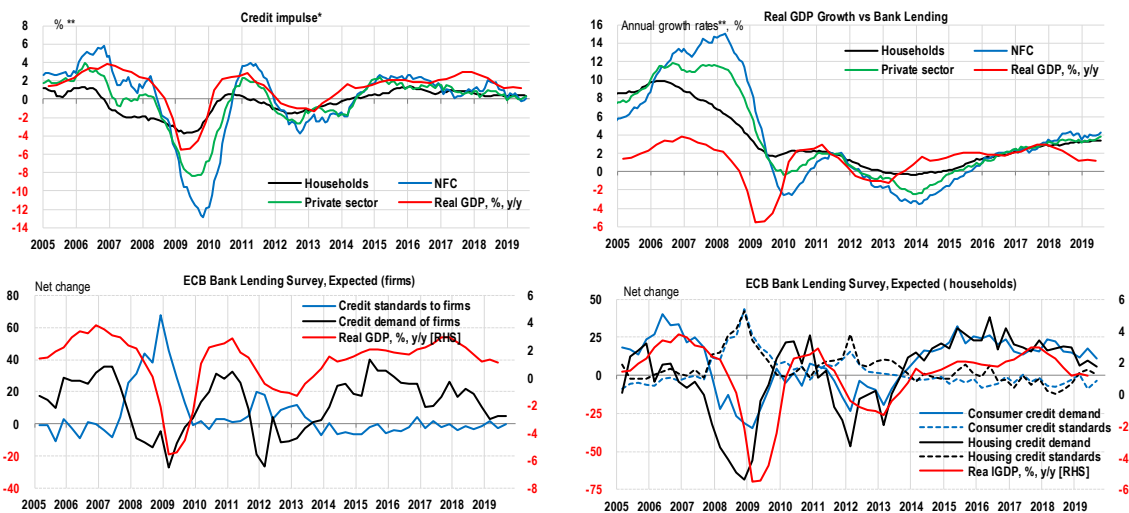


Pulse

Eurozone : Bank loans to corporations grow at a slightly faster pace than loans to households

Credit impulse slightly picked up in August 2019 for non-financial corporations (NFCs), while it was nearly unchanged for households. In spite of the slowdown in the euro area GDP in Q2 2019 (+1.1% yoy in 2019 Q2 vs +1,3% in Q1), exceptionally low lending rates have continued to support loans outstanding, which reached +3.4% year-on-year for households, and +4,3% for non-financial corporations. Banks expect demand from NFCs to stay close to its current levels in Q4 2019, which should experience a modest tightening in lending conditions. Credit institutions also expect a moderation in loans for house purchase and consumer loans' demand from households. They intend to ease lending conditions for the former and to tighten them for the latter.



*Credit impulse is measured as the annual change of the annual growth rate of MFI loans ** Adjusted for securitizations

Source: ECB, ECB survey on the distribution of credit, BLS, BNP Paribas calculations

Indicators preview

It's the start of a new month and this means a heavy data schedule ahead of us. Purchasing managers indices for manufacturing and services as well as the composite number will be published in several countries. In this respect, the attention will go in particular to the Chinese PMIs and to Germany, where recent data continue to point to an increasingly challenging outlook. In the US, the ISM indices for the manufacturing and non-manufacturing sector and the crucially important labour market data will allow to gauge how the economy is doing. This will influence market expectations in terms of Federal Reserve policy for the remainder of the year.

Date	Country/Region	Event	Period	Survey	Prior
09/30/2019	China	Composite PMI	Sep.	--	53.0
09/30/2019	China	Manufacturing PMI (Caixin)	Sep.	50.2	50.4
09/30/2019	Eurozone	Unemployment rate	Aug.	--	7.5%
09/30/2019	Germany	CPI EU Harmonized	Sep.	--	1.0%
10/01/2019	Japan	Large manuf. (Tankan)	3Q	--	89.3617
10/01/2019	France	Manufacturing PMI (Markit)	Sep.	--	50.3
10/01/2019	Germany	Manufacturing PMI (Markit/BME)	Sep.	--	41.4
10/01/2019	Eurozone	Manufacturing PMI (Markit)	Sep.	--	45.6
10/01/2019	Eurozone	CPI y/y	Sep.	--	0.9%
10/01/2019	United States	Manufacturing ISM	Sep.	50.5	49.1
10/02/2019	Japan	Consumer confidence	Sep.	--	37.1
10/03/2019	France	Composite PMI (Markit)	Sep.	--	51.3
10/03/2019	Germany	Composite PMI (Markit/BME)	Sep.	--	49.1
10/03/2019	Eurozone	Composite PMI (Markit)	Sep.	--	50.4
10/03/2019	Eurozone	Retail Sales y/y	Aug.	--	2.2%
10/03/2019	United States	Durable Goods Orders	Aug.	--	--
10/03/2019	United States	Non-manufacturing ISM	Sep.	55.2	56.4
10/04/2019	United States	Change in non-farm payroll	Sep.	140000	130000
10/04/2019	United States	Unemployment rate	Sep.	3.6%	3.7%

Source: Bloomberg, BNP Paribas

