



# Statistics on non-performing loans

**Asociación Hipotecaria Española**

1st Quarter 2019

Madrid, July 2019





# Statistics on non-performing loans in the first quarter of 2019

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July 2019

During the first quarter of 2019, non-performing loans (NPLs) have continued to show clear signs of improvement. It is noteworthy the disinvestment and balance sheet management carried out by financial institutions. In March 2019, the rate of NPLs for the resident private sector stood at 5.7%, 9 basis points below compared to the year-end period and 107 points below compared to March 2018. This rate is the lowest recorded in the last 9 years.

By activities, it can be seen the gradual improvement of the ratio of NPLs in the home purchase sector, which fell from 4.5% in March 2018 to 4.0% in the current year. This improvement was driven by the significant decline in doubtful assets, which fell by about 13% compared to the first quarter of the previous year, to EUR 19,781 million. In the last year, the pace of decline of NPLs in this sector has intensified, the origin of which appear to be related to portfolio sales and debt recovery. For its part and although having experienced an improvement in its doubtful ratio, the lending for housing renovation continued its path of moderate recovery, from 6.3% recorded in March 2018 to 6.1%.

Continuing the favourable performance started in 2013, the NPL rate for real estate activities decreased in March 2019 by around 5,070 million euros representing -40% compared to March 2018. The doubtful rate for outstanding loans of this market segment reached 8.7%, standing at levels similar to those observed a decade ago. Similarly, lending to the construction sector continued consolidating its recovery. NPLs recorded a decrease of 30% over the last year, to 4,101 million as of March 2019. Non-performing loans closed the quarter at a rate of 13.9%, compared to 18.7% in March 2018.

Continuing to improve the quality of deteriorated assets is something that many credit institutions need yet to deal with, despite the progresses made over the last 5 years as a result of the dynamism shown by the *distressed* debt market. According to the *Assets Under Management* report by Axis Corporate, during the period 2015 to 2018, purchase transactions of toxic asset portfolios were carried out for a value of EUR 147.354 million, highlighting the past two years by number of transactions (76).



As the exposure to these assets continues to shrink, financial institutions will no longer focus on managing their balance sheets and will move more proactively to overcoming economic-financial challenges such as profitability - notably hampered by the exceptionally low interest rate environment-; growth of their balance sheets; or the improvement of capital buffers against potential contingencies, which -although above the minimum regulatory levels- still lag behind those in the main European countries (CET1 ratio 12.2% as of December 2018).

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

Period	Total	Deposit-taking lenders	Other credit Institutions	EFCs*
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%
mar-19	5,7%	5,7%	6,0%	5,5%

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

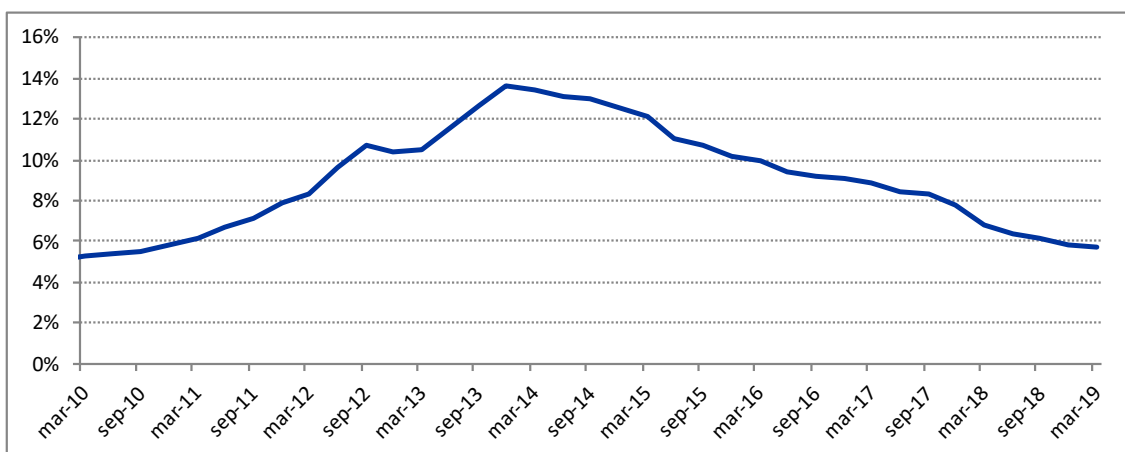
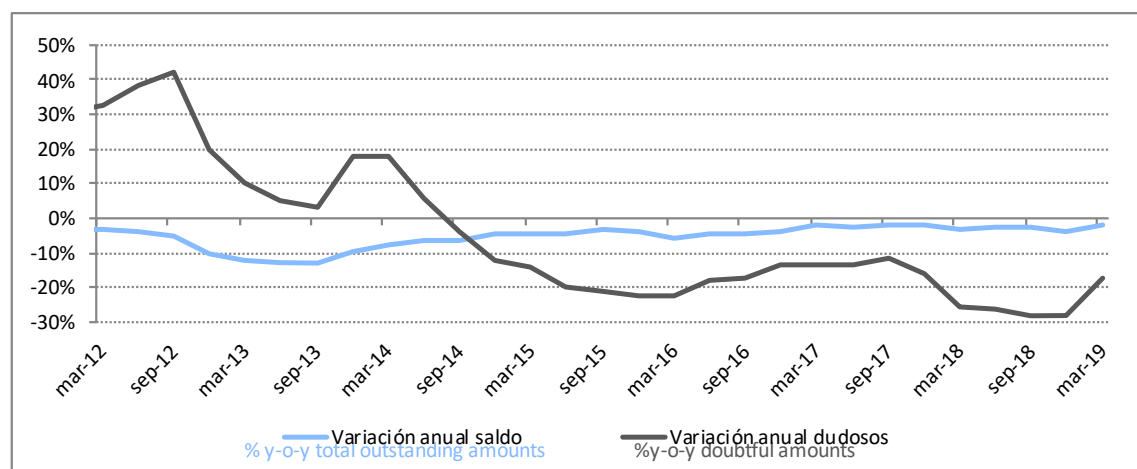


Chart: y-o-y variation rate of outstanding and doubtful amounts of total lending to the private sector



\*Credit financial intermediaries

## 2. Percentage of doubtful loans in residential lending

Period	Housing purchase	Renovation	Purchase and Renovation
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%
mar-19	4,0%	6,1%	4,1%

Chart: Evolution of residential doubtful loans by credit purpose

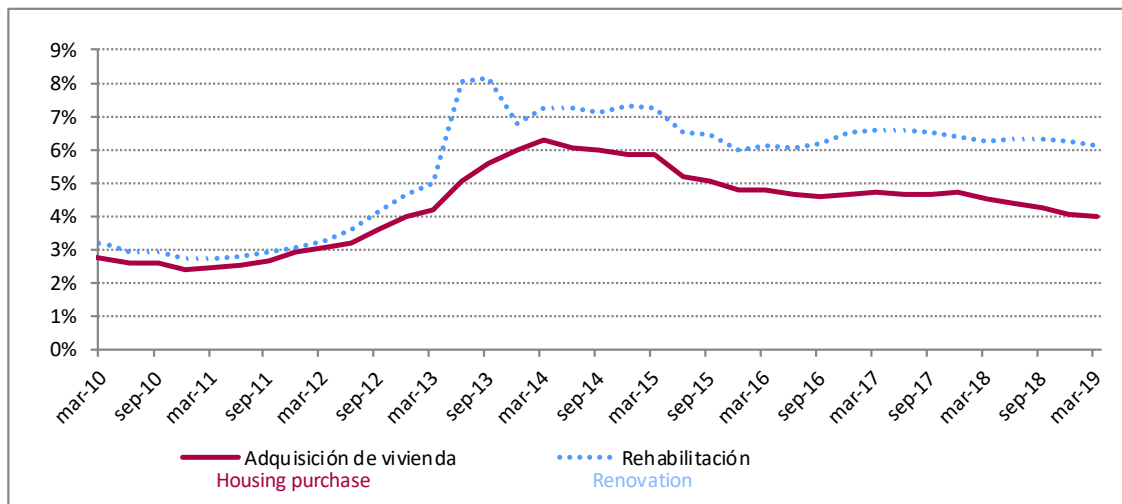
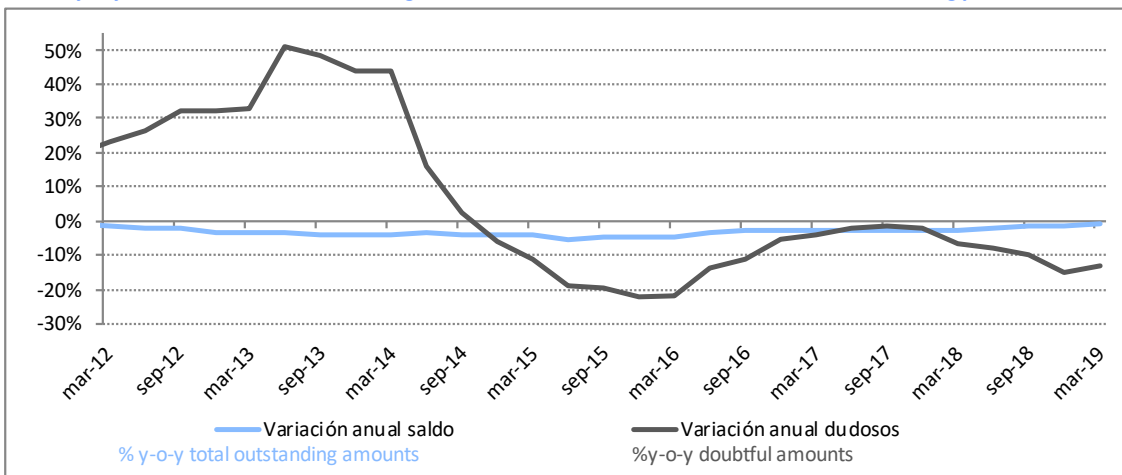


Chart: y-o-y variation rate of outstanding and doubtful amounts of residential loans for housing purchase



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

Period	Total	Deposit-taking Institutions	Other credit Institutions	EFCs
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%
mar-19	4,0%	3,8%	0,0%	13,4%

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

Period	Total	Deposit-taking Institutions	Other credit Institutions	EFCs
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%
mar-19	6,1%	6,2%	0,0%	1,9%

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

Period	Total	Deposit-taking Institutions	Other credit Institutions	EFCs
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%	5,4%	0,0%	3,3%
mar-19	5,2%	5,6%	0,0%	3,8%

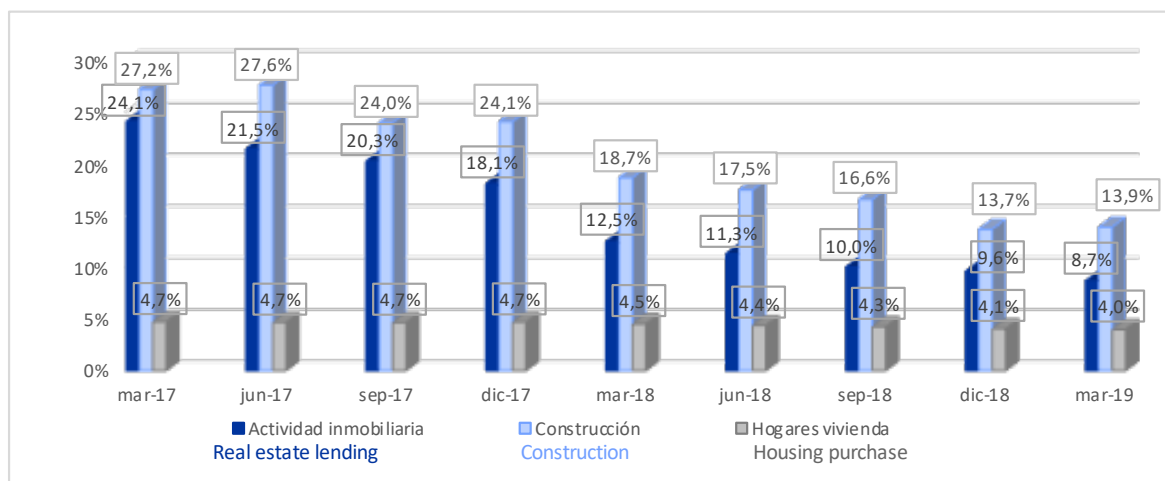
### 6. Percentage of doubtful loans in lending to real estate activities

Period	Total	Deposit-taking Institutions	Other credit Institutions	EFCs
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%
mar-19	8,7%	8,7%	20,7%	3,4%

### 7. Percentage of doubtful loans in lending to construction sector

Period	Total	Deposit-taking Institutions	Other credit Institutions	EFCs
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%
mar-19	13,9%	14,2%	12,6%	4,5%

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
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	1.208.318	1.150.231	6.887	51.200
mar-19	1.202.180	1.144.971	6.703	50.507

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

Period	Total	Deposit-taking Institutions	Other credit Institutions	EFCs
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	70.255	67.199	418	2.638
mar-19	68.844	65.650	404	2.791



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

Period	Total	Deposit-taking Institutions	Other credit Institutions	EFCs
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	496.699	486.408	14	10.277
mar-19	495.508	485.255	14	10.239

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

Period	Total	Deposit-taking Institutions	Other credit institutions	EFCs
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	20.130	18.744	0	1.386
mar-19	19.781	18.405	0	1.376

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

Period	Total	Deposit-taking Institutions	Other credit institutions	EFCs
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
mar-19	18.085	17.857	0	228

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

Period	Total	Deposit-taking Institutions	Other credit institutions	EFCs
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
mar-19	1.103	1.099	0	4

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

Period	Total	Deposit-taking Institutions	Other credit institutions	EFCs
jun-15	58.936	46.142	1	12.792
sept-15	59.166	45.809	1	13.356
dic-15 <sup>(1)</sup>	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
mar-19	89.836	65.574	1	24.260

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

Period	Total	Deposit-taking Institutions	Other credit institutions	EFCs
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	4.285	3.475	0	809
mar-19	4.627	3.696	0	932

(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
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
mar-19	87.409	86.353	167	888

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

Period	Total	Deposit-taking Institutions	Other credit institutions	EFCs
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
mar-19	7.582	7.517	35	31

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

Period	Total	Deposit-taking Institutions	Other credit institutions	EFCs
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
mar-19	29.527	27.918	715	894

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

Period	Total	Deposit-taking Institutions	Other credit institutions	EFCs
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
mar-19	4.101	3.971	90	40