

# DANMARKS NATIONALBANK

13 APRIL 2021

LENDING SURVEY, 1ST QUARTER 2021

## Increased loan demand from private customers

In Danmarks Nationalbank's lending survey 1st quarter of 2021 several banks report that loan demand both from their existing and new private customers increased from the 4th quarter of 2020 to the 1st quarter of 2021. The banks mention, among other things, increased activity on the housing market as a possible explanation for the increased loan demand.

The increase in the loan demand from existing customers corresponds to a net figure of +14.8.<sup>1</sup> Similar, the net figure for new private customers' demand is +26.1. The net figures is to be compared to the 5 point ranking scale that the banks use when reporting to the lending survey, where the value 0 corresponds to an unchanged loan demand, and +50 cor-

responds to the loan demand having increased a bit.

### Also increased demand at the mortgage institutions

The mortgage institutions also report, in total, that the loan demand from existing as well as new private customers increased from the 4th quarter of 2020 to the 1st quarter of 2021. Weighted by the mortgage institutions' respective market shares, the increase in loan demand corresponds to a net figure of +36.9.

### No clear effect on lending yet

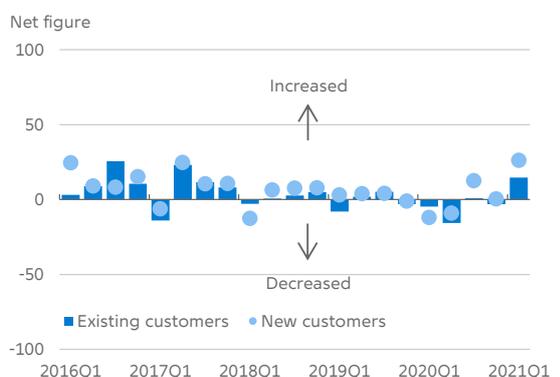
During the first two months of the 1st quarter of 2021, the banks' loans to their private customers decreased by kr. 7.6 billion, while the mortgage institutions' loans increased by kr. 18.3 billion.<sup>2</sup> The banks in the survey cover 87 per cent of Danish private customers' bank loans, while the mortgage institutions cover all of the mortgage loans to Danish private customers.

### Further weakening in loan demand from NFCs

With a net figure of -17.8, the loan demand from the banks' existing corporate customers decreased a bit from the 4th quarter of 2020 to the 1st quarter of 2021. It is the third quarter in a row, where the banks report, in total, that the loan demand from their corporate customers decreased compared to the previous quarter.

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**Quarterly change in loan demand from banks' private customers**



Note: In the lending survey, private customers cover 'Employees, pensioners, etc.' The ranking scale ranges from 'decreased considerably' (-100) to 'increased considerably' (100).

<sup>1</sup> The net figure is the banks' answers weighted by their respective market share.

<sup>2</sup> Change in loans to Danish 'Employees, pensioners, etc.' is calculated as the sum of net transactions in January and February 2021, nominal value.