



## PRESS RELEASE

### RESULTS OF THE JULY 2014 EURO AREA BANK LENDING SURVEY

- Credit standards on loans to enterprises were eased by banks in net terms, for the first time since the second quarter of 2007.
- Banks reported a narrowing of their margins on riskier loans to enterprises, for the first time since the start of the survey.
- Loan demand was positive for all loan categories and recovered further.

According to the July 2014 bank lending survey (BLS), credit standards for all loan categories eased in net terms in the second quarter of 2014. For the first time since the second quarter of 2007, euro area banks reported a net easing of credit standards on loans to enterprises, with a net percentage of -3%, compared with a marginal net tightening of credit standards in the previous quarter. For loans to households, banks continued to ease credit standards in net terms. Regarding credit terms and conditions, banks reported a narrowing of their margins on average loans and, for the first time since the start of the survey, a narrowing of their margins on riskier loans to enterprises. Net demand continued to be positive for loans to both enterprises and households and recovered further. In addition, euro area banks' access to funding improved in net terms for all main market instruments. With respect to banks' replies to the biannual question related to the impact of supervisory and regulatory actions, banks indicated a further strengthening of their capital position and a slight increase in their risk-weighted assets.

The BLS, which is conducted four times a year, was developed by the Eurosystem in order to enhance the understanding of bank lending behaviour in the euro area. The results reported in the July 2014 survey relate to changes in the second quarter of 2014 and to expectations of changes in the third quarter of 2014. The July 2014 BLS was conducted between 26 June and 11 July 2014. With 137 banks participating in the survey, the response rate for the July BLS was 100%.

The national and euro area data series are available on the ECB's website via the ECB's Statistical Data Warehouse. The survey report is available at <http://www.ecb.europa.eu/stats/money/surveys/lend/html/index.en.html>.

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

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