Press release

24 July 2026

Results of the June 2026 survey on credit terms and conditions in euro-denominated securities financing and OTC derivatives markets (SESFOD)

- Overall, respondents reported slight net easing of credit terms and conditions for all counterparty types for second consecutive quarter
- Dealers repriced across all collateral types, in particular equity, as demand for secured funding increased
- Non-price credit terms remained broadly unchanged across counterparty types, secured financing transactions and non-centrally cleared OTC derivatives markets

The June 2026 survey covered a period of heightened market volatility from March to May 2026. Escalating conflict in the Middle East triggered an oil supply shock that drove commodity prices sharply higher. This weighed on risk sentiment in March, while in April and May markets recovered strongly. Over the review period, market-implied policy rate expectations rose considerably. Against this backdrop, credit terms and conditions proved broadly resilient, with survey respondents reporting that overall terms had eased slightly for all counterparty types for a second consecutive quarter. The easing was due entirely to price terms, as non-price terms remained basically unchanged across the board. Looking ahead, respondents expected credit terms to remain basically unchanged from June to August 2026, with only a very small net percentage expecting price terms to tighten somewhat for banks and dealers (Chart 1).

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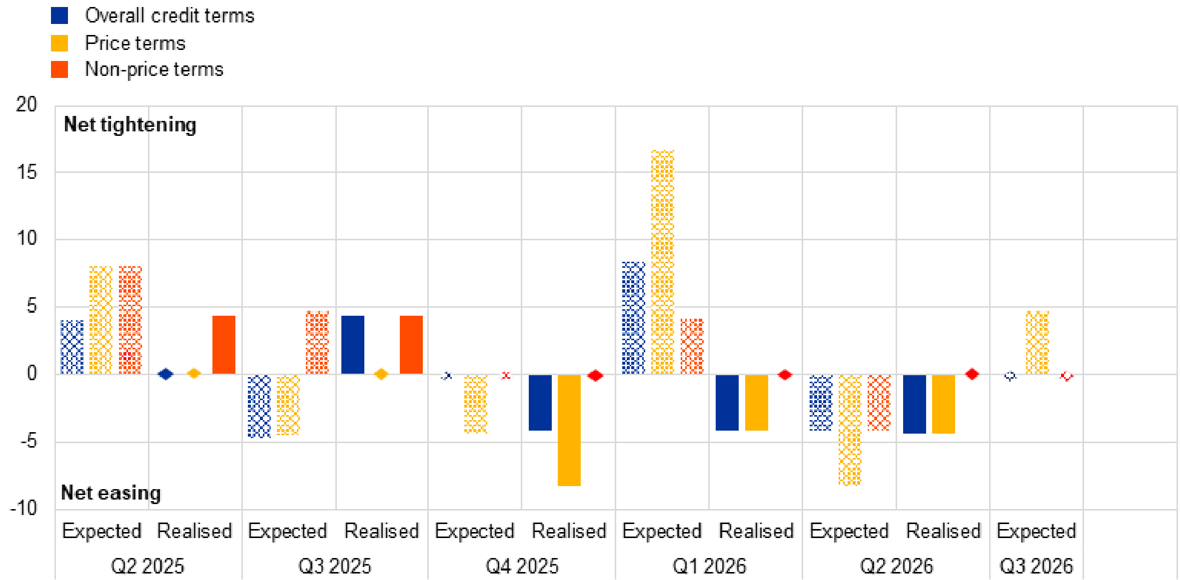
Chart 1

Expected and realised quarterly changes in overall credit terms and price/non-price terms offered to counterparties across all transaction types

(net percentages of survey respondents)



Source: ECB.
Note: Net percentages are calculated as the difference between the percentage of respondents reporting “tightened somewhat” or “tightened considerably” and the percentage reporting “eased somewhat” or “eased considerably”.

In the securities financing markets, financing rates/spreads rose across all collateral types, with significant increases reported for asset-backed securities (a net 31% of respondents), high-yield corporate bonds and domestic government bonds (a net 29% of respondents in each case, as shown in Chart 2). Simultaneously, the demand for funding grew across almost all collateral types, particularly for funding secured against equities (a net 33% of respondents), which experienced a strong recovery in collateral values. Dealers responded by reducing the maximum amount and maturity of funding available for several types of bond collateral, while increasing the availability of funding secured against equities. The liquidity and functioning of collateral markets showed a slight deterioration for equities, high-yield corporate bonds and high-quality financial corporate bonds. At the same time, the volume of collateral valuation disputes rose across all collateral types, highlighting heightened challenges in market dynamics.

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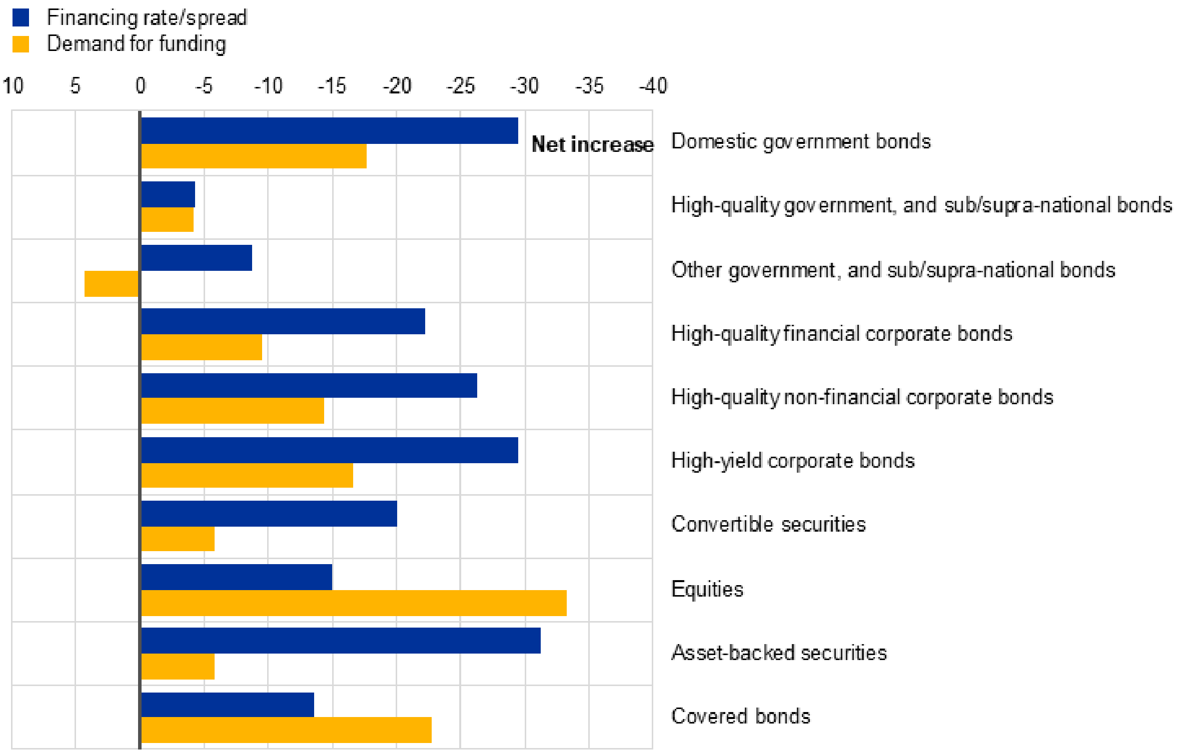
Chart 2

Changes in financing rates and demand for funding by collateral type (Q2 2026)

(net percentages of survey respondents)



Source: ECB.
Note: Net percentages are calculated as the difference between the percentage of respondents reporting "tightened somewhat" or "tightened considerably" and the percentage reporting "eased somewhat" or "eased considerably".

Amid the heightened market volatility, there were also some signs of friction in non-centrally cleared over-the-counter derivatives markets. Initial margin requirements increased slightly for most types of derivative, most notably interest rate derivatives, reversing the slight decreases reported in the previous quarter. Liquidity and trading deteriorated slightly for foreign exchange, equity and commodity derivatives, and the volume of valuation disputes increased for several types of derivative, in particular equity derivatives, while the duration and persistence of disputes changed little. The maximum amount of exposure rose slightly for interest rate, credit and equity derivatives.

The full survey results – including detailed breakdowns by counterparty type, collateral type and derivative type, as well as comparisons with previous survey rounds – are presented in the summary report.

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The results of the June 2026 SESFOD survey, the underlying detailed data series and the SESFOD guidelines are available on the ECB's website, together with all other SESFOD publications.

Please note that the data from all previous rounds of the survey have been made available on the ECB Data Portal. The data can now be accessed, retrieved and visualised more easily.

The SESFOD survey is conducted four times a year and covers changes in credit terms and conditions over three-month reference periods ending in February, May, August and November. The June 2026 survey collected qualitative information on changes between March and May 2026. The results are based on responses received from a panel of 26 large banks, comprising 14 euro area banks and 12 banks with head offices outside the euro area.

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