



Credit Sentiment Survey

Survey Results | 2016 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 March quarter are available in the “About the Survey” section and annexes to this report.¹

> Executive Summary

Results from the September quarter Credit Sentiment Survey revealed a downward trend in overall credit appetite for both business and personal loan. The ongoing tightening of credit conditions for business loans suggested the reduced willingness to extend business loans among financial institutions, reflecting a reversion of conditions towards a slower growth path consistent with other indicators of economic activity.

Lending to Corporates & Small Businesses – According to survey respondents, demand for business credit softened modestly in the June quarter. By loan type, the softening in credit demand was most evident in SME and Non Resident. At the same time, survey results also revealed further tightening in credit standards, suggesting a higher degree of risk aversion in extending loans, especially to SMEs. This was evident in the reported tightening of credit standards pertaining to all the terms and conditions. For the December quarter, survey respondents were optimistic and expected the demand for business loans to increase, while credit standards would be further tightened.

Lending to Individuals – Echoing results for business lending, demand for personal loans also slowed down across all the emirates during the September quarter. The softening in demand was most notable among Car Loan and Non-Housing Investment, while demand for Credit Card increased slightly. Looking to the December quarter, survey respondents showed a modest optimistic stance and suggested modest demand growth. With respect to credit availability, nearly 80% of survey respondents reported no change in credit standards across all the categories. Nonetheless, aggregate results reported marginal easing of credit standards in September quarter, while expectations for December quarter were expected more or less unchanged.

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)

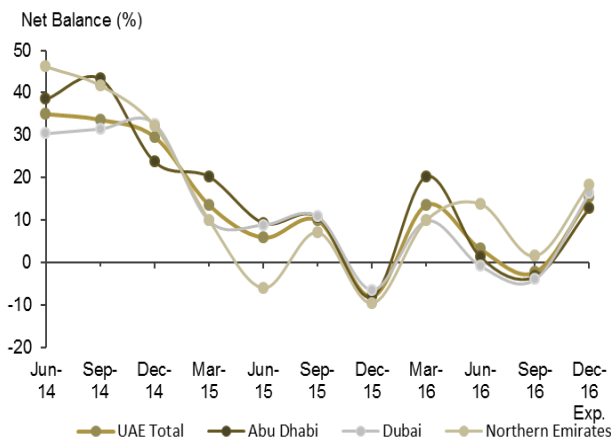
For credit standards, net balance = (% Reporting Significant Tightening + 0.5 x % Reporting Moderate Tightening) – (% Reporting Significant Easing + 0.5 x % Reporting Moderate Easing)

> Business Lending²

Results from the survey revealed a softening in demand for business loans, with a net balance measure of -2.3 for the September quarter, down from 3.1 recorded in the previous quarter. This suggested a lack of appetite for business loans. This is the second time the business loan demand dropped into the negative territory since the survey was launched, although not to the same extent as registered in Q4 2016. According to the survey results, 34.6 percent of respondents reported a decrease in demand, 32.9 percent reported an increase in demand, while 31.5 percent reported no change. By emirate, survey respondents reported a decrease in demand for Abu Dhabi and Dubai. In contrast, a modest expansion in demand for business loans in the Northern Emirates was recorded, with a net balance measure of +1.5.

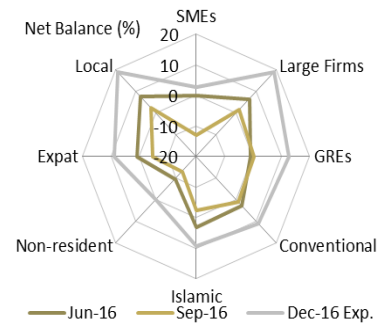
With respect to the expectation for the December quarter, a net balance measure of +7.9 suggested that the survey respondents were optimistic and expected the demand for business loans to increase. By emirate, the strengthening in loan demand was attributable to the stronger demand across the board (Chart 1).

Chart 1 Change in Demand for Business Loans by Emirate



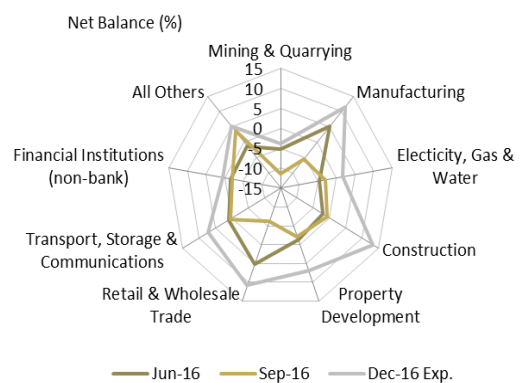
By market segment, easing in demand was most notable among Small and Medium Enterprises and Non-resident. Loan demand for Expat and Islamic Finance also softened. On the other hand, there was a modest demand growth for Local, Large Firms, Conventional Loans, and GREs. In the December quarter, survey respondents were most optimistic about demand growth emanating from Large Firms and Local, while expectations regarding other market segments demand were also solid with the exception of Non Resident which was anticipated to be unchanged (Chart 2).

Chart 2 Change in Demand for Business Loans by Type



With the exception of Transport, Storage & Communication and All Others, which both registered a relatively modest growth pace for business loans, net balance measures suggested that demand was negative across all other economic activities. Tightening in demand was most evident in Mining & Quarrying, Retail and Wholesale Trade, and Manufacturing which suggested an evident lack of appetite for business loans in most industries. When asked about expectations for the December quarter, the pace of demand growth for business loans was expected to increase across all the other industries, with the exception of Mining & Quarrying, which was expected to remain in the negative territory. Survey respondents were most optimistic about prospects for demand growth in Construction and Manufacturing. Meanwhile, demand growth held up with Financial Institutions - excluding Banks (Chart 3).

Chart 3 Change in Demand for Business Loans by Industry



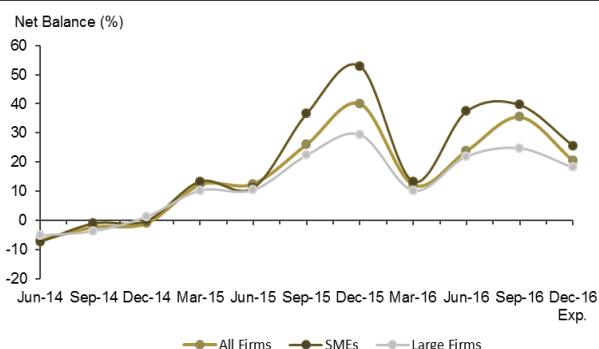
When asked about factors attributable to the change in demand for business loans, Customers' Sales, Property Market Outlook and Customers Fixed Asset Investment were considered the most important, with more than three-quarters of respondents citing Customer Sales and Property Market Outlook and more than two thirds of them citing the Customers' Fixed Asset Investment. With respect to the December quarter outlook for demand, survey respondents cited Customers' Sales and Property Market Outlook as being the most important determining ones.

In terms of credit availability, a net balance measure of +35.4 suggested a further tightening of credit standards during the September quarter relative to that reported in the previous quarter. Such results were broadly consistent regardless of firm size, though respondents reported a higher level of tightening for SMEs relative to Large Firms. In the quarter ahead, survey respondents expect tightening in credit

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

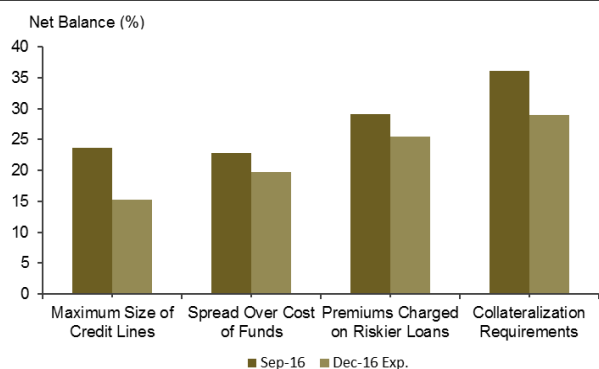
standards, but to a lesser extent than reported in the September quarter (**Chart 4**).

Chart 4 Change in Credit Standards



With respect to specific terms and conditions, survey respondents reported a further tightening across all categories. However, tightening in credit standards occurred most with respect to Collateralization Requirements and Premiums Charged on Riskier Loans. Terms and conditions pertaining to Spread over Your Cost of Funds relatively tightened as well, although to a lesser extent. In the December quarter, survey respondents expected an easing across all terms and conditions, particularly with respect to Collateralization Requirements and Premiums Charged on riskier loans (**Chart 5**).

Chart 5 Change in Terms and Conditions



When asked about which factors were attributable to the change in credit standards, survey respondents cited the Economic Outlook, Industry or Firm Specific Conditions, and Quality of Your Bank’s asset Portfolio, as major factors in determining credit standards in the September quarter. Change in Tolerance for Risk was also considered significant by respondents, although to a lesser extent. In contrast, competitive pressure from other financial institutions continued to have little bearing on credit standards in this quarter.

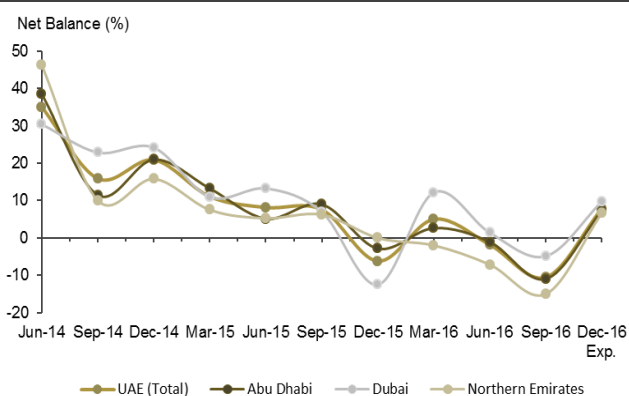
> Personal Lending³

Echoing results for business lending, demand for personal loan in aggregate also eased in the September quarter. Demand was reported with a negative net balance measure of -10.5, further down from the net balance measure of -1.8 in

the June quarter, and recorded the lowest reading since the credit sentiment survey was launched. By emirate, the weakening in personal loan demand was evident across the board and most significant in Northern Emirates with a registered net balance number of -15.

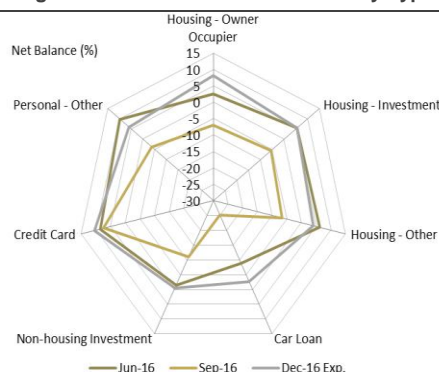
In terms of the December quarter outlook for personal lending, survey respondents reported a net balance measure of +7.9 in aggregate, suggesting that survey respondents expected the demand to improve and move back to expansion in the December quarter. By emirate, survey respondents expected an increase in demand growth across the board (**Chart 6**).

Chart 6 Change in Demand for Personal Loans by Emirate



By loan type, with the exception of Credit Card, demand for personal loans slowed across all the other categories through the September quarter. The softening in demand was most notable among Car Loan and Non-housing investment, with negative net balance measure of -25.3 and -11.1, respectively. In contrast, a net balance measure of 7.4 suggested a strengthening loan demand for Credit Card category. With respect to expectations for the December quarter, survey respondents expected demand to grow in all categories, apart from Car Loan and Non-housing Investment (**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, financial markets outlook was considered the most important, with more than three-quarters of respondents citing such a factor. Housing Market Outlook and

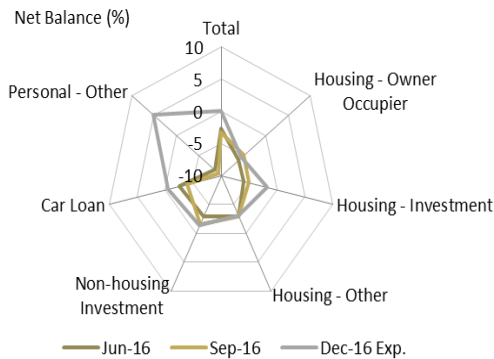
³ Full survey results are presented in Annex 2 of this report

Change in Income also featured prominently. For the December quarter, survey respondents cited the Financial Markets, Housing Markets Outlook, Interest Rates, as well as Changes in Income, to be the most important factors expected to influence personal loans demand.

In terms of credit availability, more than 80% of survey respondents reported the credit standards unchanged across all the categories and no one observed tightening in credit standards in any category. Nonetheless, in aggregate, a net balance of -3.3 suggested marginal easing of credit standards in the September quarter. By loan category, the easing in credit standards was evident across the board, particularly due to the easing in Personal – Other purposes category, Housing – Investment, as well as Housing – Owner Occupier.

In terms of outlook, the credit standards in aggregate were expected to be unchanged for the December quarter, as suggested by the net balance measure of +0. By loan type, credit standards were expected to tighten in Housing – Other purposes category and Personal – Other purposes category. In contrast, all other categories are expected to have moderate easing (Chart 8).

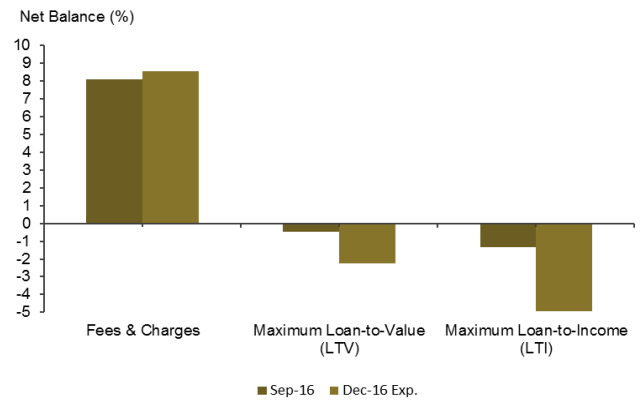
Chart 8 Change in Credit Standards



With respect to credit terms and conditions, more than 80% of the survey respondents reported no change across the board in the September quarter. Nonetheless, negative net balance figures were cited by survey respondents for terms and conditions pertaining to Maximum Loan-to-Value (LTV) and Maximum Loan-to-Income (LTI) ratios, suggesting very

marginal easing in such terms and conditions. On the other hand, a marginal tightening in credit standard vis-à-vis Fees and charges was reported. With respect to the outlook for the December quarter, survey respondents expected terms and conditions pertaining to maximum Loan-to-Value (LTV) and maximum loan-to-income (LTI) ratios to ease marginally, while Fees & Charges would be tightened (Chart 9).

Chart 9 Change in Selected Terms and Conditions



When asked about those factors attributable to the change in credit standards during the June quarter, more than three-quarters of survey respondents overwhelmingly cited the Economic Outlook, the Quality of Their Institutions' Asset Portfolio, and Customer Specific as most important cited 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 Q3 Survey, which was conducted during the period of 10 – 30 Sep, 2016. The Survey questionnaire results are available in the annexes attached to this report.

The total sample size for the September quarter survey was 245 respondents, with 114 answering questions related to personal credit and 131 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 Q4 Survey in January 2017
- 2017 Q1 Survey in April 2017
- 2017 Q2 Survey in July 2017
- 2017 Q3 Survey in October 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@cbae.gov.ae

Annex 1

> Business Lending Survey Questionnaires Results⁴

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	5.4	29.2	33.8	28	3.8	-2.3
Abu Dhabi	4.4	33.3	31.1	26.7	4.4	-3.3
Dubai	6.0	36.0	22.0	32.0	4.0	-4.0
Northern Emirates	6.1	15.2	51.5	24.2	3.0	1.5
Small and Medium Enterprises	12.2	25.2	41.7	18.3	2.6	-13.0
Large Firms	2.4	25.2	40.9	29.9	1.6	1.6
Government Related Entities	3.6	9.0	72.1	13.5	1.8	0.5
Conventional Loans	4.5	17.9	51.8	23.2	2.7	0.9
Islamic Finance	5.0	18.0	56.0	19.0	2.0	-2.5
Non-resident	3.9	12.6	80.6	2.9	0.0	-8.7
Expat	5.5	21.9	50.0	21.9	0.8	-4.7
Local	4.6	19.8	45.8	25.2	4.6	2.7

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	7.6	11.4	78.1	1.9	1.0	-11.4
Manufacturing	3.9	23.4	52.3	20.3	0.0	-5.5
Electricity, Gas and Water	0.9	14.7	75.0	8.6	0.9	-3.0
Construction	8.6	22.7	36.7	25.8	6.3	-0.8
Property Development	7.5	19.2	45.0	26.7	1.7	-2.1
Retail and Wholesale Trade	10.0	20.8	43.8	22.3	3.1	-6.2
Transport, Storage and Communications	1.6	18.8	61.7	13.3	4.7	0.4
Financial Institutions (excluding Banks)	4.0	4.0	85.1	5.9	1.0	-2.0
All Others	0.8	18.5	59.7	14.5	6.5	3.6

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

	Not Important	Somewhat Important	Very Important
Customers' Sales	16.4	18.8	64.8
Customers' Fixed Asset Investment	25.8	37.5	36.7
Competition with Finance Companies	64.1	29.7	6.3
Competition with Banks	46.1	38.3	15.6
Interest Rates	32.8	38.3	28.9
Seasonal Influences	38.3	53.9	7.8
Property Market Outlook	22.7	42.2	35.2

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	16.5	38.6	44.1	0.8	0.0	35.4
Small and Medium Enterprises	30.8	22.5	42.5	3.3	0.8	39.6
Large Firms	9.8	35.8	49.6	4.1	0.8	24.8

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	17.3	15.7	66.9
Economic Outlook	13.4	11.0	75.6
Industry or Firm Specific Conditions	15.7	16.5	67.7
Competition from Banks	43.3	44.1	12.6
Competition from Finance Companies	64.6	33.1	2.4
Change in Tolerance for Risk	18.1	27.6	54.3
Availability/Cost of Funds	21.3	45.7	33.1
Current/Anticipated Regulatory Changes	30.7	24.4	44.9

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	11.0	26.0	62.2	0.8	0.0	23.6
Spread Over Your Cost of Funds	4.7	39.4	53.5	1.6	0.8	22.8
Premiums Charged on Riskier Loans	14.2	33.1	49.6	3.1	0.0	29.1
Collateralization Requirements	20.0	33.8	45.4	0.0	0.8	36.2

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	0.8	9.9	47.9	40	0.8	15.3
Abu Dhabi	2.3	9.3	48.8	39.5	0.0	12.8
Dubai	0.0	13.0	43.5	41.3	2.2	16.3
Northern Emirates	0.0	6.7	50.0	43.3	0.0	18.3
Small and Medium Enterprises	1.6	15.3	60.5	21.0	1.6	2.8
Large Firms	0.8	9.1	44.6	42.1	3.3	19.0
Government Related Entities	0.0	4.2	67.2	27.7	0.8	12.6
Conventional Loans	0.8	7.4	62.0	28.1	1.7	11.2
Islamic Finance	0.8	5.9	67.2	26.1	0.0	9.2
Non-resident	3.3	3.3	84.3	8.3	0.8	0.0
Expatriate	1.6	9.8	59.0	27.9	1.6	9.0
Local	0.0	8.3	50.4	36.4	5.0	19.0

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	0.0	9.2	89.1	1.7	0.0	-3.8
Manufacturing	0.0	11.6	53.7	34.7	0.0	11.6
Electricity, Gas and Water	0.0	4.1	88.5	7.4	0.0	1.6
Construction	4.0	9.7	43.5	41.1	1.6	13.3
Property Development	3.2	7.3	64.5	22.6	2.4	6.9
Retail and Wholesale Trade	0.8	14.5	50.0	31.5	3.2	10.9
Transport, Storage and Communications	0.0	7.4	72.7	18.2	1.7	7.0
Financial Institutions (excluding Banks)	0.0	4.2	90.8	5.0	0.0	0.4
All Others	0.0	4.8	80.6	13.7	0.8	5.2

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	28.3	16.5	55.1
Customers' Fixed Asset Investment	38.6	26.8	34.6
Competition with Finance Companies	70.1	27.6	2.4
Competition with Banks	56.7	31.5	11.8
Interest Rates	43.3	30.7	26.0
Seasonal Influences	38.6	52.0	9.4
Property Market Outlook	33.1	33.1	33.9

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	4.9	33.6	59.0	2.5	0.0	20.5
Small and Medium Enterprises	10.7	32.2	54.5	2.5	0.0	25.6
Large Firms	4.1	31.4	61.2	3.3	0.0	18.2

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	30.7	12.6	56.7
Economic Outlook	23.6	12.6	63.8
Industry or Firm Specific Conditions	27.6	20.5	52.0
Competition from Banks	54.3	36.2	9.4
Competition from Finance Companies	64.6	33.9	1.6
Change in Tolerance for Risk	27.6	23.6	48.8
Availability/Cost of Funds	29.9	37.8	32.3
Current/Anticipated Regulatory Changes	33.1	21.3	45.7

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	2.4	28.2	66.9	2.4	0.0	15.3
Spread Over Your Cost of Funds	2.4	37.9	56.5	3.2	0.0	19.8
Premiums Charged on Riskier Loans	8.9	34.7	54.8	1.6	0.0	25.4
Collateralization Requirements	12.1	37.1	49.2	0.0	1.6	29.0

Annex 2

> Personal Lending Survey Questionnaires Results⁵

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	3.5	32.5	46.5	16.7	0.9	-10.5
Abu Dhabi	2.4	29.3	56.1	12.2	0.0	-11.0
Dubai	2.4	31.7	41.5	22.0	2.4	-4.9
Northern Emirates	6.7	33.3	43.3	16.7	0.0	-15.0
Islamic	2.8	18.3	71.6	6.4	0.9	-7.8
Conventional	4.5	23.4	62.2	9.0	0.9	-10.8
Housing – Owner Occupier	1.0	23.2	64.6	11.1	0.0	-7.1
Housing – Investment	1.0	22.2	64.6	11.1	1.0	-5.6
Housing – Other (includes refinancing, renovations)	2.0	20.2	67.7	9.1	1.0	-6.6
Car Loan	12.1	31.3	51.5	5.1	0.0	-25.3
Non-housing Investment	6.1	15.2	73.7	5.1	0.0	-11.1
Credit Card	4.0	7.9	58.4	28.7	1.0	7.4
Personal - Other	3.7	20.6	56.1	18.7	0.9	-3.7

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

	Not Important	Somewhat Important	Very Important
Housing market outlook	31.5	43.2	25.2
Financial markets outlook	21.1	50.0	28.9
Change in income	28.9	30.7	40.4
Interest rates	33.3	25.4	41.2
Competition with other banks or financial institutions	36.0	37.7	26.3
Seasonal influences	38.6	47.4	14.0

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	93.4	6.6	0.0	-3.3
Housing – Owner Occupier	0.0	0.0	90.2	9.8	0.0	-4.9
Housing – Investment	0.0	0.0	90.0	10.0	0.0	-5.0
Housing – Other (includes refinancing, renovations)	0.0	0.0	94.3	5.7	0.0	-2.8
Non-housing Investment	0.0	0.0	96.7	3.3	0.0	-1.6
Car Loan	0.0	0.0	92.3	7.7	0.0	-3.8
Personal - Other	0.0	0.0	81.0	19.0	0.0	-9.5

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	15.3	19.8	64.9
Economic Outlook	11.4	30.7	57.9
Customer Specific	25.4	36.0	38.6
Competition from Banks	38.6	37.7	23.7
Competition from Finance Companies	69.3	22.8	7.9
Change in Tolerance for Risk	28.1	16.7	55.3
Availability/Cost of Funds	35.1	25.4	39.5
Current/Anticipated Regulatory Changes	30.7	21.1	48.2

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	17.1	82.0	0.9	0.0	8.1
Maximum Loan-to-Value (LTV)	0.0	1.8	95.5	2.7	0.0	-0.5
Maximum Loan-to-Income (LTI)	0.0	1.8	94.6	2.7	0.9	-1.4

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	12.3	59.6	28.1	0.0	7.9
Abu Dhabi	0.0	14.6	56.1	29.3	0.0	7.3
Dubai	0.0	12.2	56.1	31.7	0.0	9.8
Northern Emirates	0.0	10.0	66.7	23.3	0.0	6.7
Islamic	0.0	6.4	73.4	20.2	0.0	6.9
Conventional	0.0	10.8	65.8	23.4	0.0	6.3
Housing – Owner Occupier	0.9	9.9	61.3	27.9	0.0	8.1
Housing – Investment	0.0	12.6	64.0	23.4	0.0	5.4
Housing – Other (includes refinancing, renovations)	1.8	6.3	73.9	18.0	0.0	4.1
Car Loan	3.7	10.1	74.3	11.9	0.0	-2.8
Non-housing Investment	0.0	6.4	89.0	3.7	0.9	-0.5
Credit Card	0.0	11.9	56.9	29.4	1.8	10.6
Personal - Other	0.9	16.5	54.1	26.6	1.8	6.0

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	27.0	33.3	39.6
Financial markets outlook	23.4	39.6	36.9
Change in income	32.4	28.8	38.7
Interest rates	32.4	26.1	41.4
Competition with other banks or financial institutions	40.5	36.9	22.5
Seasonal influences	43.2	44.1	12.6

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	2.7	5.4	83.8	5.4	2.7	0.0
Housing – Owner Occupier	2.7	4.5	74.5	15.5	2.7	-5.5
Housing – Investment	2.7	5.4	80.2	9.0	2.7	-1.8
Housing – Other (includes refinancing, renovations)	2.7	9.9	81.1	3.6	2.7	3.2
Non-housing Investment	0.0	5.5	89.9	0.9	3.7	-1.4
Car Loan	0.0	12.0	77.8	7.4	2.8	-0.5
Personal - Other	6.5	17.6	56.5	18.5	0.9	5.1

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	25.2	17.1	57.7
Economic Outlook	22.5	26.1	51.4
Industry or Firm Specific Conditions	35.1	29.7	35.1
Competition from Banks	47.7	33.3	18.9
Competition from Finance Companies	73.9	16.2	9.9
Change in Tolerance for Risk	37.8	10.8	51.4
Availability/Cost of Funds	47.7	19.8	32.4
Current/Anticipated Regulatory Changes	40.5	14.4	45.0

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	0.00	18.02	81.08	0.90	0.00	8.56
Maximum Loan-to-Value (LTV)	0.90	1.80	92.79	0.90	3.60	-2.25
Maximum Loan-to-Income (LTI)	0.00	0.90	91.89	3.60	3.60	-4.95