



National Bank of Serbia

REPORT ON THE RESULTS OF THE BANK LENDING SURVEY

Second Quarter Report 2025

Belgrade, August 2025

Introductory note

In 2014, the National Bank of Serbia (NBS) launched the bank lending survey. The purpose of this survey is to improve the analysis of developments in the credit market by gaining insight into bank representatives' perspectives of actual and expected changes in bank loan supply and private sector loan demand.

The survey consists of ten questions relating to loans to enterprises and household loans. Respondents are asked about changes in credit standards,¹ factors affecting their change, changes in terms and conditions for loan approval, changes in loan demand and factors affecting loan demand.

This Report presents the **overview of results of the survey carried out from 1 to 18 July 2025**. The survey reports bank representatives' views on changes during the second quarter of 2025 and expected changes in the credit market in the third quarter of 2025. The survey included 17 banks, and thus provides for the representative coverage of the credit market as these banks account for over 99% of the banking sector balance sheet total.

The survey results are presented as net percentages. As regards credit supply, the net percentage is defined as the difference between the sum of the percentages of banks responding "tightened considerably" and "tightened somewhat" and the sum of the percentages of banks responding "eased considerably" and "eased somewhat". A positive value of the net percentage indicates net tightening, and negative – net easing of credit standards. With regard to the factors, the net percentage is defined as the difference between the percentage of banks responding that a given factor contributed to tightening of credit standards and the percentage of banks responding that the same factor contributed to their easing. As regards demand for loans, the net percentage is defined as the difference between the sum of the percentages of banks responding that demand "increased considerably" and "increased somewhat" and the sum of the percentages of banks responding that it "decreased considerably" and "decreased somewhat". Hence, a positive value of the net percentage indicates a net increase, and negative – a net decrease of demand.

The term "FX" in the analysis of results refers to loans granted in foreign currency or dinars, but indexed to a foreign currency.

¹ Credit standards are written and unwritten internal guidelines or criteria that reflect the credit policy of the bank (e.g. priorities in terms of loans categories, collateral, sector, region, etc.).

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Overview

The results of the July survey show that banks eased their standards for corporate loans in Q2, thanks to the eased standards for dinar loans, whereas standards were tightened for FX/FX-indexed loans. In Q3, banks expect continued easing of corporate standards for dinar loans and a mild tightening of standards for long-term FX loans.

Banks assess that corporate loan demand increased in Q2 and expect the same trend for almost all loan types to continue into Q3.

In Q2, banks eased standards for the approval of household loans and they expect the easing to continue into Q3.

In banks' view, households stepped up their demand for almost all loan types in Q2, and the trend is expected to continue in Q3.

Table 1: Banks' estimates of supply and demand for specified loan categories

	Supply (credit standards)		Demand	
	Q2 2025	Q3 2025 (expectations)	Q2 2025	Q3 2025 (expectations)
Corporate sector	↓	↓	↑	↑
DINAR				
Short-term	↓	↓	↑	↘
Long-term	↓	↓	↑	↑
FX/FX-indexed				
Short-term	↑	↑	↑	↘
Long-term	↑	↘	↑	↘
Household sector	↓	↓	↑	↑
Cash (dinar)	↓	↓	↑	↑
Refinancing (dinar)	↓	↓	↑	↑
Housing (FX)	↓	↓	↑	↑
Consumer (FX)	↓	↓	↑	-

Legend:

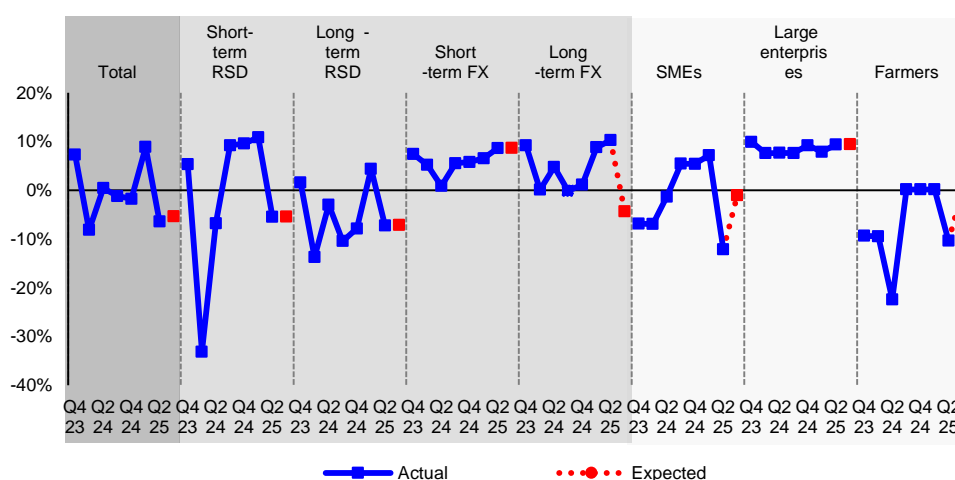
- ↑ Increase in demand (net percentage above 5%)
- ↑ Tightening of credit standards (net percentage above 5%)
- ↘ Increase in demand / tightening of credit standards (net percentage up to 5%)
- Without change
- ↘ Decrease in demand / easing of credit standards (net percentage up to 5%)
- ↓ Decrease in demand (net percentage above 5%)
- ↓ Easing of credit standards (net percentage above 5%)

1. Corporate loans

1.1 Change in credit standards and contributing factors

The results of the July survey indicate that in Q2, overall, banks eased their corporate credit standards, in line with the expectations from the previous survey. Standards were eased for dinar loans of all maturities, while standards for FX/FX-indexed loans were tightened. By company size, standards were relaxed for loans to SMEs and farmers, but tightened for loans to large enterprises. In Q3, banks expect continued easing of credit standards for dinar corporate loans and a mild relaxation of standards for FX/FX-indexed long-term loans.

Change in credit standards as applied to the approval of loans or credit lines to enterprises
(net percentage)



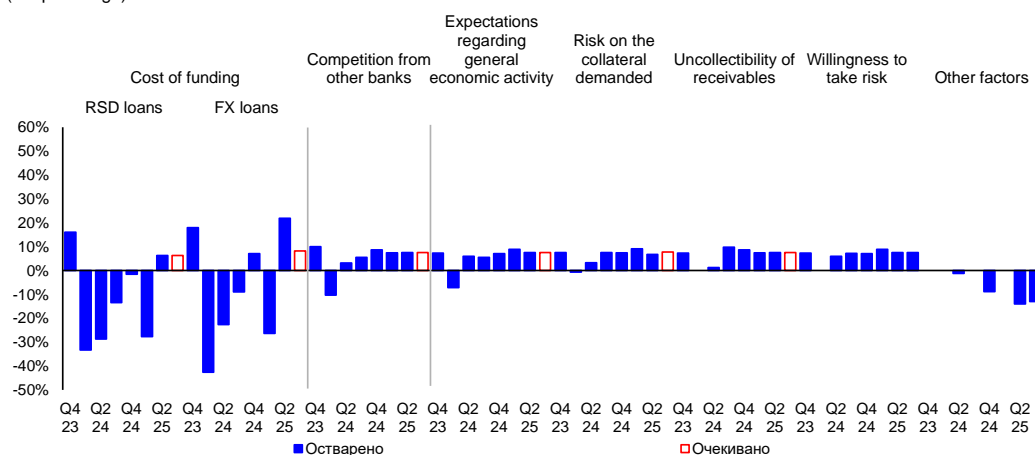
Source: NBS.

* Positive value indicates tightening of credit standards and negative - easing.

** The intensity of change is not shown in charts.

The assessment that corporate credit standards were eased in Q2 was generated by the responses of banks which stated that standard easing was a result of special promotional bank activities, registered in the survey under "other factors". Also, some banks granted loans partly funded from guarantee schemes, facilitating access to loans to a certain group of clients. On the other hand, the estimate of other banks is that competition and readiness to take risk worked toward standard tightening for FX and FX-indexed corporate loans.

Factors affecting credit standards as applied to the approval of loans or credit lines to enterprises (net percentage)



Source: NBS.

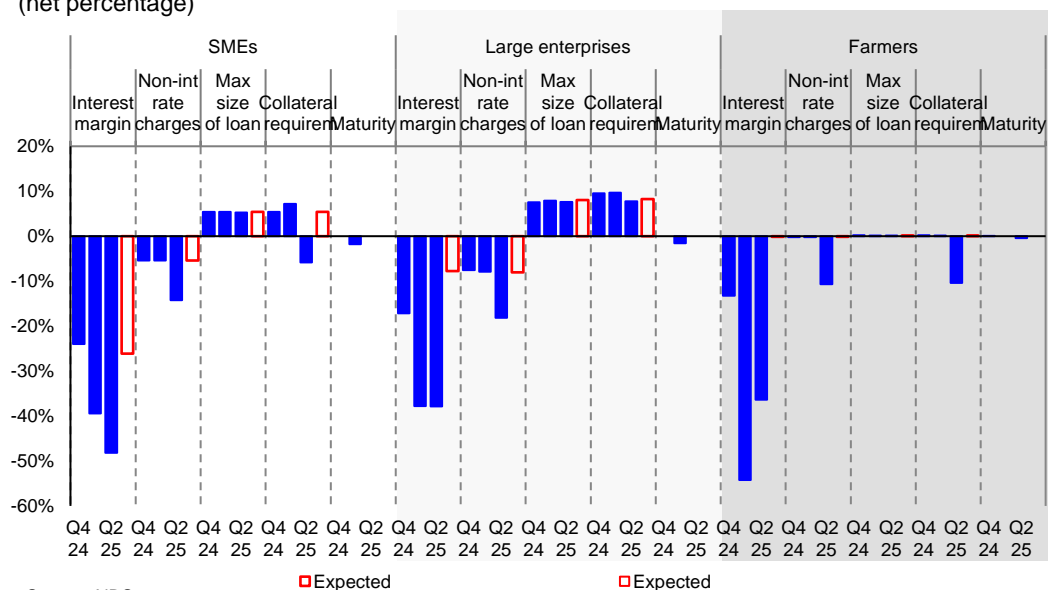
* Positive value indicates the contribution of individual factors to the tightening of credit standards and negative - to the easing.

** The intensity of change is not shown in charts.

1.2 Conditions and terms for approving corporate loans

For Q2, banks reported relaxed price conditions for corporate loans – interest margins were lowered, as well as fees and commissions for both dinar and FX-indexed loans and the maximum loan maturity was extended. In contrast, maximum loan amount was reduced and collateral requirements were tightened.

Change in conditions and terms for approving loans or credit lines to enterprises (net percentage)



Source: NBS.

* Positive value indicates tightening of credit standards and negative - easing.

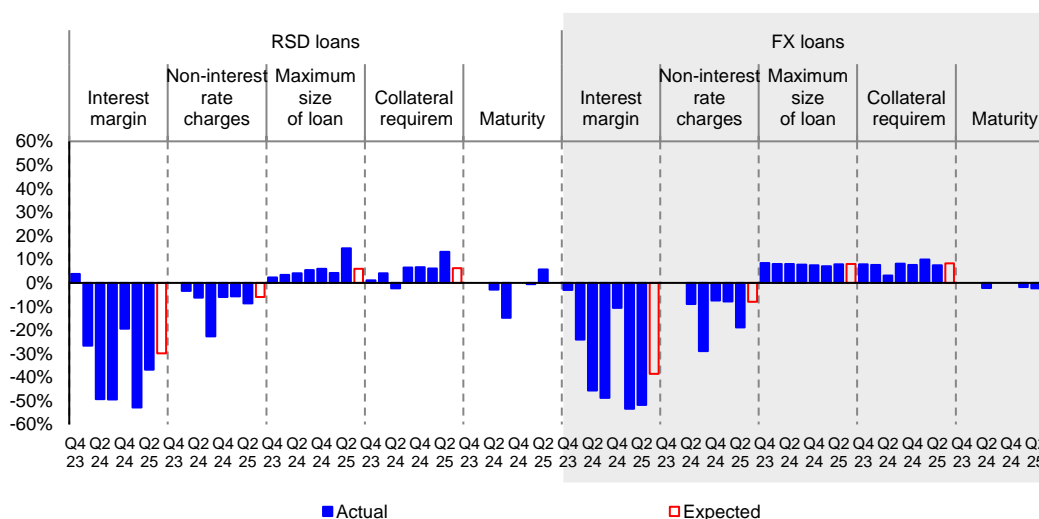
** The intensity of change is not shown in charts.

Banks expect similar developments in Q3 as well – the easing of price conditions, on the one hand, and the reduction of the maximum loan amount and the tightening of collateral requirements, on the other.

1.3 Demand for corporate loans and contributing factors

Banks assessed that corporate loan demand for all loan types increased in Q2, in line with the expectations from the previous survey. The rise in demand was driven by heightened needs for financing working capital and capital investments. Further, according to some banks, the rise in demand for agricultural loans was a result of subsidised loans.

Change in conditions and terms for approving loans or credit lines to enterprises
(net percentage)



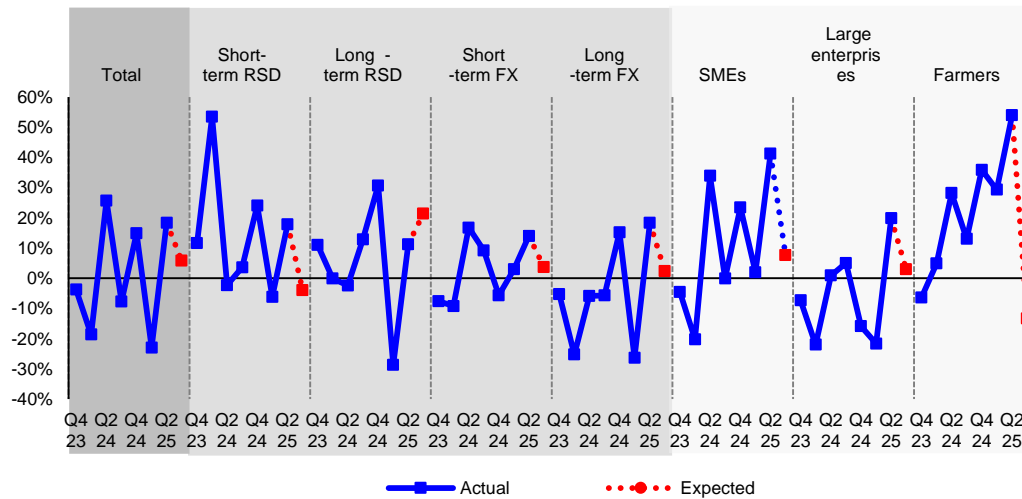
Source: NBS.

* Positive value indicates tightening of conditions and negative - easing.

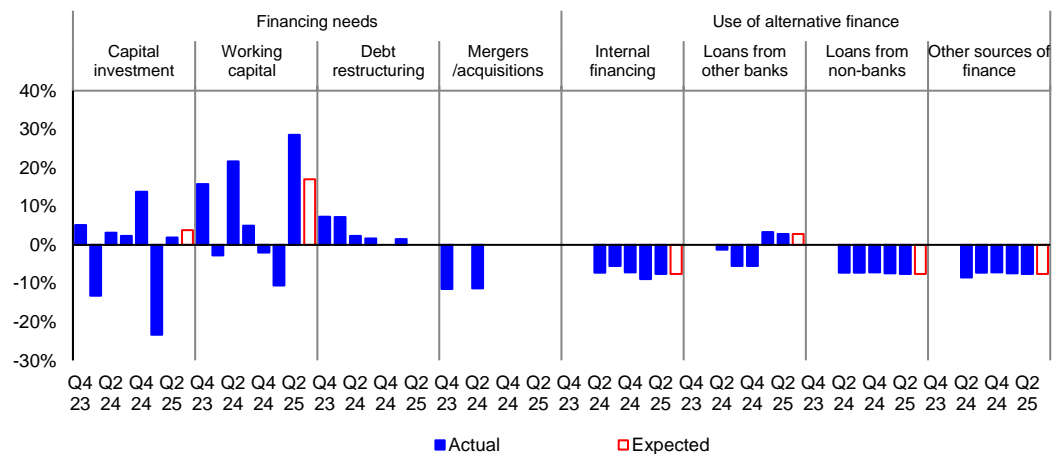
** The intensity of change is not shown in charts.

Banks expect the rise in demand for loans to continue into the next quarter, but with less intensity. Lower demand is expected for loans to agricultural producers. Demand growth will be driven by similar factors as in Q2 – primarily the need to finance working capital and capital investments.

Change in demand for loans or credit lines to enterprises (net percentage)



Factors affecting the demand for loans or credit lines to enterprises (net percentage)



2. Household loans

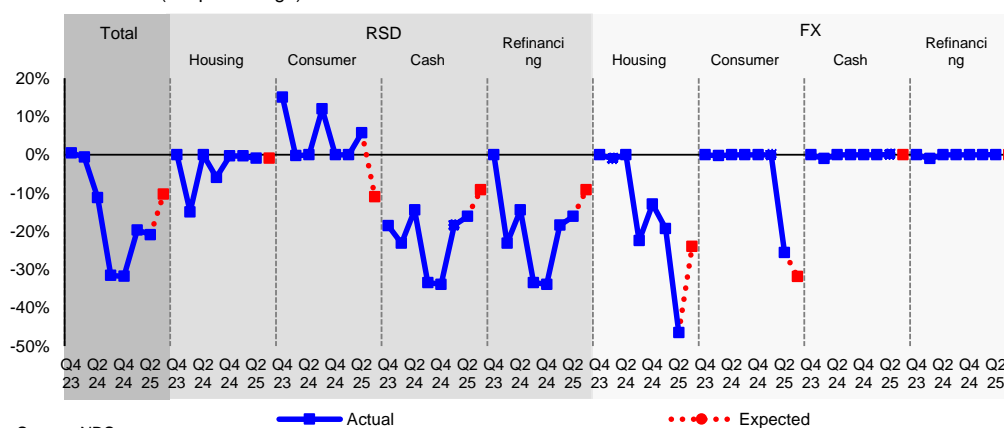
2.1 Change in credit standards and contributing factors

The survey results indicate that household credit standards were eased in Q2, consistent with expectations from the previous survey. By individual category, credit standards were eased for dinar loans of all types, except for dinar consumer loans, where standards were mildly tightened. As for FX/FX-indexed loans, housing and consumer loans were relaxed, while standards for cash and refinancing loans remained unchanged from Q1.

Lower funding sources and competition in this market segment worked towards the easing of standards for household loans in Q2. Some banks stated that the programme of subsidised housing loans for youth, the implementation of which began in Q2, also worked towards credit standard easing.

Banks anticipate household credit standards to ease further in Q3, for almost all types of loans. This will be largely driven by the same factors that caused the easing since the beginning of the year.

Change in credit standards as applied to the approval of loans or credit lines to households (net percentage)

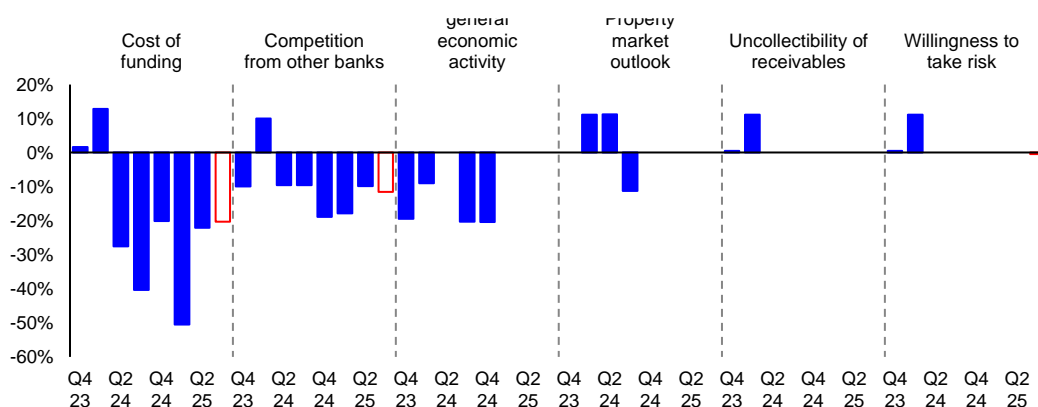


Source: NBS.

* Positive value indicates tightening of credit standards and negative - easing.

** The intensity of change is not shown in charts.

Factors affecting credit standards as applied to the approval of loans or credit lines to households (net percentage)



Source: NBS.

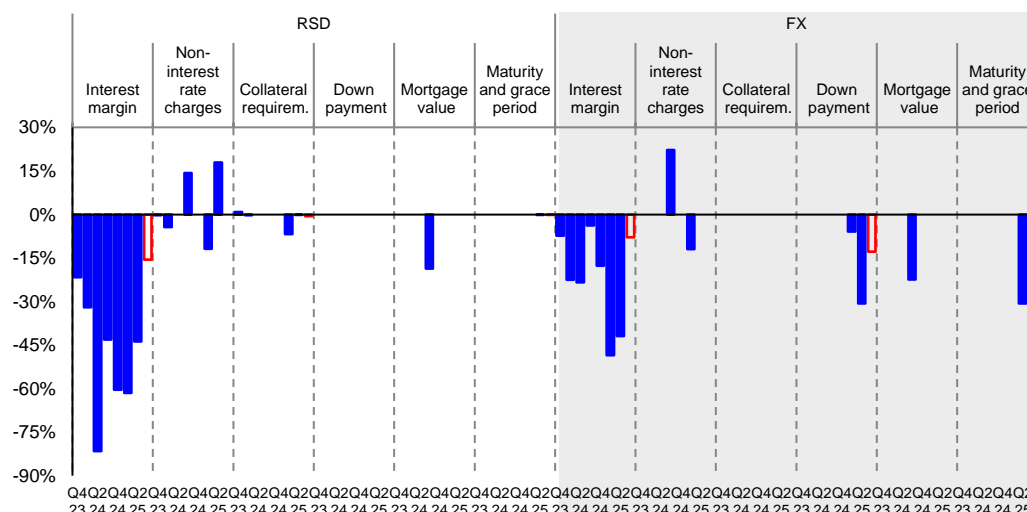
* Positive value indicates the contribution of individual factors to the tightening of credit standards and negative - to the easing.

** The intensity of change is not shown in charts.

2.2 Conditions and terms for approving household loans

The terms for approving household loans were eased in Q2, largely on account of lower interest margins. In addition, in case of FX/FX-indexed loans, maximum loan maturity was extended, while required downpayment was lowered. In contrast, fees and commissions for dinar loans increased.

Change in conditions and terms for approving loans or credit lines to households (net percentage)



Source: NBS.

* Positive value indicates tightening of conditions and negative - easing.

** The intensity of change is not shown in charts.

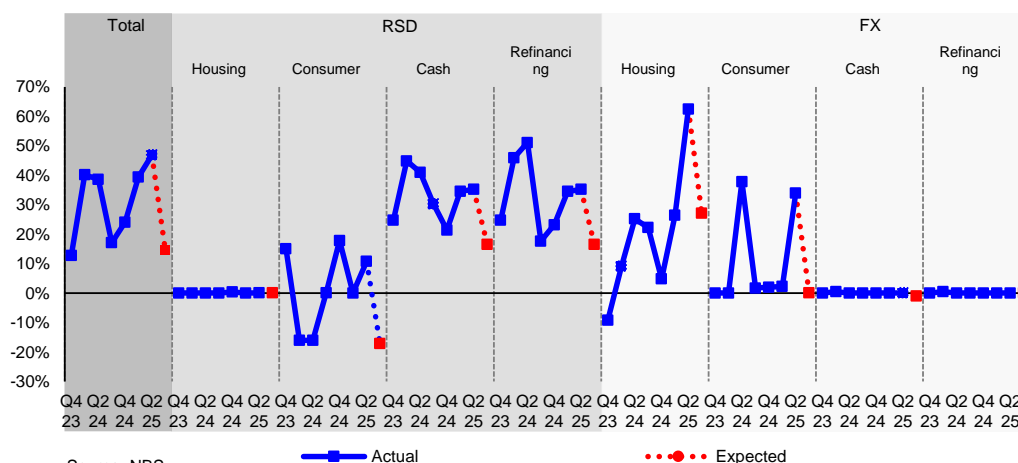
Banks expect the continuation of credit standard easing into Q3, primarily as a result of lower interest margins in case of both dinar and FX/FX-indexed loans. Further, the easing of standards for dinar loans will be facilitated by lower collateral

requirements, while the required downpayment will be reduced for FX/FX-indexed loans.

2.3 Household loan demand and contributing factors

In Q2, household loan demand increased largely for FX-indexed housing and consumer loans and for dinar cash, consumer and refinancing loans. Banks estimated that a rise in loan demand was influenced by the need for refinancing, purchase of durable consumer goods, purchase of real estate and improved overall economic situation (rise in wages and improved real estate market situation). Also, some banks emphasised that an increase in demand was driven by the launch of the new model of government-guaranteed housing loans for youth.

Change in demand for loans or credit lines to households
(net percentage)



Factors affecting the demand for loans or credit lines to households
(net percentage)

