

Rome, 18 July 2017

## **The Euro Area Bank Lending Survey**

### **MAIN RESULTS FOR ITALIAN BANKS<sup>1</sup>**

Q2 2017 and outlook for Q3 2017

In the second quarter of 2017, credit standards for loans to both enterprises and households eased slightly (Figure 1), mainly reflecting the effects of competitive pressures in the banking sector. For the current quarter, banks expect credit standards for firms to be slightly less favourable and to ease further for households.

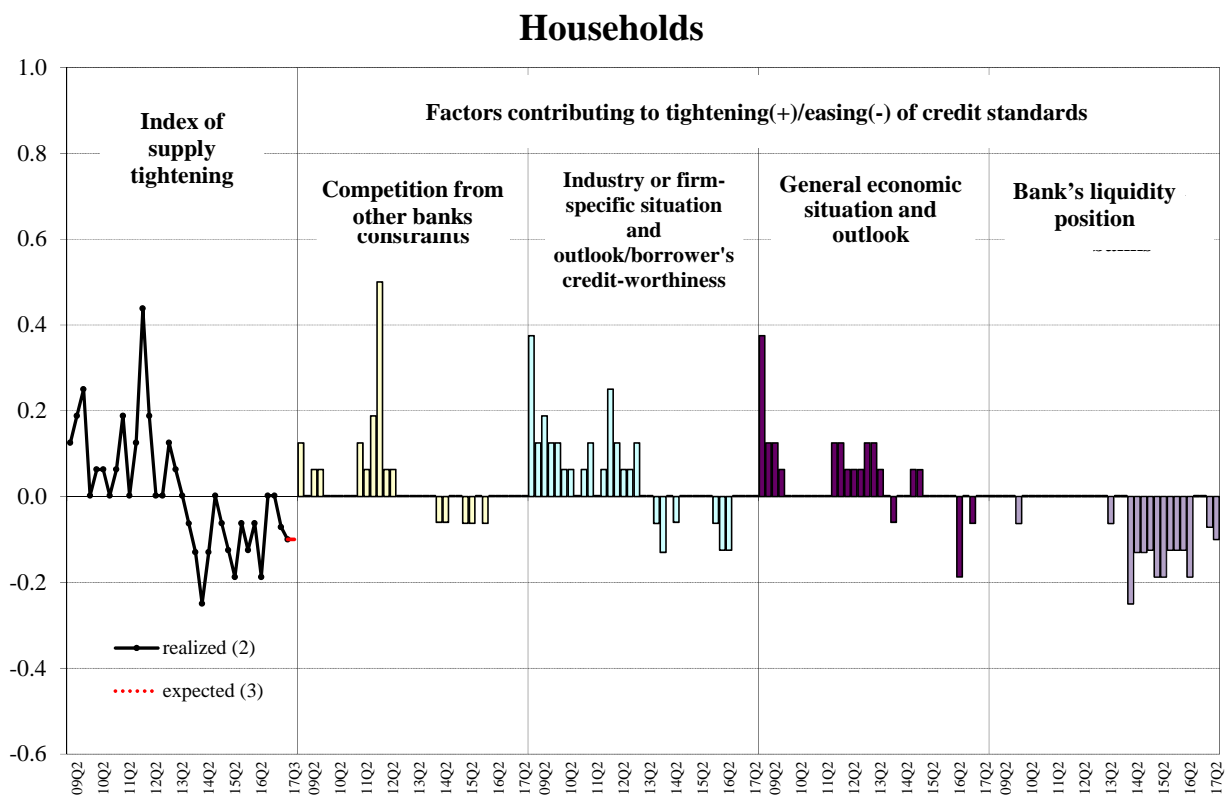
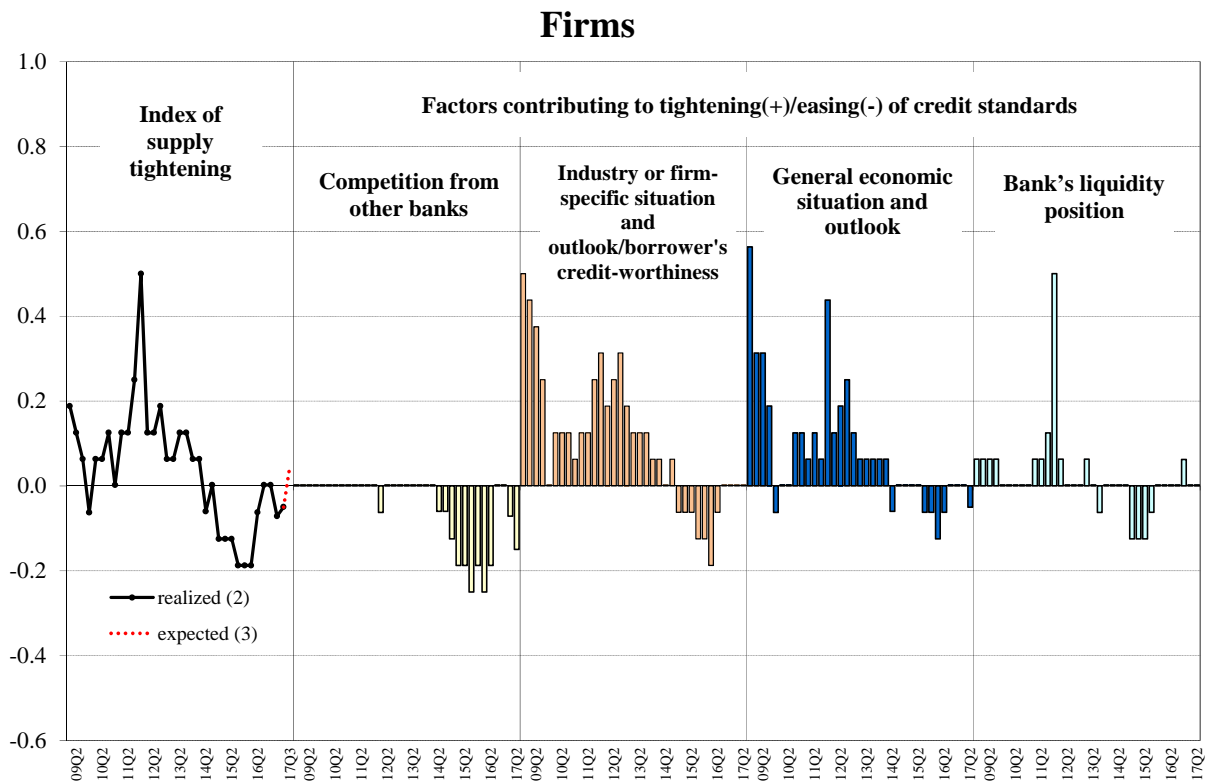
Demand for loans by both firms and households increased slightly (Figure 2). It is likely to continue at a moderate pace in the current quarter.

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<sup>1</sup> Ten of the main Italian banking groups took part in the survey, which ended on 27 June 2017. A more extensive discussion of these results will be included in the Bank of Italy's *Economic Bulletin*, 4, 2017, due to be published on 20 October 2017. The results for the euro area are available on the ECB's website at [www.ecb.int](http://www.ecb.int).

Figure 1

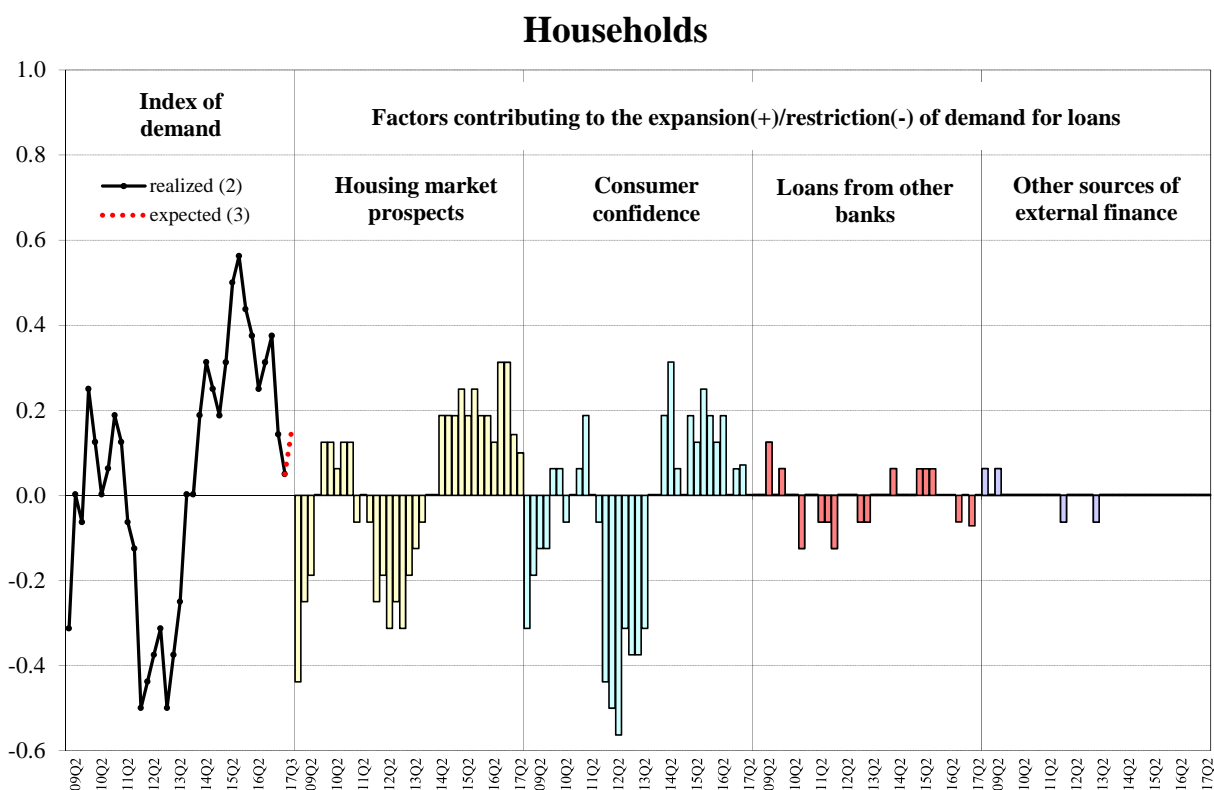
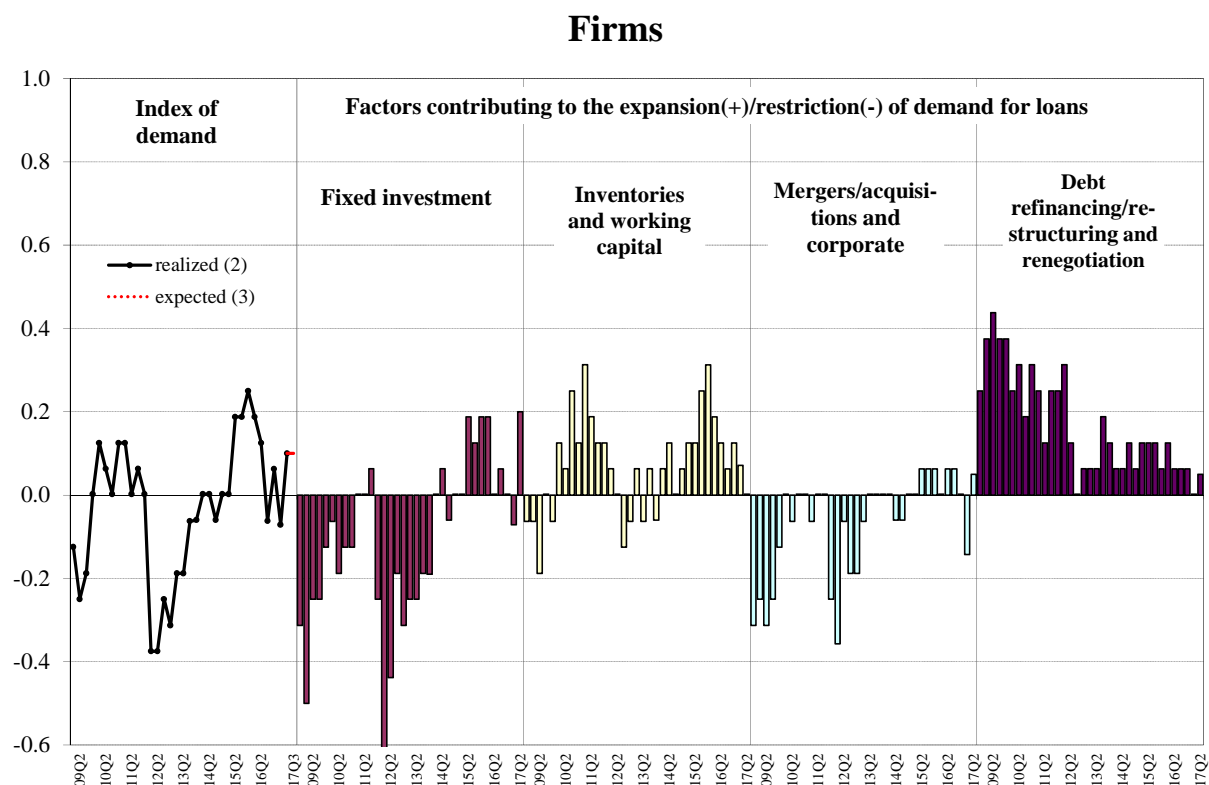
Supply conditions and main contributing factors (1)



(1) Positive values indicate supply restriction compared with the previous quarter. Diffusion indices are constructed on the basis of the following weighting scheme: 1 = tightened considerably, 0.5 = tightened somewhat, 0 = basically unchanged, -0.5 = eased somewhat, -1 = eased considerably. The range of variation of the index is from -1 to 1. – (2) Refers to the quarter ending at the time of the survey. – (3) Forecasts made in the preceding quarter.

Figure 2

Trends in credit demand and main contributing factors (1)



(1) Positive values indicate demand expansion compared with the previous quarter. Diffusion indices are constructed on the basis of the following weighting scheme: 1 = increased considerably, 0.5 = increased somewhat, 0 = basically unchanged, -0.5 = decreased somewhat, -1 = decreased considerably. The range of variation of the index is from -1 to 1. – (2) Refers to the quarter ending at the time of the survey. – (3) Forecasts made in the preceding quarter.