0	0	8	-4	2.95	0.23	144

1) “NA” (not applicable) does not include banks which do not have any business in or exposure to the respective lending category.
Notes: The net percentage (NetP) is defined as the difference between the sum of the percentages of banks responding “--” (contributed/will contribute considerably to a tightening or decrease) and “-” (contributed/will contribute somewhat to a tightening or decrease), and the sum of the percentages of banks responding “+” (contributed/will contribute somewhat to an easing or increase) and “++” (contributed/will contribute considerably to an easing or increase). “°” means “have had/will have basically no impact”. The mean of the banks’ responses is calculated using weights from 1 to 5 for the five possible response options. Std. dev. denotes standard deviation. The number of banks responding (No of banks) refers to all participating banks which have business in or exposure to the respective lending category.

Question 138

Over the past six months, has the Eurosystem's TLTRO III[1] led to a change in (either directly or indirectly) your bank's financial situation, lending policy and lending volumes? And what will be the impact over the next six months?

(in percentages, unless otherwise stated)

	--	-	°	+	+ +	NA[1]	NetP	Mean	Std. dev.	No of banks
Over the past six months										
Impact on your bank's financial situation										
Your bank's overall liquidity position	0	16	73	4	0	8	12	2.86	0.46	157
Your bank's overall funding conditions	0	4	85	2	0	9	3	2.98	0.26	157
of which:										
Your bank's overall market financing conditions	0	4	86	0	0	10	4	2.96	0.22	157
Your bank's overall profitability	0	3	85	4	0	8	-1	3.01	0.29	157
Your bank's ability to fulfil regulatory or supervisory requirements	0	1	88	1	0	10	0	2.99	0.16	157
Impact on your bank's credit standards										
For loans to enterprises	0	0	95	0	0	5	0	3.00	0.00	148
For loans to households for house purchase	0	0	93	0	0	7	0	3.00	0.00	137
For consumer credit and other lending to households	0	0	89	0	0	11	0	3.00	0.00	144
Impact on your bank's terms and conditions										
For loans to enterprises	0	1	95	0	0	5	1	2.99	0.08	148
For loans to households for house purchase	0	1	92	0	0	7	1	2.99	0.09	137
For consumer credit and other lending to households	0	0	89	0	0	11	0	3.00	0.04	144
Impact on your bank's lending volumes										
For loans to enterprises	0	0	92	0	0	7	0	3.00	0.08	148
For loans to households for house purchase	0	1	89	1	0	10	0	3.00	0.12	137
For consumer credit and other lending to households	0	0	87	0	0	13	0	3.00	0.04	144
Over the next six months										
Impact on your bank's financial situation										
Your bank's overall liquidity position	0	14	77	1	0	8	13	2.85	0.40	157
Your bank's overall funding conditions	0	6	83	2	0	9	4	2.96	0.31	157
of which:										
Your bank's overall market financing conditions	0	2	88	0	0	10	2	2.98	0.16	157
Your bank's overall profitability	0	3	87	2	0	8	1	2.99	0.24	157
Your bank's ability to fulfil regulatory or supervisory requirements	0	0	90	0	0	9	0	3.00	0.10	157
Impact on your bank's credit standards										
For loans to enterprises	0	0	95	0	0	5	0	3.00	0.00	148
For loans to households for house purchase	0	0	93	0	0	7	0	3.00	0.00	137
For consumer credit and other lending to households	0	0	89	0	0	11	0	3.00	0.00	144
Impact on your bank's terms and conditions										
For loans to enterprises	0	0	95	0	0	5	0	3.00	0.04	148
For loans to households for house purchase	0	0	93	0	0	7	0	3.00	0.04	137
For consumer credit and other lending to households	0	0	89	0	0	11	0	3.00	0.00	144
Impact on your bank's lending volumes										
For loans to enterprises	0	0	92	0	0	7	0	3.00	0.07	148
For loans to households for house purchase	0	0	90	1	0	10	1	3.01	0.08	137
For consumer credit and other lending to households	0	0	87	0	0	13	0	3.00	0.00	144

1) Impact of the Eurosystem's third targeted longer-term refinancing operations (TLTRO III), for which all operations took place and which will be fully matured by December 2024. Impact of any changes in the relative funding advantage of your banks' outstanding TLTRO III funds arising from ECB key interest rate changes and/or the TLTRO III recalibration, as well as any change in your bank's overall funding conditions due to the maturity or early repayment of TLTRO III funds. Direct and indirect effects of TLTRO III, i.e. there may be indirect effects on your bank's financial situation even if your bank has not directly participated in TLTRO III.
2) “NA” (not applicable) does not include banks which do not have any business in or exposure to the respective category.
Notes: The net percentage (NetP) is defined as the difference between the sum of the percentages of banks responding “--” (has contributed considerably/will contribute considerably to a deterioration, tightening or decrease) and “-” (has contributed somewhat/will contribute somewhat to a deterioration, tightening or decrease), and the sum of the percentages of banks responding “+” (has contributed somewhat/will contribute somewhat to an improvement, easing or increase) and “++” (has contributed considerably/will contribute considerably to an improvement, easing or increase). “°” means “has had/will have basically no impact”. The mean of the banks’ responses is calculated using weights from 1 to 5 for the five possible response options. Figures may not exactly add up due to rounding. The number of banks responding (No of banks) refers to all participating banks which have business in or exposure to the respective lending category. Std. dev. denotes standard deviation.

Question 141

Over the past six months, have the ECB key interest rates decisions taken in the past and/or expected by your bank led to a change in your bank's profitability? And what will be the impact over the next six months?

(in percentages, unless otherwise stated)

	Over the past six months										Over the next six months									
	--	-	°	+	+ +	NA[1]	NetP	Mean	Std. dev.	No of banks	--	-	°	+	+ +	NA[1]	NetP	Mean	Std. dev.	No of banks
Impact on your bank's profitability, overall	0	14	34	39	9	3	35	3.43	0.88	157	0	31	56	9	0	3	-22	2.77	0.65	157
Your bank's net interest income, overall[2]	0	13	32	39	12	3	38	3.50	0.91	157	0	34	50	12	0	3	-21	2.79	0.70	157
owing to:																				
Margin effect	0	11	35	39	12	3	40	3.51	0.87	157	0	33	50	14	0	3	-19	2.82	0.71	157
Volume effect	2	23	69	3	0	3	-21	2.76	0.57	157	0	15	80	1	0	3	-14	2.85	0.42	157
Your bank's non-interest income, overall	0	5	85	3	0	6	-1	2.99	0.30	157	0	1	90	3	0	6	3	3.03	0.20	157
owing to:																				
Your bank's capital gains/losses	0	3	87	2	0	9	-1	2.99	0.22	157	0	1	89	1	0	9	0	3.00	0.17	157
Your bank's net fee and commission income	0	5	83	6	0	7	1	3.02	0.35	157	0	0	87	6	0	6	6	3.07	0.26	157
Your bank's need for provisioning and impairments	0	11	75	8	0	6	-3	2.96	0.47	157	0	6	85	3	0	6	-3	2.97	0.31	157

(1) “NA” (not applicable) does not include banks which do not have any business in or exposure to the respective category.
(2) The net interest income is defined as the difference between the interest income earned and interest expenses paid on the outstanding amount of interest-bearing assets and liabilities by the bank. Margin effects relate to changes in the interest rates of these assets and liabilities, while volume effects relate to changes in the volumes.
(3) "-" / "--" in case of higher need for provisioning and impairments; "+" / "++" in case of lower need for provisioning and impairments.

EUROPEAN CENTRAL BANK

EUROSYSTEM

The euro area bank lending survey

First quarter of 2024

April 2024

Contents

1 Overview of results

In the April 2024 bank lending survey (BLS), euro area banks reported a small further tightening of their credit standards for loans or credit lines to enterprises in the first quarter of 2024 (net percentage of banks of 3%; see Overview table). This was less than banks had expected in the previous round (9%).[1] The net tightening figure reflected tightening in Germany and a few smaller countries, while all other jurisdictions reported net unchanged credit standards. The substantial cumulative tightening since 2022 has contributed, together with a prolonged weakening in loan demand (see below), to the strong fall in the growth of loans to firms. Expectations are for a moderate net tightening for the second quarter of 2024 (6%).

For the first time since the fourth quarter of 2021, banks reported a moderate net easing of credit standards for loans to households for house purchase (net percentage of -6%), whereas credit standards for consumer credit were tightened further (net percentage of 9%). Competition and bank risk tolerance were the main drivers behind the easing of housing loan credit standards, while risk perceptions and risk tolerance drove the further tightening in consumer credit. The easing of credit standards on housing loans was largely driven by French banks. The tightening in credit standards for consumer credit was, instead, observed across the four largest economies. The observed net easing for housing loans contrasts with the tightening that banks had anticipated in the previous quarter (8%), while the net tightening in consumer credit was broadly in line with prior expectations (11%). Banks expect credit standards to remain unchanged in both loan categories (net percentages of 0% for both) for the second quarter of 2024.

Firms' net demand for loans continued to decline substantially in the first quarter of 2024, in contrast to the expectations of stabilisation reported in the previous round (net percentage of -28%; see Overview table). The decline in loan demand was mainly driven by higher interest rates reported by banks in all four large euro area countries, and lower fixed investment. The latter is consistent with the reported renewed weakening in demand for long-term loans. At the same time, financing needs for inventories and working capital had a neutral impact on loan demand. While the net percentage of banks reporting a decrease remained smaller than its all-time low in the second quarter of 2023 (-42%), the decline added to the substantial net decreases in loan demand since the fourth quarter of 2022. The strong decline in net demand contrasted with banks' expectations of a slight increase. Banks expect a small net decrease in demand for loans to firms for the second quarter of 2024.

Net demand for housing loans saw a small decline, while net demand for consumer credit was broadly stable (net percentages of -3% and 1% respectively; see

[1] The results reported in the April 2024 BLS relate to changes observed during the first quarter of 2024 and expectations for the second quarter of 2024. The survey was conducted between 29 February and 15 March 2024. A total of 157 banks were surveyed in this round, with a response rate of 100%. In addition to results for the euro area as a whole, this report contains results for the four largest euro area countries in terms of GDP (i.e. Germany, Spain, France and Italy).

Overview table). Housing market prospects, the general level of interest rates and consumer confidence were the main drivers of the decline in housing loan demand. Banks in three out of the four largest countries reported a net decline in housing loan demand, whereas banks in Germany reported a net increase. Changes in demand for consumer credit were more heterogeneous. The net demand for housing loans was weaker than banks had expected in the previous quarter (net increase of 5%), while it was stronger for consumer credit (net decrease of 6%). In the second quarter of 2024, banks expect demand to increase in both categories – more substantially for housing loans than for consumer credit.

Overall credit terms and conditions eased for housing loans, while they remained broadly unchanged for loans to firms and tightened for consumer credit. Lending rates were the main driver of the net easing in terms and conditions for housing loans, while their impact was broadly neutral for loans to enterprises and consumer credit. Margins on average and riskier loans were the main drivers of tighter consumer credit terms and conditions.

Banks reported a further net increase in the share of rejected applications across all loan segments in the first quarter of 2024. The net increases were smaller for housing loans and loans to firms (3%) and somewhat larger for consumer credit (6%).

The April 2024 BLS contained a number of ad hoc questions.

- Euro area banks' access to funding improved for debt securities and for money markets, while access to retail funding deteriorated in the first quarter of 2024. Access to funding improved, in particular, for debt securities (-21%). The deterioration in retail funding was driven by the short-term segment (7%). Over the next three months, access to debt securities funding, money markets and securitisation is expected to improve further, while access to retail funding is expected to remain broadly unchanged.

- The reduction of the ECB's monetary policy asset portfolio had a further negative impact on banks' financing conditions (-8%) and liquidity position (-4%) over the past six months, resulting in a moderate tightening of terms and conditions and a negative effect on lending volumes. The impact on credit standards was seen as broadly neutral, although banks expect further tightening pressure in the next six months.

- The phase-out of TLTRO III continued to negatively affect banks' liquidity positions (-12%). However, in the light of the very significant repayments made since November 2022 and the comparatively small remaining outstanding amounts of TLTRO III, banks reported only a small tightening impact on their overall funding conditions (-3%) and a neutral effect on lending conditions (0%).

- Euro area banks reported that the ECB's key interest rate decisions had a further markedly positive impact on their net interest margins over the past six months (40%), although the cumulative impact is expected to diminish over the next six months (-19%). Banks indicated a dampening impact via their net volumes (-21%), and this is also expected to persist over the next six months (-14%). The dampening impact of the ECB’s interest rate decisions expected over the next six months also extends to overall bank profitability (from +35% to -22%), with a moderately negative contribution from provisioning and impairment and a positive contribution from net fee and commission income.

Overview table

Latest BLS results for the largest euro area countries

(net percentages of banks reporting a tightening of credit standards or an increase in loan demand)

	Enterprises						House purchase						Consumer credit					
	Credit standards			Demand			Credit standards			Demand			Credit standards			Demand		
Country	Q4 23	Q1 24	Avg	Q4 23	Q1 24	Avg	Q4 23	Q1 24	Avg	Q4 23	Q1 24	Avg	Q4 23	Q1 24	Avg	Q4 23	Q1 24	Avg
Euro area	4	3	9	-20	-28	-1	2	-6	7	-26	-3	0	11	9	5	-7	1	-1
Germany	6	6	4	-16	-13	5	0	7	3	-7	46	5	4	14	1	-4	14	6
Spain	0	0	9	-8	-17	-6	0	0	14	-20	-20	-10	25	17	11	-8	0	-8
France	0	0	7	-17	-42	-4	0	-22	4	-60	-33	2	14	8	0	-14	-23	-2
Italy	0	0	12	-18	-45	4	0	0	1	-36	-45	9	23	15	4	-15	15	9

Notes: “Avg” refers to historical averages, which are calculated over the period since the beginning of the survey, excluding the most recent round. Owing to the different sample sizes across countries, which broadly reflect the differences in the national shares in lending to the euro area non-financial private sector, the size and volatility of the net percentages cannot be directly compared across countries.

Box 1

General notes

The BLS is addressed to senior loan officers at a representative sample of euro area banks, representing all euro area countries and reflecting the characteristics of their respective national banking structures. The main purpose of the BLS is to enhance the Eurosystem’s knowledge of bank lending conditions in the euro area.[2]

Detailed tables and charts based on the responses provided can be found in Annex 1 for the standard questions and Annex 2 for the ad hoc questions. In addition, BLS time series data are available on the ECB’s website via the ECB Data Portal.

Detailed explanations on the BLS questionnaire, the aggregation of banks’ replies to national and euro area BLS results, the BLS indicators and information on the BLS series keys are available on the ECB’s website in the BLS user guide. A copy of the BLS questionnaire and a glossary of BLS terms can also be found on the ECB's website.

2 For more detailed information on the bank lending survey, see Köhler-Ulbrich, P., Dimou, M., Ferrante, L. and Parle, C., “Happy anniversary, BLS – 20 years of the euro area bank lending survey”, *Economic Bulletin*, Issue 7, ECB, 2023, Huennekes, F. and Köhler-Ulbrich, P., “What information does the euro area bank lending survey provide on future loan developments?”, *Economic Bulletin*, Issue 8, ECB, 2022, and Köhler-Ulbrich, P., Hempell, H. and Scopel, S., “The euro area bank lending survey”, *Occasional Paper Series*, No 179, ECB, 2016.

2 Loans to enterprises

2.1 Credit standards showed slight further tightening

Euro area banks reported a small further net tightening of their credit standards for loans or credit lines to enterprises in the first quarter of 2024 (net percentage of banks of 3%; see Chart 1 and Overview table). This was smaller than banks had expected in the previous round (9%).[3] The net tightening figure reflected tightening in Germany and a few smaller countries, while all other jurisdictions reported net unchanged credit standards. The substantial cumulative tightening since 2022 has contributed, together with weak demand, to the strong fall in the growth of loans to firms. The net tightening of credit standards was similar for loans to small and medium-sized enterprises (SMEs) and for loans to large firms (net percentages of 6% and 5% respectively; see Chart 2). It was slightly stronger for long-term loans (5%) than for short-term loans (3%).

Banks' risk perceptions were the main driver of the net tightening, whereas cost of funds and balance sheet constraints, competition and risk tolerance had a broadly neutral impact (see Chart 1 and Table 1).[4] The weak economic situation and outlook, together with credit risk for firms related to their financial situation, remained the main underlying reasons for the tightening impact of risk perceptions. Among the largest euro area countries, the greater risks were perceived by banks in Germany and Italy. Relatedly, some banks mentioned regulatory changes as an additional tightening factor (included in "other factors").[5] Similarly to the previous quarter, risk tolerance and competitive pressures did not have a significant impact on credit standards, according to banks. Banks' own financial situations in respect of their capital and liquidity positions as well as their market financing costs continued to have a neutral impact at the euro area level, with only banks in France, among the largest countries, reporting a slight tightening impact.

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[3] Net percentages refer to changes over the previous three months (unless otherwise noted) and are defined as the difference between the sum of the percentages of banks responding "tightened considerably" and "tightened somewhat" and the sum of the percentages of banks responding "eased somewhat" and "eased considerably". Owing to different sample sizes across countries, which broadly reflect the differences in the national shares in lending to the euro area non-financial private sector, the size and volatility of the net percentages cannot be directly compared across countries.

[4] The net percentages for responses to questions related to the factors are defined as the difference between the percentage of banks reporting that the given factor contributed to a tightening and the percentage of banks reporting that it contributed to an easing. "Cost of funds and balance sheet constraints" are defined as the unweighted average of "bank's capital and the costs related to bank's capital position", "access to market financing" and "liquidity position"; "Risk perception" as the unweighted average of "general economic situation and outlook", "industry or firm-specific situation and outlook/borrower's creditworthiness" and "risk on collateral demanded"; and "Competition" as the unweighted average of "bank competition", "non-bank competition" and "competition from market financing".

[5] Banks have the option of mentioning up to three "other factors" for some questions in the questionnaire. These other factors can be different items across banks and time. In the respective charts, an unweighted net percentage average of the "other factors" is shown. The net percentage of an "other factor" series is not considered in the calculation when it is equal to zero or no bank has replied to it.

Chart 1

Changes in credit standards applied to the approval of loans or credit lines to enterprises, and contributing factors

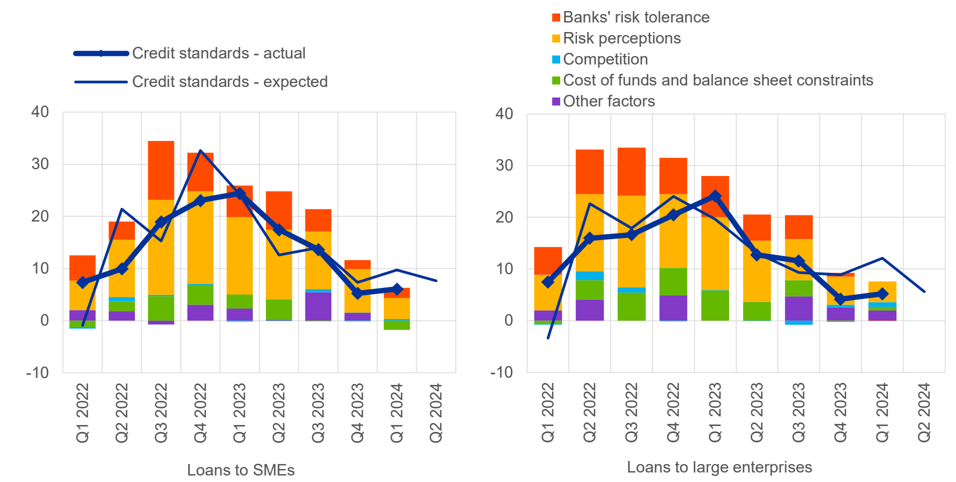
(net percentages of banks reporting a tightening of credit standards and contributing factors)

Notes: "Actual" values are changes that have occurred, while "expected" values are changes anticipated by banks. Net percentages are defined as the difference between the sum of the percentages of banks responding "tightened considerably" and "tightened somewhat" and the sum of the percentages of banks responding "eased somewhat" and "eased considerably". The net percentages for responses to questions related to contributing factors are defined as the difference between the percentage of banks reporting that a given factor contributed to a tightening and the percentage of banks reporting that it contributed to an easing. "Cost of funds and balance sheet constraints" is the unweighted average of "banks' capital and the costs related to banks' capital position", "access to market financing" and "liquidity position"; "Risk perceptions" is the unweighted average of "general economic situation and outlook", "industry or firm-specific situation and outlook/borrower's creditworthiness" and "risk related to the collateral demanded"; and "Competition" is the unweighted average of "competition from other banks", "competition from non-banks" and "competition from market financing". The net percentages for "Other factors" refer to an average of the further factors which were mentioned by banks as having contributed to changes in credit standards.

Chart 2

Changes in credit standards applied to the approval of loans or credit lines to SMEs and large enterprises, and contributing factors

(net percentages of banks reporting a tightening of credit standards and contributing factors)



Note: See the notes to Chart 1.

In the second quarter of 2024, euro area banks expect a further moderate net tightening for loans to firms (net percentage of 6%). Banks expect a similar moderate net tightening for loans to SMEs (net percentage of 8%) and for loans to large firms (net percentage of 6%).

Table 1
Factors contributing to changes in credit standards for loans or credit lines to enterprises

(net percentages of banks)

	Cost of funds and balance sheet constraints		Pressure from competition		Perception of risk		Banks' risk tolerance	
Country	Q4 2023	Q1 2024	Q4 2023	Q1 2024	Q4 2023	Q1 2024	Q4 2023	Q1 2024
Euro area	0	0	0	1	9	4	1	0
Germany	0	-1	0	0	3	6	0	-3
Spain	0	0	0	0	0	0	0	0
France	0	3	3	6	11	0	0	0
Italy	-3	0	0	0	12	3	0	0

Note: See the notes to Chart 1.

2.2 Terms and conditions remained broadly unchanged

Banks' overall terms and conditions for new loans to enterprises remained broadly unchanged (net percentage of 1%; see Chart 3 and Table 2).[6] Margins on average loans (defined as the spread over relevant market reference rates) narrowed slightly for the first time since the fourth quarter of 2021, while margins on riskier loans continued to widen. At the same time, lending rates on new loans remained broadly unchanged in net terms.[7] This development is consistent with the broad stability in lending rates on new loans observed in recent months, amid some country heterogeneity. Margins on average loans remained unchanged in net terms in all countries except for Italy, where these were reported to have narrowed, mainly due to competition by other banks. Margins on riskier loans continued to widen further in Germany and Italy. Banks reported broadly unchanged overall terms and conditions for loans both to SMEs and to large firms (net percentage for both of 1%; see Chart 4). Other terms and conditions had a broadly neutral impact.

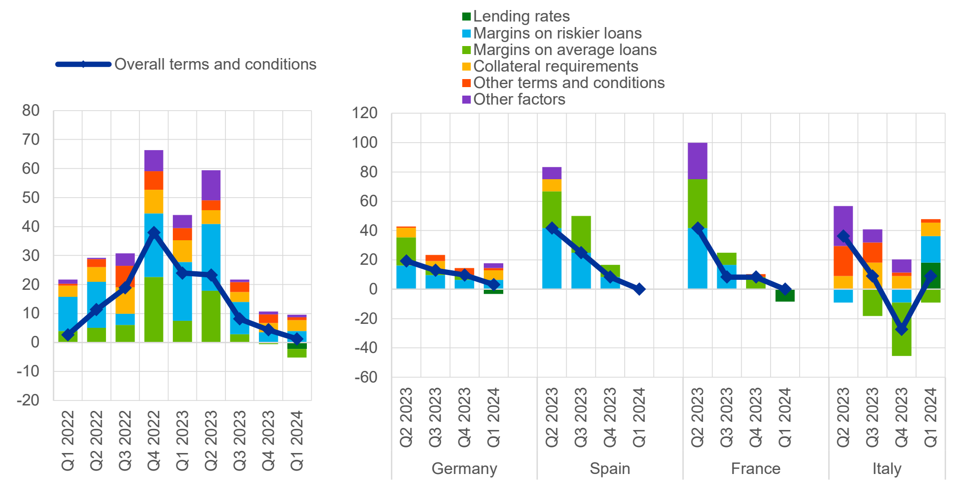
6 Terms and conditions are the actual terms and conditions agreed in the loan contract.

7 The April 2024 questionnaire asked banks, for the first time, to report on changes in their lending rates, together with margins on average and riskier loans under a separate sub-item.

Chart 3

Changes in terms and conditions on loans or credit lines to enterprises

(net percentages of banks reporting a tightening of terms and conditions)



Notes: "Lending rates" was introduced in April 2024. "Margins" are defined as the spread over relevant market reference rates. "Other terms and conditions" is the unweighted average of "non-interest rate charges", "size of the loan or credit line", "loan covenants" and "maturity". The net percentages for "Other factors" refer to an average of the further factors which were mentioned by banks as having contributed to changes in terms and conditions.

Banks' higher risk perceptions continued to be the main factor having a tightening impact on the terms and conditions of loans to firms, which was largely counterbalanced by an easing impact from competition (see Table 3). The net easing impact of competition was mainly related to competition with other banks (net percentage of -9%), especially in Italy and Germany. Banks' risk tolerance had a neutral impact on terms and conditions in the first quarter of 2024.

Table 2

Changes in terms and conditions on loans or credit lines to enterprises

(net percentages of banks)

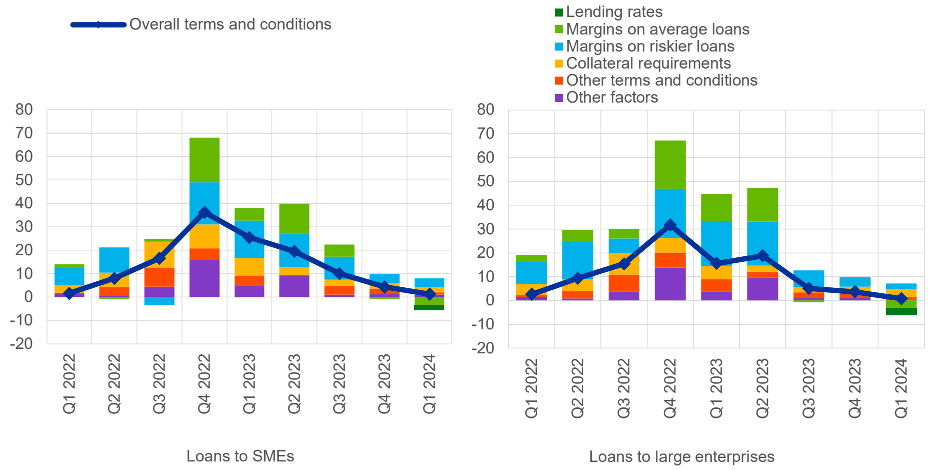
	Overall terms and conditions		Banks' lending rates		Banks' margins on average loans		Banks' margins on riskier loans	
Country	Q4 2023	Q1 2024	Q4 2023	Q1 2024	Q4 2023	Q1 2024	Q4 2023	Q1 2024
Euro area	4	1	-	-2	-1	-3	4	4
Germany	10	3	-	-3	3	0	6	6
Spain	8	0	-	0	8	0	8	0
France	8	0	-	-8	8	0	0	0
Italy	-27	9	-	18	-36	-9	-9	18

Note: See the notes to Chart 3. The sub-item for banks' lending rates was introduced in April 2024.

Chart 4

Changes in terms and conditions on loans or credit lines to SMEs and large enterprises

(net percentages of banks reporting a tightening of terms and conditions)



Note: See the notes to Chart 3.

Table 3

Factors contributing to changes in overall terms and conditions on loans or credit lines to enterprises

(net percentages of banks)

	Cost of funds and balance sheet constraints		Pressure from competition		Perception of risk		Banks' risk tolerance	
Country	**Q4 2023**	**Q1 2024**	**Q4 2023**	**Q1 2024**	**Q4 2023**	**Q1 2024**	**Q4 2023**	**Q1 2024**
Euro area	1	0	-2	-4	10	6	5	1
Germany	1	-1	1	-2	9	6	3	0
Spain	3	0	0	0	0	0	0	0
France	0	0	-3	0	17	8	8	0
Italy	0	3	-12	-6	3	9	0	0

Notes: The net percentages for these questions relating to contributing factors are defined as the difference between the percentage of banks reporting that the given factor contributed to a tightening and the percentage of banks reporting that it contributed to an easing. See the notes to Chart 1.

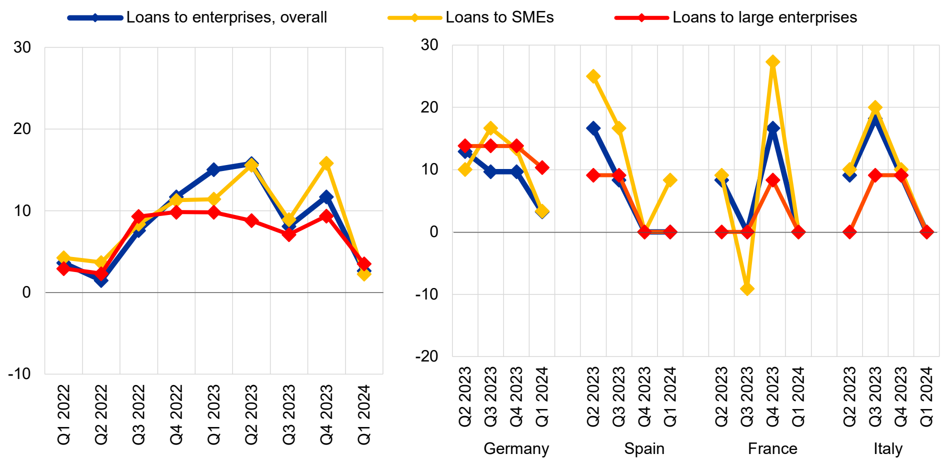
2.3 Rejection rates continued to increase

Banks reported a further net increase in the share of rejected loan applications for firms (net percentage of 3%; see Chart 5). While substantially lower than in the previous quarter (12%), the net increase in the first quarter of 2024 added to the increases seen since the first quarter of 2022. The net increase was similar for loans to SMEs and to large firms (net percentages of 2% and 4% respectively). At the same time, the cumulative increase in the share of loan rejections has been higher for SMEs since 2022. The further increase in the share of rejected loan applications was driven by Germany.

Chart 5

Changes in the share of rejected loan applications for enterprises

(net percentages of banks reporting an increase)



Notes: Share of rejected loan applications relative to the volume of all loan applications in that loan category. The breakdown by firm sizes was introduced in the first quarter of 2022.

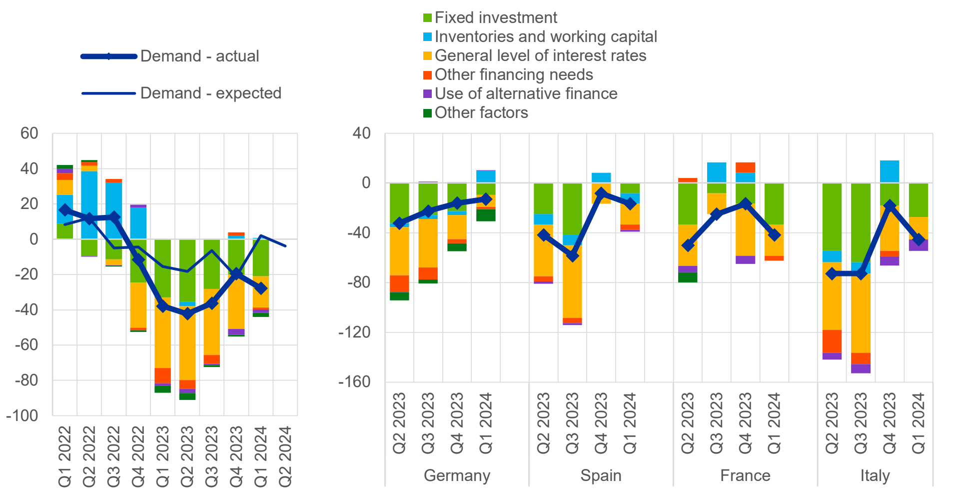
2.4 Net demand for loans continued to decline substantially

Net demand by firms for loans continued to decline substantially in the first quarter of 2024 (net percentage of -28%; see Chart 6), in contrast to expectations of stabilisation reported in the previous round (net percentage of 2%). While the net percentage of banks reporting a decrease remained smaller than its all-time low in the second quarter of 2023 (-42%), the decline added to the substantial net decreases in loan demand since the fourth quarter of 2022. Banks in all four large euro area countries reported a further net decrease in demand. The strong decline contrasted with banks' expectations of a slight increase. The net decreases in demand for loans to SMEs (-24%) and large firms (-23%) were similar and were both larger than in the fourth quarter of 2023 (-17% and -15% respectively; see Chart 7). Similarly to previous quarters, demand for long-term loans (net percentage of -29%; see next paragraph) declined more strongly than demand for short-term loans (net percentage of -11%).

Chart 6

Changes in demand for loans or credit lines to enterprises, and contributing factors

(net percentages of banks reporting an increase in demand, and contributing factors)

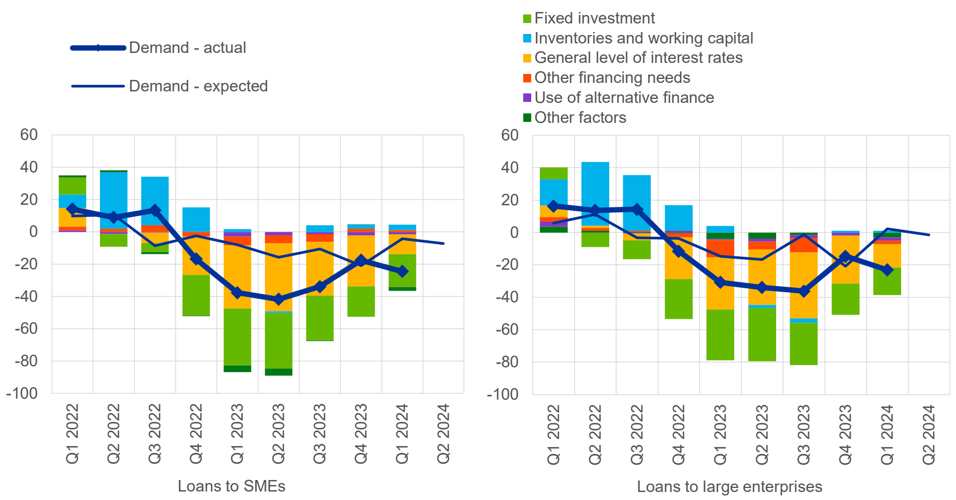


Notes: "Actual" values are changes that have occurred, while "expected" values are changes anticipated by banks. Net percentages for the questions on demand for loans are defined as the difference between the sum of the percentages of banks responding "increased considerably" and "increased somewhat" and the sum of the percentages of banks responding "decreased somewhat" and "decreased considerably". The net percentages for responses to questions relating to contributing factors are defined as the difference between the percentage of banks reporting that the given factor contributed to increasing demand and the percentage of banks reporting that it contributed to decreasing demand. "Other financing needs" is the unweighted average of "mergers/acquisitions and corporate restructuring" and "debt refinancing/restructuring and renegotiation"; and "Use of alternative finance" is the unweighted average of "internal financing", "loans from other banks", "loans from non-banks", "issuance/redemption of debt securities" and "issuance/redemption of equity". The net percentages for "Other factors" refer to an average of the further factors which were mentioned by banks as having contributed to changes in loan demand.

Chart 7

Changes in demand for loans or credit lines to SMEs and large enterprises, and contributing factors

(net percentages of banks reporting an increase in demand, and contributing factors)



Note: See the notes to Chart 6. Changes to the factors having an impact on loan demand across firm sizes were added in the first quarter of 2022.

The general level of interest rates and declining fixed investment remained the main drivers of the net decrease in loan demand (see Chart 6 and Table 4). The decline in loan demand was mainly driven by the general level of interest rates, as reported by banks in all four large euro area countries, and lower fixed investment, consistent with the net decrease in demand for long-term loans. Several banks in Germany also referred to uncertainty about the domestic economic outlook and geopolitics more generally. At the same time, financing needs for inventories and working capital had a neutral impact on loan demand. Alternative sources of financing, such as internal financing and market-based financing via debt securities and corporate equity, dampened loan demand in the euro area only slightly in the first quarter of 2024. Similarly to total net demand for loans to firms, the general level of interest rates and firms' financing needs for fixed investment were the main drivers of the decline in demand for loans to both SMEs and large firms (see Chart 7).

Table 4

Factors contributing to changes in demand for loans or credit lines to enterprises

(net percentages of banks)

	Fixed investment		Inventories and working capital		Other financing needs		General level of interest rates		Use of alternative finance	
Country	Q4 2023	Q1 2024	Q4 2023	Q1 2024	Q4 2023	Q1 2024	Q4 2023	Q1 2024	Q4 2023	Q1 2024
Euro area	-20	-21	2	1	2	-1	-31	-18	-3	-2
Germany	-23	-10	-3	10	-3	-2	-19	-10	1	1
Spain	0	-8	8	-8	0	-4	-17	-17	0	-2
France	-17	-33	8	0	8	-4	-42	-25	-7	0
Italy	-18	-27	18	0	-5	0	-36	-18	-7	-9

Note: See the notes to Chart 6.

Banks expect a moderate net decrease in demand for loans to firms in the second quarter of 2024 (net percentage of -4%). Expected net loan demand has mostly been higher than actual net demand since the fourth quarter of 2022, with the exception of the fourth quarter of 2023. Nonetheless, banks are expecting the net decrease of loan demand to become less pronounced in the second quarter, more so for short-term loans than for long-term loans (net percentages of -2% and -5% respectively).

3 Loans to households for house purchase

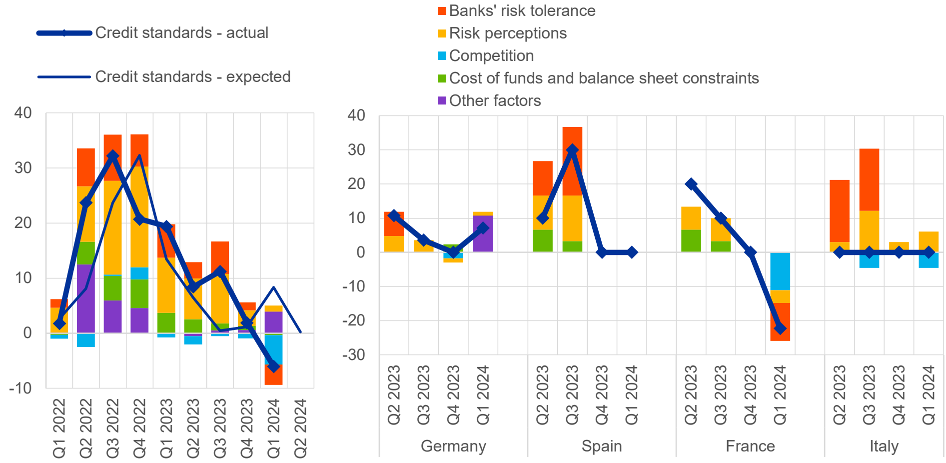
3.1 Credit standards eased moderately

For the first time since the fourth quarter of 2021, euro area banks reported a (moderate) net easing of credit standards on loans to households for house purchase (net percentage of banks of -6%; see Chart 8 and Overview table). Considering the historical leading indicator properties of credit standards for loans for house purchase (about two quarters ahead of actual loan developments), actual growth in lending to households for house purchase may show the first signs of picking up from its currently low levels over the next months. The net easing came after banks reported a slight tightening of credit standards in the previous quarter (2%) and is in contrast to the tightening that banks had expected (8%). The net easing was mainly driven by developments in France, although it also materialised in several smaller countries. Of the three other large economies, German banks reported a net tightening and Spanish and Italian banks reported unchanged credit standards.

Chart 8

Changes in credit standards applied to the approval of loans to households for house purchase, and contributing factors

(net percentages of banks reporting a tightening of credit standards, and contributing factors)



Notes: See the notes to Chart 1. "Cost of funds and balance sheet constraints" is the unweighted average of "banks' capital and the costs related to banks' capital position", "access to market financing" and "liquidity position"; "Risk perceptions" is the unweighted average of "general economic situation and outlook", "housing market prospects, including expected house price developments" and "borrower's creditworthiness"; and "Competition" is the unweighted average of "competition from other banks" and "competition from non-banks". The net percentages for "Other factors" refer to an average of the further factors which were mentioned by banks as having contributed to changes in credit standards.

Competition and banks' risk tolerance were the main factors driving the net easing of credit standards on housing loans (see Chart 8 and Table 5). Banks primarily reported competition from other banks (rather than from non-banks) as exerting easing pressure. Risk perceptions and cost of funds and balance sheet constraints had a broadly neutral impact at the euro area level. Some German banks linked the tightening of credit standards (in “Other factors”) to increased costs of living, which in turn has led to a deterioration in borrower debt-servicing capacity and creditworthiness. At the other end of the spectrum, French banks reported that exercising greater flexibility within the leeway allowed by prudential guidance, as well as competitive pressures, contributed to the net easing of housing loan credit standards.[8]

In the second quarter of 2024, euro area banks expect credit standards on loans to households for house purchase to remain unchanged (net percentage of 0%). Nevertheless, some heterogeneity remains: German banks expect a further net tightening, while French banks expect a further net easing.

Table 5

Factors contributing to changes in credit standards for loans to households for house purchase

(net percentages of banks)

	Cost of funds and balance sheet constraints		Pressure from competition		Perception of risk		Banks’ risk tolerance	
Country	Q4 2023	Q1 2024	Q4 2023	Q1 2024	Q4 2023	Q1 2024	Q4 2023	Q1 2024
Euro area	1	0	-1	-5	3	1	1	-4
Germany	2	0	-2	0	-1	1	0	0
Spain	0	0	0	0	0	0	0	0
France	0	0	0	-11	0	-4	0	-11
Italy	0	0	0	-5	3	6	0	0

Note: See the notes to Chart 8.

3.2 Terms and conditions showed further moderate easing

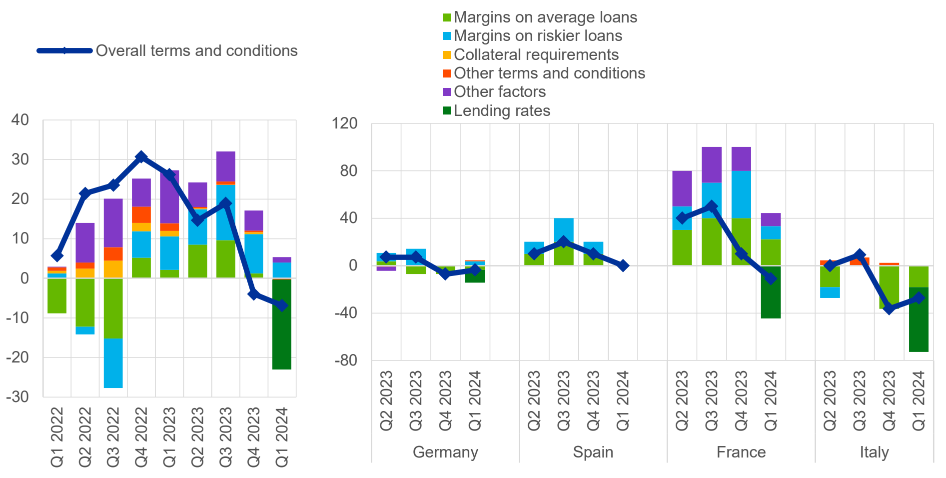
Banks reported a moderate easing of their overall terms and conditions for new housing loans in the first quarter of 2024 for a second time in a row (net percentage of -7%; see Chart 9 and Table 6). The net easing consisted mainly of lower lending rates (net percentage of -23%), arguably driven by developments in reference rates. Consistent with this interpretation, margins on average loans remained unchanged and margins on riskier loans continued to tighten moderately. Banks in Germany, France and Italy reported a net easing in terms and conditions, while banks in Spain reported unchanged terms and conditions.

8 In France, the *Haut Conseil de stabilité financière* (High Council for Financial Stability – HCSF) implemented, in September 2021, a binding measure aimed at limiting debt service to income and maturity on new housing loans, while at the same time providing banks with a flexibility margin across these dimensions subject to specific thresholds. In December 2023, the HCSF decided to apply a number of technical adjustments to this flexibility margin, which were reported to have a loosening effect.

Chart 9

Changes in terms and conditions on loans to households for house purchase

(net percentages of banks reporting a tightening of terms and conditions)



Notes: "Lending rates" was introduced in April 2024. "Margins" are defined as the spread over relevant market reference rates. "Other terms and conditions" is the unweighted average of "loan-to-value ratio", "other loan size limits", "non-interest rate charges" and "maturity". The net percentages for "Other factors" refer to an average of the further factors which were mentioned by banks as having contributed to changes in terms and conditions.

Table 6

Changes in terms and conditions on loans to households for house purchase

(net percentages of banks)

	Overall terms and conditions		Banks' lending rates		Banks' margins on average loans		Banks' margins on riskier loans	
Country	Q4 2023	Q1 2024	Q4 2023	Q1 2024	Q4 2023	Q1 2024	Q4 2023	Q1 2024
Euro area	-4	-7	-	-23	1	0	10	4
Germany	-7	-4	-	-11	-7	-4	0	4
Spain	10	0	-	0	10	0	10	0
France	10	-11	-	-44	40	22	40	11
Italy	-36	-27	-	-55	-36	-18	0	0

Note: See the notes to Chart 9. The sub-item for banks' lending rates was introduced in April 2024.

Competition was the main driver of the net easing of overall terms and conditions (see Table 7). Banks' risk perceptions, risk tolerance and cost of funds and balance sheet constraints had a broadly neutral impact. Competition was cited as the primary reason behind the easier terms and conditions across three out of the four largest euro area economies that saw an easing. Risk perceptions, however, did have a moderate tightening impact in Germany.

Table 7

Factors contributing to changes in overall terms and conditions on loans to households for house purchase

(net percentages of banks)

Country	Cost of funds and balance sheet constraints		Pressure from competition		Perception of risk		Banks' risk tolerance	
	Q4 2023	Q1 2024	Q4 2023	Q1 2024	Q4 2023	Q1 2024	Q4 2023	Q1 2024
Euro area	7	-1	-13	-11	0	1	1	0
Germany	0	1	-7	-7	0	4	4	0
Spain	10	0	0	0	0	0	0	0
France	20	-4	-20	-11	0	0	0	0
Italy	0	0	-45	-45	9	0	9	0

Note: See the notes to Chart 8. The net percentages for these questions relating to contributing factors are defined as the difference between the percentage of banks reporting that the given factor contributed to a tightening and the percentage of banks reporting that it contributed to an easing.

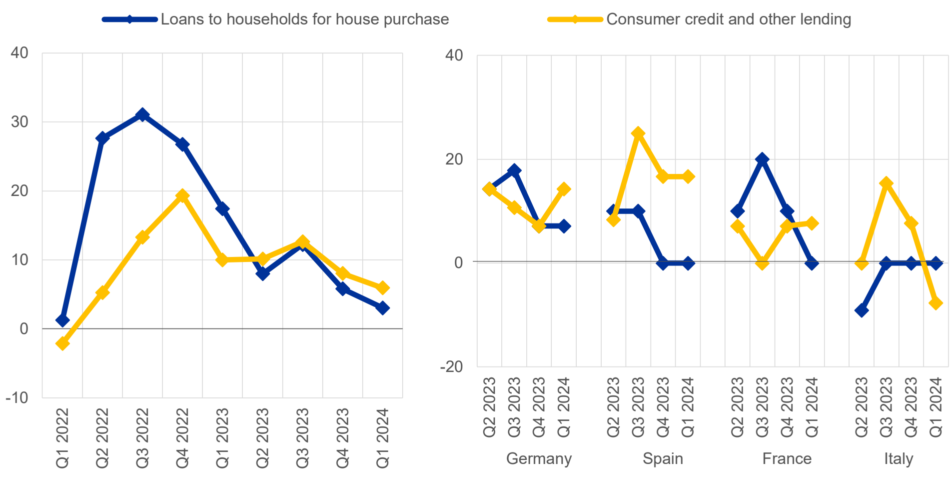
3.3 Rejection rates continued to increase

Banks reported a further net increase in the share of rejected applications for housing loans (net percentage of 3%; see Chart 10). The increase was lower than in the previous quarter (6% in the fourth quarter of 2023) and the lowest since the first quarter of 2022, coming after seven consecutive quarters of net increases in the share of rejected applications. Among the four largest euro area economies, only German banks reported an increase in the share of rejections, whereas banks in the other three countries reported unchanged rejection rates.

Chart 10

Changes in the share of rejected loan applications for households

(net percentages of banks reporting an increase)



Note: Share of rejected loan applications relative to the volume of all loan applications in that loan category.

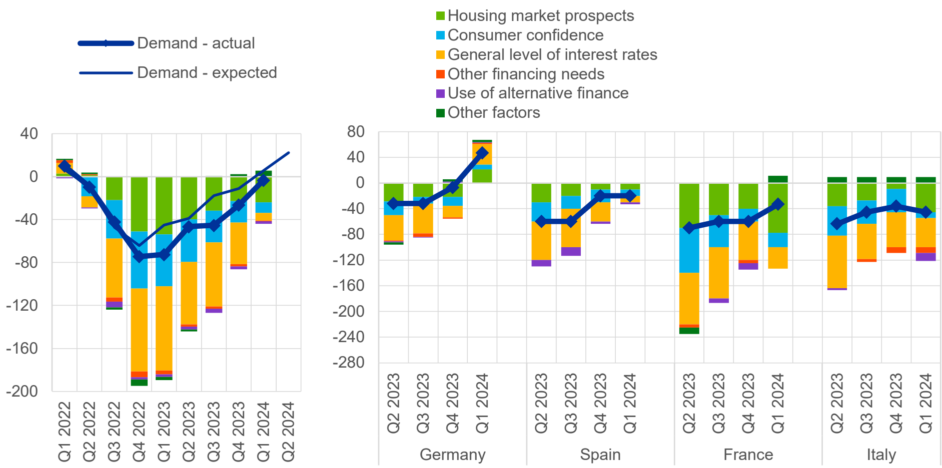
3.4 Net demand for loans decreased slightly

Banks reported a small decline in net demand for housing loans in the first quarter of 2024 (net percentage of -3%, see Chart 11 and Overview table). The net decrease was much smaller than in the preceding quarter (-26%) but fell short of banks' expectations of a net increase (5%). Among the four largest euro area economies, German banks reported a strong net increase in loan demand, after the substantial net decline reported in previous quarters, while strong net decreases were reported elsewhere.

Chart 11

Changes in demand for loans to households for house purchase, and contributing factors

(net percentages of banks reporting an increase in demand, and contributing factors)



Notes: See the notes to Chart 6. "Other financing needs" is the unweighted average of "debt refinancing/restructuring and renegotiation" and "regulatory and fiscal regime of housing markets"; and "Use of alternative finance" is the unweighted average of "internal finance of house purchase out of savings/down payment", "loans from other banks" and "other sources of external finance". The net percentages for "Other factors" refer to an average of the further factors which were mentioned by banks as having contributed to changes in loan demand.

Housing market prospects were the main factor exerting downward pressure on demand for loans for house purchase (see Chart 11 and Table 8). The level of interest rates and consumer confidence also contributed, although their contribution was smaller than in previous quarters. The contribution of housing market prospects, meanwhile, was similar to that of the previous quarter. The use of alternative finance had only a small negative impact, while bank-specific idiosyncratic "other factors" made a moderate positive contribution to loan demand. German banks reported the increase in demand as the result of improved housing market prospects and lower interest rates. This is consistent with the improved affordability of housing in Germany, with residential real estate prices having dropped substantially throughout 2023 and with new business lending rates on loans for house purchase in Germany declining faster between November 2023 and February 2024 than the euro area average.

In the second quarter of 2024, banks expect a strong increase in housing loan demand (net percentage of banks of 23%), which – if it were to materialise – would be the first net increase since the second quarter of 2022. The increase in housing loan demand is expected across banks in all the four largest euro area economies.

Table 8

Factors contributing to changes in demand for loans to households for house purchase

(net percentages of banks)

	Housing market prospects		Consumer confidence		Other financing needs		General level of interest rates		Use of alternative finance	
Country	Q4 2023	Q1 2024	Q4 2023	Q1 2024	Q4 2023	Q1 2024	Q4 2023	Q1 2024	Q4 2023	Q1 2024
Euro area	-23	-24	-20	-10	-2	-1	-39	-7	-3	-3
Germany	-21	21	-14	7	-2	2	-18	32	2	1
Spain	-10	-10	-20	-10	0	0	-30	-10	-3	-3
France	-40	-78	-20	-22	-5	0	-60	-33	-10	0
Italy	-9	-45	-36	-9	-9	-9	-55	-45	0	-12

Note: See the notes to Chart 11.

4 Consumer credit and other lending to households

4.1 Credit standards tightened further

Banks reported a further net tightening of credit standards on consumer credit and other lending to households (net percentage of 9%; see Chart 12 and Overview table). The net tightening in credit standards was similar to the net tightening in the preceding quarter, broadly in line with banks' expectations (net percentage of 11% for both). The net percentage remained above the historical average (5%) and added to the tightening which had accumulated since the start of the hiking cycle. Credit standards tightened across the four largest economies.

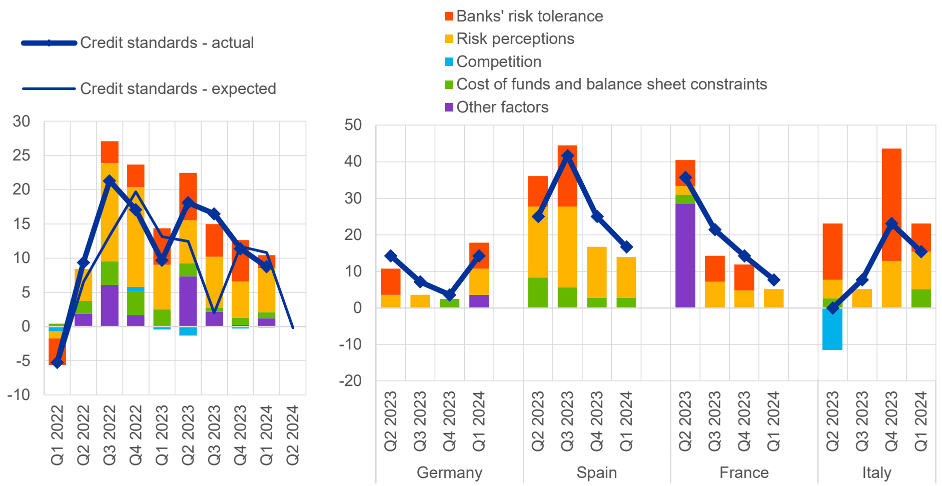
Increased risk perceptions and, to a lesser extent, banks' lower risk tolerance mainly contributed to the net tightening of credit standards for consumer credit (see Chart 12 and Table 9). The increased risk perceptions were mostly related to banks' perceptions of the economic outlook and consumers' creditworthiness. Banks' cost of funds and balance sheet constraints, as well as competition, had a broadly neutral impact.

In the second quarter of 2024, euro area banks expect credit standards for consumer credit and other lending to households to remain unchanged (net percentage of 0%). If current expectations were to materialise, it would be the first quarter without further net tightening since the second quarter of 2022.

Chart 12

Changes in credit standards applied to the approval of consumer credit and other lending to households, and contributing factors

(net percentages of banks reporting a tightening of credit standards, and contributing factors)



Notes: See the notes to Chart 1. "Cost of funds and balance sheet constraints" is the unweighted average of "banks' capital and the costs related to banks' capital position", "access to market financing" and "liquidity position"; "Risk perceptions" is the unweighted average of "general economic situation and outlook", "creditworthiness of consumers" and "risk on the collateral demanded"; and "Competition" is the unweighted average of "competition from other banks" and "competition from non-banks". The detailed sub-factors under "Cost of funds and balance sheet constraints" were introduced in April 2024. The net percentages for "Other factors" refer to an average of the further factors which were mentioned by banks as having contributed to changes in credit standards.

Table 9

Factors contributing to changes in credit standards for consumer credit and other lending to households

(net percentages of banks)

	Cost of funds and balance sheet constraints		Pressure from competition		Perception of risk		Banks' risk tolerance	
Country	**Q4 2023**	**Q1 2024**	**Q4 2023**	**Q1 2024**	**Q4 2023**	**Q1 2024**	**Q4 2023**	**Q1 2024**
Euro area	1	1	0	0	5	6	6	2
Germany	2	0	0	0	0	7	0	7
Spain	3	3	0	0	14	11	0	0
France	0	0	0	0	5	5	7	0
Italy	0	5	0	0	13	10	31	8

Note: See the notes to Chart 12.

4.2 Terms and conditions tightened further

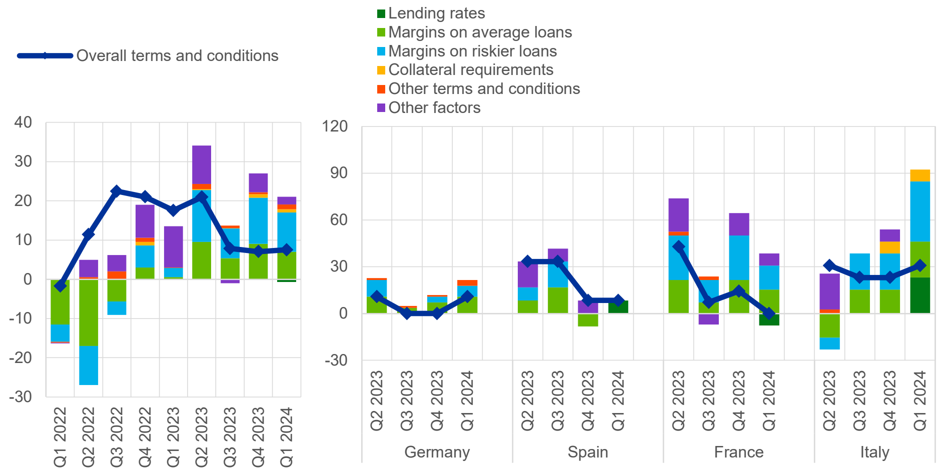
Banks' overall terms and conditions applied when granting consumer credit and other lending to households tightened further in net terms (net percentage of 8%, see Chart 13 and Table 10). Banks primarily referred to widening margins on both average and riskier loans. This was particularly the case for French and Italian banks. At the same time, lending rates remained broadly unchanged for euro area banks, although Italian and Spanish banks reported a net increase. The net tightening of terms and conditions was similar to that of the previous quarter (7%).

Perceptions of risk and banks' risk tolerance contributed most to the net tightening of banks' overall terms and conditions (see Table 11). Cost of funds and balance sheet constraints had a small additional tightening impact. The impact from competitive pressure was broadly neutral. The factors contributing to changes in the terms and conditions varied across the four largest economies, with risk tolerance or risk perception being most important in Germany, France and Italy, and cost of funds and balance sheet constraints being the only important factor in Spain.

Chart 13

Changes in terms and conditions on consumer credit and other lending to households

(net percentages of banks reporting a tightening of terms and conditions)



Notes: "Lending rates" was introduced in April 2024. "Margins" are defined as the spread over a relevant market reference rate. "Other terms and conditions" is the unweighted average of "size of the loan", "non-interest rate charges" and "maturity". The net percentages for "Other factors" refer to an average of the further factors which were mentioned by banks as having contributed to changes in terms and conditions.

Table 10

Changes in terms and conditions on consumer credit and other lending to households

(net percentages of banks)

	Overall terms and conditions		Banks' lending rates		Banks' margins on average loans		Banks' margins on riskier loans	
Country	**Q4 2023**	**Q1 2024**	**Q4 2023**	**Q1 2024**	**Q4 2023**	**Q1 2024**	**Q4 2023**	**Q1 2024**
Euro area	7	8	-	-1	9	7	12	10
Germany	0	11	-	0	7	11	4	7
Spain	8	8	-	8	-8	0	0	0
France	14	0	-	-8	21	15	29	15
Italy	23	31	-	23	15	23	23	38

Note: See the notes to Chart 13. The sub-item for banks' lending rates was introduced in April 2024.

Table 11

Factors contributing to changes in overall terms and conditions on consumer credit and other lending to households

(net percentages of banks)

Country	Cost of funds and balance sheet constraints		Pressure from competition		Perception of risk		Banks' risk tolerance	
	Q4 2023	Q1 2024	Q4 2023	Q1 2024	Q4 2023	Q1 2024	Q4 2023	Q1 2024
Euro area	8	2	-3	-1	4	9	5	7
Germany	0	1	0	0	4	11	4	14
Spain	8	3	-8	0	0	0	0	0
France	14	0	-7	0	7	23	7	0
Italy	23	8	0	8	8	0	15	23

Note: See the notes to Chart 12. The net percentages for these questions relating to contributing factors are defined as the difference between the percentage of banks reporting that the given factor contributed to a tightening and the percentage of banks reporting that it contributed to an easing.

4.3 Rejection rates continued to increase

Euro area banks reported a further net increase in the share of rejected applications for consumer credit (6%; see Chart 10 above). The net increase was lower than in the previous quarter (8%) and is the lowest since the second quarter of 2022. The net increase was observed in three out of the four largest economies, with only Italy reporting a net decrease (-8%). Similarly to the other loan categories, the net share of rejected loan applications for consumer credit and other lending to households has increased every quarter since the start of the rate hiking cycle in July 2022.

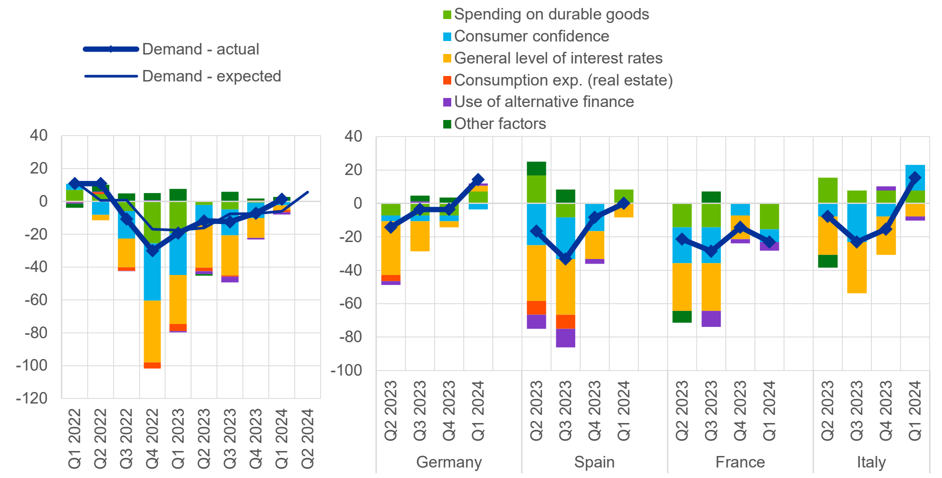
4.4 Net demand for loans was broadly stable

Banks reported a broadly unchanged demand for consumer credit and other lending to households (net percentage of banks of 1%, see Chart 14 and Overview table). Banks expected a further net decrease in the previous quarter (-6%), following six quarters of declining demand. The change in loan demand was heterogenous across countries, with German and Italian banks reporting a net increase (14% and 15% respectively), French banks reporting a net decrease (-23%) and net loan demand remaining unchanged in Spain. For the next three months, banks expect a moderate increase in loan demand (6%).

Chart 14

Changes in demand for consumer credit and other lending to households, and contributing factors

(net percentages of banks reporting an increase in demand, and contributing factors)



Notes: See the notes to Chart 6. "Use of alternative finance" is the unweighted average of "internal financing out of savings", "loans from other banks" and "other sources of external finance". "Consumption exp. (real estate)" denotes "consumption expenditure financed through real estate-guaranteed loans". The net percentages for "Other factors" refer to an average of the further factors which were mentioned by banks as having contributed to changes in loan demand.

The stabilisation of loan demand came despite small negative contributions from the level of interest rates and low consumer confidence (see Chart 14 and Table 12). This was in contrast to the driving role of these two factors in previous quarters. Spending on durable goods, consumption expenditure financed through real-estate guaranteed loans and the use of alternative finance had a (broadly) neutral impact on loan demand.

In the second quarter of 2024, banks expect a net increase in demand for consumer credit and other lending to households (net percentage of 6%).

Table 12

Factors contributing to changes in demand for consumer credit and other lending to households

(net percentages of banks)

	Spending on durable goods		Consumer confidence		Consumption exp. (real estate)		General level of interest rates		Use of alternative finance	
Country	Q4 2023	Q1 2024	Q4 2023	Q1 2024	Q4 2023	Q1 2024	Q4 2023	Q1 2024	Q4 2023	Q1 2024
Euro area	-1	0	-9	-2	1	-1	-12	-3	-1	-1
Germany	-7	7	-4	-4	0	0	-4	4	0	1
Spain	0	8	-17	0	0	0	-17	-8	-3	0
France	0	-15	-7	-8	0	0	-14	0	-2	-5
Italy	8	8	-8	15	0	0	-23	-8	3	-3

Note: See the notes to Chart 14.

5 Ad hoc questions

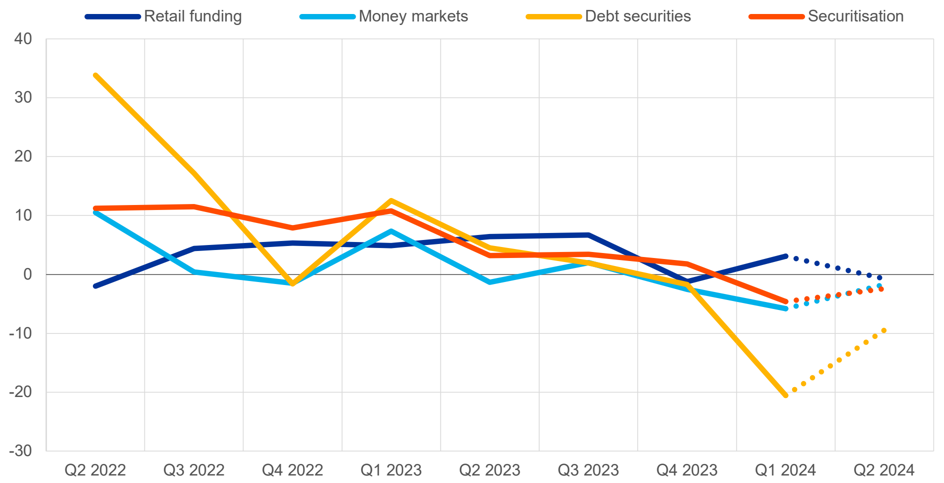
5.1 Banks' access to wholesale funding improved, while access to retail funding deteriorated[9]

Banks' access to funding improved for debt securities and – to a lesser extent – for money markets and securitisation, while banks' access to retail funding deteriorated (Chart 15 and Table 13). Consistent with declines in longer-term yields, access to debt securities funding improved substantially (-21%), particularly in medium to long-term debt securities markets. Access to short-term retail funding continued to deteriorate (7%), reflecting lower overnight deposit volumes amid high deposit rates, while access to long-term retail funding remained broadly unchanged. Access to money markets and securitisation also improved in net terms.

Chart 15

Changes in banks' access to retail and wholesale funding

(net percentages of banks reporting a deterioration in access)



Note: The net percentages are defined as the difference between the sum of the percentages of banks responding "deteriorated considerably" and "deteriorated somewhat" and the sum of the percentages of banks responding "eased somewhat" and "eased considerably". The last period denotes expectations indicated by banks in the current round.

9 The April 2024 survey included a question in which banks were asked to assess the extent to which the situation in financial markets has affected their access to retail and wholesale funding. "Retail funding" is the unweighted average of "short-term deposits (up to one year)" and "long-term deposits (more than one year)" and other retail funding instruments; "Money markets" refers to the interbank unsecured money market and is the unweighted average of "very short-term money market (up to one week)" and "short-term money market (more than one week)"; "Wholesale debt securities" is the unweighted average of "short-term debt securities (e.g. certificates of deposit or commercial paper)" and "medium to long-term debt securities (incl. covered bonds)"; and "Securitisation" is the unweighted average of "securitisation of corporate loans", "securitisation of loans for house purchase" and "ability to transfer credit risk off balance sheet".

Table 13
Changes in banks' access to retail and wholesale funding

(net percentages of banks reporting a deterioration in access)

	Retail funding			Money markets	Wholesale debt securities			Securiti-sation
	Total	Short-term	Long-term		Total	Short-term	Medium to long-term	
Q4 2023	-1	2	-5	-3	-2	-1	-3	2
Q1 2024	3	7	-1	-6	-21	-14	-27	-5
Q2 2024	-1	1	-3	-2	-9	-8	-11	-2

Note: See the notes to Chart 15. The last period denotes expectations indicated by banks in the current round.

Over the next three months, access to debt securities funding, money markets and securitisation is expected to improve further. The improvement in medium to long-term debt securities is expected to be more substantial than the improvement in short-term debt securities. Access to retail funding is expected to remain broadly unchanged.

5.2 The reduction in the ECB's monetary policy asset portfolio contributed to a moderate tightening of lending conditions[10]

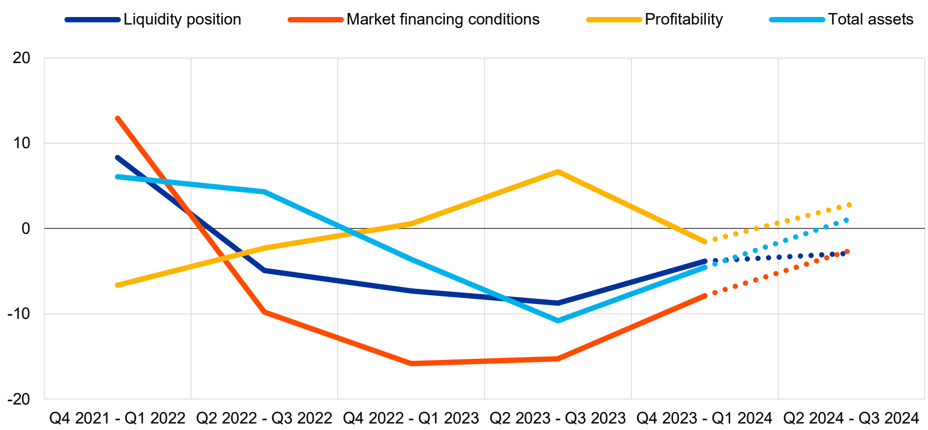
The reduction in the ECB's monetary policy asset portfolio had a further negative impact on euro area banks' financing conditions (-8%) and liquidity positions (-4%) over the last six months (see Chart 16 and Table 14). In addition, banks continued to report a negative impact on their total assets due to the discontinuation of reinvestments under the ECB's asset purchase programme, as well as the December 2023 announcement of a reduction of the reinvestments under the ECB's pandemic purchase programme. The net percentages were, however, smaller than in the preceding six months. After the previous positive contribution on their profitability, in the past six months banks saw a very small negative impact on profitability, which was mostly driven by developments in the reported impact on net interest income. The impact on the valuation of sovereign bond holdings was reported to be broadly neutral.

[10] The April 2024 survey questionnaire included two biannual ad hoc questions gauging the impact of the ECB's monetary policy asset portfolio over the period under review, which may result from net asset purchases or any other transactions, including reinvestments of the principal payments from maturing securities purchased. These questions follow up on the previous questions on the ECB's asset purchases. Changes in the ECB's monetary policy asset portfolio can be related to the following (potential) monetary policy tools: the corporate sector purchase programme, the public sector purchase programme, the asset-backed securities purchase programme, the covered bond purchase programme, the pandemic emergency purchase programme, Outright Monetary Transactions and the Transmission Protection Instrument. Banks were asked to consider both direct and indirect effects of the changes in the ECB's monetary policy asset portfolio.

Chart 16

Overview of the impact of the ECB's monetary policy asset portfolio on euro area banks' financial situation

(net percentages of banks reporting an increase/improvement)



Notes: The net percentages are defined as the difference between the sum of the percentages for "increased/improved considerably" and "increased/improved somewhat" and the sum of the percentages for "decreased/deteriorated somewhat" and "decreased/deteriorated considerably". The last period denotes expectations indicated by banks in the current round.

Over the next six months, euro area banks expect, on balance, changes to the ECB's monetary policy asset portfolio to have a small negative impact on their market financing conditions and liquidity positions, but a small positive impact on their profitability. The impact on total assets is expected to be broadly neutral which, in a context of weak lending dynamics and mechanical reductions in banks' excess liquidity, is consistent with banks' expectations of a small positive impact on their sovereign bond holdings.

Table 14

Impact of the ECB's monetary policy asset portfolio on banks' financial situation

(net percentages of banks reporting an increase or improvement)

	Total assets	Liquidity position	Market financing conditions	Profitability		
				Total	Owing to: net interest income	Owing to: capital gains/losses
Q2 2023 – Q3 2023	-11	-9	-15	7	9	-4
Q4 2023 – Q1 2024	-5	-4	-8	-2	-1	-1
Q2 2024 – Q3 2024	1	-3	-2	3	5	0

Note: See the notes to Chart 18. The last period denotes expectations indicated by banks in the current round.

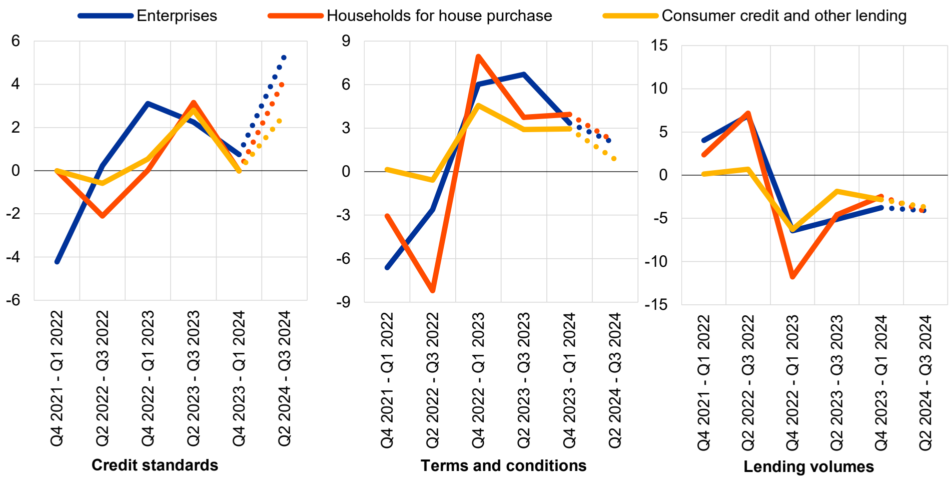
Over the past six months, euro area banks continued to report that changes in the ECB's monetary policy asset portfolio had a moderate net tightening impact on terms and conditions and a negative effect on bank lending volumes (see Chart 17 and Table 15). The impact on bank lending volumes was somewhat stronger for loans to enterprises than for loans for house purchase and consumer credit. The impact on credit standards was (broadly) neutral across all loan categories.

Over the next six months, banks expect the ECB's monetary policy asset portfolio to continue to have a tightening impact on bank lending conditions across all categories of lending.

Chart 17

Impact of the ECB's monetary policy asset portfolio on bank lending

(net percentages of banks reporting a tightening or increase)



Notes: The net percentages are defined as the difference between the sum of the percentages for "tightened/increased considerably" and "tightened/increased somewhat" and the sum of the percentages for "eased/decreased somewhat" and "eased/decreased considerably". The last period denotes expectations indicated by banks in the current round.

Table 15

Impact of the ECB's monetary policy asset portfolio on banks' credit standards, terms and conditions and lending volumes

(net percentages of banks reporting a tightening/an increase)

	Credit standards			Terms and conditions			Lending volumes		
	Q2 23 – Q3 23	Q4 23 – Q1 24	Q2 24 – Q3 24	Q2 23 – Q3 23	Q4 23 – Q1 24	Q2 24 – Q3 24	Q2 23 – Q3 23	Q4 23 – Q1 24	Q2 24 – Q3 24
Loans to enterprises	2	1	5	7	3	2	-5	-4	-4
Loans to households for house purchase	3	0	4	4	4	2	-5	-2	-4
Consumer credit and other lending to households	3	0	3	3	3	1	-2	-3	-4

Note: See the notes to Chart 17. The last period denotes expectations indicated by banks in the current round.

5.3 There was a moderate negative impact of the phase-out of TLTRO III on banks' financial situation[11]

Banks continued to indicate a negative impact of the phase-out of TLTRO III on their overall liquidity position over the past six months, with only a small tightening impact on their funding conditions (see Chart 18 and Table 16). Maturing TLTRO III funds and their early voluntary repayment continued to have a moderate negative impact on banks' liquidity positions. Given the very significant repayments made since November 2022 and the comparatively small remaining outstanding amounts of TLTRO III, the impact on banks' overall funding conditions, including market financing conditions, was only moderately negative. The impact on profitability, as well as the impact on banks' ability to fulfil regulatory or supervisory requirements, were reported to be broadly neutral, with the latter also reflecting the increasingly shorter residual maturity of the remaining TLTRO funds.

Over the next six months, banks expect the phase-out of TLTRO III to have a further negative impact, primarily on their liquidity situation and, to a lesser extent, on their overall funding conditions. As repayments continue, banks expect TLTRO III to exert only a small negative impact on their market financing conditions, and a broadly neutral impact on their profitability.

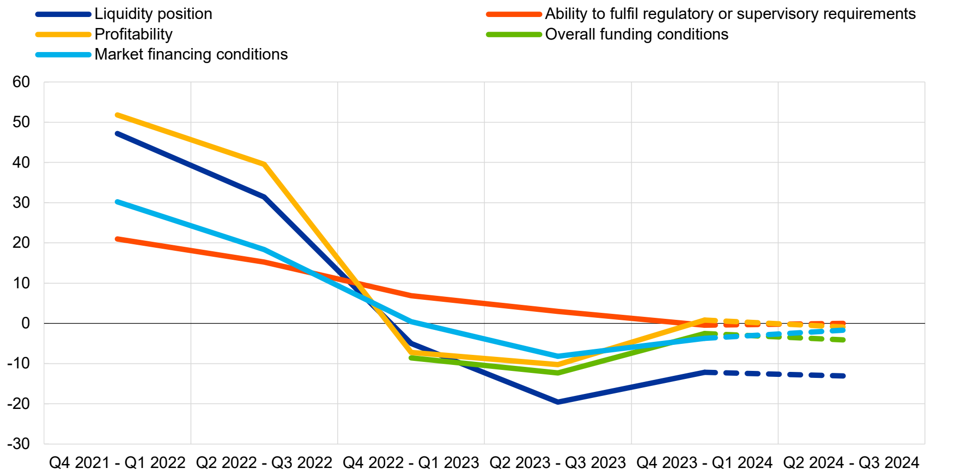
Banks reported a neutral impact of TLTRO III on lending conditions and loan volumes across all lending segments over the last six months, which is expected to continue over the next six months (see Chart 19 and Table 17). The muted impacts on credit standards, terms and conditions and lending volumes reflect the significant repayments and the comparatively small remaining outstanding TLTRO III funds. Over the next six months, euro area banks expect the phase-out of TLTRO III to have a neutral impact on their lending conditions. Banks also expect a broadly neutral impact on loan volumes across all categories of lending.

[11] The April 2024 survey questionnaire included a biannual ad hoc question on the impact of the Eurosystem's third targeted longer-term refinancing operation (TLTRO III), for which all operations took place, and which will have fully matured by December 2024. Banks were asked to consider the impact of any changes in the relative funding advantage of their bank's outstanding TLTRO III funds arising from key ECB interest rate changes and/or the TLTRO III recalibration, as well as any change in their bank's overall funding conditions due to the maturity or early repayment of TLTRO III funds.

Chart 18

Impact of TLTRO III on banks' financial situation

(net percentages of banks reporting an improvement)



Notes: The signs for these net percentages have been inverted to show net improvements. The net percentages are defined as the difference between the sum of the percentages for "contributed considerably to an improvement" and "contributed somewhat to an improvement" and the sum of the percentages for "contributed somewhat to a deterioration" and "contributed considerably to a deterioration". "Overall funding conditions" was added in the first quarter of 2023. The last period denotes expectations indicated by banks in the current round.

Table 16

Impact of TLTRO III on banks' financial situation

(net percentages of banks reporting an improvement)

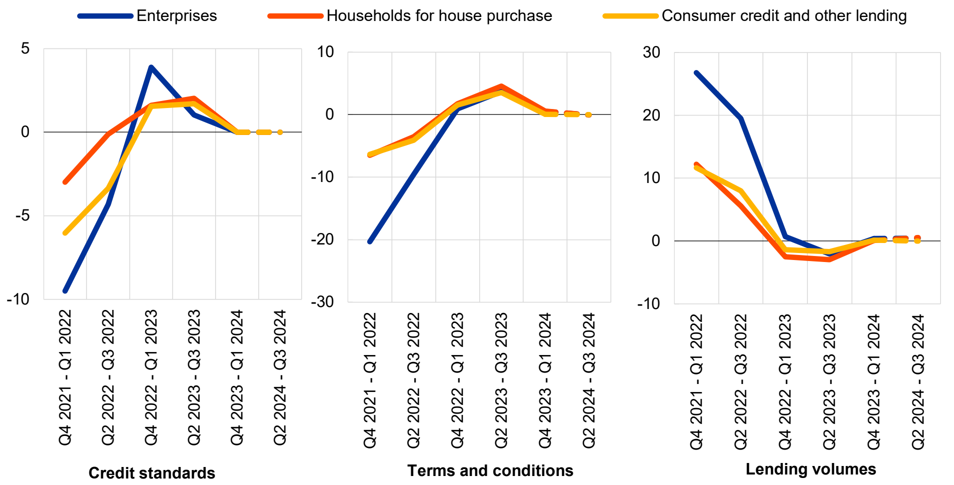
	Liquidity position	Financing conditions		Profitability	Ability to fulfil regulatory or supervisory requirements
		Overall	Market financing conditions		
Q2 2023 – Q3 2023	-20	-12	-8	-10	3
Q4 2023 – Q1 2024	-12	-3	-4	1	0
Q2 2024 – Q3 2024	-13	-4	-2	-1	0

Note: See the notes to Chart 18. The last period denotes expectations indicated by banks in the current round.

Chart 19

Impact of TLTRO III on bank lending conditions and lending volumes

(net percentages of banks reporting a tightening or increase)



Notes: Net percentages are defined as the difference between the sum of the percentages for "contributed considerably to a tightening or increase" and "contributed somewhat to a tightening or increase" and the sum of the percentages for "contributed somewhat to an easing or decrease" and "contributed considerably to an easing or decrease". The last period denotes expectations indicated by banks in the current round.

Table 17

Impact of TLTRO III on banks' credit standards, terms and conditions and lending volumes

(net percentages of banks reporting a tightening/an increase)

	Credit standards			Terms and conditions			Lending volumes		
	Q2 23 – Q3 23	Q4 23 – Q1 24	Q2 24 – Q3 24	Q2 23 – Q3 23	Q4 23 – Q1 24	Q2 24 – Q3 24	Q2 23 – Q3 23	Q4 23 – Q1 24	Q2 24 – Q3 24
Loans to enterprises	1	0	0	4	1	0	-2	0	0
Loans to households for house purchase	2	0	0	5	1	0	-3	0	1
Consumer credit and other lending to households	2	0	0	4	0	0	-2	0	0

Note: See the notes to Charts 19. The last period denotes expectations indicated by banks in the current round.

5.4 The positive impact of the ECB's key interest rate decisions on bank margins is expected to diminish in the next six months[12]

Euro area banks reported a further markedly positive impact of the ECB's key interest rate decisions on their net interest margins over the past six months (net percentage of 40%, see Chart 20 and Table 18). At the same time, a substantial net

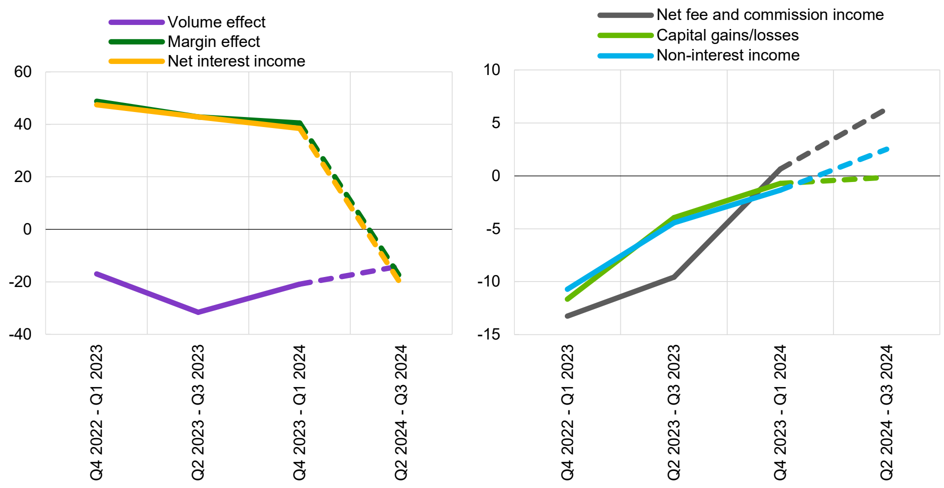
12 The April 2024 survey questionnaire included a biannual ad hoc question aimed to collect information on the impact of the ECB's key interest rate decisions on bank profitability over the past six months and the next six months. Banks were asked to report on the impact on their profitability overall, as well as the impact on their net interest income, non-interest income and their need for provisioning and impairments.

share of banks (21%) continued to report a negative net impact via volumes. The increase in margins outweighed the volume effect, yielding a high share of banks reporting a positive impact on their net interest income and overall profitability. Banks reported broadly unchanged impacts on net fee and commission income and capital losses, which were echoed by a similar development in banks' non-interest income. The positive impact on net interest income continued to be the driving factor behind the overall positive impact in net terms on bank profitability. Banks also indicated a small net dampening impact of the ECB's rate decisions on profitability via higher provisioning needs and impairments, although this was lower than that reported for the previous six months.

Chart 20

Impact of the ECB's interest rate decisions on euro area bank profitability

(net percentages of banks; over the past six months and the next six months)

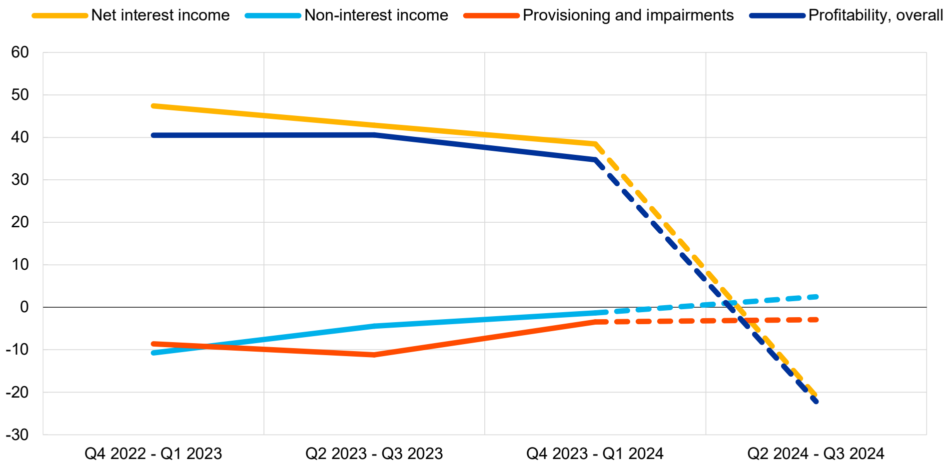


Notes: The net percentages refer to the difference between the sum of the percentages of banks responding "increased considerably" and "increased somewhat" and the sum of the percentages of banks responding "decreased somewhat" and "decreased considerably". The last period denotes expectations indicated by banks in the current round.

Chart 21

Impact of the ECB's interest rate decisions on net interest income and non-interest income

(net percentages of banks; over the past six months and the next six months)



Notes: The net percentages refer to the difference between the sum of the percentages of banks responding "increased considerably" and "increased somewhat" and the sum of the percentages of banks responding "decreased somewhat" and "decreased considerably". Net percentages are inverted in the case of provisioning and impairments. The last period denotes expectations indicated by banks in the current round.

Euro area banks expect the cumulative net impact of the ECB's key interest rate decisions on bank profitability to diminish over the next six months (-19%).[13] Banks also expect a further, albeit lower, negative impact of the ECB's interest rate decisions on volumes. The impact of the ECB's interest rate decisions via higher provisioning needs and impairments is expected to remain slightly negative, while a positive impact is expected for non-interest income, driven by net fee and commission income.

Table 18

Impact of ECB interest rate decisions on bank profitability

(net percentages of banks reporting an increase)

	Q2 2023 – Q3 2023	Q4 2023 – Q1 2024	Q2 2024 – Q3 2024
Profitability	41	35	-22
Net interest income	43	38	-21
Owing to: margin effect	43	40	-19
Owing to: volume effect	-32	-21	-14
Non-interest income	-4	-1	3
Owing to: capital gains/losses	-4	-1	0
Owing to: net fee and commission income	-10	1	6
Provisioning and impairments	-11	-3	-3

Notes: See the notes to Charts 20 and 21. The last period denotes expectations indicated by banks in the current round.

[13] The impact embeds both past and expected key ECB interest rate decisions.

Annexes

See more.

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For specific terminology please refer to the ECB glossary (available in English only).

PDF ISSN 1830-5989, QB-BA-24-001-EN-N
HTML ISSN 1830-5989, QB-BA-24-001-EN-Q

Annex 1
Results for the standard questions*

Loans or credit lines to enterprises

Question 1

Over the past three months, how have your bank's credit standards[1] as applied to the approval of loans or credit lines to enterprises[2, 3, 4] changed? Please note that we are asking about the change in credit standards, rather than about their level.

(in percentages, unless otherwise stated)

	Overall		Loans to small and medium-sized enterprises[5]		Loans to large enterprises[5]		Short-term loans[6]		Long-term loans[6]	
	Jan 24	Apr 24	Jan 24	Apr 24	Jan 24	Apr 24	Jan 24	Apr 24	Jan 24	Apr 24
Tightened considerably	0	0	0	0	0	0	0	0	0	0
Tightened somewhat	4	5	5	8	4	6	4	4	7	6
Remained basically unchanged	96	94	92	88	96	92	91	90	93	93
Eased somewhat	0	1	0	2	0	1	0	2	0	1
Eased considerably	0	0	0	0	0	0	0	0	0	0
NA[7]	0	0	2	2	0	0	4	4	0	0
Total	100	100	100	100	100	100	100	100	100	100
Net percentage	**4**	**3**	**5**	**6**	**4**	**5**	**4**	**3**	**7**	**5**
Diffusion index	2	2	3	3	2	3	2	1	3	3
Mean	2.96	2.97	2.95	2.94	2.96	2.95	2.96	2.97	2.93	2.95
Number of banks responding	148	148	143	143	144	144	148	148	148	148

1) See Glossary for Credit standards.
2) See Glossary for Loans.
3) See Glossary for Credit line.
4) See Glossary for Enterprises.
5) See Glossary for Enterprise size.
6) See Glossary for Maturity.
7) "NA" (not applicable) does not include banks which do not have any business in or exposure to the respective lending category.
Notes: The net percentage is defined as the difference between the sum of the percentages for "tightened considerably" and "tightened somewhat", and the sum of the percentages for "eased somewhat" and "eased considerably". The diffusion index is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered "considerably" a weight twice as high (score of 1) as lenders having answered "somewhat" (score of 0.5). The mean of the banks' responses is calculated using weights from 1 to 5 for the five possible response options. The number of banks responding refers to all participating banks which have business in or exposure to the respective lending category.

* Figures might not add up to 100 due to rounding

Question 2

Over the past three months, how have the following factors affected your bank's credit standards as applied to the approval of loans or credit lines to enterprises?

(in percentages, unless otherwise stated)

	--	-	°	+	++	NA[7]	NetP Jan 24	NetP Apr 24	DI Jan 24	DI Apr 24	Mean Jan 24	Mean Apr 24
Overall												
A) Cost of funds and balance sheet constraints[1]												
Your bank's capital and the costs related to your bank's capital position[2]	0	0	98	1	0	1	0	0	0	0	3.00	3.00
Your bank's ability to access market financing[3]	0	0	95	1	0	3	-1	-1	-1	-1	3.01	3.01
Your bank's liquidity position	0	2	96	1	0	1	0	2	0	1	3.00	2.98
B) Pressure from competition												
Competition from other banks	0	3	94	2	0	2	0	1	0	0	3.00	2.99
Competition from non-banks[4]	0	0	98	0	0	2	0	0	0	0	3.00	3.00
Competition from market financing	0	2	96	0	0	2	2	2	1	1	2.98	2.98
C) Perception of risk[5]												
General economic situation and outlook	0	6	93	0	0	0	10	6	5	3	2.90	2.94
Industry or firm-specific situation and outlook/borrower's creditworthiness[6]	0	7	92	1	0	0	12	6	6	3	2.87	2.94
Risk related to the collateral demanded	0	1	99	0	0	0	4	1	2	1	2.96	2.99
D) Your bank's risk tolerance[5]												
Your bank's risk tolerance	0	2	97	1	0	0	1	0	1	0	2.99	3.00
Small and medium-sized enterprises												
A) Cost of funds and balance sheet constraints[1]												
Your bank's capital and the costs related to your bank's capital position[2]	0	0	94	3	0	3	0	-2	0	-1	3.00	3.03
Your bank's ability to access market financing[3]	0	1	91	3	0	5	0	-2	0	-1	3.00	3.03
Your bank's liquidity position	0	0	96	1	0	3	0	-1	0	0	3.00	3.01
B) Pressure from competition												
Competition from other banks	0	3	91	2	0	4	0	1	0	0	3.00	2.99
Competition from non-banks[4]	0	0	96	0	0	4	0	0	0	0	3.00	3.00
Competition from market financing	0	0	96	0	0	4	0	0	0	0	3.00	3.00
C) Perception of risk[5]												
General economic situation and outlook	0	4	93	0	0	2	10	4	5	2	2.89	2.96
Industry or firm-specific situation and outlook/borrower's creditworthiness[6]	0	8	89	1	0	2	11	7	6	3	2.88	2.93
Risk related to the collateral demanded	0	1	96	0	0	2	4	1	2	1	2.96	2.99
D) Your bank's risk tolerance[5]												
Your bank's risk tolerance	0	3	93	1	0	2	2	2	1	1	2.98	2.98

	--	-	°	+	++	NA[7]	NetP Jan 24	NetP Apr 24	DI Jan 24	DI Apr 24	Mean Jan 24	Mean Apr 24
Large enterprises												
A) Cost of funds and balance sheet constraints[1]												
Your bank’s capital and the costs related to your bank’s capital position[2]	0	0	99	0	0	1	0	0	0	0	3.00	3.00
Your bank's ability to access market financing[3]	0	0	96	1	0	3	-1	-1	-1	0	3.01	3.01
Your bank's liquidity position	0	2	97	0	0	1	0	2	0	1	3.00	2.98
B) Pressure from competition												
Competition from other banks	0	3	94	1	0	2	0	1	0	1	3.00	2.99
Competition from non-banks[4]	0	0	98	0	0	2	0	0	0	0	3.00	3.00
Competition from market financing	0	2	96	0	0	2	2	2	1	1	2.98	2.98
C) Perception of risk[5]												
General economic situation and outlook	0	5	94	0	0	0	7	5	3	3	2.93	2.95
Industry or firm-specific situation and outlook/borrower's creditworthiness[6]	0	7	92	1	0	0	8	6	4	3	2.91	2.94
Risk related to the collateral demanded	0	1	99	0	0	0	1	1	1	1	2.99	2.99
D) Your bank's risk tolerance[5]												
Your bank's risk tolerance	0	1	98	1	0	0	1	0	0	0	2.99	3.00

1) See Glossary for Cost of funds and balance sheet constraints.
2) Can involve the use of credit derivatives, with the loans remaining on the bank’s balance sheet.
3) Involves the sale of loans from the bank’s balance sheet, i.e. off-balance sheet funding.
4) See Glossary for Non-banks.
5) See Glossary for Perception of risk and risk tolerance.
6) Risks related to non-performing loans may be reflected not only in the "industry or firm-specific situation and outlook/borrower's creditworthiness", but also in the bank's "cost of funds and balance sheet constraints".
7) “NA” (not applicable) does not include banks which do not have any business in or exposure to the respective lending category.
Notes: The net percentage (NetP) is defined as the difference between the sum of banks responding “--” (contributed considerably to tightening) and “-” (contributed somewhat to tightening), and the sum of banks responding “+” (contributed somewhat to easing) and “++” (contributed considerably to easing). “°” means “contributed to basically unchanged credit standards”. The diffusion index (DI) is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered “considerably” a weight twice as high (score of 1) as lenders having answered “somewhat” (score of 0.5). The mean of the banks’ responses is calculated using weights from 1 to 5 for the five possible response options.

Question 3

Over the past three months, how have your bank's terms and conditions[1] for new loans or credit lines to enterprises changed?

(in percentages, unless otherwise stated)

	--	-	°	+	++	NA[6]	NetP Jan 24	NetP Apr 24	DI Jan 24	DI Apr 24	Mean Jan 24	Mean Apr 24
Overall												
A) Overall terms and conditions[1]												
Overall terms and conditions	0	5	91	4	0	0	4	1	2	1	2.96	2.99
B) Interest rates and margins												
Your bank's lending rates	0	6	86	7	1	0	-	-2	-	-2	-	3.03
Your bank's margin on average loans[2]	0	3	92	5	1	0	-1	-3	0	-2	3.01	3.04
Your bank's margin on riskier loans	0	6	90	2	1	1	4	4	2	2	2.96	2.96
C) Other conditions and terms												
Non-interest rate charges[3]	0	1	98	0	0	0	2	1	1	0	2.98	2.99
Size of the loan or credit line	0	3	96	1	0	0	3	2	1	1	2.97	2.98
Collateral[4] requirements	0	4	96	0	0	0	3	4	2	2	2.97	2.96
Loan covenants[5]	0	2	98	1	0	0	6	1	3	1	2.94	2.99
Maturity	0	0	100	0	0	0	1	0	1	0	2.99	3.00
Small and medium-sized enterprises												
A) Overall terms and conditions[1]												
Overall terms and conditions	0	5	88	4	0	2	4	1	2	1	2.95	2.99
B) Margins												
Your bank's lending rates	0	6	83	7	1	2	-	-2	-	-2	-	3.04
Your bank's margin on average loans[2]	0	3	89	5	1	2	-1	-3	0	-2	3.01	3.04
Your bank's margin on riskier loans	1	6	88	2	1	3	4	4	2	2	2.96	2.97
C) Other conditions and terms												
Non-interest rate charges[3]	0	0	97	1	0	2	1	-1	1	0	2.99	3.01
Size of the loan or credit line	0	4	94	0	0	2	3	3	2	2	2.97	2.97
Collateral[4] requirements	0	2	95	0	0	2	2	2	1	1	2.97	2.98
Loan covenants[5]	0	1	95	1	0	2	4	1	2	0	2.95	2.99
Maturity	0	1	97	0	0	2	2	0	1	0	2.98	3.00
Large enterprises												
A) Overall terms and conditions[1]												
Overall terms and conditions	0	4	94	3	0	0	4	1	2	0	2.96	2.99
B) Margins												
Your bank's lending rates	0	6	86	8	1	0	-	-3	-	-2	-	3.04
Your bank's margin on average loans[2]	0	3	92	5	1	0	0	-3	0	-2	3.00	3.04
Your bank's margin on riskier loans	0	6	89	3	1	0	4	2	2	1	2.96	2.98
C) Other conditions and terms												
Non-interest rate charges[3]	0	1	99	0	0	0	2	1	1	1	2.98	2.99
Size of the loan or credit line	0	4	95	1	0	0	1	2	1	1	2.99	2.98
Collateral[4] requirements	0	3	96	0	0	0	2	3	1	2	2.98	2.97
Loan covenants[5]	0	2	98	0	0	0	6	2	3	1	2.94	2.98
Maturity	0	0	100	0	0	0	1	0	1	0	2.99	3.00

1) See Glossary for Credit terms and conditions.
2) See Glossary for Loan margin/spread over a relevant market reference rate.
3) See Glossary for Non-interest rate charges.
4) See Glossary for Collateral.
5) See Glossary for Covenant.
6) "NA" (not applicable) does not include banks which do not have any business in or exposure to the respective lending category.
Notes: The subitem for banks' lending rates was introduced in April 2024. The net percentage (NetP) is defined as the difference between the sum of banks responding "--" (contributed considerably to tightening) and "-" (contributed somewhat to tightening), and the sum of banks responding "+" (contributed somewhat to easing) and "++" (contributed considerably to easing). "°" means "contributed to keeping credit terms and conditions basically unchanged". The diffusion index (DI) is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered "considerably" a weight twice as high (score of 1) as lenders having answered "somewhat" (score of 0.5). The mean of the banks' responses is calculated using weights from 1 to 5 for the five possible response options.

Question 4

Over the past three months, how have the following factors[1] affected your bank's credit terms and conditions as applied to new loans or credit lines to enterprises?

(in percentages, unless otherwise stated)

	--	-	°	+	++	NA[2]	NetP Jan 24	NetP Apr 24	DI Jan 24	DI Apr 24	Mean Jan 24	Mean Apr 24
Overall impact on your bank's credit terms and conditions												
A) Cost of funds and balance sheet constraints												
Your bank's capital and the costs related to your bank's capital position	0	1	99	0	0	0	2	1	1	1	2.98	2.99
Your bank's ability to access market financing	0	0	98	1	0	1	1	0	0	0	2.99	3.01
Your bank's liquidity position	0	0	100	0	0	0	0	0	0	0	3.00	3.00
B) Pressure from competition												
Competition from other banks	0	1	89	10	0	1	-6	-9	-3	-5	3.06	3.09
Competition from non-banks	0	0	98	1	0	1	0	-1	0	-1	3.00	3.01
Competition from market financing	0	0	99	0	0	1	0	0	0	0	3.00	3.00
C) Perception of risk												
General economic situation and outlook	0	9	91	0	0	0	16	9	8	5	2.84	2.91
Industry or firm-specific situation and outlook/borrower's creditworthiness	0	6	93	0	0	0	13	7	7	4	2.86	2.93
Risk related to the collateral demanded	0	4	96	0	0	0	2	4	1	2	2.98	2.96
D) Your bank's risk tolerance												
Your bank's risk tolerance	0	1	98	1	0	0	5	1	2	0	2.95	2.99
Impact on your bank's margins on average loans												
A) Cost of funds and balance sheet constraints												
Your bank's capital and the costs related to your bank's capital position	0	0	100	0	0	0	3	0	1	0	2.97	3.00
Your bank's ability to access market financing	0	0	97	1	0	1	1	-1	1	0	2.99	3.01
Your bank's liquidity position	0	0	100	0	0	0	0	0	0	0	3.00	3.00
B) Pressure from competition												
Competition from other banks	0	1	88	10	0	1	-8	-10	-4	-5	3.08	3.10
Competition from non-banks	0	0	98	1	0	1	-1	-1	-1	-1	3.01	3.01
Competition from market financing	0	0	99	0	0	1	0	0	0	0	3.00	3.00
C) Perception of risk												
General economic situation and outlook	0	8	92	0	0	0	11	8	5	4	2.89	2.92
Industry or firm-specific situation and outlook/borrower's creditworthiness	0	4	95	0	0	0	9	5	5	3	2.90	2.95
Risk related to the collateral demanded	0	3	97	0	0	0	1	3	0	1	2.99	2.97
D) Your bank's risk tolerance												
Your bank's risk tolerance	0	1	99	1	0	0	3	0	2	0	2.97	3.00

Impact on your bank's margins on riskier loans												
A) Cost of funds and balance sheet constraints												
Your bank’s capital and the costs related to your bank’s capital position	0	1	98	0	0	1	4	1	2	1	2.96	2.99
Your bank’s ability to access market financing	0	0	97	1	0	2	2	0	1	0	2.98	3.01
Your bank’s liquidity position	0	0	99	0	0	1	1	0	0	0	2.99	3.00
B) Pressure from competition												
Competition from other banks	0	1	92	6	0	2	1	-5	0	-3	2.99	3.05
Competition from non-banks	0	0	97	1	0	2	1	-1	0	-1	2.99	3.01
Competition from market financing	0	0	98	0	0	2	0	0	0	0	3.00	3.00
C) Perception of risk												
General economic situation and outlook	0	11	88	0	0	1	14	10	7	5	2.86	2.89
Industry or firm-specific situation and outlook/borrower's creditworthiness	0	8	91	0	0	1	11	8	6	4	2.87	2.92
Risk related to the collateral demanded	0	3	96	0	0	1	2	3	1	1	2.98	2.97
D) Your bank's risk tolerance												
Your bank's risk tolerance	0	1	98	0	0	1	6	1	3	1	2.94	2.99

1) The factors refer to the same sub-factors as in question 2. Detailed sub-factors were introduced in April 2022.
2) “NA” (not applicable) does not include banks which do not have any business in or exposure to the respective lending category.
Notes: The net percentage (NetP) is defined as the difference between the sum of banks responding “--” (contributed considerably to tightening) and “-” (contributed somewhat to tightening), and the sum of banks responding “+” (contributed somewhat to easing) and “++” (contributed considerably to easing). “°” means “contributed to keeping credit terms and conditions basically unchanged”. The diffusion index (DI) is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered “considerably” a weight twice as high (score of 1) as lenders having answered “somewhat” (score of 0.5). The mean of the banks’ responses is calculated using weights from 1 to 5 for the five possible response options.

Question 5

Over the past three months (apart from normal seasonal fluctuations), has the share of formal and informal enterprise loan applications[1] that were completely rejected[2] by your bank increased, remained unchanged or decreased (loan volume, relative to the total volume of loan applications in that loan category)?

(in percentages, unless otherwise stated)

	Share of rejected applications					
	Overall		Loans to small and medium-sized enterprises		Loans to large enterprises	
	Jan 24	Apr 24	Jan 24	Apr 24	Jan 24	Apr 24
Decreased considerably	0	0	0	0	0	0
Decreased somewhat	1	1	1	3	0	0
Remained basically unchanged	85	94	79	89	90	95
Increased somewhat	13	4	17	5	9	4
Increased considerably	0	0	0	0	0	0
NA[3]	1	1	3	3	1	1
Total	100	100	100	100	100	100
Net percentage	**12**	**3**	**16**	**2**	**9**	**4**
Diffusion index	6	1	8	1	5	2
Mean	3.12	3.03	3.17	3.02	3.09	3.04
Number of banks responding	148	148	143	143	144	144

1) See Glossary for Loan application.
2) See Glossary for Loan rejection.
3) “NA” (not applicable) does not include banks which do not have any business in or exposure to the respective lending category.
Notes: Additional breakdowns were introduced in April 2022. The net percentage is defined as the difference between the sum of banks responding “increased considerably” and “increased somewhat”, and the sum of banks responding “decreased somewhat” and “decreased considerably”. The diffusion index is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered “considerably” a weight twice as high (score of 1) as lenders having answered “somewhat” (score of 0.5). The mean of the banks’ responses is calculated using weights from 1 to 5 for the five possible response options. The number of banks responding refers to all participating banks which have business in or exposure to the respective lending category.

Question 6

Over the past three months (apart from normal seasonal fluctuations), how has the demand for loans[1] or credit lines[2] to enterprises changed at your bank? Please refer to the financing need of enterprises independent of whether this need will result in a loan or not.

(in percentages, unless otherwise stated)

	Overall		Loans to small and medium-sized enterprises		Loans to large enterprises		Short-term loans		Long-term loans	
	Jan 24	Apr 24	Jan 24	Apr 24	Jan 24	Apr 24	Jan 24	Apr 24	Jan 24	Apr 24
Decreased considerably	2	0	3	1	2	0	1	0	2	1
Decreased somewhat	26	33	25	29	20	28	18	17	27	33
Remained basically unchanged	64	62	60	61	71	66	68	73	64	62
Increased somewhat	8	5	10	6	7	5	8	5	7	4
Increased considerably	0	1	0	1	0	0	0	1	0	1
NA[3]	0	0	2	2	0	0	4	4	0	0
Total	100	100	100	100	100	100	100	100	100	100
Net percentage	**-20**	**-28**	**-17**	**-24**	**-15**	**-23**	**-11**	**-11**	**-22**	**-29**
Diffusion index	-11	-14	-10	-12	-8	-12	-6	-5	-12	-15
Mean	2.79	2.73	2.79	2.74	2.83	2.77	2.88	2.88	2.76	2.71
Number of banks responding	148	148	143	143	144	144	148	148	148	148

1) See Glossary for Demand for loans.
2) See Glossary for Credit line.
3) "NA" (not applicable) does not include banks which do not have any business in or exposure to the respective lending category.
Notes: The net percentage is defined as the difference between the sum of banks responding "increased considerably" and "increased somewhat" , and the sum of banks responding "decreased somewhat" and "decreased considerably". The diffusion index is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered "considerably" a weight twice as high (score of 1) as lenders having answered "somewhat" (score of 0.5). The mean of the banks' responses is calculated using weights from 1 to 5 for the five possible response options. The number of banks responding refers to all participating banks which have business in or exposure to the respective lending category.

Question 7

Over the past three months, how have the following factors affected the overall demand for loans or credit lines to enterprises?

(in percentages, unless otherwise stated)

Overall

	--	-	°	+	++	NA[2]	NetP Jan 24	NetP Apr 24	DI Jan 24	DI Apr 24	Mean Jan 24	Mean Apr 24
A) Financing needs/underlying drivers or purpose of loan demand												
Fixed investment	0	24	73	3	0	0	-20	-21	-11	-11	2.78	2.79
Inventories and working capital	0	4	89	5	0	1	2	1	1	0	3.02	3.01
Mergers/acquisitions and corporate restructuring	0	9	88	1	0	2	-1	-8	-1	-4	2.99	2.92
General level of interest rates	1	18	79	1	0	0	-31	-18	-18	-10	2.65	2.81
Debt refinancing/restructuring and renegotiation[1]	0	2	90	8	0	0	5	6	3	3	3.05	3.06
B) Use of alternative finance												
Internal financing	0	9	89	2	0	0	-7	-7	-3	-3	2.93	2.93
Loans from other banks	0	1	99	0	0	0	-3	-1	-1	0	2.97	2.99
Loans from non-banks	0	1	99	0	0	0	1	-1	0	-1	3.01	2.99
Issuance/redemption of debt securities	0	0	92	1	0	6	-4	1	-2	0	2.96	3.01
Issuance/redemption of equity	0	1	91	0	0	8	-4	-1	-2	-1	2.96	2.99

Small and medium-sized enterprises

	--	-	°	+	++	NA[2]	NetP Jan 24	NetP Apr 24	DI Jan 24	DI Apr 24	Mean Jan 24	Mean Apr 24
A) Financing needs/underlying drivers or purpose of loan demand												
Fixed investment	1	25	67	5	0	2	-19	-20	-11	-10	2.78	2.78
Inventories and working capital	0	3	87	7	0	3	3	3	1	2	3.03	3.04
Mergers/acquisitions and corporate restructuring	0	5	89	1	0	6	0	-4	0	-2	3.00	2.96
General level of interest rates	2	14	78	4	0	2	-31	-12	-18	-7	2.63	2.86
Debt refinancing/restructuring and renegotiation[1]	0	0	92	6	0	2	4	6	2	3	3.04	3.06
B) Use of alternative finance												
Internal financing	0	7	88	2	0	2	-7	-5	-4	-3	2.92	2.95
Loans from other banks	0	1	97	0	0	2	-3	-1	-2	-1	2.96	2.99
Loans from non-banks	0	0	98	0	0	2	1	0	0	0	3.01	3.00
Issuance/redemption of debt securities	0	1	91	0	0	8	-1	-1	0	0	2.99	2.99
Issuance/redemption of equity	0	0	90	0	0	10	-1	0	0	0	2.99	3.00

Large enterprises

	--	-	°	+	++	NA[2]	NetP Jan 24	NetP Apr 24	DI Jan 24	DI Apr 24	Mean Jan 24	Mean Apr 24
A) Financing needs/underlying drivers or purpose of loan demand												
Fixed investment	0	20	76	3	0	0	-19	-17	-11	-9	2.78	2.82
Inventories and working capital	0	4	90	5	0	1	1	1	1	1	3.01	3.01
Mergers/acquisitions and corporate restructuring	0	9	89	1	0	1	-4	-9	-2	-4	2.96	2.91
General level of interest rates	1	15	81	1	1	0	-29	-14	-16	-7	2.67	2.85
Debt refinancing/restructuring and renegotiation[1]	0	2	91	7	0	0	3	5	2	2	3.03	3.05
B) Use of alternative finance												
Internal financing	0	9	89	2	0	0	-3	-7	-1	-3	2.97	2.93
Loans from other banks	0	0	100	0	0	0	-1	0	0	0	2.99	3.00
Loans from non-banks	0	2	98	0	0	0	1	-2	0	-1	3.01	2.98
Issuance/redemption of debt securities	0	1	92	1	0	5	-2	0	-1	0	2.98	3.00
Issuance/redemption of equity	0	2	92	0	0	6	-4	-2	-2	-1	2.96	2.98

1) See Glossary for Debt refinancing/restructuring and renegotiation.
2) "NA" (not applicable) does not include banks which do not have any business in or exposure to the respective lending category.
Notes: Additional breakdowns were introduced in April 2022. The net percentage (NetP) is defined as the difference between the sum of banks responding "++" (contributed considerably to higher demand) and "+" (contributed somewhat to higher demand), and the sum of banks responding "-" (contributed somewhat to lower demand) and "--" (contributed considerably to lower demand). "°" means "contributed to keeping demand basically unchanged". The diffusion index (DI) is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered "considerably" a weight twice as high (score of 1) as lenders having answered "somewhat" (score of 0.5). The mean of the banks' responses is calculated using weights from 1 to 5 for the five possible response options.

Question 8

Please indicate how you expect your bank's credit standards as applied to the approval of loans or credit lines to enterprises to change over the next three months. Please note that we are asking about the change in credit standards, rather than about their level.

(in percentages, unless otherwise stated)

	Overall		Loans to small and medium-sized enterprises		Loans to large enterprises		Short-term loans		Long-term loans	
	Jan 24	Apr 24	Jan 24	Apr 24	Jan 24	Apr 24	Jan 24	Apr 24	Jan 24	Apr 24
Tighten considerably	0	0	0	0	0	0	0	0	0	0
Tighten somewhat	10	7	11	8	13	7	9	5	11	7
Remain basically unchanged	89	92	86	90	86	92	86	90	88	92
Ease somewhat	1	1	1	0	1	1	1	0	1	1
Ease considerably	0	0	0	0	0	0	0	0	0	0
NA[1]	0	0	2	2	0	0	4	4	0	0
Total	100	100	100	100	100	100	100	100	100	100
Net percentage	**9**	**6**	**10**	**8**	**12**	**6**	**9**	**5**	**10**	**6**
Diffusion index	5	3	5	4	6	3	4	2	5	3
Mean	2.91	2.94	2.90	2.92	2.88	2.94	2.91	2.95	2.90	2.94
Number of banks responding	148	148	143	143	144	144	148	148	148	148

1) "NA" (not applicable) does not include banks which do not have any business in or exposure to the respective lending category.

Notes: The net percentage is defined as the difference between the sum of the percentages for "tighten considerably" and "tighten somewhat", and the sum of the percentages for "ease somewhat" and "ease considerably". The diffusion index is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered "considerably" a weight twice as high (score of 1) as lenders having answered "somewhat" (score of 0.5). The mean of the banks' responses is calculated using weights from 1 to 5 for the five possible response options. The number of banks responding refers to all participating banks which have business in or exposure to the respective lending category.

Question 9

Please indicate how you expect demand for loans or credit lines to enterprises to change at your bank over the next three months (apart from normal seasonal fluctuations)? Please refer to the financing need of enterprises independent of whether this need will result in a loan or not.

(in percentages, unless otherwise stated)

	Overall		Loans to small and medium-sized enterprises		Loans to large enterprises		Short-term loans		Long-term loans	
	Jan 24	Apr 24	Jan 24	Apr 24	Jan 24	Apr 24	Jan 24	Apr 24	Jan 24	Apr 24
Decrease considerably	0	0	1	0	0	0	0	0	0	0
Decrease somewhat	8	11	10	12	6	8	7	7	8	11
Remain basically unchanged	81	82	81	81	85	85	82	84	81	82
Increase somewhat	10	7	6	5	8	7	7	5	11	6
Increase considerably	0	0	0	0	0	0	0	0	0	0
NA[1]	0	0	2	2	0	0	4	4	0	0
Total	100	100	100	100	100	100	100	100	100	100
Net percentage	**2**	**-4**	**-4**	**-7**	**2**	**-1**	**0**	**-2**	**2**	**-5**
Diffusion index	1	-2	-2	-4	1	-1	0	-1	1	-3
Mean	3.02	2.96	2.95	2.93	3.02	2.99	3.00	2.97	3.02	2.95
Number of banks responding	148	148	143	143	144	144	148	148	148	148

1) “NA” (not applicable) does not include banks which do not have any business in or exposure to the respective lending category.

Notes: The net percentage is defined as the difference between the sum of the percentages for “increase considerably” and “increase somewhat”, and the sum of the percentages for “decrease somewhat” and “decrease considerably”. The diffusion index is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered “considerably” a weight twice as high (score of 1) as lenders having answered “somewhat” (score of 0.5). The mean of the banks’ responses is calculated using weights from 1 to 5 for the five possible response options. The number of banks responding refers to all participating banks which have business in or exposure to the respective lending category.

Loans to households

Question 10

Over the past three months, how have your bank's credit standards[1] as applied to the approval of loans[2] to households[3] changed? Please note that we are asking about the change in credit standards, rather than about their level.

(in percentages, unless otherwise stated)

	Loans for house purchase		Consumer credit and other lending[4]	
	Jan 24	Apr 24	Jan 24	Apr 24
Tightened considerably	1	0	0	0
Tightened somewhat	2	5	11	10
Remained basically unchanged	96	85	89	88
Eased somewhat	1	11	0	1
Eased considerably	0	0	0	0
NA[5]	0	0	0	0
Total	100	100	100	100
Net percentage	**2**	**-6**	**11**	**9**
Diffusion index	1	-3	6	4
Mean	2.98	3.06	2.88	2.91
Number of banks responding	138	137	145	144

1) See Glossary for Credit standards.
2) See Glossary for Loans.
3) See Glossary for Households.
4) See Glossary for Consumer credit and other lending.
5) "NA" (not applicable) does not include banks which do not have any business in or exposure to the respective lending category.
Notes: The net percentage is defined as the difference between the sum of the percentages for "tightened considerably" and "tightened somewhat", and the sum of the percentages for "eased somewhat" and "eased considerably". The diffusion index is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered "considerably" a weight twice as high (score of 1) as lenders having answered "somewhat" (score of 0.5). The mean of the banks' responses is calculated using weights from 1 to 5 for the five possible response options. The number of banks responding refers to all participating banks which have business in or exposure to the respective lending category.

Question 11

Over the past three months, how have the following factors affected your bank's credit standards as applied to the approval of loans to households for house purchase?

(in percentages, unless otherwise stated)

	--	-	°	+	++	NA[8]	NetP Jan 24	NetP Apr 24	DI Jan 24	DI Apr 24	Mean Jan 24	Mean Apr 24
A) Cost of funds and balance sheet constraints[1]												
Your bank's capital and the costs related to your bank's capital position[2]	0	0	100	0	0	0	1	0	1	0	2.99	3.00
Your bank's ability to access market financing[3]	0	0	98	0	0	2	1	0	0	0	2.99	3.00
Your bank's liquidity position	0	0	98	1	0	1	0	-1	0	-1	3.00	3.01
B) Pressure from competition												
Competition from other banks	0	0	90	8	1	1	-2	-9	-1	-5	3.02	3.11
Competition from non-banks[4]	0	0	97	0	1	1	0	-1	0	-1	3.00	3.03
C) Perception of risk[5]												
General economic situation and outlook	0	3	97	0	0	0	4	3	2	1	2.96	2.97
Housing market prospects, including expected house price developments[6]	0	3	94	3	0	0	4	-1	2	0	2.96	3.01
Borrower's creditworthiness[7]	0	1	99	0	0	0	1	1	0	1	2.99	2.99
D) Your bank's risk tolerance[5]												
Your bank's risk tolerance	0	0	96	4	0	0	1	-4	1	-2	2.99	3.04

1) See Glossary for Cost of funds and balance sheet constraints. Detailed sub-factors were introduced in April 2022.
2) Can involve the use of credit derivatives, with the loans remaining on the bank's balance sheet.
3) Involves the sale of loans from the bank's balance sheet, i.e. off-balance sheet funding.
4) See Glossary for Non-banks.
5) See Glossary for Perception of risk and risk tolerance.
6) See Glossary for Housing market prospects, including expected house price developments.
7) Risks related to non-performing loans may be reflected not only in the "borrower's creditworthiness", but also in the bank's "cost of funds and balance sheet constraints".
8) "NA" (not applicable) does not include banks which do not have any business in or exposure to the respective lending category.
Notes: The net percentage (NetP) is defined as the difference between the sum of banks responding "--" (contributed considerably to tightening) and "-" (contributed somewhat to tightening), and the sum of banks responding "+" (contributed somewhat to easing) and "++" (contributed considerably to easing). "°" means "contributed to basically unchanged credit standards". The diffusion index (DI) is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered "considerably" a weight twice as high (score of 1) as lenders having answered "somewhat" (score of 0.5). The mean of the banks' responses is calculated using weights from 1 to 5 for the five possible response options.

Question 12

Over the past three months, how have your bank's terms and conditions[1] for new loans to households for house purchase changed?

(in percentages, unless otherwise stated)

	--	-	°	+	++	NA[6]	NetP		DI		Mean	
							Jan 24	Apr 24	Jan 24	Apr 24	Jan 24	Apr 24
A) Overall terms and conditions												
Overall terms and conditions	0	2	89	9	0	0	-4	-7	-2	-3	3.03	3.07
B) Interest rates and margins												
Your bank's lending rates	0	4	70	25	1	0	-	-23	-	-12	-	3.24
Your bank's loan margin on average loans[2]	0	11	79	10	1	0	1	0	1	-1	2.98	3.01
Your bank's loan margin on riskier loans	0	8	85	4	0	2	10	4	6	2	2.89	2.96
C) Other terms and conditions												
Collateral[3] requirements	0	0	100	0	0	0	1	0	1	0	2.99	3.00
"Loan-to-value" ratio[4]	0	0	99	1	0	0	2	-1	1	-1	2.97	3.01
Other loan size limits	0	1	99	0	0	0	-3	1	-2	0	3.03	2.99
Maturity	0	0	99	1	0	0	0	-1	0	0	3.00	3.01
Non-interest rate charges[5]	0	0	100	0	0	0	3	0	1	0	2.97	3.00

1) See Glossary for Credit terms and conditions.
2) See Glossary for Loan margin/spread over a relevant market reference rate.
3) See Glossary for Collateral.
4) See Glossary for Loan-to-value ratio.
5) See Glossary for Non-interest rate charges.
6) "NA" (not applicable) does not include banks which do not have any business in or exposure to the respective lending category.
Notes: The subitem for banks' lending rates was introduced in April 2024. The net percentage (NetP) is defined as the difference between the sum of banks responding "--" (tightened considerably) and "-" (tightened somewhat), and the sum of banks responding "+" (eased somewhat) and "++" (eased considerably). "°" means "remained basically unchanged". The diffusion index (DI) is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered "considerably" a weight twice as high (score of 1) as lenders having answered "somewhat" (score of 0.5). The mean of the banks' responses is calculated using weights from 1 to 5 for the five possible response options.

Question 13

Over the past three months, how have the following factors[1] affected your bank's credit terms and conditions as applied to new loans to households for house purchase?

(in percentages, unless otherwise stated)

	--	-	°	+	++	NA[2]	NetP Jan 24	NetP Apr 24	DI Jan 24	DI Apr 24	Mean Jan 24	Mean Apr 24
Overall impact on your bank's credit terms and conditions												
A) Cost of funds and balance sheet constraints												
Your bank's capital and the costs related to your bank's capital position	0	1	96	3	0	0	-	-2	-	-1	-	3.02
Your bank's ability to access market financing	0	1	97	1	0	1	-	0	-	0	-	3.00
Your bank's liquidity position	0	0	100	0	0	0	-	0	-	0	-	3.00
B) Pressure from competition												
Pressure from competition	0	4	81	15	0	0	-13	-11	-6	-6	3.12	3.11
C) Perception of risk												
Perception of risk	0	1	99	0	0	0	0	1	0	1	3.00	2.99
D) Your bank's risk tolerance												
Your bank's risk tolerance	0	0	100	0	0	0	1	0	0	0	2.99	3.00
Impact on your bank's margins on average loans												
A) Cost of funds and balance sheet constraints												
Your bank's capital and the costs related to your bank's capital position	0	1	93	6	0	0	-	-4	-	-2	-	3.04
Your bank's ability to access market financing	0	1	97	1	0	1	-	0	-	0	-	3.00
Your bank's liquidity position	0	0	100	0	0	0	-	0	-	0	-	3.00
B) Pressure from competition												
Pressure from competition	0	4	78	18	0	0	-15	-14	-7	-7	3.14	3.14
C) Perception of risk												
Perception of risk	0	0	100	0	0	0	1	0	1	0	2.99	3.00
D) Your bank's risk tolerance												
Your bank's risk tolerance	0	0	100	0	0	0	1	0	1	0	2.99	3.00
Impact on your bank's margins on riskier loans												
A) Cost of funds and balance sheet constraints												
Your bank's capital and the costs related to your bank's capital position	0	1	94	3	0	2	-	-2	-	-1	-	3.02
Your bank's ability to access market financing	0	1	95	1	0	3	-	0	-	0	-	3.00
Your bank's liquidity position	0	0	98	0	0	2	-	0	-	0	-	3.00
B) Pressure from competition												
Pressure from competition	0	7	85	6	0	2	1	1	1	0	2.98	2.99
C) Perception of risk												
Perception of risk	0	0	98	0	0	2	3	0	1	0	2.97	3.00
D) Your bank's risk tolerance												
Your bank's risk tolerance	0	0	98	0	0	2	4	0	2	0	2.96	3.00

1) The factors refer to the same sub-factors as in question 11.
2) "NA" (not applicable) does not include banks which do not have any business in or exposure to the respective lending category.
Notes: For A), detailed sub-factors were introduced in April 2024. The net percentage (NetP) is defined as the difference between the sum of banks responding "--" (contributed considerably to tightening) and "-" (contributed somewhat to tightening), and the sum of banks responding "+" (contributed somewhat to easing) and "++" (contributed considerably to easing). "°" means "contributed to keeping credit terms and conditions basically unchanged". The diffusion index (DI) is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered "considerably" a weight twice as high (score of 1) as lenders having answered "somewhat" (score of 0.5). The mean of the banks' responses is calculated using weights from 1 to 5 for the five possible response options.

Question 14

Over the past three months, how have the following factors affected your bank's credit standards as applied to the approval of consumer credit and other lending to households?

(in percentages, unless otherwise stated)

	--	-	°	+	++	NA[2]	NetP		DI		Mean	
							Jan 24	Apr 24	Jan 24	Apr 24	Jan 24	Apr 24
A) Cost of funds and balance sheet constraints												
Your bank's capital and the costs related to your bank's capital position	0	2	98	0	0	0	2	2	1	1	2.98	2.98
Your bank's ability to access market financing	0	1	97	0	0	2	1	1	1	0	2.99	2.99
Your bank's liquidity position	0	0	99	0	0	1	0	0	0	0	3.00	3.00
B) Pressure from competition												
Competition from other banks	0	0	99	0	0	1	-1	0	0	0	3.01	3.00
Competition from non-banks	0	0	99	0	0	1	0	0	0	0	3.00	3.00
C) Perception of risk												
General economic situation and outlook	0	9	91	0	0	0	8	9	4	4	2.92	2.91
Creditworthiness of consumers[1]	0	11	89	0	0	0	7	11	4	5	2.93	2.89
Risk on the collateral demanded	0	0	92	0	0	8	1	0	0	0	2.99	3.00
D) Your bank's risk tolerance												
Your bank's risk tolerance	0	3	95	1	0	0	6	2	3	1	2.94	2.98

1) Risks related to non-performing loans may be reflected not only in the "creditworthiness of consumers", but also in the bank's "cost of funds and balance sheet constraints".
2) "NA" (not applicable) does not include banks which do not have any business in or exposure to the respective lending category.
Notes: For A), detailed sub-factors were introduced in April 2022. The net percentage (NetP) is defined as the difference between the sum of banks responding "--" (contributed considerably to tightening) and "-" (contributed somewhat to tightening), and the sum of banks responding "+" (contributed somewhat to easing) and "++" (contributed considerably to easing). "°" means "contributed to basically unchanged credit standards". The diffusion index (DI) is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered "considerably" a weight twice as high (score of 1) as lenders having answered "somewhat" (score of 0.5). The mean of the banks' responses is calculated using weights from 1 to 5 for the five possible response options.

Question 15

Over the past three months, how have your bank’s terms and conditions for new consumer credit and other lending to households changed?

(in percentages, unless otherwise stated)

	--	-	°	+	++	NA[1]	NetP Jan 24	NetP Apr 24	DI Jan 24	DI Apr 24	Mean Jan 24	Mean Apr 24
A) Overall terms and conditions												
Overall terms and conditions	0	8	92	0	0	0	7	8	4	4	2.93	2.92
B) Interest rates and margins												
Your bank's lending rates	0	10	79	11	0	0	-	-1	-	0	-	3.01
Your bank’s loan margin on average loans	0	10	87	3	0	0	9	7	4	3	2.91	2.93
Your bank’s loan margin on riskier loans	0	10	88	0	0	1	12	10	6	5	2.88	2.90
C) Other terms and conditions												
Collateral requirements	0	1	90	0	0	9	1	1	0	0	2.99	2.99
Size of the loan	0	2	98	0	0	0	1	2	1	1	2.99	2.98
Maturity	0	1	99	0	0	0	0	1	0	1	3.00	2.99
Non-interest rate charges	0	0	95	0	0	4	0	0	0	0	3.00	3.00

1) “NA” (not applicable) does not include banks which do not have any business in or exposure to the respective lending category.

Notes: The subitem for banks’ lending rates was introduced in April 2024. The net percentage (NetP) is defined as the difference between the sum of banks responding “--” (tightened considerably) and “-” (tightened somewhat), and the sum of banks responding “+” (eased somewhat) and “++” (eased considerably). “°” means “remained basically unchanged”. The diffusion index (DI) is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered “considerably” a weight twice as high (score of 1) as lenders having answered “somewhat” (score of 0.5). The mean of the banks’ responses is calculated using weights from 1 to 5 for the five possible response options.

Question 16

Over the past three months, how have the following factors[1] affected your bank's credit terms and conditions as applied to new consumer credit and other lending to households?

(in percentages, unless otherwise stated)

	--	-	°	+	++	NA[2]	NetP Jan 24	NetP Apr 24	DI Jan 24	DI Apr 24	Mean Jan 24	Mean Apr 24
Overall impact on your bank's credit terms and conditions												
A) Cost of funds and balance sheet constraints												
Your bank's capital and the costs related to your bank's capital position	0	2	98	0	0	0	-	2	-	1	-	2.98
Your bank's ability to access market financing	0	3	96	0	0	1	-	3	-	1	-	2.97
Your bank's liquidity position	0	0	100	0	0	0	-	0	-	0	-	3.00
B) Pressure from competition												
Pressure from competition	0	2	94	3	0	1	-3	-1	-1	-1	3.03	3.01
C) Perception of risk												
Perception of risk	0	10	89	1	0	0	4	9	2	5	2.96	2.91
D) Your bank's risk tolerance												
Your bank's risk tolerance	0	7	93	0	0	0	5	7	2	3	2.95	2.93
Impact on your bank's margins on average loans												
A) Cost of funds and balance sheet constraints												
Your bank's capital and the costs related to your bank's capital position	0	1	99	0	0	0	-	1	-	1	-	2.99
Your bank's ability to access market financing	0	3	95	1	0	1	-	2	-	1	-	2.98
Your bank's liquidity position	0	0	100	0	0	0	-	0	-	0	-	3.00
B) Pressure from competition												
Pressure from competition	0	2	91	6	0	1	-5	-4	-2	-2	3.05	3.04
C) Perception of risk												
Perception of risk	0	7	92	1	0	0	4	6	2	3	2.96	2.94
D) Your bank's risk tolerance												
Your bank's risk tolerance	0	5	95	0	0	0	5	5	2	2	2.95	2.95
Impact on your bank's margins on riskier loans												
A) Cost of funds and balance sheet constraints												
Your bank's capital and the costs related to your bank's capital position	0	1	98	0	0	1	-	1	-	1	-	2.99
Your bank's ability to access market financing	0	3	95	0	0	2	-	3	-	1	-	2.97
Your bank's liquidity position	0	0	99	0	0	1	-	0	-	0	-	3.00
B) Pressure from competition												
Pressure from competition	0	4	93	1	0	2	3	3	1	1	2.97	2.97
C) Perception of risk												
Perception of risk	0	9	89	1	0	1	6	8	3	4	2.94	2.92
D) Your bank's risk tolerance												
Your bank's risk tolerance	0	6	93	0	0	1	7	6	4	3	2.93	2.94

1) The factors refer to the same sub-factors as in question 14.
2) "NA" (not applicable) does not include banks which do not have any business in or exposure to the respective lending category.
Notes: For A), detailed sub-factors were introduced in April 2024. The net percentage (NetP) is defined as the difference between the sum of banks responding "--" (contributed considerably to tightening) and "-" (contributed somewhat to tightening), and the sum of banks responding "+" (contributed somewhat to easing) and "++" (contributed considerably to easing). "°" means "contributed to keeping credit terms and conditions basically unchanged". The diffusion index (DI) is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered "considerably" a weight twice as high (score of 1) as lenders having answered "somewhat" (score of 0.5). The mean of the banks' responses is calculated using weights from 1 to 5 for the five possible response options.

Question 17

Over the past three months (apart from normal seasonal fluctuations), has the share of formal and informal household loan applications[1] that were completely rejected[2] by your bank increased, remained unchanged or decreased (loan volume, relative to the total volume of loan applications in that loan category)?

(in percentages, unless otherwise stated)

	Loans for house purchase		Consumer credit and other lending	
	Jan 24	Apr 24	Jan 24	Apr 24
Decreased considerably	0	0	0	0
Decreased somewhat	1	0	2	4
Remained basically unchanged	91	96	87	86
Increased somewhat	6	2	10	10
Increased considerably	1	1	0	0
NA[3]	1	1	1	1
Total	100	100	100	100
Net percentage	**6**	**3**	**8**	**6**
Diffusion index	3	2	4	3
Mean	3.06	3.04	3.08	3.06
Number of banks responding	138	137	145	144

1) See Glossary for Loan application.
2) See Glossary for Loan rejection.
3) “NA” (not applicable) does not include banks which do not have any business in or exposure to the respective lending category.
Notes:The net percentage is defined as the difference between the sum of banks responding “increased considerably” and “increased somewhat”, and the sum of banks responding “decreased somewhat” and “decreased considerably”. The diffusion index is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered “considerably” a weight twice as high (score of 1) as lenders having answered “somewhat” (score of 0.5). The mean of the banks’ responses is calculated using weights from 1 to 5 for the five possible response options. The number of banks responding refers to all participating banks which have business in or exposure to the respective lending category.

Question 18

Over the past three months (apart from normal seasonal fluctuations), how has the demand for loans[1] to households changed at your bank? Please refer to the financing need of households independent of whether this need will result in a loan or not.

(in percentages, unless otherwise stated)

	Loans for house purchase		Consumer credit and other lending	
	Jan 24	Apr 24	Jan 24	Apr 24
Decreased considerably	7	1	0	0
Decreased somewhat	32	33	11	10
Remained basically unchanged	49	35	85	79
Increased somewhat	12	29	4	11
Increased considerably	0	2	0	0
NA[2]	0	0	0	0
Total	100	100	100	100
Net percentage	**-26**	**-3**	**-7**	**1**
Diffusion index	-17	-1	-4	1
Mean	2.66	2.98	2.93	3.01
Number of banks responding	138	137	145	144

1) See Glossary for Demand for loans.
2) “NA” (not applicable) does not include banks which do not have any business in or exposure to the respective lending category.
Notes: The net percentage is defined as the difference between the sum of banks responding “increased considerably” and “increased somewhat”, and the sum of banks responding “decreased somewhat” and “decreased considerably”. The diffusion index is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered “considerably” a weight twice as high (score of 1) as lenders having answered “somewhat” (score of 0.5). The mean of the banks’ responses is calculated using weights from 1 to 5 for the five possible response options. The number of banks responding refers to all participating banks which have business in or exposure to the respective lending category.

Question 19

Over the past three months, how have the following factors affected the demand for loans to households for house purchase?

(in percentages, unless otherwise stated)

	--	-	°	+	++	NA[4]	NetP		DI		Mean	
							Jan 24	Apr 24	Jan 24	Apr 24	Jan 24	Apr 24
A) Financing needs/underlying drivers or purpose of loan demand												
Housing market prospects, including expected house price developments	0	36	51	13	0	0	-23	-24	-12	-12	2.77	2.76
Consumer confidence[1]	0	16	77	7	0	0	-20	-10	-10	-5	2.80	2.90
General level of interest rates	1	27	51	20	1	0	-39	-7	-23	-4	2.55	2.93
Debt refinancing/restructuring and renegotiation[2]	0	1	98	0	0	0	-3	-1	-1	-1	2.97	2.99
Regulatory and fiscal regime of housing markets	0	3	95	2	0	0	-1	0	0	0	2.99	3.00
B) Use of alternative sources for housing finance												
Internal finance of house purchase out of savings/down payment[3]	0	4	95	1	0	0	-4	-3	-2	-1	2.96	2.97
Loans from other banks	0	5	94	1	0	0	-2	-3	-1	-2	2.97	2.97
Other sources of external finance	0	2	98	0	0	0	-2	-2	-1	-1	2.98	2.98

1) See Glossary for Consumer confidence.
2) See Glossary for Debt refinancing/restructuring and renegotiation.
3) See Glossary for Down payment.
4) “NA” (not applicable) does not include banks which do not have any business in or exposure to the respective lending category.
Notes: The net percentage (NetP) is defined as the difference between the sum of banks responding “++” (contributed considerably to higher demand) and “+” (contributed somewhat to higher demand), and the sum of banks responding “-” (contributed somewhat to lower demand) and “--” (contributed considerably to lower demand). “°” means “contributed to keeping demand basically unchanged”. The diffusion index (DI) is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered “considerably” a weight twice as high (score of 1) as lenders having answered “somewhat” (score of 0.5). The mean of the banks’ responses is calculated using weights from 1 to 5 for the five possible response options.

Question 20

Over the past three months, how have the following factors affected the demand for consumer credit and other lending to households?

(in percentages, unless otherwise stated)

	--	-	°	+	++	NA[2]	NetP Jan 24	NetP Apr 24	DI Jan 24	DI Apr 24	Mean Jan 24	Mean Apr 24
A) Financing needs/underlying drivers or purpose of loan demand												
Spending on durable consumer goods	0	7	86	7	0	0	-1	0	0	0	3.00	3.00
Consumer confidence	0	5	92	3	0	0	-9	-2	-5	-1	2.91	2.98
General level of interest rates	0	6	91	3	0	0	-12	-3	-6	-2	2.88	2.97
Consumption expenditure financed through real-estate guaranteed loans[1]	0	1	83	0	0	16	1	-1	0	-1	3.01	2.98
B) Use of alternative finance												
Internal finance out of savings	0	3	96	1	0	0	-2	-2	-1	-1	2.98	2.98
Loans from other banks	0	2	98	0	0	0	-1	-2	0	-1	2.99	2.98
Other sources of external finance	0	0	100	0	0	0	0	0	0	0	3.00	3.00

1) Consumption expenditure financed through real-estate guaranteed loans

2) “NA” (not applicable) does not include banks which do not have any business in or exposure to the respective lending category.

Notes: The net percentage (NetP) is defined as the difference between the sum of banks responding “++” (contributed considerably to higher demand) and “+” (contributed somewhat to higher demand), and the sum of banks responding “-” (contributed somewhat to lower demand) and “--” (contributed considerably to lower demand). “°” means “contributed to keeping demand basically unchanged”. The diffusion index (DI) is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered “considerably” a weight twice as high (score of 1) as lenders having answered “somewhat” (score of 0.5). The mean of the banks’ responses is calculated using weights from 1 to 5 for the five possible response options.

Question 21

Please indicate how you expect your bank’s credit standards as applied to the approval of loans to households to change over the next three months. Please note that we are asking about the change in credit standards, rather than about their level.

(in percentages, unless otherwise stated)

	Loans for house purchase		Consumer credit and other lending	
	Jan 24	Apr 24	Jan 24	Apr 24
Tighten considerably	0	0	0	1
Tighten somewhat	14	4	11	2
Remain basically unchanged	81	93	89	93
Ease somewhat	5	4	0	4
Ease considerably	0	0	0	0
NA[1]	0	0	0	0
Total	100	100	100	100
Net percentage	**8**	**0**	**11**	**0**
Diffusion index	4	0	5	1
Mean	2.92	3.00	2.89	2.99
Number of banks responding	138	137	145	144

1) “NA” (not applicable) does not include banks which do not have any business in or exposure to the respective lending category.

Notes: The net percentage is defined as the difference between the sum of the percentages for “tightened considerably” and “tightened somewhat”, and the sum of the percentages for “eased somewhat” and “eased considerably”. The diffusion index is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered “considerably” a weight twice as high (score of 1) as lenders having answered “somewhat” (score of 0.5). The mean of the banks’ responses is calculated using weights from 1 to 5 for the five possible response options. The number of banks responding refers to all participating banks which have business in or exposure to the respective lending category.

Question 22

Please indicate how you expect demand for loans to households to change over the next three months at your bank (apart from normal seasonal fluctuations). Please refer to the financing need of households independent of whether this need will result in a loan or not.

(in percentages, unless otherwise stated)

	Loans for house purchase		Consumer credit and other lending	
	Jan 24	Apr 24	Jan 24	Apr 24
Decrease considerably	0	0	0	0
Decrease somewhat	10	3	9	1
Remain basically unchanged	74	73	88	92
Increase somewhat	16	25	3	7
Increase considerably	0	0	0	0
NA[1]	0	0	0	0
Total	100	100	100	100
Net percentage	**5**	**22**	**-6**	**6**
Diffusion index	3	11	-3	3
Mean	3.05	3.22	2.94	3.06
Number of banks responding	138	137	145	144

1) “NA” (not applicable) does not include banks which do not have any business in or exposure to the respective lending category.

Notes: The net percentage is defined as the difference between the sum of the percentages for “increase considerably” and “increase somewhat”, and the sum of the percentages for “decrease somewhat” and “decrease considerably”. The diffusion index is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered “considerably” a weight twice as high (score of 1) as lenders having answered “somewhat” (score of 0.5). The mean of the banks’ responses is calculated using weights from 1 to 5 for the five possible response options. The number of banks responding refers to all participating banks which have business in or exposure to the respective lending category.

Annex 2
Results for ad hoc questions

Question 111

As a result of the situation in financial markets, has your market access changed when tapping your usual sources of wholesale and retail funding[1] and/or has your ability to transfer risk changed over the past three months, or are you expecting this access/activity to change over the next three months?

(in percentages, unless otherwise stated)

	Over the past three months									Over the next three months								
	--	-	°	+	+ +	NA[2]	NetP	Mean	Std. dev.	--	-	°	+	+ +	NA[2]	NetP	Mean	Std. dev.
A) Retail funding																		
Short-term deposits (up to one year)	0	11	76	4	0	9	7	2.91	0.42	0	5	83	2	2	8	1	3.01	0.42
Long-term (more than one year) deposits and other retail funding instruments	0	10	69	9	2	11	-1	3.04	0.59	0	4	79	5	2	11	-3	3.07	0.45
B) Inter-bank unsecured money market																		
Very short-term money market (up to 1 week)	0	1	76	6	0	17	-5	3.07	0.29	0	3	78	2	0	17	1	2.98	0.25
Short-term money market (more than 1 week)	0	0	77	7	0	16	-7	3.09	0.31	0	1	79	5	0	16	-4	3.06	0.29
C) Wholesale debt securities[3]																		
Short-term debt securities (e.g. certificates of deposit or commercial paper)	0	0	55	14	0	31	-14	3.18	0.41	0	0	62	7	1	30	-8	3.10	0.37
Medium to long term debt securities (incl. covered bonds)	0	3	52	29	1	15	-27	3.32	0.58	0	2	70	13	0	15	-11	3.13	0.41
D) Securitisation[4]																		
Securitisation of corporate loans	0	0	38	7	0	55	-7	3.19	0.44	0	0	41	4	0	55	-4	3.10	0.32
Securitisation of loans for house purchase	0	0	34	3	0	63	-3	3.05	0.23	0	0	36	2	0	63	-2	3.02	0.17
E) Ability to transfer credit risk off balance sheet[5]																		
Ability to transfer credit risk off balance sheet	0	1	44	5	0	50	-4	3.12	0.40	0	1	47	2	0	50	-1	3.02	0.22

1) Retail funding is defined as funding via deposits held by non-financial corporations and households.
2) "NA" (not applicable) includes banks for which the source of funding is not relevant.
3) Usually involves on-balance sheet funding.
4) Usually involves the sale of loans from banks' balance sheets, i.e. off-balance sheet funding
5) Usually involves the use of credit derivatives, with the loans remaining on banks' balance sheets.
Notes: The net percentage (NetP) is defined as the difference between the sum of the percentages of banks responding "--" (deteriorated considerably/will deteriorate considerably) and "-" (deteriorated somewhat/will deteriorate somewhat), and the sum of banks responding "+" (eased somewhat/will ease somewhat) and "++" (eased considerably/will ease considerably). "°" means "remained unchanged/will remain unchanged". The mean of the banks' responses is calculated using weights from 1 to 5 for the five possible response options. Std. dev. denotes standard deviation. Figures may not exactly add up due to rounding.

Question 130

Over the past six months, has the ECB's monetary policy asset portfolio[1] led to a change in your bank's assets or affected (either directly or indirectly) your bank in any of the following areas? Is it likely to have an impact here over the next six months?

(in percentages, unless otherwise stated)

	Over the past six months									Over the next six months								
	--	-	°	+	+ +	NA[2]	NetP	Mean	Std. dev.	--	-	°	+	+ +	NA[2]	NetP	Mean	Std. dev.
A) Your bank's total assets																		
Your bank's total assets (non-risk weighted volume)	1	4	89	0	0	6	-5	2.95	0.29	0	2	88	3	0	6	1	3.02	0.26
of which:																		
euro area sovereign bond holdings	1	6	77	7	0	9	0	2.98	0.47	0	3	83	5	0	9	2	3.03	0.33
B) Your bank's cost of funds and balance sheet situation																		
Your bank's overall liquidity position	0	5	88	2	0	5	-4	2.96	0.28	0	4	91	1	0	5	-3	2.97	0.23
Your bank's overall market financing conditions	0	10	83	2	0	5	-8	2.92	0.38	0	6	86	3	0	5	-2	2.98	0.33
D) Your bank's profitability																		
Your bank's overall profitability	0	10	78	8	0	5	-2	2.97	0.46	0	3	86	6	0	5	3	3.03	0.35
owing to:																		
net interest income[3]	0	10	77	8	0	5	-1	2.97	0.46	0	2	86	7	0	5	5	3.06	0.33
capital gains/losses	0	1	91	0	0	7	-1	2.99	0.12	0	1	91	1	0	7	0	3.00	0.13
E) Your bank's capital position																		
Your bank's capital ratio[4]	0	0	87	5	3	5	9	3.14	0.46	0	1	89	6	0	5	5	3.05	0.28

1) Changes in the ECB's monetary policy asset portfolio can arise as a result of net purchases or any other transactions, including reinvestments of the principal payments from maturing securities purchased, related to the following (potential) monetary policy tools: corporate sector purchase programme (CSPP); public sector purchase programme (PSPP); asset-backed securities purchase programme (ABSPP); covered bond purchase programme (CBPP); pandemic emergency purchase programme (PEPP); Outright Monetary Transactions (OMT); Transmission Protection Instrument (TPI). Direct and indirect effects of the changes in the ECB's monetary policy asset portfolio, i.e. there may be indirect effects on your bank's financial situation and asset allocation even if your bank has not been involved in any related transactions vis-à-vis the Eurosystem.
2) “NA” (not applicable) includes banks which do not have any business in or exposure to this category.
3) The net interest income is defined as the difference between the interest earned and interest paid on the outstanding amount of interest-bearing assets and liabilities by the bank.
4) Defined in accordance with the regulatory requirements set out in the CRR/CRD IV, including both tier 1 capital and tier 2 capital.
Notes: The net percentage (NetP) is defined as the difference between the sum of the percentages of banks responding “--” (contributed/will contribute considerably to a decrease or deterioration) and “-” (contributed/will contribute somewhat to a decrease or deterioration), and the sum of banks responding “+” (contributed/will contribute somewhat to an increase or improvement) and “++” (contributed/will contribute considerably to an increase or improvement). “°” means “has had/will have basically no impact”. The mean of the banks’ responses is calculated using weights from 1 to 5 for the five possible response options. Std. dev. denotes standard deviation.

Question 132

Over the past six months, has the ECB's monetary policy asset portfolio led to a change in your bank's lending policy and lending volume? And what will be the impact over the next six months?

(in percentages, unless otherwise stated)

	Over the past six months										Over the next six months									
	--	-	°	+	+ +	NA[1]	NetP	Mean	Std. dev.	No of banks	--	-	°	+	+ +	NA[1]	NetP	Mean	Std. dev.	No of banks
A) Your bank's credit standards																				
For loans to enterprises	0	1	97	0	0	2	1	2.99	0.09	148	0	5	93	0	0	2	5	2.95	0.24	148
For loans to households for house purchase	0	0	97	0	0	3	0	3.00	0.00	137	3	2	93	0	0	3	4	2.92	0.40	137
For consumer credit and other lending to households	0	0	92	0	0	8	0	3.00	0.00	144	2	1	89	0	0	8	3	2.94	0.37	144
B) Your bank's terms and conditions																				
For loans to enterprises	0	3	94	0	0	2	3	2.96	0.19	148	0	2	96	0	0	2	2	2.98	0.14	148
For loans to households for house purchase	0	5	90	1	0	3	4	2.96	0.28	137	0	2	95	0	0	3	2	2.98	0.15	137
For consumer credit and other lending to households	0	3	89	0	0	8	3	2.96	0.21	144	0	1	91	0	0	8	1	2.99	0.10	144
C) Your bank's lending volume																				
For loans to enterprises	0	4	93	0	0	2	-4	2.96	0.22	148	0	5	93	0	0	2	-4	2.96	0.24	148
For loans to households for house purchase	0	5	90	2	0	3	-2	2.97	0.29	137	0	5	92	1	0	3	-4	2.95	0.25	137
For consumer credit and other lending to households	0	4	87	1	0	8	-3	2.96	0.25	144	0	4	88	0	0	8	-4	2.95	0.23	144

1) "NA" (not applicable) does not include banks which do not have any business in or exposure to the respective lending category.
Notes: The net percentage (NetP) is defined as the difference between the sum of the percentages of banks responding "--" (contributed/will contribute considerably to a tightening or decrease) and "-" (contributed/will contribute somewhat to a tightening or decrease), and the sum of the percentages of banks responding "+" (contributed/will contribute somewhat to an easing or increase) and "++" (contributed/will contribute considerably to an easing or increase). "°" means "have had/will have basically no impact". The mean of the banks' responses is calculated using weights from 1 to 5 for the five possible response options. Std. dev. denotes standard deviation. The number of banks responding (No of banks) refers to all participating banks which have business in or exposure to the respective lending category.

Question 138

Over the past six months, has the Eurosystem's TLTRO III[1] led to a change in (either directly or indirectly) your bank's financial situation, lending policy and lending volumes? And what will be the impact over the next six months?

(in percentages, unless otherwise stated)

	--	-	°	+	+ +	NA[1]	NetP	Mean	Std. dev.	No of banks
Over the past six months										
Impact on your bank's financial situation										
Your bank's overall liquidity position	0	16	73	4	0	8	12	2.86	0.46	157
Your bank's overall funding conditions	0	4	85	2	0	9	3	2.98	0.26	157
of which:										
Your bank's overall market financing conditions	0	4	86	0	0	10	4	2.96	0.22	157
Your bank's overall profitability	0	3	85	4	0	8	-1	3.01	0.29	157
Your bank's ability to fulfil regulatory or supervisory requirements	0	1	88	1	0	10	0	2.99	0.16	157
Impact on your bank's credit standards										
For loans to enterprises	0	0	95	0	0	5	0	3.00	0.00	148
For loans to households for house purchase	0	0	93	0	0	7	0	3.00	0.00	137
For consumer credit and other lending to households	0	0	89	0	0	11	0	3.00	0.00	144
Impact on your bank's terms and conditions										
For loans to enterprises	0	1	95	0	0	5	1	2.99	0.08	148
For loans to households for house purchase	0	1	92	0	0	7	1	2.99	0.09	137
For consumer credit and other lending to households	0	0	89	0	0	11	0	3.00	0.04	144
Impact on your bank's lending volumes										
For loans to enterprises	0	0	92	0	0	7	0	3.00	0.08	148
For loans to households for house purchase	0	1	89	1	0	10	0	3.00	0.12	137
For consumer credit and other lending to households	0	0	87	0	0	13	0	3.00	0.04	144
Over the next six months										
Impact on your bank's financial situation										
Your bank's overall liquidity position	0	14	77	1	0	8	13	2.85	0.40	157
Your bank's overall funding conditions	0	6	83	2	0	9	4	2.96	0.31	157
of which:										
Your bank's overall market financing conditions	0	2	88	0	0	10	2	2.98	0.16	157
Your bank's overall profitability	0	3	87	2	0	8	1	2.99	0.24	157
Your bank's ability to fulfil regulatory or supervisory requirements	0	0	90	0	0	9	0	3.00	0.10	157
Impact on your bank's credit standards										
For loans to enterprises	0	0	95	0	0	5	0	3.00	0.00	148
For loans to households for house purchase	0	0	93	0	0	7	0	3.00	0.00	137
For consumer credit and other lending to households	0	0	89	0	0	11	0	3.00	0.00	144
Impact on your bank's terms and conditions										
For loans to enterprises	0	0	95	0	0	5	0	3.00	0.04	148
For loans to households for house purchase	0	0	93	0	0	7	0	3.00	0.04	137
For consumer credit and other lending to households	0	0	89	0	0	11	0	3.00	0.00	144
Impact on your bank's lending volumes										
For loans to enterprises	0	0	92	0	0	7	0	3.00	0.07	148
For loans to households for house purchase	0	0	90	1	0	10	1	3.01	0.08	137
For consumer credit and other lending to households	0	0	87	0	0	13	0	3.00	0.00	144

1) Impact of the Eurosystem's third targeted longer-term refinancing operations (TLTRO III), for which all operations took place and which will be fully matured by December 2024. Impact of any changes in the relative funding advantage of your banks' outstanding TLTRO III funds arising from ECB key interest rate changes and/or the TLTRO III recalibration, as well as any change in your bank's overall funding conditions due to the maturity or early repayment of TLTRO III funds. Direct and indirect effects of TLTRO III, i.e. there may be indirect effects on your bank's financial situation even if your bank has not directly participated in TLTRO III.
2) "NA" (not applicable) does not include banks which do not have any business in or exposure to the respective category.
Notes: The net percentage (NetP) is defined as the difference between the sum of the percentages of banks responding "--" (has contributed considerably/will contribute considerably to a deterioration, tightening or decrease) and "-" (has contributed somewhat/will contribute somewhat to a deterioration, tightening or decrease), and the sum of the percentages of banks responding "+" (has contributed somewhat/will contribute somewhat to an improvement, easing or increase) and "++" (has contributed considerably/will contribute considerably to an improvement, easing or increase). "°" means "has had/will have basically no impact". The mean of the banks' responses is calculated using weights from 1 to 5 for the five possible response options. Figures may not exactly add up due to rounding. The number of banks responding (No of banks) refers to all participating banks which have business in or exposure to the respective lending category. Std. dev. denotes standard deviation.

Question 141

Over the past six months, have the ECB key interest rates decisions taken in the past and/or expected by your bank led to a change in your bank's profitability? And what will be the impact over the next six months?

(in percentages, unless otherwise stated)

	Over the past six months										Over the next six months									
	--	-	°	+	+ +	NA[1]	NetP	Mean	Std. dev.	No of banks	--	-	°	+	+ +	NA[1]	NetP	Mean	Std. dev.	No of banks
Impact on your bank's profitability, overall	0	14	34	39	9	3	35	3.43	0.88	157	0	31	56	9	0	3	-22	2.77	0.65	157
Your bank's net interest income, overall[2]	0	13	32	39	12	3	38	3.50	0.91	157	0	34	50	12	0	3	-21	2.79	0.70	157
owing to:																				
Margin effect	0	11	35	39	12	3	40	3.51	0.87	157	0	33	50	14	0	3	-19	2.82	0.71	157
Volume effect	2	23	69	3	0	3	-21	2.76	0.57	157	0	15	80	1	0	3	-14	2.85	0.42	157
Your bank's non-interest income, overall	0	5	85	3	0	6	-1	2.99	0.30	157	0	1	90	3	0	6	3	3.03	0.20	157
owing to:																				
Your bank's capital gains/losses	0	3	87	2	0	9	-1	2.99	0.22	157	0	1	89	1	0	9	0	3.00	0.17	157
Your bank's net fee and commission income	0	5	83	6	0	7	1	3.02	0.35	157	0	0	87	6	0	6	6	3.07	0.26	157
Your bank's need for provisioning and impairments	0	11	75	8	0	6	-3	2.96	0.47	157	0	6	85	3	0	6	-3	2.97	0.31	157

(1) "NA" (not applicable) does not include banks which do not have any business in or exposure to the respective category.
(2) The net interest income is defined as the difference between the interest income earned and interest expenses paid on the outstanding amount of interest-bearing assets and liabilities by the bank. Margin effects relate to changes in the interest rates of these assets and liabilities, while volume effects relate to changes in the volumes.
(3) "-" / "--" in case of higher need for provisioning and impairments; "+" / "++" in case of lower need for provisioning and impairments.