



## Summary

### Household lending continued to expand and corporate lending remained subdued in 2025 Q1

- Credit institutions' household loans outstanding increased by 10.9 per cent, while loans to non-financial corporations increased by 2.0 per cent in 2025 Q1.
- The value of new loan contracts signed by banks with households increased by 45 per cent in Q1 relative to the disbursement a year earlier.
- The value of new corporate loan disbursement in the first quarter of HUF 751 billion was 4 per cent higher than the level in the same period of the previous year.
- According to the [Lending Survey](#), in the retail segment, banks expect the increase in credit demand, seen in the quarter, to continue in 2025 Q2 and Q3. While corporate credit conditions remained unchanged, respondents reported declining demand, especially for long-term loans.

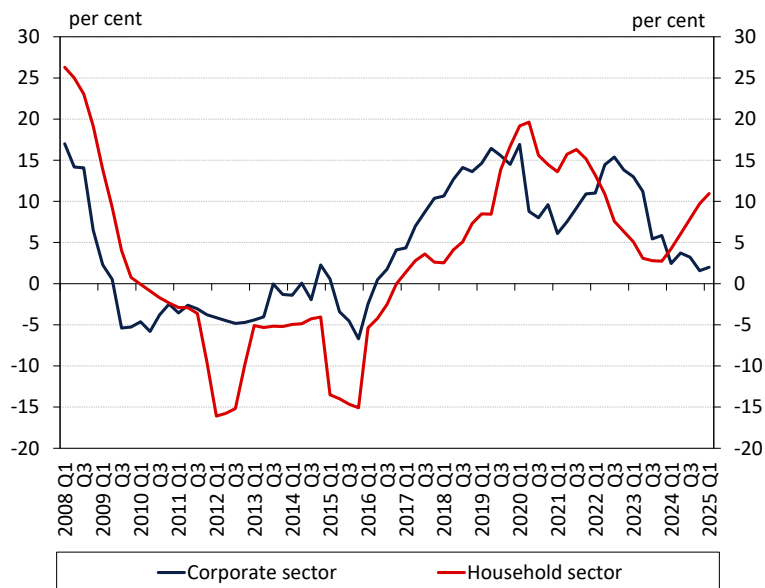


Chart 1: Annual growth rate of outstanding corporate and household loans



Indicator	2025 Q1	2024 Q1	Change
<b>Corporates</b>			
Annual growth rate of corporate loans outstanding (per cent)	2.0	2.4	-0.4 pp.
Volume of new corporate loans (HUF bn)	751	725	+26
<b>SME</b>			
Share of subsidised loans in total loans to SMEs (per cent)	24.2	35.4	-11.2 pp.
Average interest rate of new small amount HUF loans (per cent) (Loans with variable rate or maximum one year interest rate fixation)	8.5	12.3	-3.8 pp.
<b>Households</b>			
Annual growth rate of household loans outstanding (per cent)	10.9	4.2	+6.7 pp.
Volume of new household loans (HUF bn)	800	552	+248
<b>Housing loans</b>			
Share of subsidised loans in total loans for house purchase (per cent)	20.1	25.9	+5.8 pp.
Average interest rate for new market-based housing loans (per cent)	6.5	6.8	-0.3 pp.

Table 1: Main indicators of corporate and household lending



## Household lending

**Household loans outstanding of the credit institution sector increased by HUF 252 billion in 2025 Q1 as a result of disbursements and repayments, accelerating the annual growth rate to 10.9 per cent from 9.7 per cent at the end of the previous quarter.** Domestic credit dynamics ranked fifth in the EU at the end of March 2025, significantly exceeding the average growth rate of the Visegrad countries (4.6 per cent).

**The volume of new household loan contracts amounted to HUF 800 billion in the first quarter, up 45 per cent from the level of issuance in the same period of the previous year.** There was a 45 per cent rise in housing loans accompanied by an increase of 51 per cent in personal loan disbursements in annual terms. The average value of housing loan contracts amounted to HUF 19.9 million in March 2025, indicating a rise of HUF 3.4 million compared to the same period of the previous year. In 2025 Q1, banks provided market-based housing loans at an average interest rate of 6.5 per cent, which was unchanged from the previous quarter (APR: 6.7 per cent). Taking into account interest-rate subsidised schemes, the average initial interest rate to be paid by new borrowers was 5.6 per cent. In addition to the positive effect of automated, quick, digital loan extension processes and rising consumer goods inflation, the fact that loans are more and more used for housing purposes may also contribute to the increase in personal loan disbursement. However, the riskiness of new personal loan debtors is moderate, and their strain is not outstanding even among those with lower incomes. In the Subsidised Loan for Workers programme, launched in January 2025, over 15,000 contracts were concluded, worth HUF 59 billion.

**Based on the responses to the Lending Survey, banks did not change the standards on housing loans or consumer loans overall in 2025 Q1.** Looking ahead, 45 per cent of banks would raise the spread on housing loans; however, no changes are planned in the standards on consumer loans. In both retail segments, the recovery in demand, seen in the quarter, is expected to continue in 2025 Q2 and Q3.

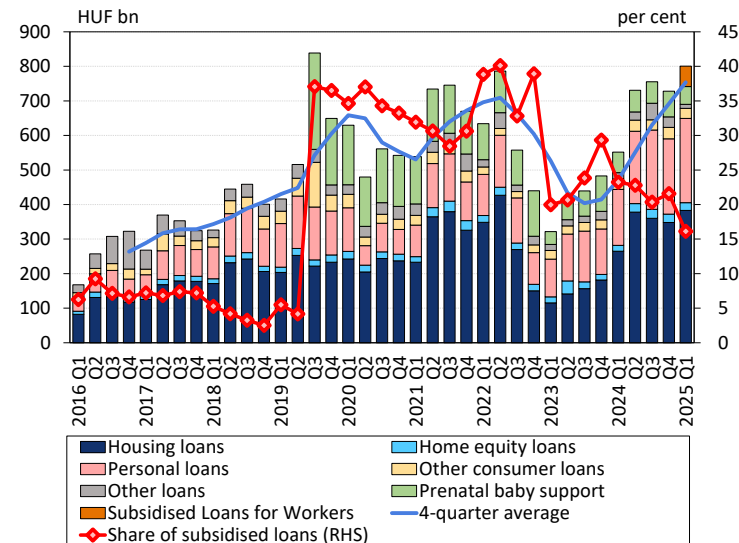


Chart 2: Volume of new household loans

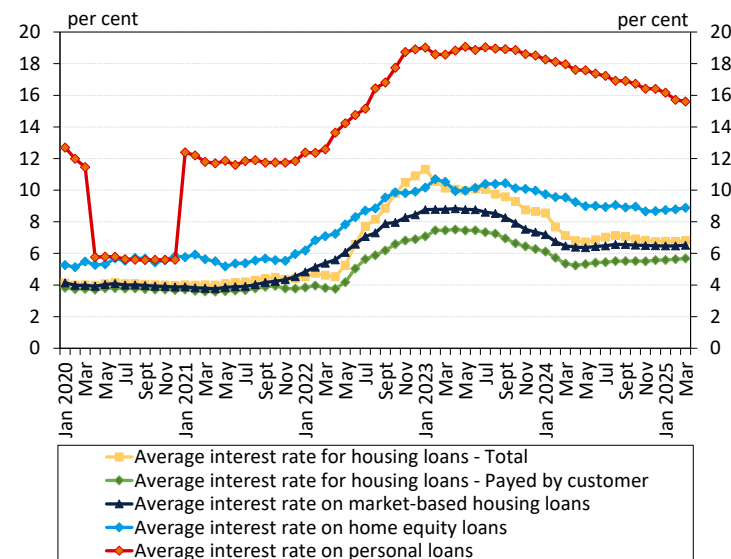


Chart 3: Average interest rates on new household loans



## Corporate lending

**Credit institutions' loans outstanding to non-financial corporations fell by HUF 196 billion in 2025 Q1, with this – also due to the base effect – the annual growth rate accelerated from 1.6 per cent at the end of the previous quarter to 2.0 per cent by the end of March.** Based on preliminary data, SMEs loans outstanding rose by 1.3 per cent in annual terms. The growth rate of domestic corporate loans is in the middle of the EU range and below the average growth rate observed in the Visegrad countries (4.3 per cent).

**In 2025 Q1, the volume of new, non-overdraft forms of credit to the corporate sector, at HUF 751 billion, exceeded the level of the same period of the previous year by 4 per cent.** In the first quarter, the share of subsidised corporate loans was only 12 per cent of these contracts, down 24 percentage points year on year. The proportion of subsidized loans in the SME segment was 24 percent in the period under review, while in 2024 Q1 it reached 35 percent. The average interest rate on new small-amount, variable-rate forint loan contracts, concluded with companies largely on a market basis, was 8.5 per cent, falling by 45 basis points relative to the fourth quarter. The average interest rate on new large-amount, variable-rate forint loans was 8.2 per cent in 2025 Q1, rising by 8 basis points. The spread on small-amount, forint loan contracts fell by 50 basis points from the previous quarter, amounting to 2.0 percentage points in Q1.

**The banks participating in the Lending Survey left standards on corporate loans broadly unchanged in 2025 Q1, and they do not plan to change them over the next six months.** A net 46 per cent of banks perceived a pick-up in demand for forint and long-term loans in 2025 Q1, a quarter of them reported a decrease in demand for short-term loans, while demand for foreign currency loans remained unchanged in the quarter. Looking ahead to 2025 Q2 and Q3, banks expect demand to stagnate overall.

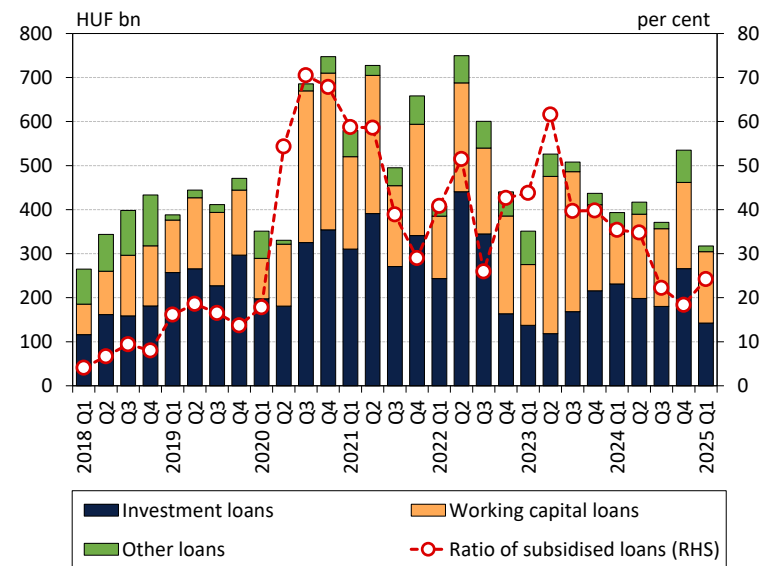


Chart 4: New disbursements of SME loans by loan purpose and the ratio of subsidised loans

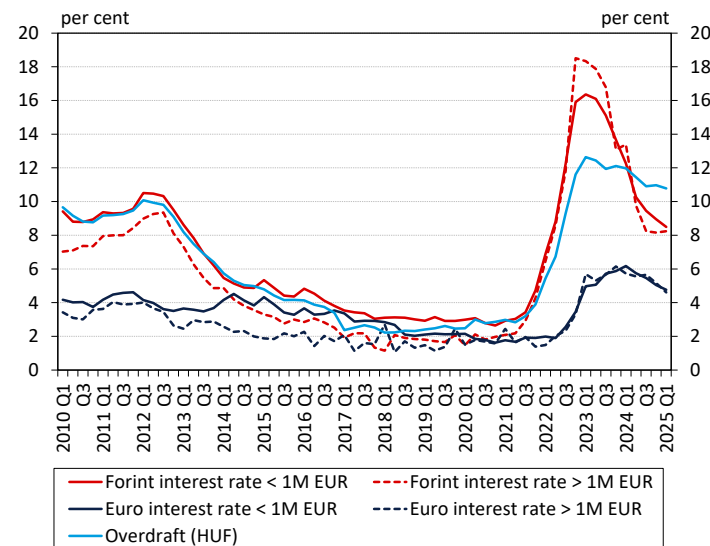


Chart 5: Interest rates on new corporate loans