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

United Arab Emirates

Credit Sentiment Survey

Survey Results | 2016 Q1

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 March quarter are available in the "About the Survey" section and annexes to this report.[1]

> Executive Summary

Results from the credit sentiment survey suggested that appetite for both business and personal credit improved in the March quarter, recovering from the softening loan demands in the 2015 December quarter. However, the ongoing tightening credit conditions for business loans suggested the reduced willingness to extend business loans among financial institutions, partially reflecting the negative impact of lower oil prices.

Lending to Corporates & Small Businesses – According to survey respondents, appetite for business credit strengthened in the March quarter, following a softening in demand for business loans in the 2015 December quarter. The improvement in credit demand was evident across most of the market segments. Despite the recovery in loan demand, survey results suggested 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 all the terms and conditions. Survey respondents suggested that the lower oil prices had negative impacts on loan demands across different types of firms, with lenders tightening the credit standards in response to low oil price as well. For the June quarter, survey respondents expected tightening in credit standards, while the appetite for business lending would improve further.

Lending to Individuals – Echoing results for business lending, demand for personal loans also strengthened and moved back into positive growth territory during the March quarter, though at a relatively slower pace of growth compared with demand for business loans. Looking to the June quarter, survey respondents showed an optimistic stance and suggested modest demand growth. With respect to credit availability, more than 85% of survey respondents reported no change in credit standards and no one observed tightening in credit standards in any category. In aggregate, results reported marginal easing of credit standards in March quarter, while expectations for the June quarter suggested an overall tightening.

[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)

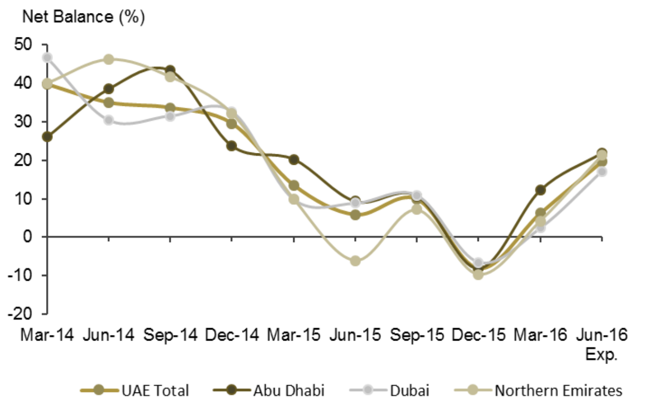
For credit standards, net balance = (% Reporting Significant Tightening + 0.5 x % Reporting Moderate Tightening) – (% Reporting Significant Easing + 0.5 x % Reporting Moderate Easing)

> Business Lending[2]

Results from the survey revealed an increase in the demand growth for business loans in the March quarter. According to the survey results, 37 percent of respondents reported an increase in demand, 24 percent reported a decrease in demand, while 39 percent reported no change. On balance, such results generated a net balance measure of 6.2 for the March quarter, up from -8.1 recorded in the 2015 December quarter. While demand for business loans has improved, it should be noted that this followed a softening demand registered in the 2015 December quarter. By emirate, the strengthening in demand was observed across the board, and most evident in Abu Dhabi.

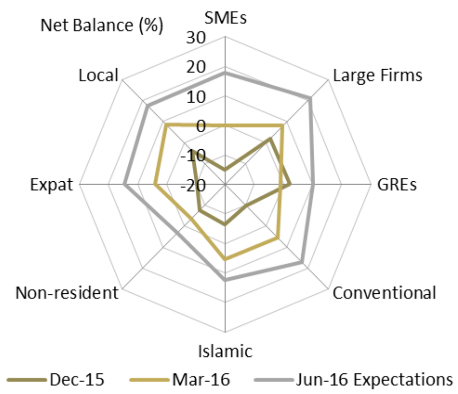
With respect to the expectation for the June quarter, a net balance measure of +19.6 suggested that the respondents were optimistic and expected the demand for business loans to increase further. The strengthening in loan demand was attributable to all the emirates, with growth in Abu Dhabi and Northern Emirates expected to be strongest **(Chart 1)**.

Chart 1 Change in Demand for Business Loans by Emirate



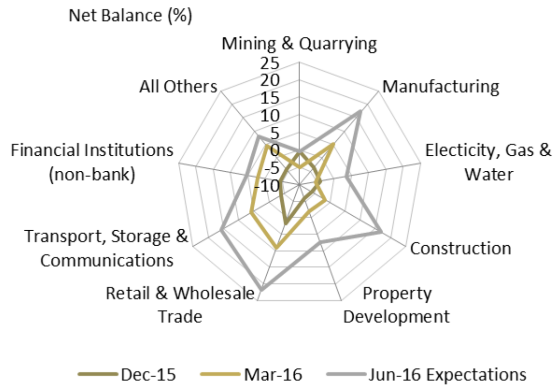
By market segment, increase in demand was most notable among large firms, local, conventional loans and Islamic Finance. Increase in demand was also observed in Expat category. In contrast, demand softened slightly in Non-resident, GREs, and SMEs. For the following quarter, survey respondents expected an improvement in demand for loans across the board, especially large firms **(Chart 2)**.

Chart 2 Change in Demand for Business Loans by Type



When asked about the change in demand for business loans by industry, the survey respondents reported that there was increase in demand in Retail and Wholesale Trade, Transport, Storage and Communications, Manufacturing, and All others, and Financial Institutions. On the other hand, there was softening in demand for Mining and Quarrying, Electricity, Gas and Water, Construction, and Property Development. When asked about expectations for the June quarter, the demand was expected to increase across all the other industries, with the exception of Mining and Quarrying **(Chart 3)**.

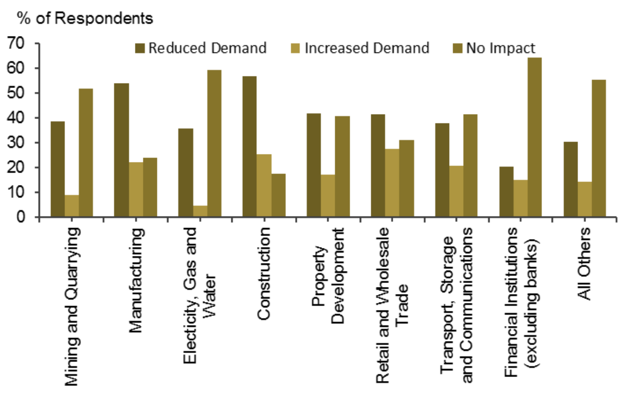
Chart 3 Change in Demand for Business Loans by Industry



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

The March edition of the survey also featured a question regarding the impact of low oil prices on demand for business loans. According to the survey results, a -17.2 net balance measure suggested that low oil prices had negative impacts on demand for business loans across different type of firms. By economic activity, the largest impacts were recorded within the Mining & Quarrying, Electricity, Gas and Water, Construction, and Property Development **(Chart 4).**

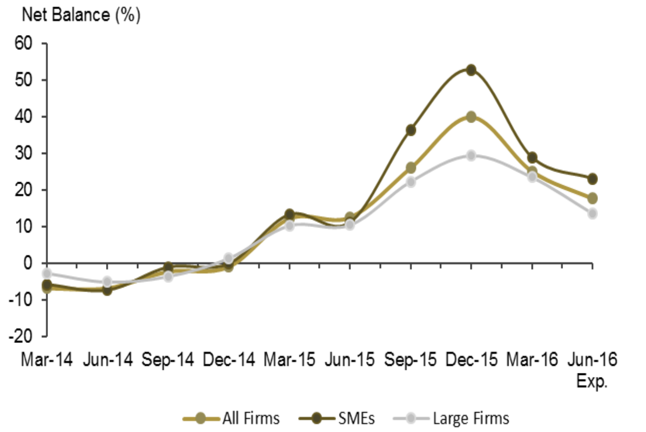
Chart 4 Impact of Oil Prices on Demand for Business Loans



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

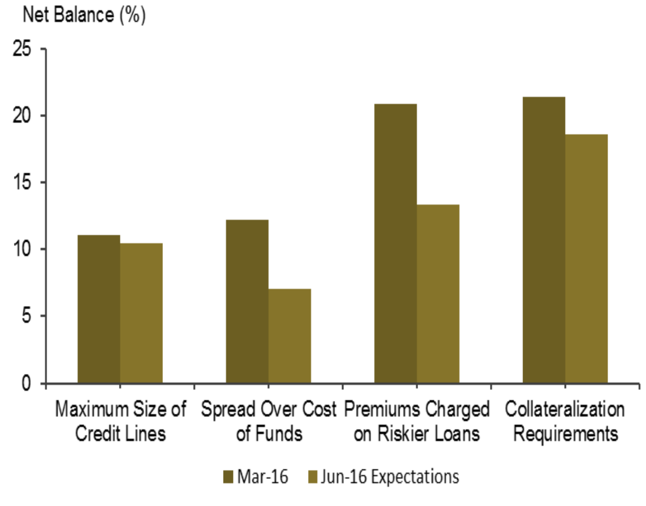
With respect to credit standards during the March quarter, a net balance measure of +25.2 suggested a tightening of credit standard, although to a lesser extent than that reported in the previous quarter. Such results were broadly consistent regardless of firm size. In the next quarter, survey respondents expected further tightening in credit standards **(Chart 5)**.

Chart 5 Change in Credit Standards



With respect to specific terms and conditions, survey respondents reported tightening across all categories, although to varying degrees. Credit standards pertaining to collateralization requirements and premiums charged on riskier loans tightened significantly during the quarter. For the June quarter, survey respondents expected further tightening across all terms and conditions **(Chart 6)**.

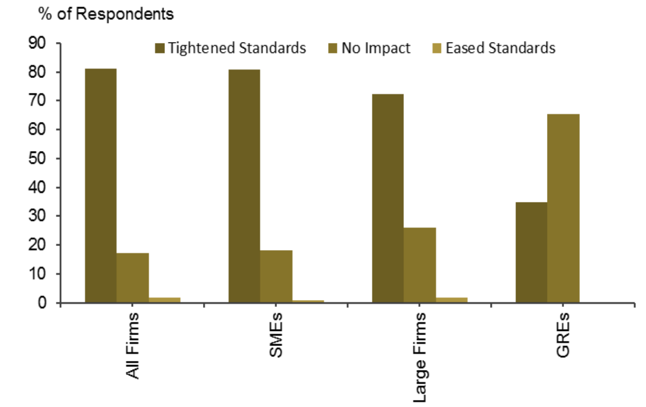
Chart 6 Change in Terms and Conditions



According to survey respondents, in line with results of the previous quarters, the economic outlook, industry or firm specific conditions, and quality of your asset portfolio were the major factors in determining credit standards in the March quarter. In contrast, competitive pressure from other financial institutions appeared to have had little bearing on credit standards in this quarter.

When asked about the impact of low oil prices on their financial institution's credit standards, more than 80 percent of respondents observed a tightening and this generated a -45.3 net balance measure in aggregate. The tightening is especially evident for Small and Medium Enterprises, while the impact on credit standards for GREs was relatively small **(Chart 7)**.

Chart 7 Impact of Oil Prices on Credit Standards



When asked about which terms and conditions on business loans were adjusted due to the low oil prices, survey respondents reported all the terms and conditions were being tightened in response to low oil prices. Maximum size of credit lines appeared to be the most likely terms to be tightened as a result of lower oil price, with three quarters of respondents reporting a tightening. Around two thirds of respondents reported a tightening in terms of premiums charged on riskier loans and collateralization requirements. Spread over cost of funds was also tightened as a result of lower oil prices, with about half of respondents reporting this measure.

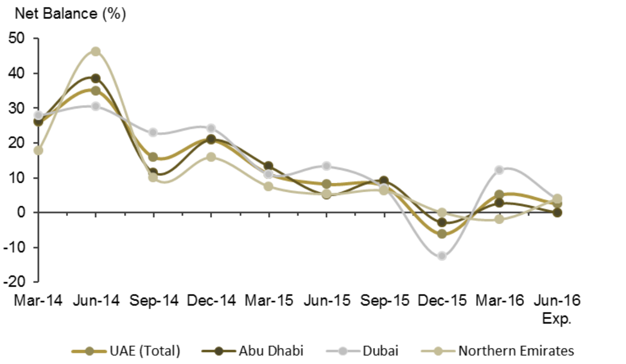
> Personal Lending[3]

Echoing results for business lending, demand for personal loan in aggregate also strengthened in the March quarter, although not quite to the same extent evident in business loans. Demand was reported with a positive net balance measure of +5.0, up from -6.2 in the previous quarter. By emirate, the improvement in personal loan demand was attributable to the robust appetite notably in Dubai, while demand in North Emirates softened slightly from the previous quarter.

In terms of the June quarter outlook, survey respondents reported a net balance measure of +2.5 in aggregate, suggesting marginal increases in demand for personal loans. By emirate, survey respondents expected an increase in demand growth in Dubai and Northern Emirates, while growth in Abu Dhabi was expected to be unchanged **(Chart 8)**.

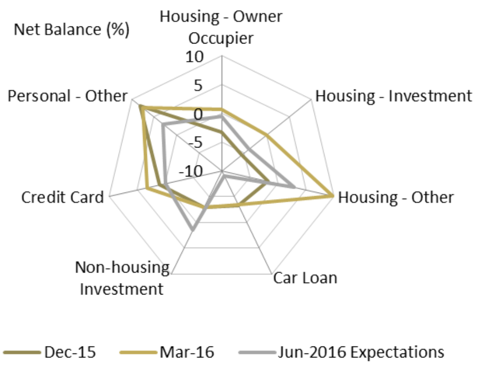
[3] Full survey results are presented in Annex 2 of this report

Chart 8 Change in Demand for Personal Loans by Emirate



By loan type, improvement in demand was notable among Credit Card, Personal – Other, and Housing – Other purposes (including refinancing and renovations). A slight improvement for Housing – Owner Occupiers and Housing – Investment was also recorded. In contrast, Car Loan and Non-housing investment registered a fall in loan demand. With respect to outlook, the positive net balance numbers for Housing – Other, Personal – Other, Non-housing investment and Credit Card categories suggested that survey respondents expected the loan demand for these categories to improve in the June quarter. Demand growth across all other categories was expected to decline in the June quarter **(Chart 9)**.

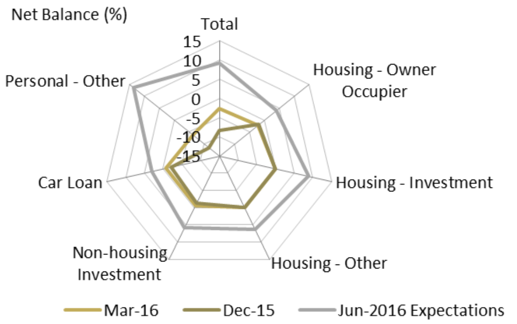
Chart 9 Change in Demand for Personal Loans by Type



When asked about which factors contributed to the change in demand for loans, change in income, financial markets outlook and housing market outlook were considered most important, with more than two-thirds of respondents citing such factors. Change in interest rates also featured prominently. For the June quarter, survey respondents cited the housing and financial markets outlook, as well as changes in income, to be the most important factors expected to influence personal loans demand.

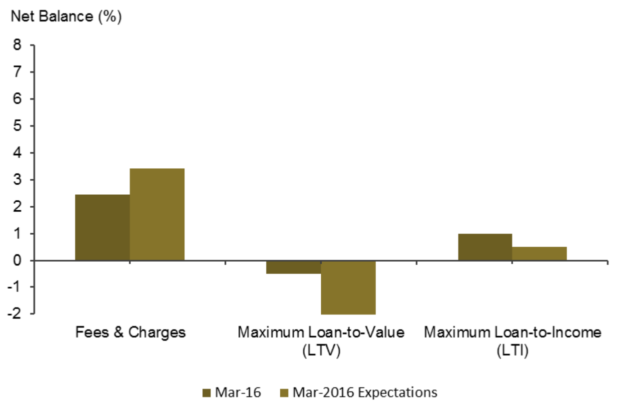
In terms of credit availability, similar to the 2015 December quarter, more than 85% of survey respondents reported the credit standards unchanged across all the categories and no one observed tightening in credit standards in any category. In aggregate, the negative net balance of -2.7 suggested marginal easing of credit standards, which was mainly due to the Personal – Other purposes category and a moderate easing in Housing – Owner Occupier. On the other hand, in terms of outlook, survey respondents expected tightening in credit standards across all the loan types. With a positive net balance of +9.3 in aggregate, expectations for the next quarter revealed an overall tightening in credit standards, predominantly driven by the Personal – Other and Housing – Investment category **(Chart 10)**.

Chart 10 Change in Credit Standards



With respect to credit terms and conditions, more than 80% of the survey respondents reported no change across the board in the March quarter. In aggregate, negative net balance figures were cited by survey respondents for terms and conditions pertaining to Maximum Loan-to-Value (LTV) ratios, suggesting a marginal easing in such terms and conditions. On the other hand, marginal tightening in credit standards vis-à-vis Fees and Charges, and maximum loan-to-income (LTI) ratios were reported. With respect to the outlook for the June quarter, survey respondents expected terms and conditions pertaining to maximum Loan-to-Value (LTV) to ease marginally, while Fees & Charges and maximum Loan-to-income (LTI) would be tightened slightly (**Chart 11)**.

Chart 11 Change in Selected Terms and Conditions



When asked about those factors attributable to the change in credit standards during the March quarter, survey respondents overwhelmingly cited the economic outlook and quality of their institutions' asset portfolio as most important, with more than three-quarters of respondents citing these factors.

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 2016 Q1 Survey, which was conducted during the period of 17 – 31 March, 2016. The Survey questionnaire results are available in the annexes attached to this report.

The total sample size for the September quarter survey was 219 respondents, with 102 answering questions related to personal credit and 117 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:

- 2016 Q2 Survey in July 2016
- 2016 Q3 Survey in October 2016
- 2016 Q4 Survey in January 2017
- 2017 Q1 Survey in April 2017

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	3.0	21.4	38.9	33.8	3.0	6.2
Abu Dhabi	1.2	20.7	32.9	42.7	2.4	12.2
Dubai	4.8	19.0	44.8	29.5	1.9	2.4
Northern Emirates	2.1	27.7	36.2	27.7	6.4	4.3
Small and Medium Enterprises	9.6	14.4	46.9	25.4	3.8	-0.2
Large Firms	0.4	21.2	42.5	33.6	2.2	8.0
Government Related Entities	2.7	13.7	67.6	14.8	1.1	-1.1
Conventional Loans	2.5	16.9	49.3	29.9	1.5	5.5
Islamic Finance	2.6	13.5	57.1	24.4	2.6	5.4
Non-resident	0.6	17.6	70.4	10.7	0.6	-3.5
Expat	2.3	18.2	50.0	28.2	1.4	4.1
Local	1.3	15.9	49.8	30.5	2.6	8.6

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	4.4	10.5	76.8	7.2	1.1	-5.0
Manufacturing	3.1	15.3	53.3	24.9	3.5	5.2
Electricity, Gas and Water	3.9	11.3	76.4	8.4	0.0	-5.4
Construction	8.9	17.8	44.9	24.4	4.0	-1.6
Property Development	6.2	18.2	51.7	21.1	2.9	-1.9
Retail and Wholesale Trade	4.3	17.2	39.1	35.2	4.3	9.0
Transport, Storage and Communications	1.3	14.3	59.3	21.6	3.5	5.8
Financial Institutions (excluding Banks)	2.4	11.2	69.2	14.2	3.0	2.1
All Others	1.4	11.4	66.4	18.6	2.3	4.5

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

	Not Important	Somewhat Important	Very Important
Customers' Sales	20.9	29.5	49.6
Customers' Fixed Asset Investment	26.1	47.0	26.9
Competition with Finance Companies	65.4	27.8	6.8
Competition with Banks	47.4	30.8	21.8
Interest Rates	32.1	35.0	32.9
Seasonal Influences	44.0	46.6	9.4
Property Market Outlook	26.1	39.3	34.6

[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	7.7	41.0	45.3	6.0	0.0	25.2
Small and Medium Enterprises	16.9	32.4	42.7	8.0	0.0	29.1
Large Firms	7.0	38.3	49.3	5.3	0.0	23.6

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	24.3	16.8	58.8
Economic Outlook	17.7	15.9	66.4
Industry or Firm Specific Conditions	17.7	25.2	57.1
Competition from Banks	47.8	33.2	19.0
Competition from Finance Companies	64.6	32.3	3.1
Change in Tolerance for Risk	25.2	39.8	35.0
Availability/Cost of Funds	32.7	40.7	26.5
Current/Anticipated Regulatory Changes	38.5	23.0	38.5

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	3.0	27.0	59.6	10.0	0.4	11.1
Spread Over Your Cost of Funds	2.2	32.2	53.9	11.3	0.4	12.2
Premiums Charged on Riskier Loans	7.4	30.9	57.8	3.9	0.0	20.9
Collateralization Requirements	6.5	32.0	59.3	2.2	0.0	21.4

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	1.7	9.1	37.9	51	0.4	19.6
Abu Dhabi	2.5	8.8	31.3	57.5	0.0	21.9
Dubai	1.0	9.5	44.8	43.8	1.0	17.1
Northern Emirates	2.1	8.5	34.0	55.3	0.0	21.3
Small and Medium Enterprises	3.5	6.6	45.4	40.2	4.4	17.7
Large Firms	0.0	8.5	41.7	48.9	0.9	21.1
Government Related Entities	0.0	4.5	71.4	23.6	0.5	10.0
Conventional Loans	1.4	7.3	48.2	42.3	0.9	17.0
Islamic Finance	0.0	5.5	64.5	30.0	0.0	12.3
Non-resident	1.3	3.6	82.5	12.1	0.4	3.4
Expat	1.3	6.3	55.4	36.2	0.9	14.5
Local	1.3	7.2	48.4	40.8	2.2	17.7

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	2.6	2.6	87.8	7.0	0.0	-0.4
Manufacturing	0.0	7.1	51.3	41.6	0.0	17.3
Electricity, Gas and Water	0.0	5.2	82.5	12.2	0.0	3.5
Construction	3.1	7.6	43.0	44.8	1.3	16.8
Property Development	3.6	8.5	59.2	26.9	1.8	7.4
Retail and Wholesale Trade	1.3	9.4	36.3	50.2	2.7	21.7
Transport, Storage and Communications	0.0	6.7	56.1	36.3	0.9	15.7
Financial Institutions (excluding Banks)	1.3	2.2	81.2	14.8	0.4	5.4
All Others	0.0	8.1	68.6	22.4	0.9	8.1

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	28.3	29.6	42.0
Customers' Fixed Asset Investment	32.7	38.9	28.3
Competition with Finance Companies	66.4	29.2	4.4
Competition with Banks	50.4	30.1	19.5
Interest Rates	35.8	38.9	25.2
Seasonal Influences	42.9	44.2	12.8
Property Market Outlook	34.1	33.2	32.7

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	3.5	31.6	61.9	3.0	0.0	17.7
Small and Medium Enterprises	11.7	24.8	61.7	1.7	0.0	23.3
Large Firms	2.2	26.1	68.7	3.0	0.0	13.7

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	33.2	14.2	52.7
Economic Outlook	25.7	14.2	60.2
Industry or Firm Specific Conditions	29.6	21.7	48.7
Competition from Banks	55.8	28.8	15.5
Competition from Finance Companies	71.7	26.1	2.2
Change in Tolerance for Risk	32.7	37.6	29.6
Availability/Cost of Funds	34.5	36.7	28.8
Current/Anticipated Regulatory Changes	41.2	23.5	35.4

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	2.3	22.7	68.6	6.4	0.0	10.5
Spread Over Your Cost of Funds	1.9	23.8	60.7	13.6	0.0	7.0
Premiums Charged on Riskier Loans	6.5	21.7	65.4	5.1	1.4	13.4
Collateralization Requirements	6.7	25.6	65.9	1.8	0.0	18.6

Q13 What impact do you believe the low oil price has had on demand for business loans? (% of total)

	Decreased Substantially	Decreased Moderately	No Change	Increased Moderately	Increased Substantially	Net Balance
All Firms	8.6	48.3	15.5	24.1	3.4	-17.2
Small and Medium Enterprises	17.5	35.0	20.4	20.4	6.8	-18.0
Large Firms	5.4	50.0	18.8	25.0	0.9	-17.0
GREs	4.4	28.6	39.6	26.4	1.1	-4.4
Mining and Quarrying	18.4	20.4	52.0	9.2	0.0	-24.0
Manufacturing	1.8	52.2	23.9	19.5	2.7	-15.5
Electricity, Gas and Water	8.9	26.7	59.4	5.0	0.0	-19.8
Construction	10.5	46.5	17.5	21.9	3.5	-19.3
Property Development	12.4	29.5	41.0	14.3	2.9	-17.1
Retail and Wholesale Trade	3.4	37.9	31.0	26.7	0.9	-8.2
Transport, Storage and Communications	0.0	37.8	41.4	20.7	0.0	-8.6
Financial Institutions (excluding Banks)	1.1	19.4	64.5	15.1	0.0	-3.2
All Others	2.7	27.7	55.4	11.6	2.7	-8.0

Q14 What impact has low oil prices had on your institution's credit standards? (% of total)

	Substantially Tightened	Moderately Tightened	No Change	Moderately Eased	Substantially Eased	Net Balance
All Firms	11.2	69.8	17.2	1.7	0	-45.3
Small and Medium Enterprises	33.7	47.1	18.3	1.0	0	-56.7
Large Firms	9.8	62.5	25.9	1.8	0	-40.2
GREs	4.2	30.5	65.3	0	0	-19.5

Q15 If your institution has changed credit standards in response to low oil prices, which of the following terms and conditions have been adjusted?

	Tightened Significantly	Tightened Moderately	N/A
Maximum size of credit lines	13.8	61.2	25.0
Spread of loan rates over your cost of funds	13.8	40.5	45.7
Premiums charged on riskier loans	20.7	41.4	37.9
Collateralization requirements	18.1	46.6	35.3

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	1.0	16.0	57.0	24.0	2.0	5.0
Abu Dhabi	2.6	13.2	60.5	23.7	0.0	2.6
Dubai	0.0	13.5	54.1	27.0	5.4	12.2
Northern Emirates	0.0	24.0	56.0	20.0	0.0	-2.0
Islamic	0.0	6.9	69.6	21.6	2.0	9.3
Conventional	0.0	11.8	64.7	21.6	2.0	6.9
Housing – Owner Occupier	1.2	14.0	67.4	17.4	0.0	0.6
Housing – Investment	0.0	15.1	69.8	15.1	0.0	0.0
Housing – Other (includes refinancing, renovations)	0.0	3.5	73.3	23.3	0.0	9.9
Car Loan	0.0	18.2	73.9	4.5	3.4	-3.4
Non-housing Investment	1.2	7.1	88.2	3.5	0.0	-2.9
Credit Card	2.2	14.4	61.1	18.9	3.3	3.3
Personal - Other	0.0	11.0	64.0	24.0	1.0	7.5

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

	Not Important	Somewhat Important	Very Important
Housing market outlook	33.3	31.4	35.3
Financial markets outlook	25.5	44.1	30.4
Change in income	29.4	34.3	36.3
Interest rates	36.3	23.5	40.2
Competition with other banks or financial institutions	44.1	39.2	16.7
Seasonal influences	47.1	37.3	15.7

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	94.7	5.3	0.0	-2.7
Housing – Owner Occupier	0.0	0.0	95.9	4.1	0.0	-2.0
Housing – Investment	0.0	0.0	100.0	0.0	0.0	0.0
Housing – Other (includes refinancing, renovations)	0.0	0.0	100.0	0.0	0.0	0.0
Non-housing Investment	0.0	0.0	98.8	1.2	0.0	-0.6
Car Loan	0.0	0.0	98.6	1.4	0.0	-0.7
Personal - Other	0.0	0.0	87.5	12.5	0.0	-6.3

[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	21.6	21.6	56.9
Economic Outlook	18.6	21.6	59.8
Customer Specific	29.4	25.5	45.1
Competition from Banks	48.0	42.2	9.8
Competition from Finance Companies	73.5	16.7	9.8
Change in Tolerance for Risk	34.3	18.6	47.1
Availability/Cost of Funds	32.4	40.2	27.5
Current/Anticipated Regulatory Changes	32.4	12.7	54.9

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	1.0	10.8	80.4	7.8	0.0	2.5
Maximum Loan-to-Value (LTV)	0.0	1.0	97.0	2.0	0.0	-0.5
Maximum Loan-to-Income (LTI)	0.0	2.9	96.1	1.0	0.0	1.0

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	1.0	20.8	50.5	27.7	0.0	2.5
Abu Dhabi	2.6	21.1	50.0	26.3	0.0	0.0
Dubai	0.0	21.1	50.0	28.9	0.0	3.9
Northern Emirates	0.0	20.0	52.0	28.0	0.0	4.0
Islamic	0.0	13.9	62.4	23.8	0.0	5.0
Conventional	1.0	14.9	63.4	20.8	0.0	2.0
Housing – Owner Occupier	3.0	14.9	62.4	19.8	0.0	-0.5
Housing – Investment	5.9	13.9	62.4	17.8	0.0	-4.0
Housing – Other (includes refinancing, renovations)	3.0	10.9	63.4	22.8	0.0	3.0
Car Loan	6.9	14.9	67.3	10.9	0.0	-8.9
Non-housing Investment	0.0	5.9	85.1	8.9	0.0	1.5
Credit Card	1.0	18.8	60.4	18.8	1.0	0.0
Personal - Other	1.0	19.8	52.5	25.7	1.0	3.0

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	23.5	36.3	40.2
Financial markets outlook	24.5	38.2	37.3
Change in income	24.5	41.2	34.3
Interest rates	37.3	26.5	36.3
Competition with other banks or financial institutions	42.2	37.3	20.6
Seasonal influences	38.2	47.1	14.7

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	2.9	19.6	70.6	6.9	0.0	9.3
Housing – Owner Occupier	2.9	6.9	85.3	4.9	0.0	3.9
Housing – Investment	2.9	13.7	82.4	0.0	1.0	8.8
Housing – Other (includes refinancing, renovations)	2.9	7.8	88.2	1.0	0.0	6.4
Non-housing Investment	0.0	12.7	86.3	1.0	0.0	5.9
Car Loan	0.0	8.8	88.2	2.9	0.0	2.9
Personal - Other	2.9	25.5	67.6	3.9	0.0	13.7

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	16.7	22.5	60.8
Economic Outlook	14.7	26.5	58.8
Industry or Firm Specific Conditions	33.3	27.5	39.2
Competition from Banks	38.2	51.0	10.8
Competition from Finance Companies	67.6	21.6	10.8
Change in Tolerance for Risk	29.4	26.5	44.1
Availability/Cost of Funds	34.3	26.5	39.2
Current/Anticipated Regulatory Changes	33.3	13.7	52.9

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	9.8	87.3	2.9	0	3.4
Maximum Loan-to-Value (LTV)	0	0	95.1	4.9	0	-2.5
Maximum Loan-to-Income (LTI)	0	2.9	95.1	2.0	0	0.5