

## **Emerging markets credit improves in Q1: IIF**

WASHINGTON, April 24 (Xinhua) -- The overall bank lending conditions for emerging markets maintained the improving momentum in the first quarter of 2013, said a global financial industry report on Wednesday. The emerging market bank lending index released by the Institute of International Finance (IIF) rose to 50.6 in the past quarter, the second consecutive quarter of gains. The index had not floated above the benchmark level of 50 since mid-2011 until the last quarter of 2012. A reading above 50 indicates that bank lending conditions are improving. "Funding conditions, especially in domestic markets, continued to ease in emerging markets, partly reflecting the monetary policy easing in key emerging market economies," said the IIF, an industry association representing some 450 major financial institutions worldwide. The IIF also noted that emerging markets banks continued to tighten credit standards despite an ongoing improvement in both domestic and international funding conditions. Meanwhile, nonperforming loans continued to edge up, but at a much slower pace than the previous quarter, and demand for credit remained robust. The IIF's latest report was compiled from a survey conducted between March 12 and April 16, 2013 among 133 banks in emerging market economies.