

DANMARKS NATIONALBANK

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LENDING SURVEY, 3RD QUARTER 2021

Loan demand from private customers is flattening

In Danmarks Nationalbank's lending survey for 3rd quarter 2021 a few of the banks and mortgage institutions report that loan demand from private customers – after a longer period with growth – decreased a bit from 2nd to 3rd quarter 2021.¹ The institutions mention, among other things, less activity in the housing market as a possible explanation of the development. At the same time, almost all the institutions expect that the demand from private customers will be unchanged in 4th quarter as regards loan demand from both existing and new private customers.

Loan demand still larger than in 2020

The reported small decrease in the demand from 2nd to 3rd quarter should be seen in relation to the

development last year. Here the institutions repeatedly reported increase in loan demand from private customers, especially due to activity in the housing market. Therefore the small decrease in loan demand from 2nd to 3rd quarter reflects that the demand is flattening rather than disappearing.

Corporate customers increase mortgage demand

With a net figure of -19.8, the loan demand from existing corporate customers, in total, increased a bit from 2nd to 3rd quarter 2021. For six quarters in a row the loan demand from the corporate customers has increased. The change is, however, driven entirely by increased demand for mortgage loans. On the contrary, the banks report for the fifth quarter in a row a decrease in loan demand from their existing corporate customers. Find more results in the Stat-Bank table *DNUDERHV*.

Qualitative survey

The lending survey is a qualitative survey, where the institutions credit managers give their assessment of the development the latest quarter in e.g. the credit standards and loan demand. One must therefore be cautious with summation of the aggregated quarterly net figures over time.

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Quarterly change in existing private customers demand after bank and mortgage loan in 2021



Note: In the lending survey, private customers cover 'Employees, pensioners, etc.' The net figure is the banks' and mortgage institutions' responses weighted by their respective market share. The ranking scale ranges from 'decreased considerably' (-100) to 'increased considerably' (100). Find chart data here ([link](#)).

¹ Weighted with the institution's share of the total loan to private customers, the decrease in the loan demand from existing customers corresponds to a net figure of -8.1.