ACCIS
DATA FOR CREDIT

Q4/2023

CREDIT MARKET INDICATORS

As we unveil the inaugural issue of the ACCIS Credit Market Indicators Newsletter, it represents a significant milestone in our ongoing commitment to enhance transparency and understanding across Europe's credit markets.

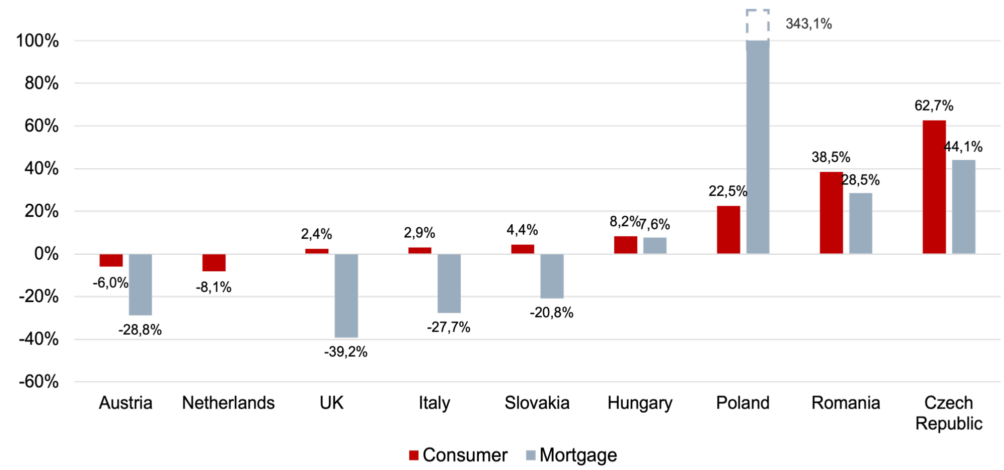
This publication, drawn from extensive statistical data collected quarterly from credit bureaus across the continent, offers invaluable insights into the dynamics shaping our industry. It is designed not only to inform but also to empower stakeholders to make more informed decisions. Our collective efforts in sharing this knowledge underscore our dedication to fostering a more robust and inclusive financial environment.

I am confident that these indicators will serve as a vital tool for all participants in the credit ecosystem, driving progress and innovation in our sector.

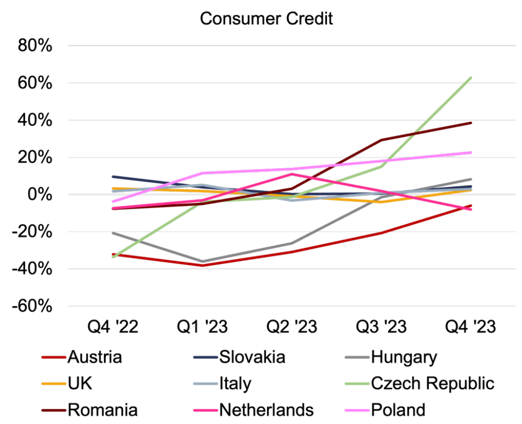
Mariusz Cholewa PhD. ACCIS President, CEO of BIK

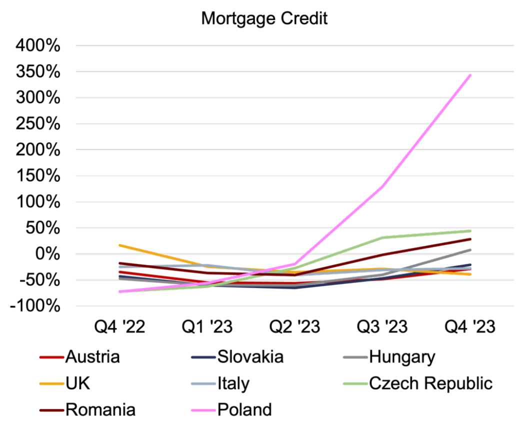
Dynamics of new sales of loans | Q4 2023

Value of new booking in a quarter to a corresponding quarter of the year before



Dynamics of new sales of loans | Q4 2022 to Q4 2023





Observations of information recorded in credit databases highlight the diverse economic landscapes and lending dynamics prevalent across Europe at the end of last year.

For instance, countries like Romania and the Czech Republic showcased positive growth in both consumer and mortgage loan sales, indicating robust demand and favourable lending conditions within their respective markets.

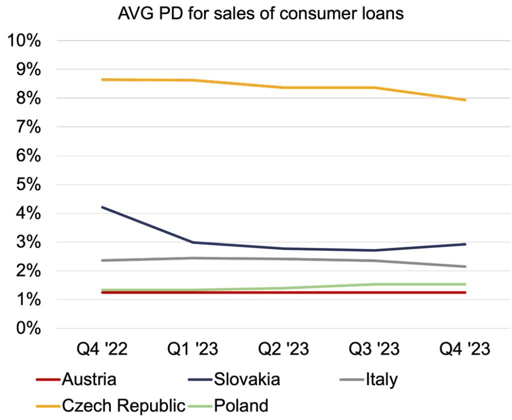
Poland stood out with remarkable surges in both consumer and, specially, mortgage loan sales. The increase in the latter follows the launch of a programme of government subsidies for first-time buyers.

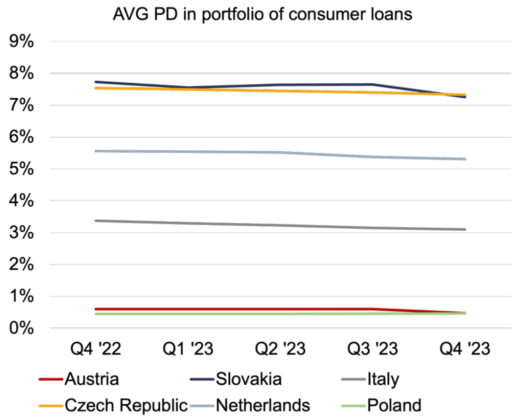
Conversely, some countries, including Austria and the Netherlands, faced declines in both consumer and mortgage loan sales, indicating challenges or subdued demand within their lending markets.

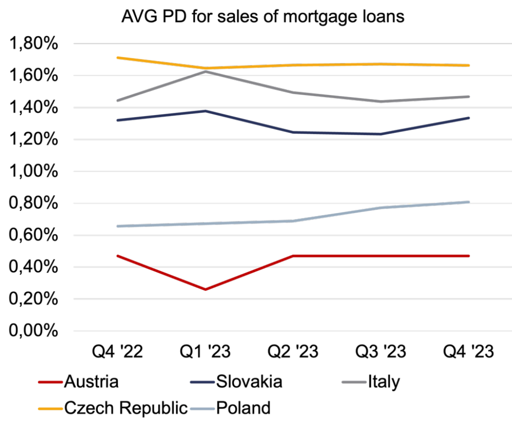
Probability of default

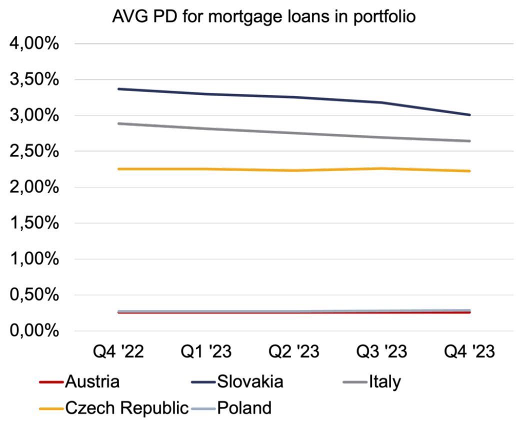
Average probability of default - AVG PD - (90 days past due on any customer credit)

Austria and Poland maintained stable consumer loan default probabilities over time. However, Slovakia, Italy, and the Czech Republic experienced moderate fluctuations. Italy and the Czech Republic saw slight decreases in default probabilities by Q4 2024. Notably, the Czech Republic had the highest probability of default among the countries analysed.





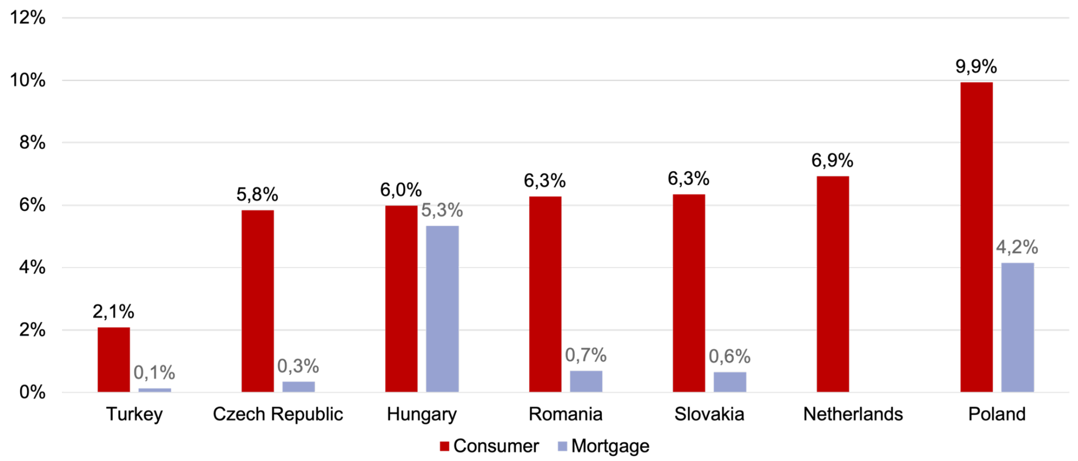


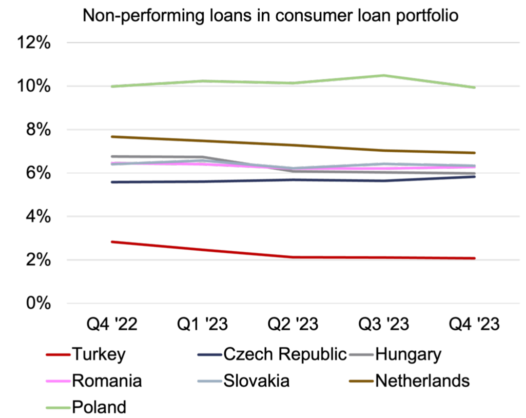


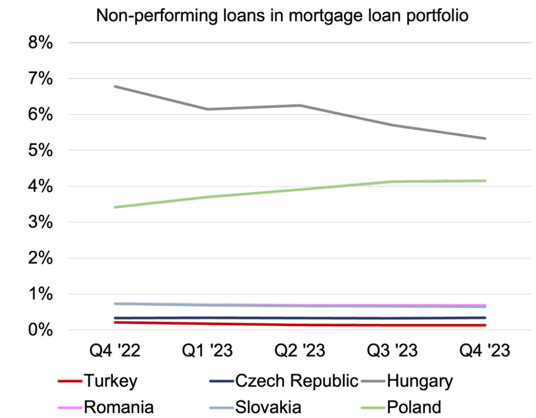
Italy and the Czech Republic showed average probabilities of default on mortgage loans hovering around 1.4% and 1.7%, respectively, the highest of the surveyed countries. While still relatively low, Poland experienced a gradual increase in the probability of default on mortgage loans, rising from 0.66% in Q4 2022 to 0.81% in Q4 2023.

Loan book quality | % of non-performing loans

Balance of non-performing loans (more than 90 days in delinquency) to balance of all the loans at the end of a quarter







Czech Republic, Romania, Hungary, and Slovakia showed stable levels of non-performing consumer loans with minimal fluctuations. Turkey witnessed a steady decline in troubled assets, while the Netherlands displayed a consistent decrease in non-performing consumer loans, starting from a higher baseline. Poland improved but still had a relatively higher percentage of non-performing loans.

Additionally, Czech Republic, Romania, Hungary, and Slovakia maintained low levels of non-performing mortgage loans, whereas Hungary saw a gradual decrease over time, contrasting with Poland's slight increase, indicating challenges related to Swiss franc mortgage loans.

Source: ACCIS Credit Market Indicators Review is prepared based on data delivered by the following credit reference agencies: BIK (Poland) | KKB (Turkey) | CRIF (Italy, Czech Republic and Slovakia) | KSV (Austria) | Biroul de Credit (Romania) | BISZ (Hungary) | BKR (Netherlands)