

Macro Roundup Article

Headline: [Bank Credit Conditions at 2008 Levels](#)

Article Link: <https://apolloacademy.com/bank-credit-conditions-at-2008-levels/>

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Publication	Apollo
Publication Date	May 10, 2023

Tweet: In a Fed survey of large bank loan officers completed after the SVB collapse but prior to First Republic finds lending standards have tightened to 2008 levels. Torsten Sløk @apolloglobal

Summary: The survey asks banks if they have tightened lending standards for firms and households relative to last quarter, and across all indicators for demand for loans and supply of loans, we are now at or close to 2008 levels. In addition, the first sentence in the notes to the Fed's Senior Loan Officer Survey shows that it only covers large banks out of the roughly 4,000 banks in the US, so credit conditions in small and medium-sized banks are likely tightening even more than seen in the charts below. The bottom line for markets is that with inflation still at 5%, well above the FOMC's 2% inflation target, and the Fed not cutting rates anytime soon, credit conditions will continue to tighten, and as a result, a recession is coming that could be deeper or longer than the consensus currently expects.

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