

## EU Banks: NPL Heatmaps

### Modest NPL increase to continue

Non-performing loans of EU/EEA banks continued to increase to EUR 364.9bn, according to the EBA's 4 April Risk Dashboard showing data to the fourth quarter of 2023. But the increase (EUR 2.2bn quarter on quarter; EUR 7.5bn year on year) was barely noticeable relative to the consolidated EU-level NPL ratio, which increased from 1.81% to 1.85%, close to its historical low of 1.75% in March 2023.

While the increase was moderate, it nonetheless still represents a reversal of the long-term trend of asset-quality improvement. And even though we are forecasting a modest economic rebound in the second half of 2024 aided by expected rate cuts, NPL formation will likely continue rising moderately this year because of a time lag.

The situation differs among countries. Germany (+EUR 4bn) and Austria (+EUR 1.8bn) suffered the largest NPL increases of Q4 2023 even if the deterioration was contained and NPL ratios only reversed to their December 2019 levels (see Heatmap 1). This contrasts with continuing improvements in the Netherlands (-EUR 1.2bn) and Italy (-EUR 1.7bn).

Overall, the increase of NPLs stemmed mainly from corporate exposures (Heatmap 2). Retail exposures have so far been resilient to the current economic slowdown. The largest increase in retail NPL ratios was in Finland and Sweden (Heatmap 3). In the Netherlands and Italy, a reduction in retail NPLs contributed to the overall improvement, suggesting the trend is broad based (Chart 1). We note that the Netherlands saw the biggest rise in Stage 2 loans, although this is down to more stringent classification triggers (Heatmap 7).

We do not see a general deterioration of NPL ratios by corporate sector nor a concentration of issues in specific sectors. Exposure to real estate and construction has been a source of problem loans and remains an area of concern (Heatmaps 4 and 5). The construction sector appears most frequently among the Top 3 sectors with the largest NPL ratios across countries.

NPL ratios across 'Other EU/EEA countries' is not materially different, with a moderate increase in some countries (Luxembourg, Norway) and a continuing improvement in 11 countries, especially Greece, Ireland and Portugal (Heatmap 9).

#### Heatmap 1: Non-performing loan ratios

Country	Dec-19	Dec-20	Dec-21	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Quarterly change	3 months	6 months	12 months
AT	2.3%	2.1%	1.9%	1.8%	1.7%	1.8%	1.8%	2.2%	0.5%	0.35%	0.39%	0.33%
DE	1.3%	1.3%	1.1%	1.1%	1.1%	1.1%	1.1%	1.3%	0.2%	0.18%	0.18%	0.24%
FI	1.4%	1.5%	1.3%	0.9%	1.0%	1.0%	1.1%	1.1%	0.2%	0.07%	0.13%	0.21%
SE	0.5%	0.5%	0.3%	0.2%	0.2%	0.2%	0.3%	0.3%	0.1%	0.04%	0.07%	0.07%
NL	2.0%	2.0%	1.5%	1.4%	1.3%	1.3%	1.4%	1.4%	0.1%	0.04%	0.06%	0.01%
BE	2.0%	2.0%	1.5%	1.5%	1.2%	1.1%	1.4%	1.4%	0.2%	0.03%	0.26%	-0.08%
FR	2.5%	2.2%	1.9%	1.9%	1.8%	1.9%	1.9%	1.9%	0.1%	0.01%	0.03%	0.09%
ES	3.2%	2.9%	3.0%	2.8%	2.8%	2.8%	2.8%	2.8%	0.0%	0.00%	0.02%	0.04%
DK	1.8%	1.9%	1.7%	1.4%	1.3%	1.3%	1.3%	1.3%	0.0%	0.00%	-0.04%	-0.13%
IT	6.7%	4.1%	3.1%	2.5%	2.4%	2.4%	2.4%	2.4%	0.0%	-0.05%	-0.06%	-0.10%
<b>EU</b>	<b>2.7%</b>	<b>2.6%</b>	<b>2.0%</b>	<b>1.8%</b>	<b>1.8%</b>	<b>1.8%</b>	<b>1.8%</b>	<b>1.9%</b>	<b>0.1%</b>	<b>0.04%</b>	<b>0.05%</b>	<b>0.05%</b>

AT: Austria, DE: Germany, FI: Finland, SE: Sweden, NL: the Netherlands, BE: Belgium, FR: France, ES: Spain, DK: Denmark, IT: Italy. Ranking according to the increase of NPLs in Q4 2023 (column '3 months'). Change over 3 months, 6 months, 12 months in pp. Sample includes countries with the ten largest loan amounts. Source: EBA risk dashboard, Scope Ratings.

#### Analysts

Nicolas Hardy, Paris

[n.hardy@scoperatings.com](mailto:n.hardy@scoperatings.com)

Pauline Lambert, London

[p.lambert@scoperatings.com](mailto:p.lambert@scoperatings.com)

Carola Saldias, Milan

[c.saldias@scoperatings.com](mailto:c.saldias@scoperatings.com)

Christian van Beek, Frankfurt

[c.beek@scoperatings.com](mailto:c.beek@scoperatings.com)

#### Team leader

Marco Troiano, Milan

[m.troiano@scoperatings.com](mailto:m.troiano@scoperatings.com)

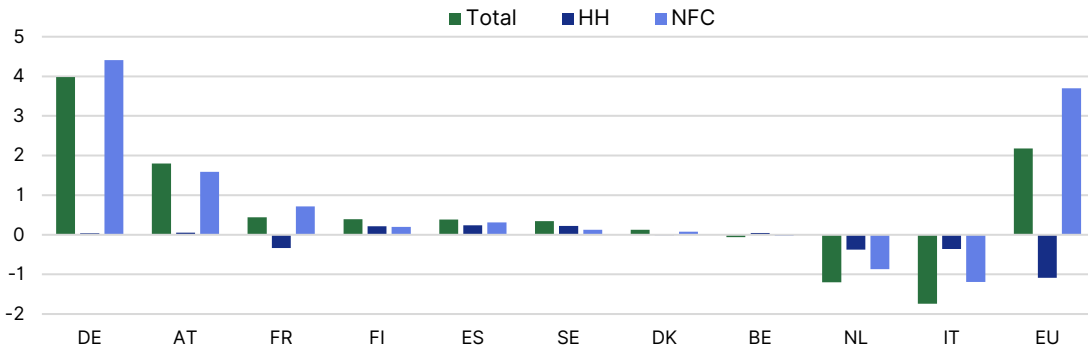
#### Media

Keith Mullin

[k.mullin@scopegroup.com](mailto:k.mullin@scopegroup.com)

**Section 1: NPL amounts and NPL ratios by subsectors (households, corporates)**

**Chart 1: Breakdown of quarterly NPL change between retail and corporate NPLs (EUR bn)**



Source: EBA risk dashboard, Scope Ratings.

**Heatmap 2: country ranking by corporate NPL ratios**

Country	Dec-19	Dec-20	Dec-21	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Quarterly change	3 months	6 months	12 months
AT	3.3%	3.4%	3.1%	2.9%	2.8%	2.8%	2.8%	3.5%	0.7%	0.71%	0.73%	0.57%
DE	2.3%	2.6%	2.3%	2.2%	2.3%	2.5%	2.6%	3.1%	0.5%	0.53%	0.60%	0.90%
FI	2.6%	2.3%	2.1%	1.3%	1.3%	1.3%	1.4%	1.6%	0.2%	0.16%	0.27%	0.29%
DK	4.5%	5.5%	3.8%	2.8%	2.6%	2.6%	2.7%	2.8%	0.1%	0.12%	0.17%	-0.06%
SE	1.0%	1.0%	0.6%	0.3%	0.3%	0.3%	0.3%	0.4%	0.0%	0.04%	0.07%	0.06%
ES	4.8%	4.7%	4.8%	4.1%	4.0%	3.9%	3.8%	3.8%	0.0%	0.03%	-0.04%	-0.23%
FR	3.9%	3.9%	3.5%	3.4%	3.5%	3.6%	3.6%	3.6%	0.0%	0.01%	0.05%	0.20%
BE	3.6%	4.1%	3.3%	2.9%	2.8%	2.8%	2.8%	2.8%	-0.1%	-0.01%	0.00%	-0.05%
IT	11.4%	7.5%	5.4%	4.1%	4.2%	4.0%	4.0%	3.9%	-0.1%	-0.13%	-0.13%	-0.25%
NL	4.3%	4.8%	3.4%	3.1%	3.1%	3.0%	3.1%	3.0%	-0.1%	-0.13%	-0.04%	-0.15%
EU	5.0%	4.8%	3.8%	3.2%	3.2%	3.3%	3.3%	3.3%	0.0%	0.06%	0.07%	0.08%

Ranking according to the increase of corporate NPL ratios in Q4 2023 (column '3 months'). Change over 3 months, 6 months, 12 months in pp.  
Source: EBA risk dashboard, Scope Ratings.

**Heatmap 3: country ranking by household NPL ratios**

Country	Dec-19	Dec-20	Dec-21	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Quarterly change	3 months	6 months	12 months
FI	1.1%	1.5%	1.3%	1.2%	1.3%	1.4%	1.4%	1.5%	0.1%	0.08%	0.12%	0.26%
SE	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.4%	0.1%	0.05%	0.08%	0.11%
AT	2.8%	2.7%	2.4%	2.2%	2.2%	2.2%	2.3%	2.3%	0.0%	0.03%	0.09%	0.13%
ES	3.7%	3.5%	3.8%	3.5%	3.5%	3.7%	3.8%	3.8%	0.0%	0.03%	0.14%	0.30%
DE	1.6%	1.8%	1.5%	1.3%	1.4%	1.4%	1.4%	1.4%	0.0%	0.01%	-0.02%	0.06%
BE	1.9%	2.0%	1.3%	1.2%	0.9%	0.9%	0.9%	0.9%	-0.1%	0.01%	0.03%	-0.25%
FR	2.9%	2.6%	2.3%	2.1%	2.0%	2.1%	2.1%	2.1%	-0.0%	-0.01%	0.00%	0.00%
NL	1.1%	1.3%	1.2%	1.0%	1.0%	1.1%	1.1%	1.1%	-0.0%	-0.05%	-0.04%	0.05%
IT	5.1%	3.7%	3.3%	2.3%	2.3%	2.3%	2.3%	2.2%	-0.0%	-0.06%	-0.05%	-0.12%
DK	2.6%	2.7%	2.3%	1.9%	1.9%	2.4%	2.3%	2.3%	-0.0%	-0.07%	-0.19%	0.31%
EU	2.9%	2.9%	2.4%	2.1%	2.1%	2.1%	2.1%	2.1%	-0.0%	-0.02%	-0.01%	0.05%

Ranking according to the increase of household NPL ratios in Q4 2023 (column '3 months'). Change over 3 months, 6 months, 12 months in pp.  
Source: EBA risk dashboard, Scope Ratings.

## Section 2: Corporate sectors with the highest quarterly increase

Heatmap 4: Overview of NPL ratios by corporate sector in the EU

Country	NACE code	Dec-19	Dec-20	Dec-21	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Quarterly change	3 months	6 months	12 months	Sector as % of total loans
EU	J Information & communication	2.9%	2.8%	2.2%	1.9%	1.9%	2.0%	2.1%	2.4%	0.3%	0.3%	0.4%	0.5%	3.2%
EU	L Real estate activities	2.8%	2.6%	2.3%	1.8%	1.8%	2.0%	2.2%	2.5%	0.3%	0.3%	0.5%	0.6%	25.6%
EU	O Public admin. & defence	0.9%	1.5%	1.1%	0.7%	0.7%	0.9%	0.9%	1.2%	0.2%	0.2%	0.2%	0.5%	0.2%
EU	M Prof., scientific & tech. activ.	4.2%	4.5%	3.6%	3.0%	3.2%	3.2%	3.2%	3.4%	0.2%	0.2%	0.2%	0.4%	5.1%
EU	F Construction	13.9%	10.5%	8.0%	6.2%	6.1%	6.0%	6.0%	6.2%	0.2%	0.2%	0.2%	-0.1%	4.9%
EU	S Other services	4.5%	4.4%	3.4%	3.2%	3.3%	3.2%	2.8%	2.9%	0.1%	-0.3%	-0.3%	-0.3%	2.4%
EU	K Financial & insurance	3.3%	3.2%	2.6%	2.2%	2.1%	2.4%	2.2%	2.3%	0.1%	0.0%	0.0%	0.2%	4.4%
EU	C Manufacturing	5.5%	5.5%	4.0%	3.5%	3.6%	3.5%	3.5%	3.6%	0.1%	0.1%	0.1%	0.1%	15.2%
EU	E Water supply	3.1%	2.6%	2.3%	1.4%	1.3%	1.2%	1.2%	1.3%	0.0%	0.0%	0.0%	-0.2%	1.0%
EU	G Wholesale & retail trade	5.8%	5.9%	4.4%	3.9%	3.9%	3.9%	3.9%	3.9%	0.0%	0.0%	0.0%	0.0%	12.9%
EU	P Education	3.9%	4.2%	3.7%	3.5%	3.6%	3.5%	3.5%	3.5%	0.0%	-0.1%	-0.1%	0.0%	0.3%
EU	A Agriculture, forestry & fishing	6.6%	5.9%	4.5%	4.0%	4.0%	4.1%	4.0%	4.0%	0.0%	-0.1%	-0.1%	0.0%	3.8%
EU	D Electricity, gas	2.4%	1.6%	1.3%	1.4%	1.4%	1.5%	1.6%	1.5%	-0.1%	0.0%	0.0%	0.1%	5.4%
EU	B Mining & quarrying	6.2%	8.5%	5.5%	5.5%	5.0%	4.7%	3.9%	3.7%	-0.2%	-1.0%	-1.0%	-1.8%	1.1%
EU	R Arts, entertainment	6.8%	7.2%	7.8%	6.4%	6.2%	5.7%	5.6%	5.4%	-0.2%	-0.3%	-0.3%	-1.0%	0.5%
EU	N Admin. & support services	3.1%	3.9%	3.7%	3.1%	3.2%	2.9%	2.9%	2.7%	-0.2%	-0.2%	-0.2%	-0.4%	3.9%
EU	H Transport & storage	6.1%	5.8%	4.5%	3.8%	3.7%	3.5%	3.4%	3.0%	-0.4%	-0.5%	-0.5%	-0.9%	5.4%
EU	I Accom. & food services	7.9%	8.4%	9.4%	7.9%	7.8%	7.7%	7.4%	6.9%	-0.5%	-0.8%	-0.8%	-1.1%	2.6%
EU	Q Human health & social work	3.0%	3.0%	2.3%	4.9%	5.1%	5.5%	5.6%	4.9%	-0.6%	-0.6%	-0.6%	0.0%	1.8%

Ranking according to the increase of NPL ratios by NACE corporate sectors in Q4 2023 (column '3 months'). Change over 3 months, 6 months, 12 months in pp.  
Source: EBA risk dashboard, Scope Ratings

Heatmap 5: Top 3 corporate sectors with the highest quarterly increase of NPL ratios by country

Country	NACE code	Dec-19	Dec-20	Dec-21	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Quarterly change	3 months	6 months	12 months	Sector as % of total loans
AT	K Financial & insurance activities	1.5%	2.3%	2.7%	3.3%	3.3%	3.2%	3.5%	6.2%	2.7%	3.0%	2.9%	1.5%	
AT	L Real estate activities	1.8%	1.5%	1.7%	1.6%	1.5%	1.6%	1.9%	3.4%	1.5%	1.8%	1.9%	29.1%	
AT	F Construction	4.4%	3.7%	3.1%	3.0%	3.0%	3.3%	3.3%	4.5%	1.2%	1.2%	1.4%	8.0%	
BE	B Mining & quarrying	3.0%	3.4%	1.0%	1.1%	0.4%	0.7%	0.7%	2.1%	1.4%	1.4%	1.0%	0.5%	
BE	F Construction	4.6%	5.1%	4.2%	4.1%	3.9%	4.0%	4.0%	4.2%	0.3%	0.3%	0.1%	10.2%	
BE	I Accommodation & food services	5.4%	7.3%	9.2%	7.8%	7.1%	6.8%	6.5%	6.6%	0.1%	-0.1%	-1.1%	1.4%	
DE	L Real estate activities	1.0%	1.4%	1.5%	1.4%	1.5%	2.2%	2.7%	3.7%	1.1%	1.5%	2.3%	39.9%	
DE	F Construction	7.3%	6.7%	4.8%	3.6%	3.5%	3.7%	4.6%	5.6%	1.0%	1.9%	2.0%	2.2%	
DE	C Manufacturing	3.4%	4.1%	3.2%	3.9%	4.2%	4.2%	3.9%	4.5%	0.6%	0.4%	0.6%	12.6%	
DK	J Information & communication	3.1%	2.5%	1.7%	1.1%	1.0%	1.0%	1.4%	2.2%	0.8%	1.2%	1.1%	2.5%	
DK	E Water supply	2.1%	4.0%	2.9%	1.5%	1.5%	1.4%	1.3%	1.7%	0.4%	0.3%	0.2%	0.5%	
DK	B Mining & quarrying	8.1%	13.7%	13.9%	12.0%	12.2%	0.9%	0.8%	1.2%	0.3%	0.3%	-10.9%	0.2%	
ES	S Other services	3.3%	3.5%	3.1%	2.7%	2.5%	2.7%	2.9%	3.6%	0.7%	0.9%	0.9%	3.3%	
ES	H Transport & storage	4.1%	3.8%	5.0%	3.9%	3.7%	4.1%	4.0%	4.4%	0.4%	0.3%	0.5%	6.1%	
ES	R Arts, entertainment	6.3%	5.9%	14.9%	11.7%	11.6%	9.5%	8.9%	9.1%	0.2%	-0.3%	-2.6%	0.6%	
FI	O Public administration & defence	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.6%	1.6%	1.6%	1.6%	0.1%	
FI	F Construction	2.6%	2.4%	1.9%	1.6%	1.6%	1.6%	2.0%	3.5%	1.6%	1.9%	1.9%	4.9%	
FI	Q Human health services & social work	0.6%	2.7%	0.8%	0.7%	0.8%	0.8%	0.9%	2.2%	1.3%	1.3%	1.5%	0.9%	
FR	O Public administration & defence	1.1%	3.0%	2.3%	0.7%	0.7%	1.3%	1.4%	2.6%	1.3%	1.3%	2.0%	0.2%	
FR	J Information & communication	4.5%	3.2%	2.0%	1.9%	1.9%	2.1%	2.5%	3.1%	0.6%	1.0%	1.2%	3.3%	
FR	M Professional, scientific and tech. activities	3.4%	4.0%	4.1%	3.8%	4.1%	4.1%	4.1%	4.6%	0.5%	0.5%	0.8%	6.0%	
IT	K Financial & insurance activities	5.3%	2.5%	1.7%	1.1%	1.0%	1.1%	1.1%	1.9%	0.8%	0.8%	0.7%	2.1%	
IT	B Mining & quarrying	6.1%	4.5%	2.0%	4.2%	4.3%	4.1%	3.5%	4.2%	0.7%	0.1%	0.0%	0.7%	
IT	P Education	8.5%	4.7%	3.0%	3.2%	3.1%	3.2%	3.2%	3.4%	0.3%	0.2%	0.2%	0.2%	
NL	A Agriculture, forestry & fishing	7.9%	6.7%	4.4%	3.9%	3.9%	4.0%	4.0%	4.3%	0.3%	0.3%	0.3%	14.0%	
NL	I Accommodation & food services	3.8%	7.5%	6.9%	5.6%	5.6%	6.2%	6.3%	6.6%	0.3%	0.4%	1.0%	1.4%	
NL	F Construction	6.8%	6.2%	5.5%	4.9%	4.7%	4.4%	4.4%	4.6%	0.2%	0.1%	-0.3%	3.7%	
SE	J Information & communication	0.4%	0.3%	0.2%	0.1%	0.1%	0.1%	0.1%	2.3%	2.2%	2.3%	2.2%	2.3%	
SE	M Professional, scientific and tech. activities	1.0%	0.2%	0.1%	0.1%	0.1%	0.2%	0.3%	0.9%	0.6%	0.7%	0.8%	4.3%	
SE	G Wholesale & retail trade	1.1%	1.0%	0.3%	0.3%	0.3%	0.3%	0.4%	0.7%	0.3%	0.4%	0.4%	5.0%	

Ranking according to the increase of corporate NPL ratios in Q4 2023 (column '3 months'). Change over 3 months, 6 months, 12 months in pp.  
Source: EBA risk dashboard, Scope Ratings

### Section 3: Other asset quality indicators

Heatmap 6: Cost of risk

Country	Dec-19	Dec-20	Dec-21	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Quarterly change	3 months	6 months	12 months
AT	33	74	37	49	50	38	40	47		7	9	1
FR	39	54	38	45	40	40	41	47		6	6	2
ES	108	137	91	95	113	107	106	112		5	4	17
DE	27	47	26	27	40	35	33	38		5	2	10
IT	61	94	63	52	34	36	34	38		4	2	14
FI	27	32	16	18	19	18	16	20		3	2	2
NL	25	54	9	21	10	12	12	13		1	1	8
SE	13	21	6	11	12	9	8	9		1	0	2
BE	24	49	20	17	13	11	12	13		1	2	4
DK	35	85	43	50	81	58	49	42		7	16	8
<b>EU</b>	<b>48</b>	<b>75</b>	<b>47</b>	<b>46</b>	<b>46</b>	<b>45</b>	<b>44</b>	<b>48</b>		<b>4</b>	<b>4</b>	<b>2</b>

Ranking according to the increase of cost of risk in Q4 2023 (column '3 months'). Change over 3 months, 6 months, 12 months in pp. EBA definition: Increases due to origination and acquisition + Changes due to change in credit risk (net) + Changes due to modifications without derecognition (net) + Changes due to update in the institution's methodology for estimation (net) + Other adjustments] (annualised) (A) / Total gross loans and advances subject to impairment (B + C). Source: EBA risk dashboard, Scope Ratings

Heatmap 7: Stage 2 loan ratios

Country	Dec-19	Dec-20	Dec-21	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Quarterly change	3 months	6 months	12 months
NL	5.0%	7.7%	6.0%	7.9%	7.7%	7.3%	6.9%	8.3%		1.4%	1.0%	0.4%
FI	5.2%	5.6%	5.4%	5.8%	6.0%	7.1%	6.9%	8.1%		1.2%	1.0%	2.3%
DE	5.0%	9.2%	8.6%	9.9%	9.6%	10.1%	10.7%	11.7%		1.0%	1.6%	1.9%
FR	6.7%	8.4%	9.0%	9.8%	9.4%	9.0%	9.1%	9.4%		0.3%	0.5%	-0.4%
ES	5.8%	7.1%	7.4%	6.8%	6.9%	6.8%	6.9%	7.2%		0.3%	0.5%	0.4%
IT	8.8%	13.8%	14.0%	12.2%	11.3%	11.2%	11.3%	11.5%		0.2%	0.3%	-0.7%
DK	7.1%	7.6%	6.5%	8.6%	8.5%	9.2%	8.9%	8.9%		0.0%	-0.3%	0.3%
SE	3.9%	4.0%	3.5%	4.4%	4.7%	5.5%	6.2%	6.0%		-0.2%	0.5%	1.6%
AT	10.3%	18.3%	17.5%	16.8%	16.2%	16.4%	16.8%	16.4%		-0.4%	0.0%	-0.4%
BE	9.1%	11.4%	10.7%	13.2%	12.1%	11.7%	11.8%	11.4%		-0.4%	-0.2%	-1.8%
<b>EU</b>	<b>6.8%</b>	<b>9.1%</b>	<b>8.9%</b>	<b>9.4%</b>	<b>9.1%</b>	<b>9.1%</b>	<b>9.2%</b>	<b>9.6%</b>		<b>0.4%</b>	<b>0.5%</b>	<b>0.2%</b>

Ranking according to the increase of Stage 2 loan ratios in Q4 2023 (column '3 months'). Change over 3 months, 6 months, 12 months in pp. EBA definition: Stage 2 loans and advances at amortised cost / Sum of stage 1, 2, 3 and POCI loans and advances at amortised cost (code T13\_2). Source: EBA risk dashboard, Scope Ratings

Heatmap 8: Forbearance ratios

Country	Dec-19	Dec-20	Dec-21	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Quarterly change	3 months	6 months	12 months
DE	0.9%	1.6%	1.6%	1.2%	1.2%	1.1%	1.2%	1.3%		0.14%	0.17%	0.08%
NL	1.7%	2.7%	2.3%	1.7%	1.5%	1.5%	1.4%	1.5%		0.11%	0.06%	-0.15%
AT	1.2%	1.7%	1.9%	1.8%	1.6%	1.5%	1.5%	1.7%		0.11%	0.13%	-0.11%
SE	0.5%	0.5%	0.4%	0.3%	0.3%	0.3%	0.3%	0.4%		0.10%	0.11%	0.12%
FI	1.1%	1.5%	1.5%	1.2%	1.3%	1.3%	1.4%	1.4%		0.03%	0.12%	0.22%
BE	0.9%	1.4%	1.6%	1.4%	1.0%	0.9%	1.0%	1.0%		0.00%	0.07%	-0.41%
FR	0.9%	1.0%	1.2%	1.0%	1.0%	1.0%	1.0%	1.0%		0.00%	-0.04%	-0.07%
DK	1.0%	1.3%	1.1%	0.6%	0.5%	0.6%	0.5%	0.5%		-0.01%	-0.04%	-0.05%
IT	3.6%	2.6%	2.8%	2.5%	2.3%	2.1%	2.0%	1.9%		-0.12%	-0.27%	-0.62%
ES	3.1%	2.8%	3.0%	2.7%	2.7%	2.5%	2.5%	2.4%		-0.13%	-0.14%	-0.30%
<b>EU</b>	<b>1.8%</b>	<b>2.0%</b>	<b>2.0%</b>	<b>1.6%</b>	<b>1.5%</b>	<b>1.5%</b>	<b>1.4%</b>	<b>1.4%</b>		<b>-0.01%</b>	<b>-0.03%</b>	<b>-0.18%</b>

Ranking according to the increase of forbearance ratios in Q4 2023 (column '3 months'). Change over 3 months, 6 months, 12 months in pp. EBA definition: exposures with forbearance measures for loans and advances/total instruments on BS (code AQT\_42.2). Source: EBA risk dashboard, Scope Ratings.

**Section 4: NPL ratios - other EU/EEA countries**

**Heatmap 9: Non-performing loan ratios**

Country	Dec-19	Dec-20	Dec-21	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Quarterly change	3 months	6 months	12 months
LU	0.9%	1.8%	1.3%	1.3%	1.3%	1.4%	1.2%	1.4%		0.2%	0.0%	0.1%
NO	1.3%	1.6%	n.a.	1.2%	1.0%	1.0%	0.9%	1.0%		0.2%	0.1%	-0.1%
SI	3.7%	3.2%	2.2%	1.8%	1.6%	1.6%	1.5%	1.6%		0.1%	0.1%	-0.1%
IS	2.6%	2.7%	1.9%	1.3%	1.2%	1.3%	1.4%	1.5%		0.1%	0.1%	0.2%
CZ	1.3%	1.5%	1.4%	1.4%	1.2%	1.1%	1.1%	1.2%		0.1%	0.1%	-0.2%
HR	4.3%	4.4%	3.3%	2.2%	2.2%	2.1%	1.8%	1.8%		0.1%	-0.2%	-0.4%
EE	1.5%	1.1%	0.8%	0.6%	0.5%	0.6%	0.7%	0.7%		0.1%	0.1%	0.1%
LT	1.5%	1.3%	0.7%	0.5%	0.5%	0.6%	0.6%	0.6%		0.0%	0.0%	0.1%
LI				0.4%	0.4%	0.4%	0.4%	0.4%		0.0%	0.0%	0.0%
SK	2.6%	2.2%	1.6%	1.4%	1.4%	1.6%	1.7%	1.6%		-0.1%	0.0%	0.1%
RO	4.1%	3.7%	3.2%	2.7%	2.7%	2.5%	2.4%	2.3%		-0.1%	-0.2%	-0.4%
LV	1.9%	1.6%	0.6%	0.5%	0.5%	0.5%	0.5%	0.4%		-0.1%	-0.1%	-0.1%
PL	4.8%	5.1%	4.5%	4.4%	4.4%	4.4%	4.4%	4.3%		-0.1%	-0.2%	-0.1%
CY	19.3%	11.5%	4.1%	3.1%	2.9%	2.8%	2.6%	2.4%		-0.1%	-0.4%	-0.6%
HU	4.6%	4.0%	3.5%	3.5%	3.4%	3.1%	3.1%	3.0%		-0.1%	-0.2%	-0.5%
BG	7.2%	7.0%	5.6%	2.5%	2.2%	2.1%	2.1%	2.0%		-0.1%	-0.1%	-0.6%
MT	3.0%	3.5%	3.1%	2.2%	2.4%	2.3%	2.4%	2.2%		-0.2%	-0.1%	-0.1%
PT	6.5%	4.9%	3.6%	3.0%	3.1%	3.0%	2.8%	2.5%		-0.3%	-0.5%	-0.5%
IE	3.3%	4.2%	2.8%	1.8%	1.7%	1.8%	1.8%	1.5%		-0.3%	-0.2%	-0.2%
GR	35.2%	25.5%	7.0%	4.6%	4.7%	4.6%	4.1%	3.3%		-0.8%	-1.3%	-1.3%

Ranking according to the increase of NPL ratios in Q4 2023 (column '3 months'). Change over 3 months, 6 months, 12 months in pp. Source: EBA risk dashboard, Scope Ratings.

**Overview of the European Banking Authority's risk dashboard**

Data presented in this article are based on the data set provided by the European Banking Authority as part of the EBA quarterly risk dashboard. Q4 2023 data were released on April 04, 2024. This article is designed to shed light on key asset quality trends. The EBA risk dashboard mainly presents data by country in alphabetical order.

The EBA risk dashboard provides data on a sample of EU/EEA institutions. Given its intrinsic limitations, the sample may not fully reflect trends at consolidated national banking system level.

From the EBA risk dashboard:

*"The EBA Risk Dashboard is part of the regular risk assessment conducted by the EBA and complements the Risk Assessment Report. The EBA Risk Dashboard summarises the main risks and vulnerabilities in the banking sector in the European Union (EU) by looking at the evolution of Risk Indicators (RI) among a sample of banks across the EU".*

*"Individual country data includes subsidiaries, which are excluded from EU aggregate. For example, at country level the subsidiary in country X of a bank domiciled in country Y is included both in data for countries X and Y (for the latter as part of the consolidated entity). In the EU aggregate, only the consolidated entity domiciled in country Y is considered. The sample of banks is unbalanced and reviewed annually. Being an unbalanced sample, the number of reporting banks per country can display minor variations between quarters, which might accordingly affect quarterly changes in absolute and relative figures".*

*"The figures included in the Risk Dashboard are based on a sample of 164 banks, covering more than 80% of the EU/EEA banking sector (by total assets), at the highest level of consolidation, while country aggregates also include large subsidiaries" (the list of banks can be found on the EBA website).*

Source: <https://www.eba.europa.eu/risk-and-data-analysis/risk-analysis/risk-monitoring/risk-dashboard>

---

## Related research

[Covered Bond Quarterly: Have German banks put Pfandbriefe at risk?](#), April 2024

[Real Estate Insight](#), April 2024

[French banks quarterly: Heading into a more volatile business environment](#), April 2024

[Italian NPL collections: note sales fall to almost zero in February](#), April 2024

[German savings and co-operative banks well positioned to face challenges](#), March 2024

[Italian banks: no acceleration in deposit repricing but funding pressure set to intensify](#), Mar 2024

[Spanish banks quarterly: limited challenges in 2024 as profitability drivers remain supportive](#),  
February 2024

[European Bank Capital Quarterly: different Basel 3.1 timelines create challenges](#), February 2024

[European Banking Outlook: sound fundamentals support credit profiles but profitability will decline](#),  
January 2024

[Asset-quality review: European banks at a crossroads in 2024](#), December 2023

## Scope Ratings GmbH

Lennéstraße 5

Phone: +49 30 27891-0

**in**

D-10785 Berlin

Fax: +49 30 27891-100

Bloomberg: RESP SCOP

[scooperatings.com](https://www.scooperatings.com)

[info@scooperatings.com](mailto:info@scooperatings.com)

[Scope contacts](#)

## Disclaimer

© 2024 Scope SE & Co. KGaA and all its subsidiaries including Scope Ratings GmbH, Scope Ratings UK Limited, Scope Fund Analysis GmbH, and Scope ESG Analysis GmbH (collectively, Scope). All rights reserved. The information and data supporting Scope's ratings, rating reports, rating opinions and related research and credit opinions originate from sources Scope considers to be reliable and accurate. Scope does not, however, independently verify the reliability and accuracy of the information and data. Scope's ratings, rating reports, rating opinions, or related research and credit opinions are provided 'as is' without any representation or warranty of any kind. In no circumstance shall Scope or its directors, officers, employees and other representatives be liable to any party for any direct, indirect, incidental or other damages, expenses of any kind, or losses arising from any use of Scope's ratings, rating reports, rating opinions, related research or credit opinions. Ratings and other related credit opinions issued by Scope are, and have to be viewed by any party as, opinions on relative credit risk and not a statement of fact or recommendation to purchase, hold or sell securities. Past performance does not necessarily predict future results. Any report issued by Scope is not a prospectus or similar document related to a debt security or issuing entity. Scope issues credit ratings and related research and opinions with the understanding and expectation that parties using them will assess independently the suitability of each security for investment or transaction purposes. Scope's credit ratings address relative credit risk, they do not address other risks such as market, liquidity, legal, or volatility. The information and data included herein is protected by copyright and other laws. To reproduce, transmit, transfer, disseminate, translate, resell, or store for subsequent use for any such purpose the information and data contained herein, contact Scope Ratings GmbH at Lennéstraße 5, D-10785 Berlin.