



Results Summary¹

Ireland

The latest results of the Bank Lending Survey (2025 Q3) indicate that Irish banks are passing through the monetary policy easing to firms via a narrowing of margins. Banks made no change to credit standards on loans to firms, mortgages or consumer credit. Banks also reported no change in demand for loans to firms, mortgages or consumer credit. Next quarter, banks expect to tighten credit standards on mortgages and that firms' and consumers' demand for credit will increase.

¹ The October Bank Lending Survey (BLS) was conducted between 17th September and 1st October and examined changes in credit market conditions during Q3 2025 as well as expected changes in credit standards and loan demand during Q4 2025.

Please note that all BLS series will now be available via the Central Bank of Ireland Open Data Portal.



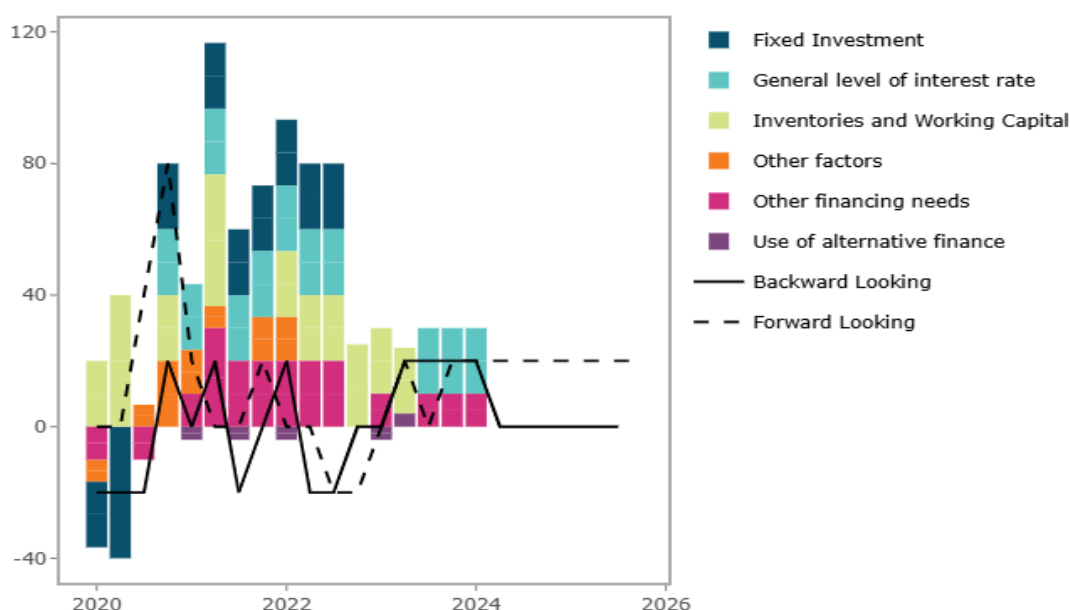
Firms

In 2025 Q3, Irish banks made no change to credit standards for the seventh consecutive quarter. In line with this, the share of firms' loan applications that were rejected was unchanged. Banks expect to make no changes to credit standards in 2025 Q4.

Banks reported no overall change in their terms and conditions in 2025 Q3. However, for the last six quarters, they have reported that margins on average loans have narrowed. In addition, banks also reported that they lowered the lending rate for loans to Small and Medium sized Enterprises (SMEs).

Irish banks reported no change in firms' demand for loans, despite expecting that demand would increase during this quarter. This is the fifth consecutive quarter during which banks have expected demand to increase, but this has not been realised. In 2025 Q4, banks once again expect firms' demand for credit to increase.

Figure 1: Credit standards (lhs) loans to firms, net percentage



Net percentages are defined as the difference between the sum of the percentages of banks responding "tightened considerably" and "tightened somewhat" and the sum of the percentages of banks responding "eased somewhat" and "eased considerably".



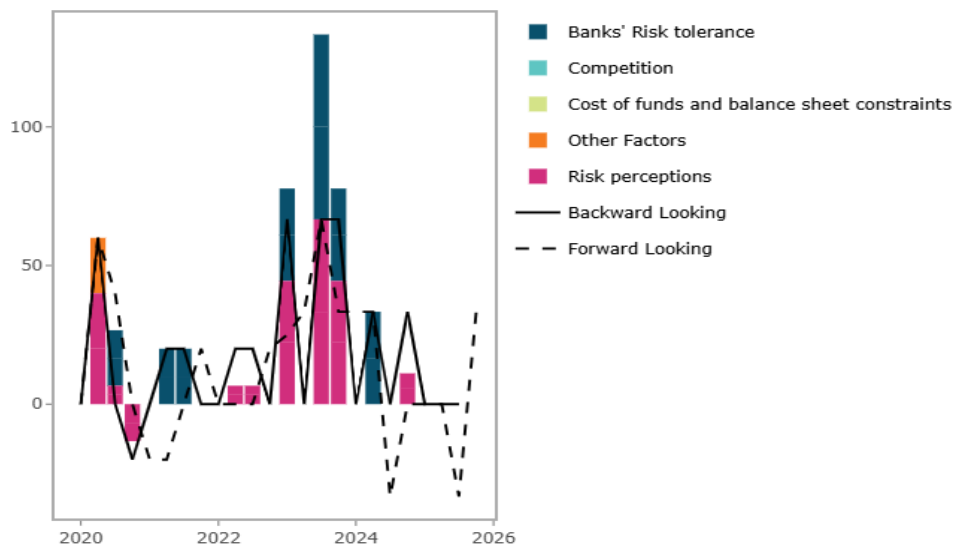
Households

Mortgages

In 2025 Q3, Irish banks made no change to credit standards on mortgages, despite expectations that standards would ease. By contrast, banks expect to tighten credit standards next quarter. Over the same period, Irish banks reported no change in their terms and conditions.

Irish banks reported that mortgage demand was unchanged in 2025 Q3. Looking forward to Q4, Irish banks expect no change to demand.

Figure 2: Credit standards and demand, mortgages



Net percentages are defined as the difference between the sum of the percentages of banks responding “tightened considerably” and “tightened somewhat” and the sum of the percentages of banks responding “eased somewhat” and “eased considerably”.

Consumer Credit

In 2025 Q3, banks reported no change to credit standards for consumer credit, in line with expectations. In line with this, banks reported that the share of applications that were rejected was unchanged over the period. In 2025 Q3, banks also reported no change to their overall terms and conditions on consumer credit. Banks reported no change to demand for consumer credit. However, demand is expected to increase in 2025 Q4.



Ad-hoc questions

The ad-hoc questions in this round related to:

- Access to retail and wholesale funding
- The effect of credit quality on lending policies
- Lending policies across economic sectors
- The effect of climate change on lending policies
- The effect of excess liquidity on lending policies.

Irish banks reported no change in their access to funding in 2025 Q3 and expect little change next quarter. They also reported no effects of credit quality on their lending policies. Irish banks reported no effect of the ECB's monetary policy asset portfolio on their balance sheet, funding conditions or lending policies over the past 6 months. They expect this to continue for the next 6 months.

Over the past 6 months, Irish banks reported a decline in profitability driven by falling net interest margins, as well as a small decline in non-interest income and a rise in provisioning. This was partially offset by rising volumes. Over the next 6 months, banks expect profitability, margins and non-interest income to deteriorate further, offset partially by rising volumes.