مصرف الإمارات العربية المتحدة المركزي
CENTRAL BANK OF THE U.A.E.

Credit Sentiment Survey

Survey Results | 2015 Q3

The Credit Sentiment Survey ("The Survey") is a quarterly publication which collects information from Senior Credit Officers from all banks and financial institutions extending credit within the UAE. The information collected constitutes qualitative responses to a series of questions relating to credit conditions in the most recent quarter and expectations for the upcoming quarter.

All results and analysis contained in this report constitute the aggregate opinions of Survey respondents only. The results contained herein do not reflect the views of the Central Bank and should not be construed as such. Further details about the Survey along with its questionnaire results for the September quarter are available in the "About the Survey" section and annexes to this report.[1]

> Executive Summary

Results from the September quarter survey suggest that demand growth for credit appears to have stabilized following a slowdown from recent quarters. Overall, aggregate results are consistent with an ongoing healthy rate of demand growth within the UAE economy and with other partial indicators of economic activity.

Lending to Corporates & Small Businesses – According to survey respondents, demand growth for business credit stabilized in the September quarter following consecutive quarters of decline. Despite ongoing demand growth, survey results suggest a reduced willingness to extend business loans among financial institutions, with changes in credit standards suggesting a higher degree of risk aversion. This was evident in the reported tightening of credit standards pertaining to collateralization requirements and premiums charged over riskier loans. Such results reflect ongoing uncertainty surrounding the global economy as borne out by the reasons given by survey respondents for the ongoing tightening in credit standard. For the December quarter, survey respondents expect further tightening in credit standards, while the demand growth is expected to remain at similar level as the September quarter.

Lending to Individuals – Demand for personal loans continued to grow during the September quarter, with the pace of demand growth stabilizing at a more sustainable level. However, by loan category, survey respondents observed decreasing loan demand for all housing categories: Housing – Owner Occupiers, Housing – Investment, and Housing – Other purposes (including refinancing and renovations). Looking to the December quarter, survey respondents were optimistic on personal loan demand, with expectations of similar pace of demand growth on balance. With respect to credit standards, results reported easing credit standards across all the categories in September quarter, though expectations for the December quarter suggested an overall tightening in credit standards which will be mainly driven by the tightening in the housing categories.

[1] Results from the survey are reported as a net balance (expressed as a percentage). The net balance is calculated as the weighted percentage of respondents reporting an increase in demand for loans (or tightening of credit standards) minus the weighted percentage of respondents reporting a decrease in demand for loans (or easing of credit standards). Weightings are determined such that those responses indicating a modest change are given half the weighting of those reporting a significant change in the surveyed quarter. For the demand measures, a positive score indicates growth in demand for loans during the quarter and for the measures on credit availability and standards, a negative score indicates an easing in credit standards during the surveyed quarter.

For demand for loans, net balance = (% Reporting Substantial Increase + 0.5 x % Reporting Moderate Increase) – (% Reporting Substantial Decrease + 0.5 x % Reporting Moderate Decrease)

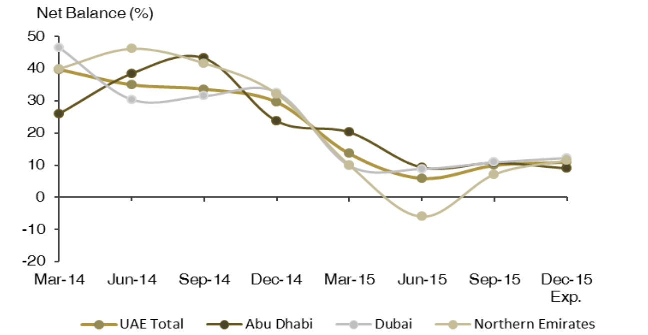
For credit standards, net balance = (% Reporting Significant Tightening + 0.5 x % Reporting Moderate Tightening) – (% Reporting Significant Easing + 0.5 x % Reporting Moderate Easing)

> Business Lending[2]

Results from the September quarter survey indicate that demand growth for business credit stabilized in the quarter, following several quarters of consecutive declines. This was evident from the net balance measure, which increased from +5.9 in June to +9.9 in September. By emirate, improved demand growth was evident across the board with the Northern Emirates reporting a notable improvement following a fall in demand in the June quarter.

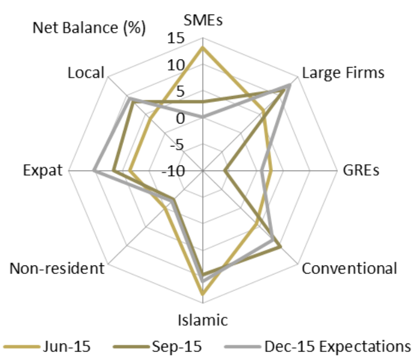
For the December quarter, survey respondents expect the growth rate to remain unchanged. A net balance measure of +10.9 for December quarter expectations reflects only a marginal change from September quarter results. By emirate, survey respondents were most optimistic in Dubai, followed by the Northern Emirates and Abu Dhabi **(Chart 1)**.

Chart 1 Change in Demand for Business Loans by Emirate



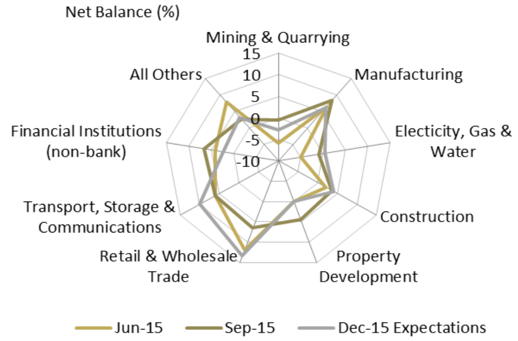
By market segment, improvement in demand growth was most notable among large firms and conventional loans. An improvement for resident loans (both expat and local) was also evident. In contrast, demand growth within the SME segment softened while demand for credit from non-resident and GRE categories fell. Demand growth within the Islamic finance segment remained broadly unchanged and continued to show healthy growth. For the December quarter, survey respondents were most optimistic about demand growth for large firms, across both conventional and Islamic products. Survey respondents were also optimistic about demand growth from resident businesses, mainly expat, while non-resident demand is expected to continue to decline **(Chart 2)**.

Chart 2 Change in Demand for Business Loans by Type



Demand growth was recorded across all industries with the exception of the Mining & Quarrying and Electricity, Gas and Water sectors, which both reported marginal declines. Consistent with trends over recent quarters, demand for credit within the Manufacturing, Transport, Storage & Communications, and Financial institutions continued to outperform other sectors, while demand from property developers recovered from a soft June quarter. When asked about expectations for the December quarter, with the exception for financial institutions where demand growth will be lower, survey respondents expect recent trends to be maintained. Demand for loans from the Manufacturing, Retail & Wholesale Trade and Transport, Storage & Communications sectors are expected to remain the strongest **(Chart 3)**.

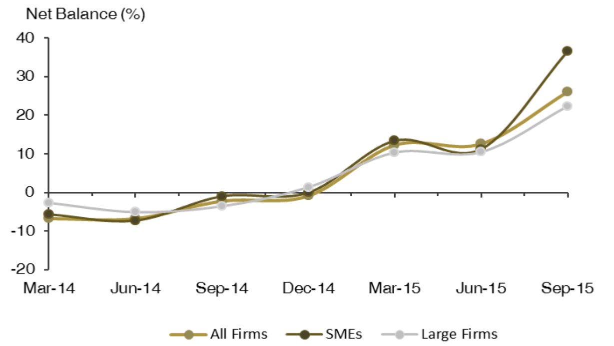
Chart 3 Change in Demand for Business Loans by Industry



When asked about which factors were attributable to the change in demand for business loans, customers' sales and fixed asset investment were considered most important, with around three-quarters of respondents citing such factors. Other important factors include interest rates and the property market outlook, according to just under two-thirds of respondents. With respect to the outlook for demand, survey respondents cited customers' sales, fixed asset investment and the property market outlook as being the most important determining factors.

With respect to credit standards, survey results suggested ongoing tightening through the September for a third consecutive quarter. Such tightening occurred regardless of firm size; however, standards for SMEs appear to have tightened more significantly than those for large firms **(Chart 4)**. In the December quarter, survey respondents expect further tightening in credit standards, at roughly the same extent as reported in the September quarter.

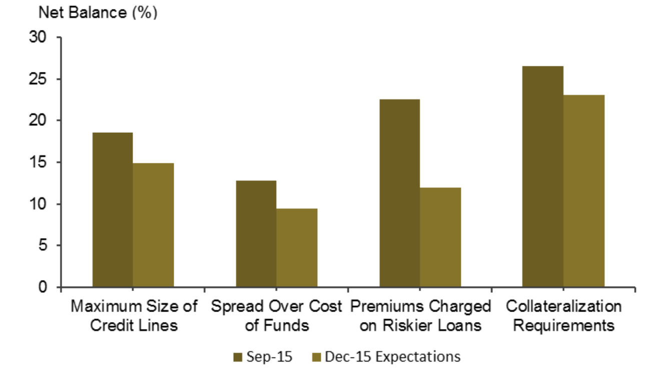
Chart 4 Change in Credit Standards



[2] Full survey results are presented in Annex 1 of this report

With respect to specific terms and conditions, survey respondents reported a tightening across all reported categories, although to varying degrees. Credit standards pertaining to collateralization requirements and premiums charged on riskier loans tightened the most during the quarter. Terms and conditions pertaining to maximum size of credit lines and spread over cost of funds also tightened significantly. In the December quarter, survey respondents expect further tightening across all terms and conditions, but to a lesser extent than reported in the September quarter **(Chart 5)**.

Chart 5 Change in Terms and Conditions



According to survey respondents, the economic outlook appears to have been a major factor in determining credit standards in the quarter. More than 80 per cent of survey respondents cited this as an important factor with two-thirds citing it as very important. Industry specific conditions and the quality of their financial institutions asset portfolio were also considered important. In contrast, competitive pressure from other financial institutions appears to have had little bearing on credit standards in this quarter.

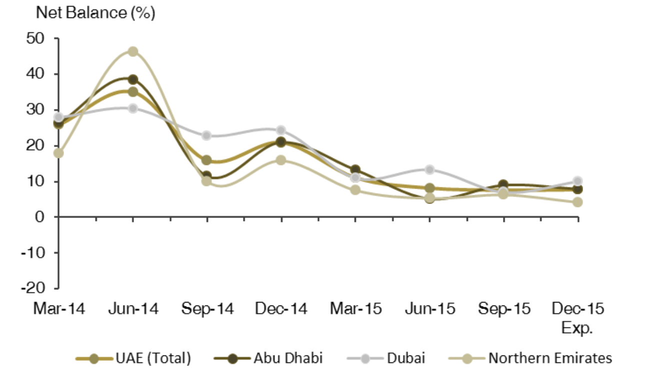
> Personal Lending[3]

Results from the personal lending survey suggest that the pace of demand growth has stabilized. Demand growth was reported with positive net balance measure of +7.6 in September quarter, similar to the level observed in June quarter. Though personal loan demand rose at a slower pace than in 2014, it was still above the neutral level. Survey respondents observed a similar pace of demand growth across all emirates.

In terms of the December quarter outlook for personal lending, survey respondents have maintained an optimistic stance, with a net balance measure of +7.7 in aggregate. By emirate, survey respondents were most optimistic in Dubai, but least optimistic in the Northern Emirates **(Chart 6)**.

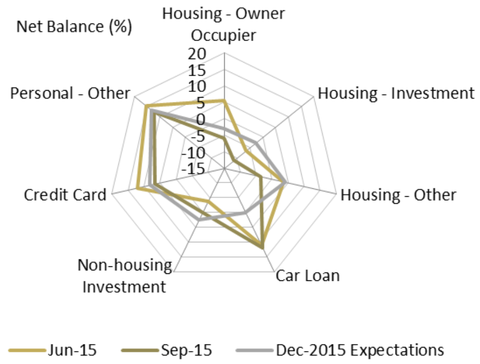
[3] Full survey results are presented in Annex 2 of this report

Chart 6 Change in Demand Expectations for Personal Loans by Emirate



By loan type, demand for housing loans fell with negative net balance measures across all housing categories: Housing – Owner Occupiers, Housing – Investment, and Housing – Other purposes (including refinancing and renovations). In contrast, growth in demand was observed across all other categories, most notably in Car Loan and Personal – Other. With respect to expectations for the December quarter, survey respondents expected demand growth in all categories, with the exception of Housing – Owner Occupiers, Housing – Investment, and car loan **(Chart 7)**.

Chart 7 Change in Demand for Personal Loans by Type

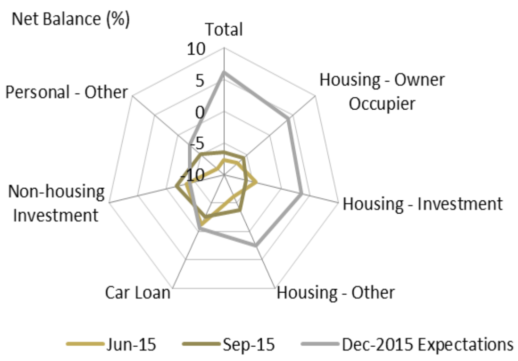


When asked about which factors contributed to the change in demand for loans, both housing and financial markets outlook, along with change in income were considered most important, with more than three-quarters of respondents citing such factors. Interest rates and competition with other banks or financial institutions also featured prominently. For the December quarter, survey respondents cited interest rates, the housing and financial markets outlook to be the most important factors expected to influence demand growth.

In terms of credit availability, a net balance of -6.5 suggested a moderate easing of credit standards in the September quarter, which was evident across all loan categories. Nonetheless, apart from Housing – Investment and Car Loans, the easing in credit standards in all the other categories was softer than reported in the previous quarter.

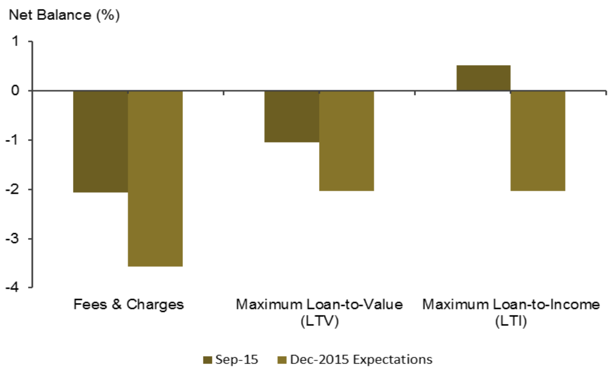
Meanwhile, in terms of outlook, with a positive net balance of 6.1 in aggregate, expectations for the December quarter suggest an overall tightening in credit standards, predominantly driven by the housing categories. By loan-type, credit standards are expected to tighten in Housing – Owner Occupier, Housing – Investment and Housing – Other purposes. In contrast, survey respondents expect moderate easing in Car Loan, Personal – other, and Non – Housing Investment categories **(Chart 8)**.

Chart 8 Change in Credit Standards



With respect to terms of conditions, more than 90% survey respondents reported all the terms and conditions were unchanged in the September quarter. Nonetheless, in aggregate, negative net balance numbers were observed in terms and conditions pertaining to fees and charges and maximum loan-to-value (LTV) ratios, suggesting very moderate easing in such terms and conditions observed by some survey respondents. On the other hand, a marginal tightening in credit standards vis-à-vis maximum loan-to-income (LTV) was reported. With respect to the outlook for the December quarter, survey respondents expected all the terms and conditions to ease across the board. The net balance numbers are marginally negative for such terms and conditions, with more than 90% survey respondents expecting all the selected terms and conditions to be unchanged (**Chart 9)**.

Chart 9 Change in Selected Terms and Conditions



When asked about those factors attributable to the easing in credit standards during the September quarter, survey respondents overwhelmingly cited the economic outlook, quality of their institution's asset portfolio, change in risk tolerance, and current/anticipated regulatory changes, as being most important.

About the Survey

The Credit Sentiment Survey ("The Survey") is a quarterly publication which collects information from all banks and financial institutions extending credit within the UAE. The Survey was first launched in Q1 2014 as part of the Central Bank ("CBUAE")'s efforts to gauge both supply and demand-side factors influencing the local credit market, and to further understand the linkages between credit sentiment and the broader UAE economy. A series of multiple choice questions were addressed to a sample of Senior Credit Officers (or employees of similar standing) within all financial institutions extending credit within the UAE. Such questions gauge the survey respondents' experiences and expectations with respect to changes in both demand for credit as well as credit availability, for both business and personal lending.

More information on the Survey can be found in Notice No. 107/2014 addressed to all banks and finance companies operating in the UAE.

This report presents the findings of the 2015 Q3 Survey, which was conducted during the period of 17 – 29 September, 2015. The Survey questionnaire results are available in the annexes attached to this report.

The total sample size for the September quarter survey was 215 respondents, with 99 answering questions related to personal credit and 116 answering questions related to business credit. The March quarter sample included responses from all banks and finance companies, conventional and Islamic financial institutions as well as Senior Credit Officers covering Abu Dhabi, Dubai and the Northern Emirates. **These results do not reflect the views of the CBUAE on Credit Sentiment in the UAE and should not be construed as such.**

Results from the survey are reported as a net balance (expressed as a percentage). The net balance is calculated as the weighted percentage of respondents reporting an increase in demand for loans (or tightening of credit standards) minus the weighted percentage of respondents reporting a decrease in demand for loans (or easing of credit standards). Weightings are determined such that those responses indicating a modest change are given half the weighting of those reporting a significant change in the surveyed quarter. For the demand measures, a positive score indicates growth in demand for loans during the quarter and for the measures on credit availability and standards, a negative score indicates an easing in credit standards during the surveyed quarter.

For demand for loans, net balance = (% Reporting Substantial Increase + 0.5 x % Reporting Moderate Increase) –
(% Reporting Substantial Decrease + 0.5 x % Reporting Moderate Decrease)

For credit standards, net balance = (% Reporting Significant Tightening + 0.5 x % Reporting Moderate Tightening) –
(% Reporting Significant Easing + 0.5 x % Reporting Moderate Easing)

The scheduled publication dates for the upcoming surveys are:

- 2015 Q4 Survey in January 2016
- 2016 Q1 Survey in April 2016
- 2016 Q2 Survey in July 2016
- 2016 Q3 Survey in October 2016

These publications will be available on the CBUAE's website at www.centralbank.ae

Should you have any queries or comments on the Survey results, please communicate with CBUAE's Monetary & Reserve Management Department via:

Monetary.Management@cbuae.gov.ae

Annex 1

> Business Lending Survey Questionnaires Results[4]

Q1. How has demand for loans changed relative to the preceding quarter? (% of total)

	Decreased Substantially	Decreased Moderately	No Change	Increased Moderately	Increased Substantially	Net Balance
All Firms	2.6	17.2	42.2	34	4.3	9.9
Abu Dhabi	2.4	19.0	38.1	35.7	4.8	10.7
Dubai	2.2	15.2	45.7	32.6	4.3	10.9
Northern Emirates	3.6	17.9	42.9	32.1	3.6	7.1
Small and Medium Enterprises	3.8	18.1	48.6	27.6	1.9	2.9
Large Firms	1.8	13.2	50.0	30.7	4.4	11.4
Government Related Entities	4.3	13.0	72.8	9.8	0.0	-6.0
Conventional Loans	3.1	12.4	50.5	28.9	5.2	10.3
Islamic Finance	2.4	10.7	54.8	29.8	2.4	9.5
Non-resident	0.0	13.6	80.7	2.3	3.4	-2.3
Expat	2.7	13.3	54.9	26.5	2.7	6.6
Local	0.9	13.0	59.1	22.6	4.3	8.3

Q2. By economic activity, how has demand for loans from firms changed compared to the preceding quarter? (% of total)

	Decreased Substantially	Decreased Moderately	No Change	Increased Moderately	Increased Substantially	Net Balance
Mining and Quarrying	0.0	9.0	85.0	4.0	2.0	-0.5
Manufacturing	0.0	11.5	61.9	24.8	1.8	8.4
Electricity, Gas and Water	0.0	6.6	88.7	4.7	0.0	-0.9
Construction	4.6	17.4	47.7	26.6	3.7	3.7
Property Development	2.0	13.7	61.8	18.6	3.9	4.4
Retail and Wholesale Trade	5.2	15.7	47.8	23.5	7.8	6.5
Transport, Storage and Communications	3.5	7.9	64.9	20.2	3.5	6.1
Financial Institutions (excluding Banks)	0.0	3.1	84.5	8.2	4.1	6.7
All Others	0.9	10.8	71.2	16.2	0.9	2.7

Q3. What factors were attributable to the change in demand for loans? (% of total)

	Not Important	Somewhat Important	Very Important
Customers' Sales	21.2	37.2	41.6
Customers' Fixed Asset Investment	26.5	49.6	23.9
Competition with Finance Companies	67.3	27.4	5.3
Competition with Banks	45.1	39.8	15.0
Interest Rates	31.9	42.5	25.7
Seasonal Influences	33.6	57.5	8.8
Property Market Outlook	28.3	38.1	33.6

[4] All figures are rounded to one decimal place

Q4. How have your bank/financial institution's credit standards for firms changed compared to the preceding quarter? (% of total)

	Tightened Significantly	Tightened Moderately	No Change	Eased Moderately	Eased Significantly	Net Balance
All Firms	7.0	40.0	51.3	1.7	0.0	26.1
Small and Medium Enterprises	23.1	28.7	46.3	1.9	0.0	36.6
Large Firms	4.4	36.8	57.9	0.9	0.0	22.4

Q5. What factors were attributable to the change in your bank/financial institution's credit standards? (% of total)

	Not Important	Somewhat Important	Very Important
Quality of Your Bank's Asset Portfolio	23.4	19.8	56.8
Economic Outlook	17.1	16.2	66.7
Industry or Firm Specific Conditions	18.9	27.0	54.1
Competition from Banks	42.3	45.9	11.7
Competition from Finance Companies	69.4	27.9	2.7
Change in Tolerance for Risk	28.8	30.6	40.5
Availability/Cost of Funds	34.2	36.0	29.7
Current/Anticipated Regulatory Changes	37.8	15.3	46.8

Q6. How have the following terms and conditions changed at your bank/financial institution compared to the preceding quarter? (% of total)

	Tightened Significantly	Tightened Moderately	No Change	Eased Moderately	Eased Significantly	Net Balance
Maximum Size of Credit Lines	9.7	21.2	65.5	3.5	0.0	18.6
Spread Over Your Cost of Funds	0.0	31.9	61.9	6.2	0.0	12.8
Premiums Charged on Riskier Loans	8.0	31.9	57.5	2.7	0.0	22.6
Collateralization Requirements	7.0	39.1	53.9	0.0	0.0	26.5

Q7. Over the next quarter, how do you expect demand for loans from firms to change? (% of total)

	Decrease Substantially	Decrease Moderately	No Change	Increase Moderately	Increase Substantially	Net Balance
All Firms	1.8	17.3	39.1	40.9	0.9	10.9
Abu Dhabi	2.6	20.5	33.3	43.6	0.0	9.0
Dubai	2.2	15.6	40.0	40.0	2.2	12.2
Northern Emirates	0.0	15.4	46.2	38.5	0.0	11.5
Small and Medium Enterprises	9.8	8.9	56.3	21.4	3.6	0.0
Large Firms	0.0	12.8	49.5	36.7	0.9	12.8
Government Related Entities	0.0	12.3	74.5	12.3	0.9	0.9
Conventional Loans	0.9	11.3	57.5	30.2	0.0	8.5
Islamic Finance	0.0	8.5	62.3	28.3	0.9	10.8
Non-resident	0.0	8.3	87.2	4.6	0.0	-1.8
Expat	0.9	10.8	57.7	27.9	2.7	10.4
Local	0.0	12.8	56.9	29.4	0.9	9.2

Q8. By economic activity, how do you expect demand for loans from firms to change? (% of total)

	Decrease Substantially	Decrease Moderately	No Change	Increase Moderately	Increase Substantially	Net Balance
Mining and Quarrying	0.9	7.5	87.7	3.8	0.0	-2.8
Manufacturing	0.9	11.3	63.2	23.6	0.9	6.1
Electricity, Gas and Water	0.0	4.6	89.9	5.5	0.0	0.5
Construction	4.6	10.1	58.7	25.7	0.9	4.1
Property Development	4.6	10.1	67.0	17.4	0.9	0.0
Retail and Wholesale Trade	0.9	12.8	48.6	33.9	3.7	13.3
Transport, Storage and Communications	0.9	3.8	71.7	21.7	1.9	9.9
Financial Institutions (excluding Banks)	0.0	4.7	87.7	5.7	1.9	2.4
All Others	0.0	6.4	81.7	11.0	0.9	3.2

Q9. To what factors do you attribute to the expected change in demand for loans from firms? (% of total)

	Not Important	Somewhat Important	Very Important
Customers' Sales	28.8	32.4	38.7
Customers' Fixed Asset Investment	38.7	39.6	21.6
Competition with Finance Companies	76.6	22.5	0.9
Competition with Banks	55.9	35.1	9.0
Interest Rates	42.3	39.6	18.0
Seasonal Influences	45.9	45.0	9.0
Property Market Outlook	38.7	34.2	27.0

Q10. How do you expect your bank/financial institution's credit standards to change over the coming three months? (% of total)

	Tighten Significantly	Tighten Moderately	No Change	Ease Moderately	Ease Significantly	Net Balance
All Firms	4.5	44.5	46.4	3.6	0.9	24.1
Small and Medium Enterprises	16.5	34.9	44.0	3.7	0.9	31.2
Large Firms	2.8	40.4	56.0	0.0	0.9	22.0

Q11. To what factors do you attribute the expected change in your bank/financial institutions credit standards? (% of total)

	Not Important	Somewhat Important	Very Important
Quality of Your Bank's Asset Portfolio	33.3	18.9	47.7
Economic Outlook	24.3	10.8	64.9
Industry or Firm Specific Conditions	27.0	23.4	49.5
Competition from Banks	58.6	34.2	7.2
Competition from Finance Companies	78.4	20.7	0.9
Change in Tolerance for Risk	37.8	27.0	35.1
Availability/Cost of Funds	45.0	35.1	19.8
Current/Anticipated Regulatory Changes	43.2	17.1	39.6

Q12. How do you expect the following terms and conditions at your bank/financial institution to change for borrowing firms over the next quarter? (% of total)

	Tighten Significantly	Tighten Moderately	No Change	Ease Moderately	Ease Significantly	Net Balance
Maximum Size of Credit Lines	4.7	26.2	64.5	3.7	0.9	15.0
Spread Over Your Cost of Funds	0.0	28.7	62.4	7.9	1.0	9.4
Premiums Charged on Riskier Loans	1.0	30.0	62.0	6.0	1.0	12.0
Collateralization Requirements	5.7	36.8	56.6	0.0	0.9	23.1

Annex 2

> Personal Lending Survey Questionnaires Results[5]

Q1. How has demand for loans changed relative to the preceding quarter? (% of total)

	Decreased Substantially	Decreased Moderately	No Change	Increased Moderately	Increased Substantially	Net Balance
All Households	4.0	14.1	48.5	29.3	4.0	7.6
Abu Dhabi	2.6	17.9	43.6	30.8	5.1	9.0
Dubai	2.8	13.9	52.8	27.8	2.8	6.9
Northern Emirates	8.3	8.3	50.0	29.2	4.2	6.3
Islamic	3.1	4.1	72.4	17.3	3.1	6.6
Conventional	5.1	11.1	60.6	20.2	3.0	2.5
Housing – Owner Occupier	2.4	24.7	56.5	15.3	1.2	-5.9
Housing – Investment	3.5	28.2	56.5	10.6	1.2	-11.2
Housing – Other (includes refinancing, renovations)	2.4	16.7	66.7	14.3	0.0	-3.6
Car Loan	1.1	5.7	67.0	20.5	5.7	11.9
Non-housing Investment	1.2	4.9	86.6	7.3	0.0	0.0
Credit Card	2.2	8.9	62.2	26.7	0.0	6.7
Personal - Other	2.1	10.3	53.6	28.9	5.2	12.4

Q2. What factors were attributable to the change in demand for loans? (% of total)

	Not Important	Somewhat Important	Very Important
Housing market outlook	21.4	37.8	40.8
Financial markets outlook	22.4	48.0	29.6
Change in income	24.5	43.9	31.6
Interest rates	26.5	35.7	37.8
Competition with other banks or financial institutions	31.6	43.9	24.5
Seasonal influences	36.7	43.9	19.4

Q3. How have your bank/financial institution's credit standards for consumers changed compared to the preceding quarter? (% of total)

	Tightened Significantly	Tightened Moderately	No Change	Eased Moderately	Eased Significantly	Net Balance
All Households	0.0	0.0	87.1	12.9	0.0	-6.5
Housing – Owner Occupier	0.0	0.0	88.5	11.5	0.0	-5.7
Housing – Investment	0.0	0.0	87.7	12.3	0.0	-6.2
Housing – Other (includes refinancing, renovations)	0.0	0.0	92.5	7.5	0.0	-3.8
Non-housing Investment	0.0	0.0	94.7	5.3	0.0	-2.6
Car Loan	0.0	0.0	96.5	3.5	0.0	-1.8
Personal - Other	0.0	0.0	90.3	9.7	0.0	-4.9

[5] All figures are rounded to one decimal place

Q4. What factors were attributable to the change in your bank/financial institution's credit standards? (% of total)

	Not Important	Somewhat Important	Very Important
Quality of Your Bank's Asset Portfolio	13.1	22.2	64.6
Economic Outlook	20.2	20.2	59.6
Customer Specific	26.5	27.6	45.9
Competition from Banks	35.7	43.9	20.4
Competition from Finance Companies	74.5	15.3	10.2
Change in Tolerance for Risk	25.5	26.5	48.0
Availability/Cost of Funds	42.9	29.6	27.6
Current/Anticipated Regulatory Changes	23.5	13.3	63.3

Q5. How have the following terms and conditions changed at your bank/financial institution compared to the preceding quarter? (% of total)

	Tightened Significantly	Tightened Moderately	No Change	Eased Moderately	Eased Significantly	Net Balance
Fees and Charges	0.0	2.1	91.8	6.2	0.0	-2.1
Maximum Loan-to-Value (LTV)	0.0	0.0	97.9	2.1	0.0	-1.0
Maximum Loan-to-Income (LTI)	0.0	3.1	94.8	2.1	0.0	0.5

Q6. How do you expect demand for loans from consumers to change over the next quarter? (% of total)

	Decrease Substantially	Decrease Moderately	No Change	Increase Moderately	Increase Substantially	Net Balance
All Households	0.0	21.6	45.4	28.9	4.1	7.7
Abu Dhabi	0.0	21.1	44.7	31.6	2.6	7.9
Dubai	0.0	22.9	40.0	31.4	5.7	10.0
Northern Emirates	0.0	20.8	54.2	20.8	4.2	4.2
Islamic	0.0	6.2	69.1	24.7	0.0	9.3
Conventional	0.0	12.4	63.9	22.7	1.0	6.2
Housing – Owner Occupier	1.0	20.6	61.9	16.5	0.0	-3.1
Housing – Investment	3.1	14.4	67.0	15.5	0.0	-2.6
Housing – Other (includes refinancing, renovations)	1.0	5.2	78.4	15.5	0.0	4.1
Car Loan	1.0	14.4	71.1	10.3	3.1	0.0
Non-housing Investment	1.0	7.2	78.4	12.4	1.0	2.6
Credit Card	0.0	12.4	62.9	20.6	4.1	8.2
Personal - Other	0.0	8.2	57.7	33.0	1.0	13.4

Q7. What factors do you attribute to the expected change in demand for loans? (% of total)

	Not Important	Somewhat Important	Very Important
Housing market outlook	28.6	31.6	39.8
Financial markets outlook	26.5	41.8	31.6
Change in income	35.7	40.8	23.5
Interest rates	32.7	27.6	39.8
Competition with other banks or financial institutions	46.9	28.6	24.5
Seasonal influences	49.0	32.7	18.4

Q8. How do you expect credit standards to change at your bank/financial institution? (% of total)

	Tighten Significantly	Tighten Moderately	No Change	Ease Moderately	Ease Significantly	Net Balance
All Households	1.0	24.5	61.2	12.2	1.0	6.1
Housing – Owner Occupier	0.0	16.3	75.5	8.2	0.0	4.1
Housing – Investment	0.0	18.4	70.4	11.2	0.0	3.6
Housing – Other (includes refinancing, renovations)	0.0	15.3	74.5	10.2	0.0	2.6
Non-housing Investment	0.0	11.2	77.6	10.2	1.0	-0.5
Car Loan	0.0	10.2	74.5	12.2	3.1	-4.1
Personal - Other	1.0	17.3	58.2	22.4	1.0	-2.6

Q9. To what factors do you attribute any expected change in your bank/financial institutions credit standards? (% of total)

	Not Important	Somewhat Important	Very Important
Quality of Your Bank's Asset Portfolio	34.7	17.3	48.0
Economic Outlook	28.6	18.4	53.1
Industry or Firm Specific Conditions	44.9	18.4	36.7
Competition from Banks	38.8	42.9	18.4
Competition from Finance Companies	73.5	20.4	6.1
Change in Tolerance for Risk	34.7	18.4	46.9
Availability/Cost of Funds	49.0	24.5	26.5
Current/Anticipated Regulatory Changes	37.8	7.1	55.1

Q10. How do you expect the following terms and conditions changes at your bank/financial institution over the quarter? (% of total)

	Tighten Significantly	Tighten Moderately	No Change	Ease Moderately	Ease Significantly	Net Balance
Fees and Charges	0	1.0	90.8	8.2	0	-3.6
Maximum Loan-to-Value (LTV)	0	0	95.9	4.1	0	-2.0
Maximum Loan-to-Income (LTI)	0	1.0	94.9	3.1	1.0	-2.0