

Statistics on non-performing loans

Asociación Hipotecaria Española

4th Quarter 2018

Madrid, April 2019





Statistics on non-performing loans in the fourth quarter of 2018

April 2019

During the fourth quarter of 2018, it has continued the restructuring process of balance sheets. At an aggregate level, while the resident private sector outstanding portfolio fell 3.6% year-on-year (y-o-y), non-performing loans (NPLs) recorded a decrease of 28.1%, a rate which reflects that this year has fared better than previous years. However, the NPLs portfolio for this segment represented at the end of the year 5.8% over total assets, two percentage points below the previous year.

By market segments, the rate of NPLs for housing purchase continued the downward trend showed over the past year, moving from 4.7% in December 2017 to 4.1%. In absolute terms, while the outstanding portfolio recorded a y-o-y drop of 6.33 billion euro (-1.3%), NPLs decreased by 3.43 billion euros (-14.5%), leaving an outstanding doubtful balance of 20.18 billion euros in Q4 2018.

In the lending for housing renovations, figures show a more erratic behaviour, although in general, since 2014 the outstanding of NPLs loans has maintained a downward path. In the last quarter, the NPLs rate stood at 6.2%, compared to the 6.4% seen in the previous year.

Continuing with the lending to households, it should be noted the increasing on doubtful loans experienced by consumer finance, which in contrast to other sectors, presented positive variations for eight months in a row. In December 2018 doubtful loans increased from 4.6 % in December 2017 to 4.8%.

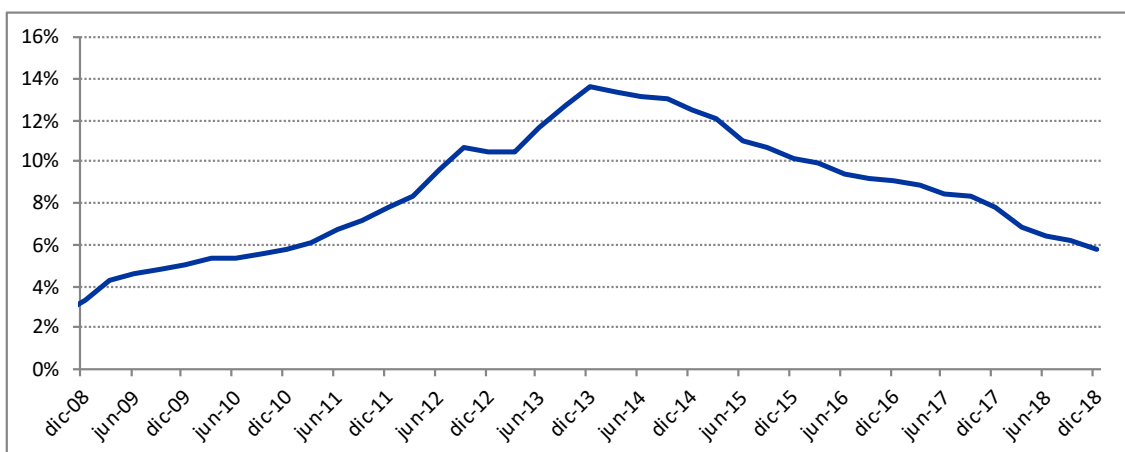
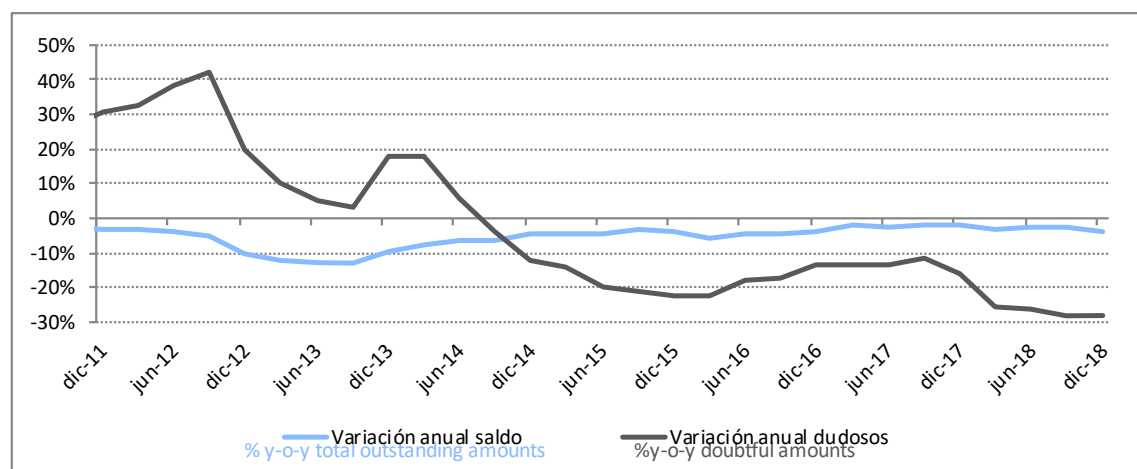
In the case of productive activities, such as real estate development and construction, it is noteworthy the important fall of doubtful assets that again have recorded their balance sheets. The outstanding doubtful loans for both sectors reduced over the last year by 15.75 billion euro, which represents a decrease of -55,8% on a y-o-y basis. Specifically the NPL ratio of real estate activities decreased 8.5 percentage points compared to the same period of the previous year, ending 2018 with a rate of 9.6%. In parallel, the NPL ratio of the construction sector fell more than 10.4 percentage points, from 24.1% in December 2017 to 13.7% in December 2018.



As long as the economy continues to grow -supported in lax financing conditions and accompanied by the creation of quality employment- solid fundamentals for the improvement of the levels of NPLs will continue to exist, either through the sale of portfolios with help of venture capital funds or, alternatively, through the regeneration of our economy.

1. Percentage of doubtful loans in total lending to the private sector

Period	Total	Deposit-taking lenders	Other credit Institutions	EFCs*
mar-15	12,1%	12,2%	10,6%	9,6%
jun-15	11,0%	11,0%	11,4%	9,1%
sept-15	10,7%	10,7%	11,5%	8,7%
dic-15	10,1%	10,2%	12,2%	7,1%
mar-16	10,0%	10,1%	13,1%	7,2%
jun-16	9,4%	9,5%	13,6%	7,1%
sept-16	9,2%	9,3%	13,7%	6,9%
dic-16	9,1%	9,2%	13,6%	6,0%
mar-17	8,8%	8,9%	10,4%	5,9%
jun-17	8,4%	8,5%	10,2%	5,8%
sept-17	8,3%	8,4%	9,7%	6,0%
dic-17	7,8%	7,9%	10,6%	5,7%
mar-18	6,8%	6,8%	10,7%	6,0%
jun-18	6,4%	6,4%	8,5%	5,6%
sept-18	6,2%	6,2%	7,7%	5,4%
dic-18	5,8%	5,8%	6,1%	5,2%

Chart: Evolution of the percentage of doubtful loans in total lending to the private sector

Chart: y-o-y variation rate of outstanding and doubtful amounts of total lending to the private sector


*Credit financial intermediaries

2. Percentage of doubtful loans in residential lending

Period	Housing purchase	Renovation	Purchase and Renovation
mar-15	5,8%	7,2%	5,9%
jun-15	5,2%	6,5%	5,3%
sept-15	5,0%	6,4%	5,1%
dic-15	4,8%	6,0%	4,9%
mar-16	4,8%	6,1%	4,8%
jun-16	4,7%	6,1%	4,7%
sept-16	4,6%	6,2%	4,7%
dic-16	4,7%	6,5%	4,7%
mar-17	4,7%	6,6%	4,8%
jun-17	4,7%	6,6%	4,7%
sept-17	4,7%	6,5%	4,7%
dic-17	4,7%	6,4%	4,8%
mar-18	4,5%	6,3%	4,6%
jun-18	4,4%	6,3%	4,4%
sept-18	4,3%	6,3%	4,3%
dic-18	4,1%	6,2%	4,1%

Chart: Evolution of residential doubtful loans by credit purpose

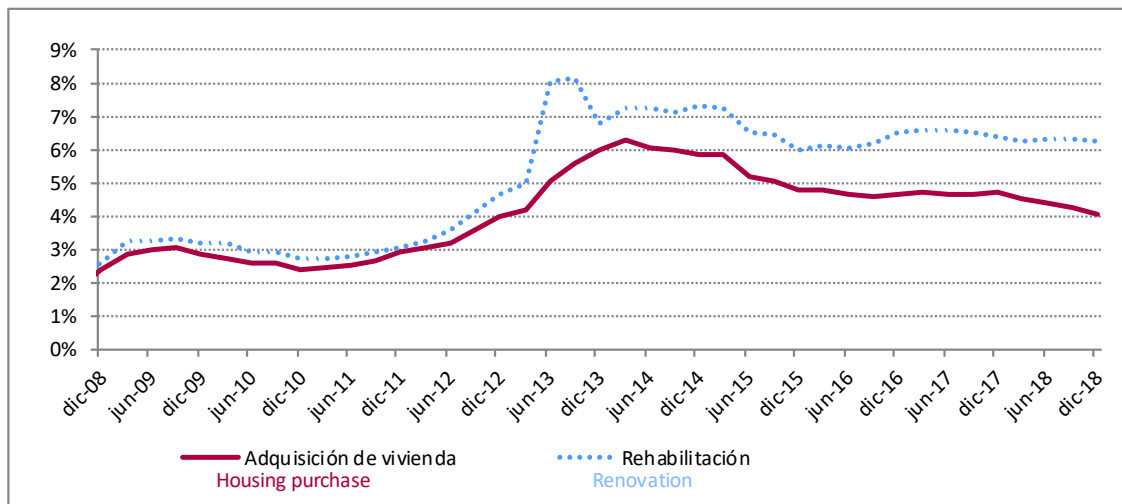
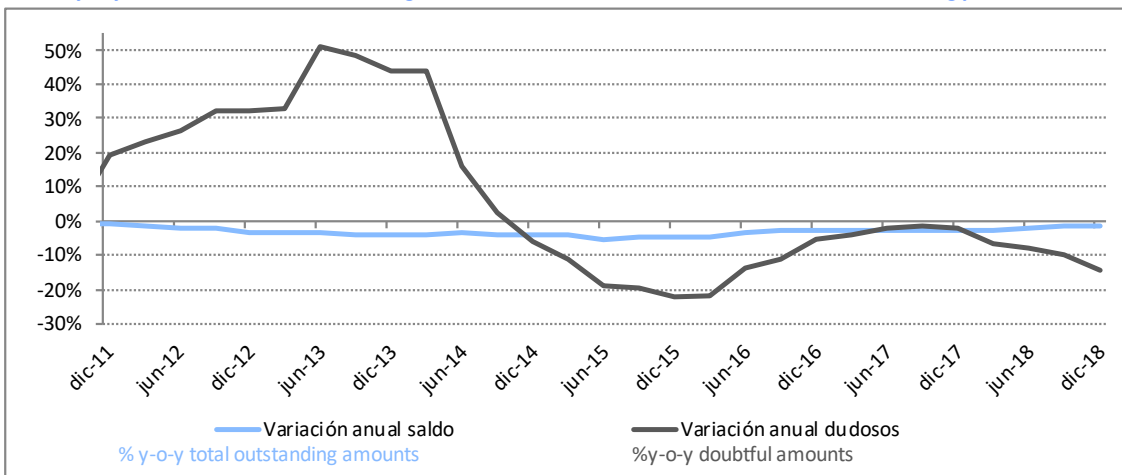


Chart: y-o-y variation rate of outstanding and doubtful amounts of residential loans for housing purchase



3. Percentage of doubtful loans in residential loans for housing purchase

Period	Total	Deposit-taking Institutions	Other credit Institutions	EFCs
mar-15	5,8%	5,6%	0,0%	16,3%
jun-15	5,2%	5,0%	0,0%	15,7%
sept-15	5,0%	4,8%	0,0%	15,3%
dic-15	4,8%	4,6%	0,0%	14,5%
mar-16	4,8%	4,6%	0,0%	14,5%
jun-16	4,7%	4,5%	0,0%	14,3%
sept-16	4,6%	4,4%	0,0%	13,8%
dic-16	4,7%	4,5%	0,0%	13,5%
mar-17	4,7%	4,5%	0,0%	13,7%
jun-17	4,7%	4,5%	0,0%	14,0%
sept-17	4,7%	4,5%	0,0%	14,5%
dic-17	4,7%	4,5%	0,0%	14,7%
mar-18	4,5%	4,3%	0,0%	14,4%
jun-18	4,4%	4,2%	0,0%	13,8%
sept-18	4,3%	4,1%	0,0%	13,7%
dic-18	4,1%	3,9%	0,0%	13,5%

4. Percentage of doubtful loans in residential loans for housing renovation

Period	Total	Deposit-taking Institutions	Other credit Institutions	EFCs
mar-15	7,2%	7,2%	0,0%	7,3%
jun-15	6,5%	6,5%	0,0%	6,9%
sept-15	6,4%	6,4%	0,0%	6,6%
dic-15	6,0%	6,0%	0,0%	6,8%
mar-16	6,1%	6,1%	0,0%	7,0%
jun-16	6,1%	6,1%	0,0%	4,9%
sept-16	6,2%	6,2%	0,0%	4,4%
dic-16	6,5%	6,5%	0,0%	2,9%
mar-17	6,6%	6,6%	0,0%	2,7%
jun-17	6,6%	6,6%	0,0%	2,3%
sept-17	6,5%	6,5%	0,0%	2,0%
dic-17	6,4%	6,4%	0,0%	1,7%
mar-18	6,3%	6,3%	0,0%	1,5%
jun-18	6,3%	6,3%	0,0%	1,4%
sept-18	6,3%	6,4%	0,0%	1,7%
dic-18	6,2%	6,3%	0,0%	1,8%

5. Percentage of doubtful loans in residential loans for consumer goods

Period	Total	Deposit-taking Institutions	Other credit Institutions	EFCs
mar-15	6,9%	7,6%	0,0%	4,4%
jun-15	6,3%	6,9%	0,0%	4,2%
sept-15	6,1%	6,7%	0,0%	4,1%
dic-15	5,5%	6,2%	0,0%	3,5%
mar-16	5,3%	5,9%	0,0%	3,5%
jun-16	4,9%	5,4%	0,0%	3,3%
sept-16	5,0%	5,6%	0,0%	3,3%
dic-16	4,8%	5,6%	0,0%	2,8%
mar-17	5,0%	5,7%	0,0%	3,1%
jun-17	4,8%	5,4%	0,0%	3,1%
sept-17	5,2%	5,9%	0,0%	3,3%
dic-17	4,6%	5,1%	0,0%	3,2%
mar-18	5,0%	5,4%	0,0%	3,7%
jun-18	4,7%	5,1%	0,0%	3,7%
sept-18	4,8%	5,3%	0,0%	3,3%
dic-18	4,8%	5,3%	0,0%	3,3%

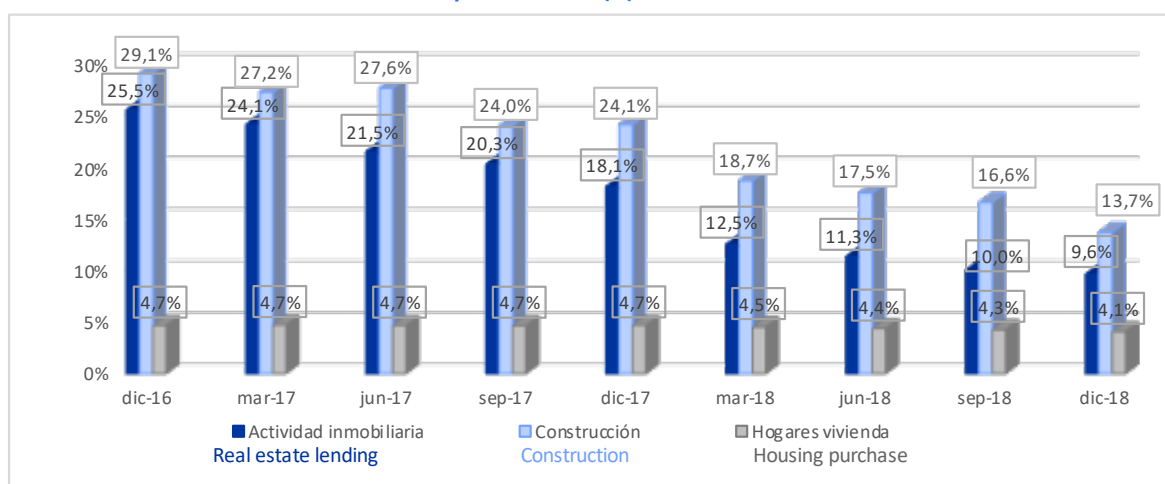
6. Percentage of doubtful loans in lending to real estate activities

Period	Total	Deposit-taking Institutions	Other credit Institutions	EFCs
mar-15	34,7%	34,7%	50,9%	18,0%
jun-15	32,1%	32,0%	51,1%	16,7%
sept-15	30,6%	30,5%	50,7%	17,4%
dic-15	27,5%	27,4%	50,8%	11,5%
mar-16	27,6%	27,5%	63,6%	12,6%
jun-16	26,9%	26,8%	64,1%	7,7%
sept-16	25,6%	25,5%	64,4%	7,8%
dic-16	25,5%	25,4%	65,1%	5,7%
mar-17	24,1%	24,2%	53,3%	5,5%
jun-17	21,5%	21,5%	47,3%	6,0%
sept-17	20,3%	20,3%	47,4%	5,2%
dic-17	18,1%	18,2%	39,1%	3,6%
mar-18	12,5%	12,5%	35,0%	3,8%
jun-18	11,3%	11,3%	34,3%	3,8%
sept-18	10,0%	10,0%	23,0%	3,5%
dic-18	9,6%	9,6%	25,3%	7,8%

7. Percentage of doubtful loans in lending to construction sector

Period	Total	Deposit-taking Institutions	Other credit Institutions	EFCs
mar-15	32,1%	33,3%	9,2%	11,2%
jun-15	29,8%	30,8%	9,8%	10,5%
sept-15	29,2%	30,1%	11,9%	11,7%
dic-15	30,0%	30,9%	12,2%	11,6%
mar-16	29,1%	29,8%	12,6%	11,4%
jun-16	29,6%	30,3%	12,8%	20,8%
sept-16	29,1%	29,6%	14,1%	19,6%
dic-16	29,1%	29,7%	13,6%	20,0%
mar-17	27,2%	27,8%	20,8%	9,2%
jun-17	27,6%	28,2%	19,2%	11,4%
sept-17	24,0%	24,4%	19,6%	10,2%
dic-17	24,1%	24,5%	23,4%	9,2%
mar-18	18,7%	18,9%	23,3%	6,4%
jun-18	17,5%	17,7%	21,7%	5,3%
sept-18	16,6%	16,8%	19,6%	5,5%
dic-18	13,7%	14,0%	12,3%	4,2%

Chart: Recent evolution of doubtful loans by credit sector (%)



8. Outstanding amounts of total lending to the private sector
 (EUR millions)

Period	Total	Deposit-taking Institutions	Other credit Institutions	EFCs
mar-15	1.375.083	1.324.910	14.901	35.272
jun-15	1.357.642	1.307.623	13.834	36.185
sept-15	1.339.139	1.289.504	13.534	36.102
dic-15	1.327.080	1.274.656	12.551	39.873
mar-16	1.293.409	1.243.182	11.345	38.882
jun-16	1.298.002	1.246.532	10.898	40.573
sept-16	1.277.796	1.226.308	10.532	40.957
dic-16	1.276.172	1.222.541	10.395	43.235
mar-17	1.266.098	1.213.571	9.564	42.963
jun-17	1.262.296	1.209.047	8.804	44.445
sept-17	1.249.068	1.196.378	8.777	43.913
dic-17	1.253.916	1.199.079	7.994	46.843
mar-18	1.224.725	1.170.905	7.789	46.031
jun-18	1.229.717	1.174.081	7.775	47.862
sept-18	1.213.308	1.157.186	7.522	48.600
dic-18	1.208.316	1.150.229	6.887	51.200

9. Doubtful amounts of total lending to the private sector
 (EUR millions)

Period	Total	Deposit-taking Institutions	Other credit Institutions	EFCs
mar-15	166.218	161.253	1.581	3.385
jun-15	149.305	144.419	1.576	3.310
sept-15	142.805	138.114	1.555	3.136
dic-15	134.333	129.985	1.530	2.818
mar-16	129.225	124.948	1.483	2.793
jun-16	122.508	118.159	1.481	2.869
sept-16	117.709	113.453	1.443	2.813
dic-16	116.281	112.275	1.416	2.590
mar-17	111.865	108.333	992	2.541
jun-17	106.176	102.679	899	2.598
sept-17	103.991	100.481	854	2.656
dic-17	97.691	94.174	848	2.669
mar-18	83.271	79.696	831	2.744
jun-18	78.611	75.258	662	2.691
sept-18	74.929	71.745	576	2.609
dic-18	70.252	67.196	418	2.638

10. Outstanding amounts of lending to households for housing purchase
 (EUR millions)

Period	Total	Deposit-taking Institutions	Other credit Institutions	EFCs
mar-15	552.110	540.948	19	11.143
jun-15	542.535	531.355	19	11.160
sept-15	536.511	525.431	18	11.061
dic-15	531.256	520.245	18	10.992
mar-16	526.382	515.610	17	10.754
jun-16	523.595	512.914	17	10.664
sept-16	521.232	510.627	17	10.588
dic-16	516.612	506.087	16	10.509
mar-17	512.743	502.293	16	10.433
jun-17	510.258	499.774	16	10.468
sept-17	507.203	496.711	16	10.477
dic-17	503.027	492.605	15	10.407
mar-18	500.309	489.912	15	10.382
jun-18	500.857	490.446	15	10.396
sept-18	498.949	488.584	14	10.350
dic-18	496.698	486.407	14	10.277

11. Doubtful amounts of lending to households for housing purchase
 (EUR millions)

Period	Total	Deposit-taking Institutions	Other credit institutions	EFCs
mar-15	32.141	30.319	0	1.822
jun-15	28.216	26.459	0	1.756
sept-15	27.012	25.315	0	1.697
dic-15	25.541	23.944	0	1.597
mar-16	25.141	23.580	0	1.561
jun-16	24.353	22.832	0	1.522
sept-16	24.034	22.571	0	1.463
dic-16	24.125	22.708	0	1.417
mar-17	24.222	22.790	0	1.432
jun-17	23.816	22.354	0	1.462
sept-17	23.630	22.107	0	1.524
dic-17	23.605	22.075	0	1.529
mar-18	22.659	21.162	0	1.497
jun-18	21.928	20.489	0	1.439
sept-18	21.248	19.830	0	1.417
dic-18	20.178	18.792	0	1.386

12. Outstanding amounts of lending to households for housing renovation
 (EUR millions)

Period	Total	Deposit-taking Institutions	Other credit institutions	EFCs
mar-15	21.856	21.829	0	27
jun-15	21.461	21.435	0	26
sept-15	21.148	21.123	0	26
dic-15	20.813	20.787	0	26
mar-16	20.431	20.404	0	27
jun-16	20.337	20.303	0	34
sept-16	19.046	19.003	0	44
dic-16	18.753	18.693	0	60
mar-17	18.750	18.681	0	69
jun-17	18.347	18.265	0	82
sept-17	18.696	18.599	0	97
dic-17	18.862	18.751	0	111
mar-18	18.825	18.685	0	139
jun-18	18.402	18.237	0	165
sept-18	18.169	17.988	0	181
dic-18	17.968	17.758	0	211

13. Doubtful amounts of lending to households for housing renovation
 (EUR millions)

Period	Total	Deposit-taking Institutions	Other credit institutions	EFCs
mar-15	1.580	1.578	0	2
jun-15	1.401	1.400	0	2
sept-15	1.358	1.356	0	2
dic-15	1.245	1.243	0	2
mar-16	1.247	1.246	0	2
jun-16	1.234	1.232	0	2
sept-16	1.173	1.171	0	2
dic-16	1.224	1.222	0	2
mar-17	1.237	1.236	0	2
jun-17	1.210	1.208	0	2
sept-17	1.217	1.215	0	2
dic-17	1.201	1.199	0	2
mar-18	1.179	1.177	0	2
jun-18	1.158	1.155	0	2
sept-18	1.146	1.143	0	3
dic-18	1.116	1.113	0	4

14. Outstanding amounts of lending to households for consumer goods
 (EUR millions)

Period	Total	Deposit-taking Institutions	Other credit institutions	EFCs
mar-15	56.367	44.274	1	12.091
jun-15	58.936	46.142	1	12.792
sept-15	59.166	45.809	1	13.356
dic-15 ⁽¹⁾	61.314	45.542	-	15.817
mar-16	61.394	45.642	1	15.752
jun-16	64.822	48.229	1	16.593
sept-16	66.160	48.532	1	17.627
dic-16	69.188	50.212	1	18.975
mar-17	70.384	51.349	1	19.035
jun-17	74.671	54.813	1	19.857
sept-17	75.671	56.029	1	19.641
dic-17	79.264	58.096	1	21.167
mar-18	80.795	59.565	1	21.229
jun-18	85.078	62.761	1	22.316
sept-18	85.921	62.964	1	22.957
dic-18	88.677	64.343	1	24.333

15. Doubtful amounts of lending to households for consumer goods
 (EUR millions)

Period	Total	Deposit-taking Institutions	Other credit institutions	EFCs
mar-15	3.905	3.373	0	533
jun-15	3.729	3.192	0	536
sept-15	3.610	3.066	0	544
dic-15	3.361	2.814	0	547
mar-16	3.255	2.711	0	544
jun-16	3.176	2.620	0	556
sept-16	3.298	2.711	0	587
dic-16	3.350	2.814	0	536
mar-17	3.522	2.939	0	583
jun-17	3.555	2.935	0	621
sept-17	3.956	3.318	0	639
dic-17	3.663	2.992	0	672
mar-18	4.011	3.217	0	795
jun-18	3.999	3.178	0	821
sept-18	4.100	3.348	0	753
dic-18	4.235	3.426	0	809

(1) The sum of Deposit-taking Institutions and Credit financial Institutions (EFCs in its Spanish acronym) do not match exactly with the aggregate value ("total"). There is a marginal variation between the data published by the Bank of Spain (61,314 million euros, collected in our statistic) and the data resulting from the aggregation of both (61,359 million euros).

16. Outstanding amounts of lending to real estate activities
 (EUR millions)

Period	Total	Deposit-taking Institutions	Other credit institutions	EFCs
mar-15	146.613	144.795	1.142	676
jun-15	138.329	136.526	1.119	684
sept-15	135.851	134.124	1.083	644
dic-15	135.190	133.635	982	573
mar-16	128.871	127.554	765	552
jun-16	124.805	123.239	754	811
sept-16	123.177	121.622	746	808
dic-16	120.805	119.140	733	932
mar-17	118.823	117.575	357	891
jun-17	116.449	115.206	310	932
sept-17	112.310	111.098	305	907
dic-17	109.998	108.845	268	885
mar-18	101.338	100.227	263	848
jun-18	100.952	99.868	255	829
sept-18	97.022	95.999	192	831
dic-18	87.988	87.394	174	420

17. Doubtful amounts of lending to real estate activities
 (EUR millions)

Period	Total	Deposit-taking Institutions	Other credit institutions	EFCs
mar-15	50.948	50.245	581	122
jun-15	44.437	43.751	572	114
sept-15	41.621	40.959	550	112
dic-15	37.235	36.670	499	66
mar-16	35.617	35.061	487	69
jun-16	33.557	33.010	484	63
sept-16	31.567	31.024	481	63
dic-16	30.806	30.275	477	53
mar-17	28.657	28.418	190	49
jun-17	25.002	24.800	147	56
sept-17	22.762	22.570	145	47
dic-17	19.895	19.759	105	32
mar-18	12.652	12.528	92	32
jun-18	11.405	11.287	87	31
sept-18	9.707	9.635	44	29
dic-18	8.463	8.387	44	33

18. Outstanding amounts of lending to the construction sector
 (EUR millions)

Period	Total	Deposit-taking Institutions	Other credit institutions	EFCs
mar-15	48.063	45.615	1.492	956
jun-15	46.090	43.844	1.407	839
sept-15	45.445	43.241	1.332	872
dic-15	43.936	41.862	1.297	777
mar-16	42.663	40.764	1.190	709
jun-16	41.577	39.649	1.171	757
sept-16	41.230	39.392	1.069	770
dic-16	39.898	38.031	1.093	774
mar-17	38.834	36.998	1.068	768
jun-17	36.020	34.356	999	665
sept-17	35.450	33.761	978	711
dic-17	34.626	32.877	956	793
mar-18	31.377	29.629	962	786
jun-18	29.167	27.425	923	818
sept-18	28.405	26.721	825	859
dic-18	29.462	27.768	735	959

19. Doubtful amounts of lending to the construction sector
 (EUR millions)

Period	Total	Deposit-taking Institutions	Other credit institutions	EFCs
mar-15	15.450	15.206	137	107
jun-15	13.715	13.489	138	88
sept-15	13.289	13.029	159	102
dic-15	13.196	12.947	159	90
mar-16	12.399	12.168	150	81
jun-16	12.306	11.998	150	157
sept-16	11.981	11.680	150	151
dic-16	11.608	11.304	149	155
mar-17	10.576	10.283	222	71
jun-17	9.947	9.679	192	76
sept-17	8.508	8.244	192	72
dic-17	8.350	8.053	224	73
mar-18	5.863	5.588	224	50
jun-18	5.104	4.860	200	43
sept-18	4.706	4.498	162	47
dic-18	4.031	3.901	90	40