ACCIS
DATA FOR CREDIT

Q4/2024

CREDIT MARKET INDICATORS

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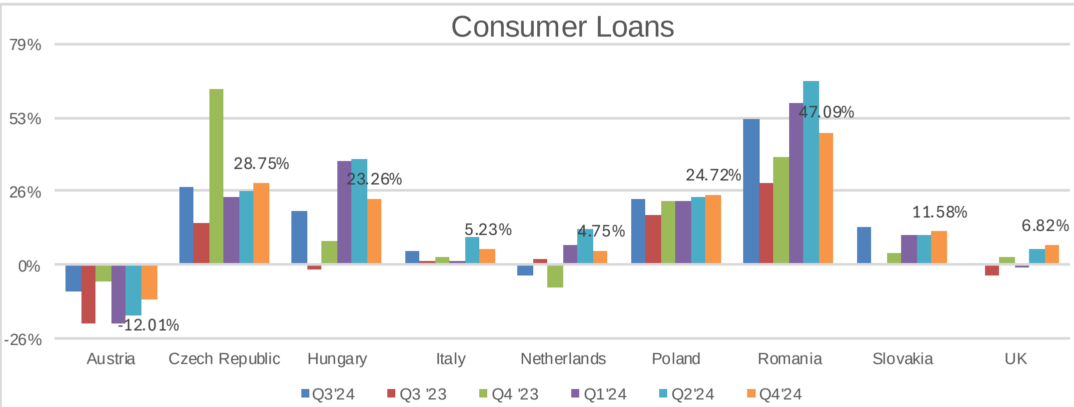
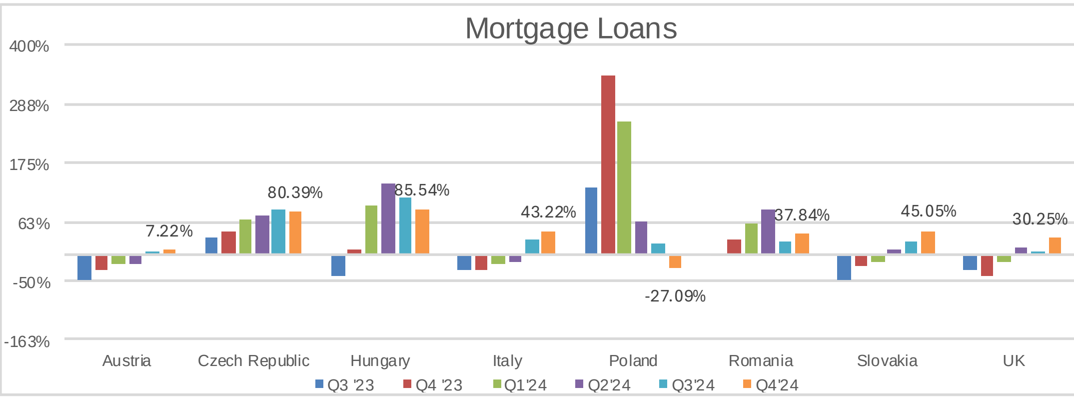
Loan data from the fourth quarter of 2024 shows a generally robust market dynamic. Consumer loans broadly grew compared to the same quarter of 2023. Mortgage loans continued their recovery, notably in Italy and the UK. Loan book quality improved in most countries, with Poland showing the most significant improvement in consumer loans and Hungary for mortgage loans. Non-performing loan ratios remained stable or decreased in most countries, with Hungary and Poland showing notable progress. Overall, credit risk management remained solid, with Hungary demonstrating the lowest risk for both consumer and mortgage loans, with notable reductions in Poland and Romania.

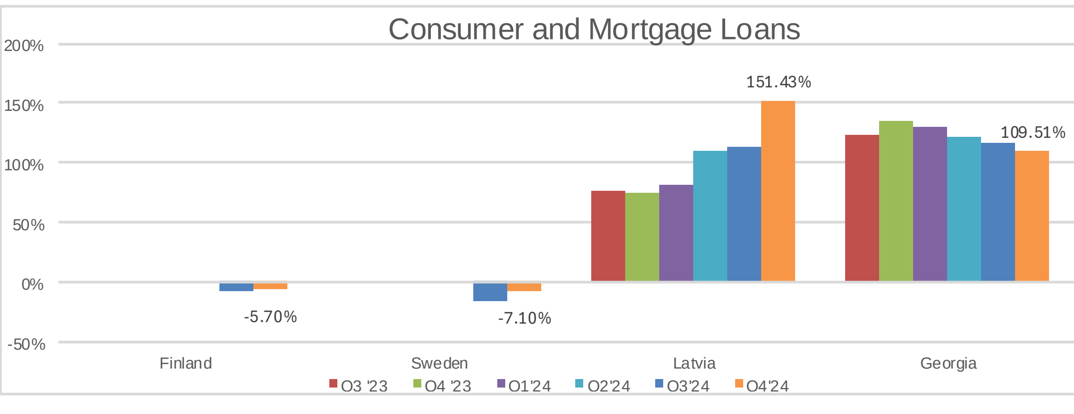
Credit bureaus from Finland, Latvia, Sweden, Georgia and Turkey have also contributed to this newsletter. I look forward to further expanding our coverage to include more markets in the future.

Dynamics of new sales of loans

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







Over Q4 2024, loan dynamics across Europe showed mainly robust growth.

Consumer loans expanded in Italy, the Netherlands and the UK, while charting double-digit growth from the Czech Republic, Hungary, Poland, Romania and Slovakia.

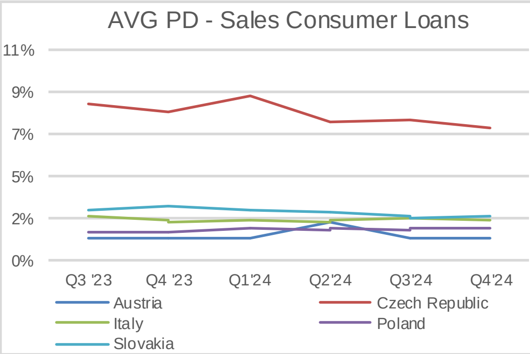
Mortgage loans continued a strong recovery, with Czech Republic and Hungary notably leading rebounds, while Italy and the UK notched up positive growth, both expanding by double digits, whereas Austria charted more modest growth.

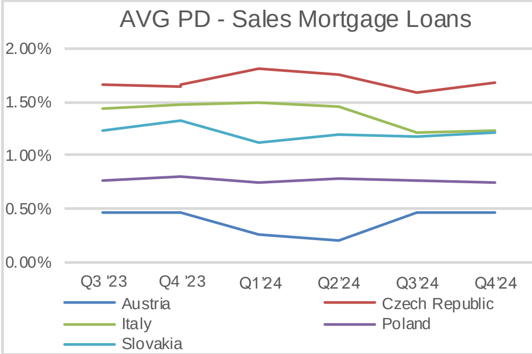
A small decrease in consumer lending took place in Austria in Q4 and a dip in mortgage loan growth in Poland in Q4 marked the end to five successive quarters of growth.

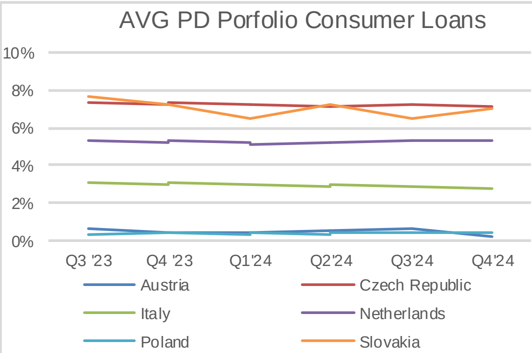
In Latvia and Georgia, the combined consumer and mortgage loan data sustained successive quarters of growth in these markets. In contrast, Nordic markets, such as Finland and Sweden, experienced contractions in their lending activity, though not as pronounced as in the previous quarter.

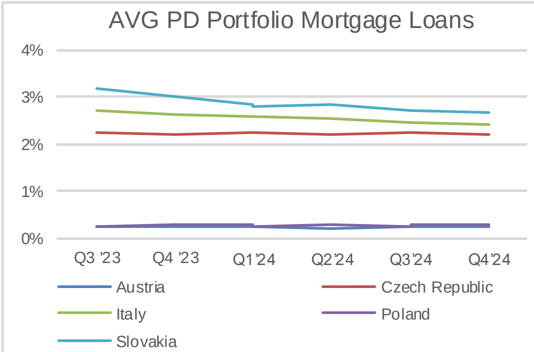
Probability of default

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





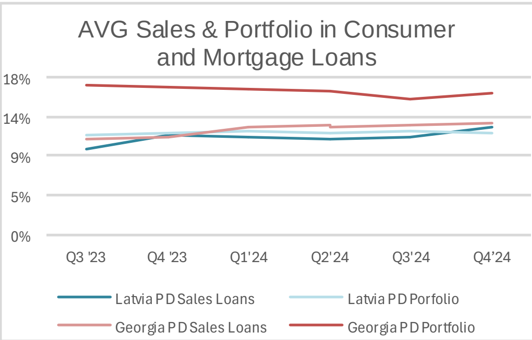




Over the course of 2024, the average probability of default for consumer and mortgage loans trend downwards. This generally continued in Q4 2024, and levels remain stable across most countries, with only minor fluctuations.

Italy and Czech Republic in particular show notable improvements. Austria and Poland maintain consistently low and stable levels, reflecting minimal credit risk variability.

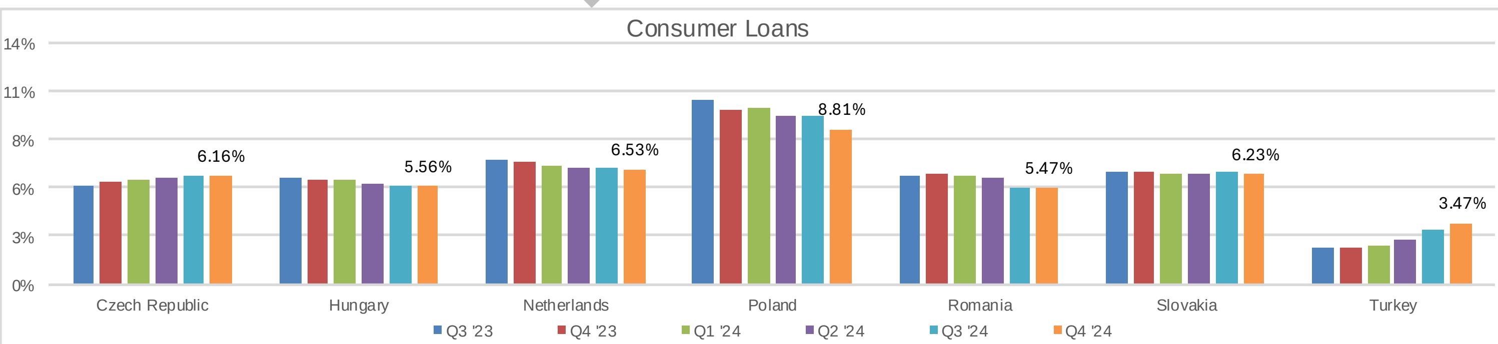
The Czech Republic, while continuing to exhibit the highest levels, shows continued improvement especially in consumer loans and portfolios.



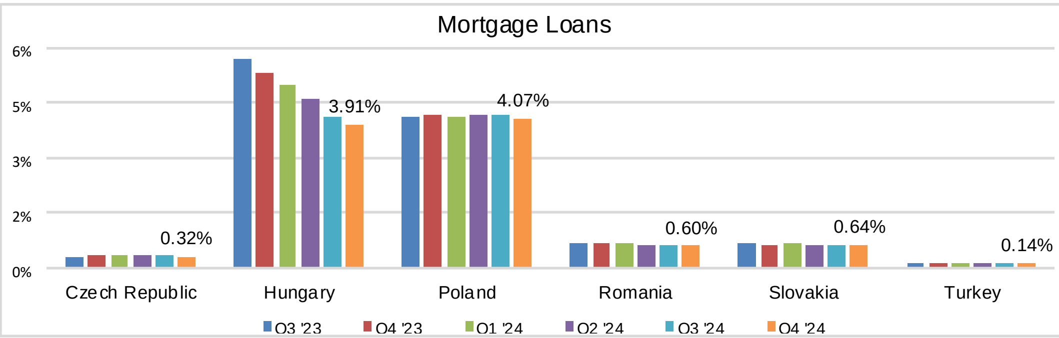
Loan book quality | % of non-performing loans

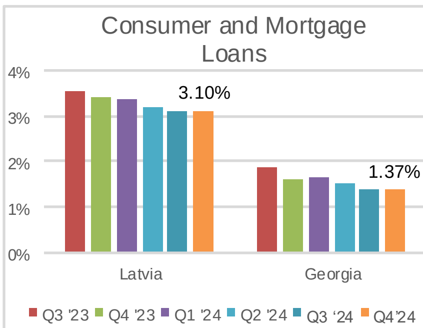
Balance of non-performing loans (more than 90 days in delinquency) to balance of all the loans at the end of a quarter

At the end of Q4 2024, loan book quality for consumer credit broadly improved across the markets covered, with the exception of Turkey which remains at a low level despite rising to 3.47%. Poland achieved the most significant reduction to 8.81%. Meanwhile, the Czech Republic moderated four consecutive quarters of growth, falling to 6.16%. Hungary, the Netherlands and Romania all charted small improvements.



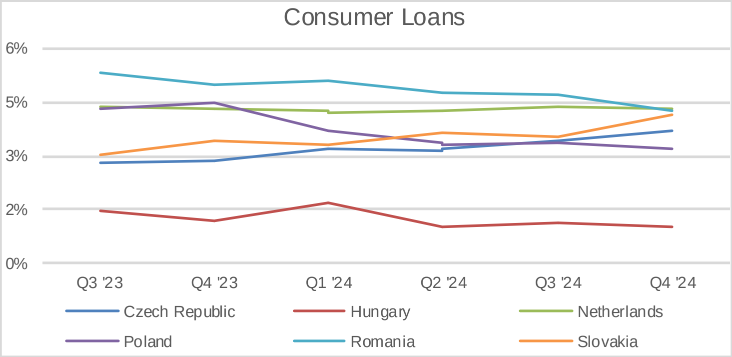
Non-performing mortgage loan ratios show stability or improvement across most countries. The Czech Republic, Romania, and Slovakia maintain low figures, with minimal fluctuations. Hungary continues to observe a decrease, dropping from 6.25% in Q2 '23 to 3.91% in Q4 '24. Turkey charts a basis point increase, rising from 0.13% in Q3 '24 to 0.14% in Q4 '24.

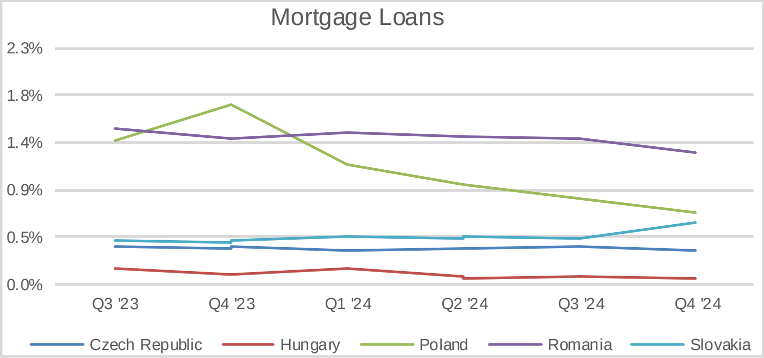


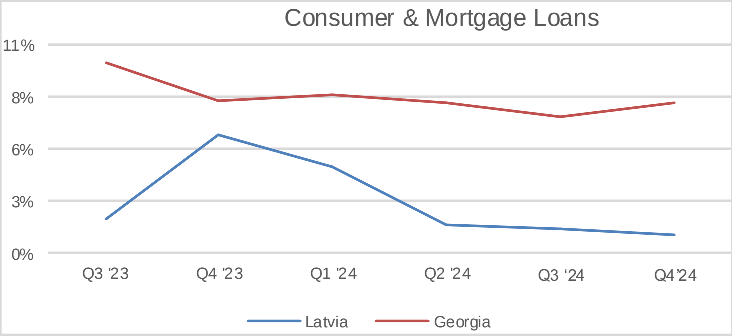


PQI - Portfolio quality index

PQI = (Sum of defaults in a quarter/ Sum of performing balances at the beginning of a quarter)*4 (%)







The Q4 2024 PQI data for both consumer and mortgage loans shows varying trends across countries. For consumer loans, Hungary has the lowest risk, decreasing 1.04%, while the Netherlands, Poland and Romania show slight improvements. The Czech Republic and Slovakia saw gradual increases. For mortgage loans, Hungary leads with the lowest risk at 0.08%, the metric improved in Czech Republic, Poland and Romania. Slovakia charted an uptick of 16 basis points.

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

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