

Rome, 24 October 2017

The Euro Area Bank Lending Survey

MAIN RESULTS FOR ITALIAN BANKS¹

Q3 2017 and outlook for Q4 2017

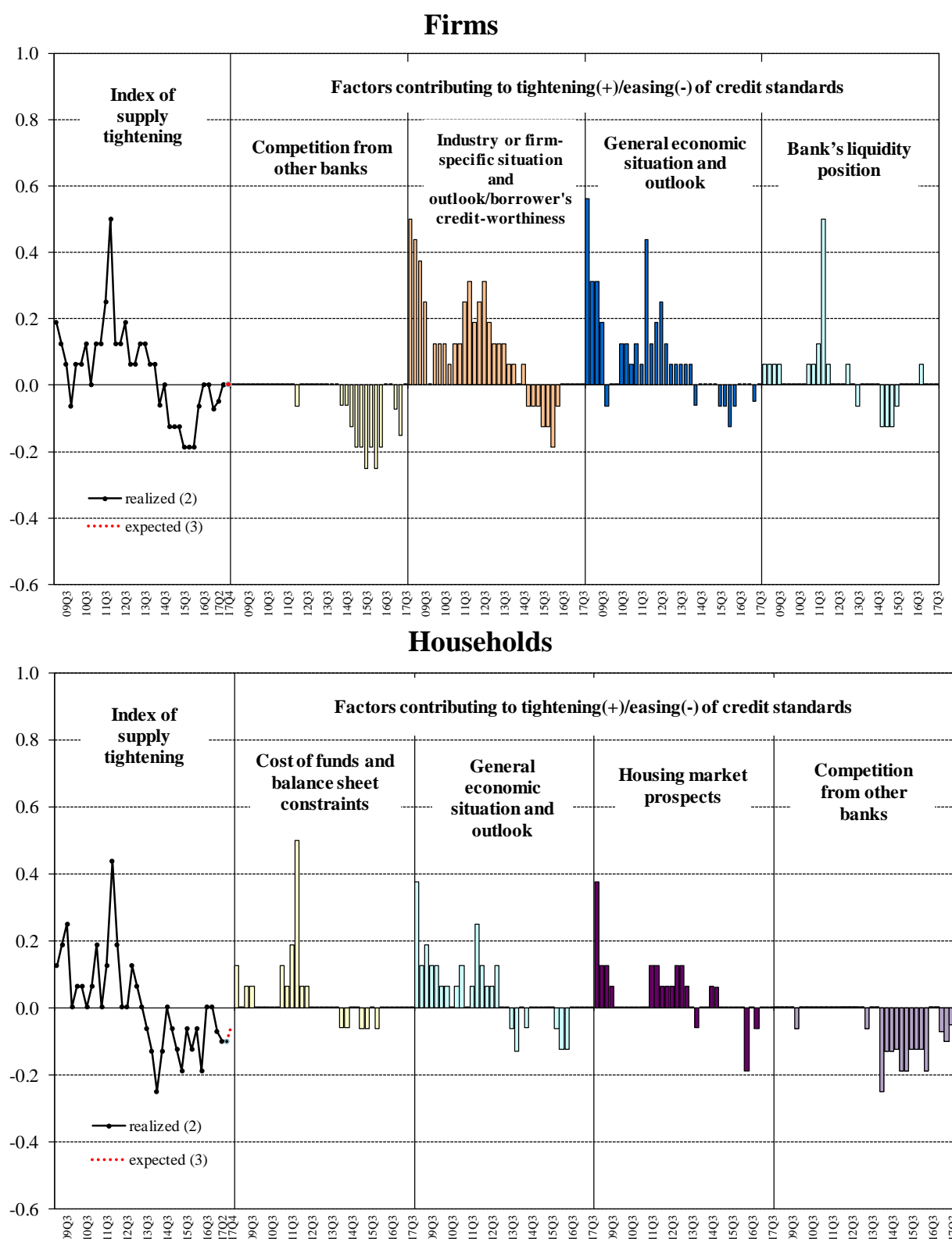
In the third quarter of 2017, **credit standards for loans to enterprises remained unchanged** (Figure 1); those for **loans to households for house purchase recorded a further slight easing**. For the current quarter, financial intermediaries expect this trend to continue.

There was a slight increase in the demand for loans both by firms, mainly reflecting the need to fund fixed investment, **and by households for house purchase**, chiefly connected to the better housing market prospects (Figure 2). The demand for loans is likely to continue to expand in the current quarter as well.

¹ Ten of the main Italian banking groups took part in the survey, which ended on 2 October 2017. A more extensive discussion of these results will be included in the Bank of Italy's next *Economic Bulletin*, which will be published in January 2018. The results for the euro area are available at the page of the survey on the ECB's website (www.ecb.europa.eu).

Figure 1

Supply conditions and main contributing factors (1)

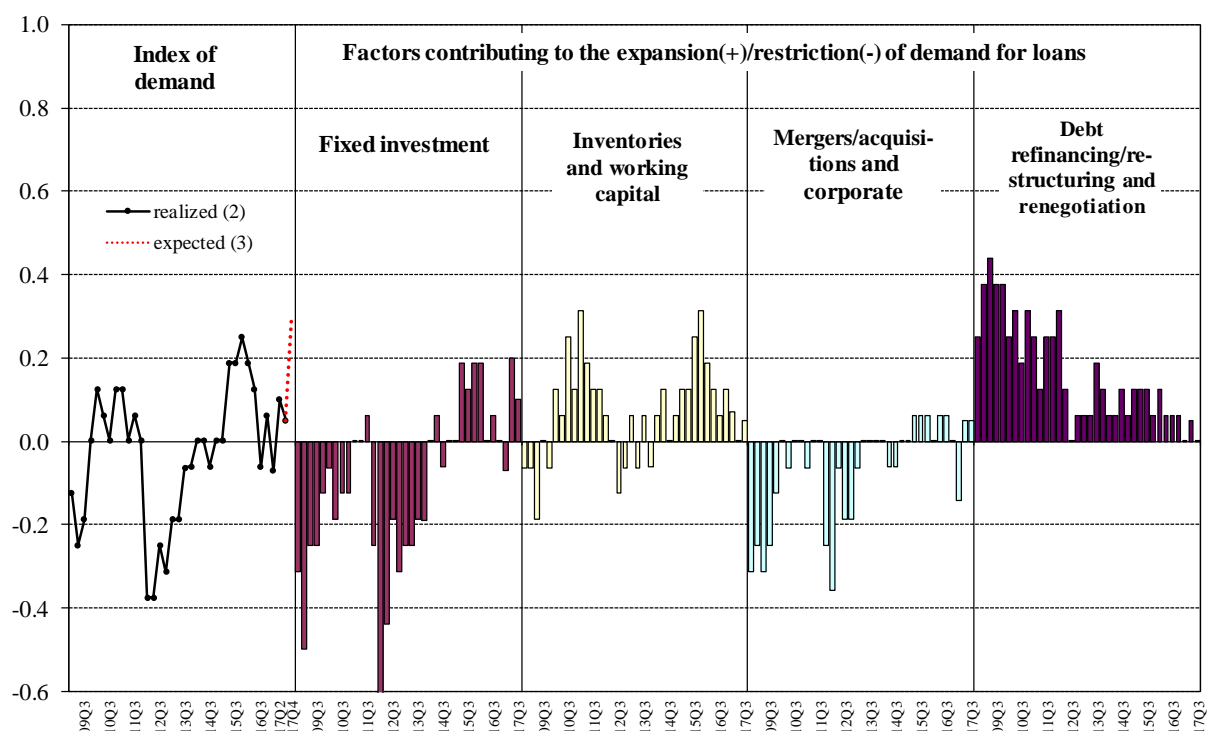


(1) Positive values indicate supply restriction compared with the previous quarter. Diffusion indices are constructed on the basis of the following weighting scheme: 1 = tightened considerably, 0.5 = tightened somewhat, 0 = basically unchanged, -0.5 = eased somewhat, -1 = eased considerably. The range 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.

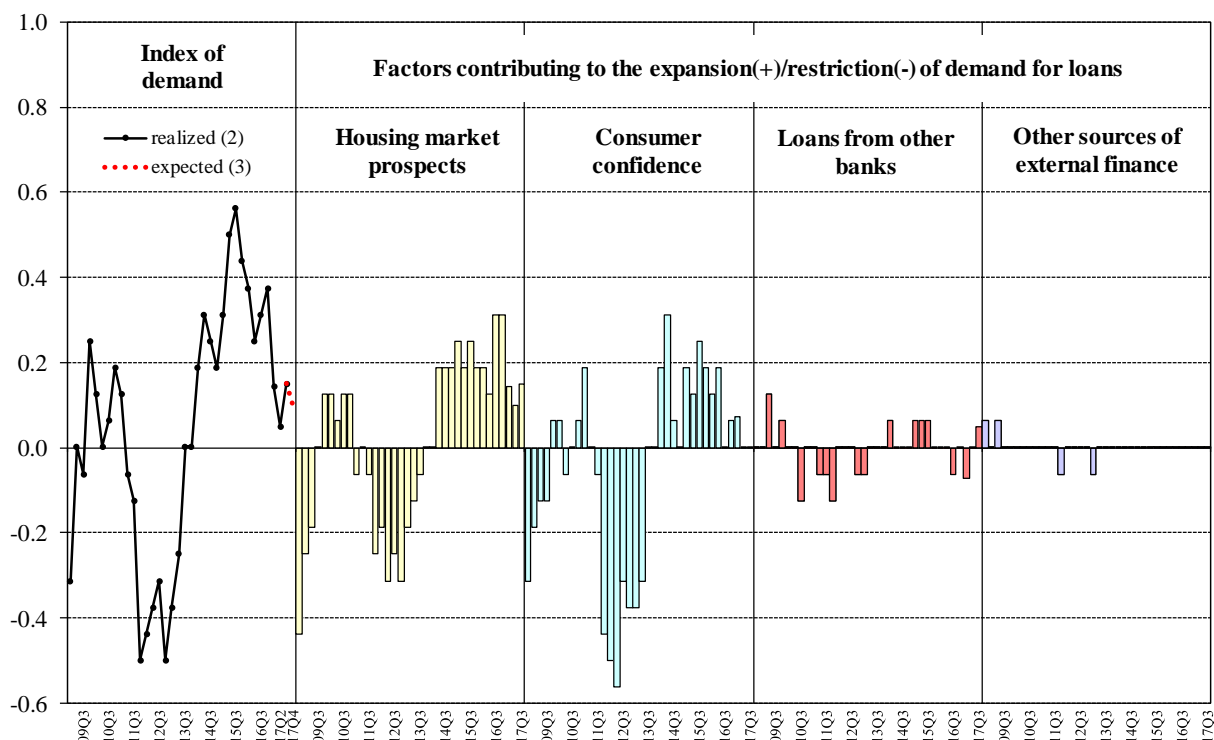
Figure 2

Trends in credit demand and main contributing factors (1)

Firms



Households



(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.