

# OeNB Report 2024/II: Bank Lending Survey – Weakness in investment slows demand for corporate loans

## Austrian results of the July 2024 euro area bank lending survey

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Demand for corporate loans continued to decline in the second quarter of 2024, extending a downward trend that has been in place since the fourth quarter of 2022. This drop was mainly driven by decreasing corporate investment. The banks surveyed do not expect loan demand to decline further in the third quarter of 2024.

Households' demand for housing loans has been showing signs of a moderate recovery since the first quarter of 2024, following a sharp decline for a year and a half. The recovery comes as real incomes rise and financing costs fall slightly, boosting loan affordability.

Banks' corporate lending policies are increasingly taking into account sustainability in the context of climate change. This means tighter lending conditions for companies that significantly contribute to climate change and looser conditions for green companies. On the demand side, banks see an increase in companies' need for financing for investments and restructuring made necessary by climate change (e.g., transitioning to greener production and protection against physical risks of climate change).

Note: The full report in German can be found at [OeNB Reports](#).

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