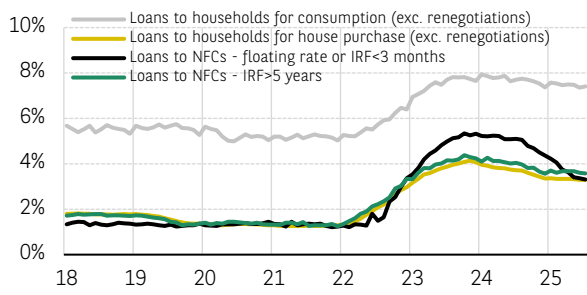


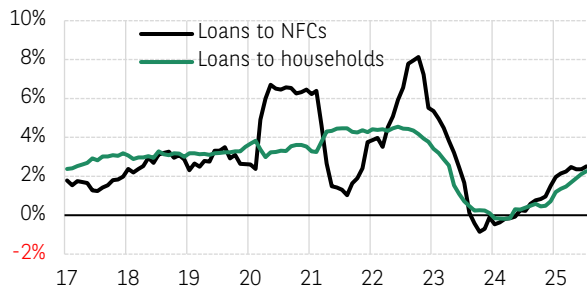
Eurozone: Overall uptick in lending volumes

Euro area bank interest rates on new loans



Source: ECB, BNP Paribas.

Growth rate of outstanding loans in the euro area

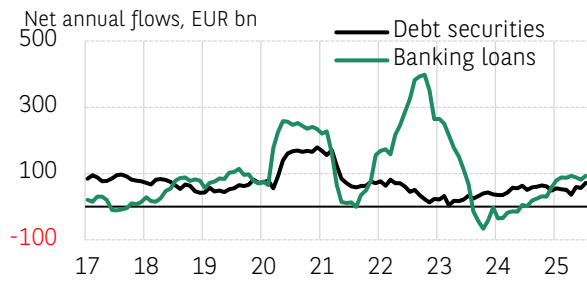


Source: ECB, BNP Paribas.

Bank lending rates: continued decline for corporations in the Eurozone, increase for households. Rates on new investment loans (irf>5 years) to non-financial corporations in the Eurozone fell very slightly in July 2025 for the second consecutive month. At 3.58%, however, they remained close to their June 2025 level (-2 bp m/m). Rates on new treasury loans (floating rate and irf<3 months) to NFCs fell slightly more sharply to 3.31% (-5 bp m/m). Conversely, rates on new loans to households for house purchase and consumption rose just as modestly (by +1 bp and +6 bp m/m, respectively). They stood at 3.30% and 7.41%, respectively.

Outstanding loans to corporations and households are accelerating modestly. Year-on-year growth in outstanding bank loans to corporations in the Eurozone rose slightly in July 2025 to 2.5% (+16 bp m/m). Outstanding loans with maturity of between 1 and 5 years accelerated significantly to 4.6% (+57 bp m/m), while those with maturity of over 5 years grew by 1.6% (+34 bp m/m). Conversely, year-on-year growth in outstanding treasury loans (maturity <1 year) slowed from 4.2% in June to 3.3% in July. Outstanding loans to households for house purchase continued to accelerate in July (2.2%, +17 bp m/m) but remain historically sluggish. Growth in loans for consumption slowed month-on-month but remains above its long-term average (4.5% and 3.7% respectively).

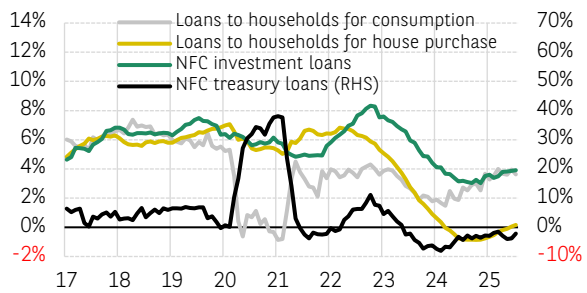
Financing flows to euro area NFCs



Source: BCE, BNP Paribas.

Bank and market financing flows to Eurozone corporations are increasing significantly. Bank lending to Eurozone corporations, net of repayments and cumulated over one year, rose sharply year-on-year, from EUR 1.7 bn to EUR 93 bn in July 2025. Net debt securities issuance, cumulated over one year, was also very strong in July 2025 (+42% y/y), starting from a volume that was already slightly above its historical average. Over the coming months, the relative stability of market interest rates, at a higher level than that observed during the low interest-rates era, should help to keep the cost of bank financing relatively attractive compared to market financing.

Growth rate of outstanding loans in France



Source: Banque de France, BNP Paribas.

Outstanding loans continue to recover overall in France. Outstanding amounts of corporation investment loans in France accelerated in July 2025 (+3.9% year-on-year, +6 bp month-on-month). However, their growth remained significantly below its long-term average (~5%). Outstanding treasury loans continued to decline (-2.2% year-on-year), mainly due to the repayment of state-guaranteed loans (PGE), but at a slower pace. Outstanding loans to households for house purchase continued to recover for the second consecutive month after 15 months of decline (+0.17% year-on-year). However, the recovery in new home loans could moderate in the near future due to the weak growth in households' real estate purchasing capacity. Under this assumption, outstanding loans for house purchase could continue to grow, but at a very moderate pace. After the recent slowdown, growth in outstanding loans for consumption remains strong year-on-year (+3.6% in July, after +3.9% in June).

Thomas Humblot (Completed on October 1, 2025)



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