

# DANMARKS NATIONALBANK

8 OCTOBER 2018

LENDING SURVEY, 3RD QUARTER 2018

## Banks' credit standards are unchanged for corporate customers

In Danmarks Nationalbank's lending survey for 3rd quarter 2018, banks report that credit standards are unchanged for corporate customers. At the same time, prices are decreasing due to the level of competition.

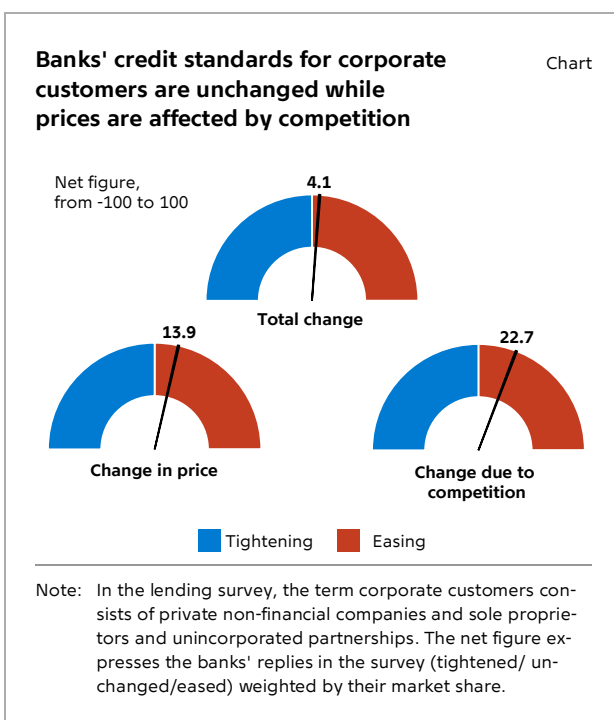
In the lending survey, changes in the banks' credit standards are explained by four factors: level of competition, financing costs, assessment of customers' risks and banks' willingness to take risks. Since

mid-2013, the most important factor has been the level of competition. 6 out of 17 banks report that the level of competition has led to an easing of credit standards in 3rd quarter 2018; however, the overall credit standards have not been affected.

According to the banks, prices have been reduced for corporate customers since 2014. The level of competition is reported to have had an effect, in particular for existing customers. 6 out of 17 banks report that they have reduced prices for corporate customers in the last quarter.

Only a few banks have experienced lower demand from existing corporate customers in last quarter. According to the banks, the demand has been reduced since 2011, where lending has been declining up to end-2015.

In comparison, all mortgage credit institutions report that credit standards for corporate customers are unchanged in 3rd quarter 2018. Also, they report that demand has increased moderately in the period. At the same time, mortgage credit institutions continue to increase their lending to corporate customers. Hence, the lending has increased by 1.7 percentages during the last year.



[CLICK HERE FOR FURTHER INFORMATION](#)