



# Credit Sentiment Survey

Survey Results | 2017 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.<sup>1</sup>*

## > Executive Summary

Results from the March quarter Credit Sentiment Survey revealed a modest demand growth in overall credit appetite. The demand for both business and personal loans has improved slightly, moving back into the positive territory for the first time since Q3 2016, partially reflecting the recovery of the oil price and the moderation in the pace of fiscal consolidation.

**Lending to Corporates & Small Businesses** – According to survey respondents, demand for business credit has increased modestly in the March quarter. By loan type, the increase in credit demand was most significant in Conventional Loans and Large Firms. At the same time, survey respondents reported a tightening in credit standards that occurred most with respect to Collateralization Requirements and Premiums Charged on Riskier Loans. Tightening of credit standards pertaining to all other terms and conditions was also noted. For the June quarter, survey respondents expected the demand for business loans to increase, and credit standards would continue to tighten.

**Lending to Individuals** – Echoing results for business lending, demand for personal loan in aggregate also slightly increased in the March quarter. The increase in demand was most notable among Personal (other), Credit Card, and Islamic Loans. For the June quarter, survey respondents showed an optimistic stance and suggested a demand growth. With respect to credit availability, survey respondents reported a marginal easing of credit standards across all the categories. In terms of outlook, the credit standards in aggregate were expected to modestly tighten for the June quarter.

<sup>1</sup> 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)

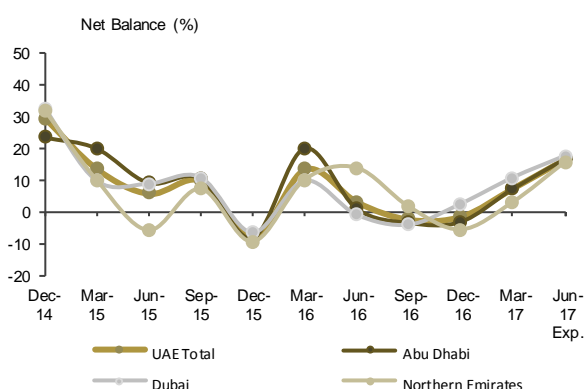
For credit standards, net balance = (% Reporting Significant Tightening + 0.5 x % Reporting Moderate Tightening) – (% Reporting Significant Easing + 0.5 x % Reporting Moderate Easing)

## > Business Lending<sup>2</sup>

Results from the survey revealed an increase in demand growth for business loans, with a net balance measure of +7.6 for the March quarter. Demand for business loans has recovered and moved to the positive territory after a downward trend since the March quarter 2016. According to the survey results, +22.8 percent of respondents reported a decrease in demand, +37.7 percent reported an increase in demand, and +39.5 percent reported no change. By emirates, the survey respondents reported an increase in appetite for business loans across the board.

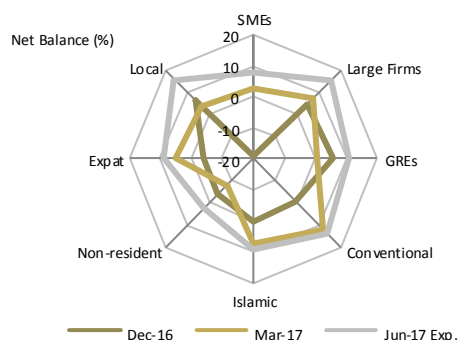
With respect to the expectation for the June quarter, a net balance measure of +16.8 suggested that the survey respondents were optimistic and expected the demand for business loans to increase further. By emirate, the strengthening in demand for loans was found across the board, especially in Dubai. (Chart 1).

**Chart 1 Change in Demand for Business Loans by Emirate**



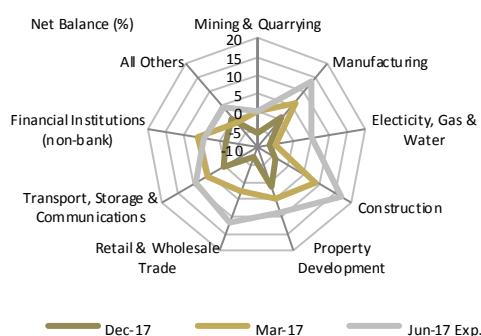
By market segment, strong demand was most significant among Conventional Loans and Large Firms. With the exception of Non-Resident, loan demand for Islamic Finance, SMEs, GREs, Expat, and Local also increased moderately. In the June quarter, survey respondents were most optimistic about demand growth emanating from Local and Large Firms, while expectations regarding other market segments demand were also optimistic. (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 respondents stated that there is an increase in demand in Construction, Manufacturing, Financial Institutions (excluding banks), Transport Storage and Communication, Property Development and, Retail and Wholesale Trade. On the other hand, there is a softening in demand for loans for Electricity, Gas and Water, and All Others, while demand remained unchanged for Mining & Quarrying. When asked about expectations for the June quarter, the pace of demand growth for business loans was expected to increase across all the other industries. Survey respondents were expecting Mining and Quarrying, Financial Institutions (excluding banks) and All Others to increase but to a lesser extent. (Chart 3).

**Chart 3 Change in Demand for Business Loans by Industry**

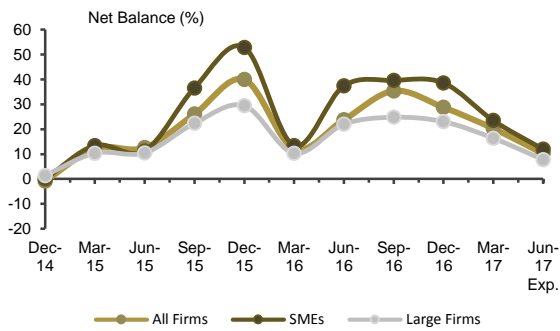


The major factors attributable to the change in demand for business loans were Customers' Sales, Customers Fixed Asset Investment, Property Market Outlook and Interest Rates. With respect to the June quarter outlook for demand, survey respondents cited Customers' Sales and Customers' Fixed Asset Investment as being the most important determining ones.

In terms of credit availability, a net balance measure of 20.3 suggested a tightening of credit standards during the March quarter, but to a lesser extent than the December quarter. The survey respondents reported a higher level of tightening for SMEs relative to Large Firms. In the quarter ahead, survey respondents expected continuous tightening in credit standards, but to a lesser extent than reported in the March quarter. (Chart 4).

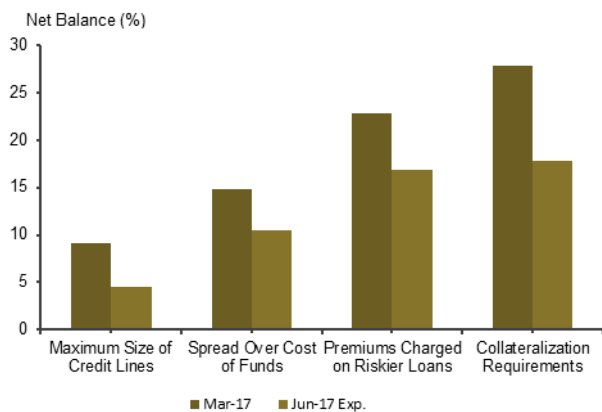
<sup>2</sup> Full survey results are presented in Annex 1 of this report

Chart 4 Change in Credit Standards



With respect to specific terms and conditions, survey respondents reported a tightening in credit standards that occurred most with respect to Collateralization Requirements and Premiums Charged on Riskier Loans. Terms and conditions pertaining to Maximum Size of Credit Lines and Spread Over Your Cost of Funds tightened as well but to a lesser extent. In the June quarter, survey respondents expected it to tighten further across all terms and conditions, particularly with respect to Collateralization Requirements and Premiums Charged on riskier loans but to a lesser extent than the March quarter did. (Chart 5).

Chart 5 Change in Terms and Conditions



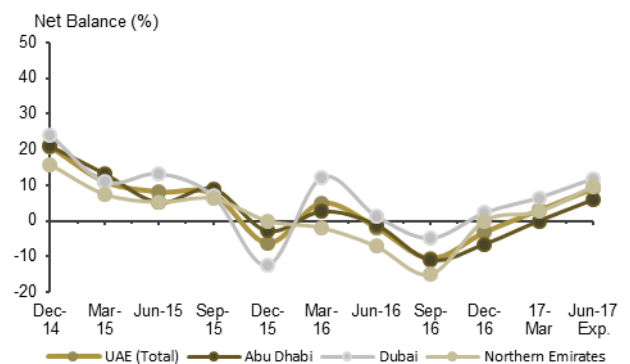
When asked about which factors were attributable to the change in credit standards, survey respondents cited the Economic Outlook, Industry or Firm Specific Conditions and Quality of Your Bank’s asset Portfolio, as major factors in determining credit standards in the March quarter. Change in Tolerance for Risk was also considered significant by respondents. In contrast, Competitive Pressure from Financial Companies continued to have the least bearing on credit standards in this quarter.

## > Personal Lending<sup>3</sup>

Echoing results for business lending, demand for personal loan in aggregate also moderately increased in the March quarter as suggested by the net balance measure of +3.0. The demand for personal loans has moved to the positive territory for the first time since the June quarter in 2016. The marginal increase in personal loan demand was mainly attributable to the strengthening demand in Dubai, and Northern Emirates, while the demand remained unchanged in Abu Dhabi.

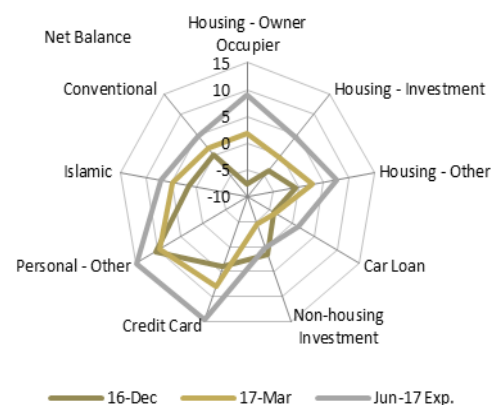
In terms of the June quarter outlook for personal lending, survey respondents reported a net balance measure of +9.1. In aggregate, survey respondents were optimistic and expected the demand to improve further in the June quarter. By emirate, survey respondents expected an increase in demand growth across the board. (Chart 6).

Chart 6 Change in Demand for Personal Loans by Emirate



For the March quarter, there is a decrease in demand for personal loans in Non-Housing Investment, Car Loan, and Housing – Investment. On the other hand, there is an increase in demand for Personal – Other, Credit Card, Islamic, Housing – Other (includes refinancing, renovations), Housing Owner Occupier, and Conventional. With respect to expectations for the June quarter, survey respondents expected demand for loans to grow in all categories. (Chart 7).

Chart 7 Change in Demand for Personal Loans by Type



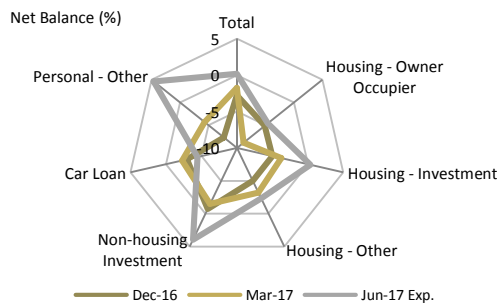
<sup>3</sup> Full survey results are presented in Annex 2 of this report

When asked about which factors contributed to the change in demand for loans, Financial Markets Outlook, Housing Change in Income and Interest Rates also featured prominently. For the June quarter, survey respondents cited the Housing Markets Outlook, Financial Markets Outlook, Change in Income as well as Interest Rates, 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 standard unchanged across all the categories. Nonetheless, in aggregate, a net balance of -1.7 for all households suggested marginal easing of credit standards in the March quarter. By loan category, the easing in credit standards was evident in Housing – Owner Occupier, Personal – Other, and Housing – Investment.

In terms of outlook, the credit standards in aggregate were expected to slightly tighten for the June quarter, as suggested by the net balance measure of +0.2. By loan type, credit standards were expected to tighten in all the categories except Car Loans, Housing – Other, and Housing – Owner Occupier. (Chart 8).

**Chart 8 Change in Credit Standards**

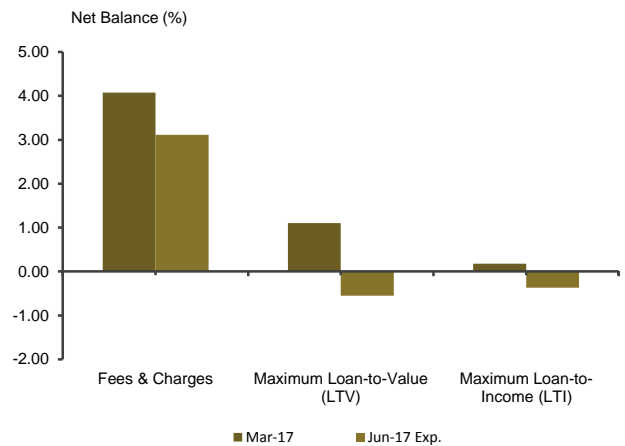


With respect to credit terms and conditions, the survey respondents reported a moderate tightening across the board in the March quarter. A modest tightening was cited by survey respondents across all the board, especially for Fees and Charges. With respect to the outlook for the June quarter, survey respondents expected terms and conditions pertaining to maximum Loan-to-Value (LTV) and Maximum Loan-to-

Income (LTI) were considered the most important, with three-quarters of respondents citing such factors.

Income (LTI) to ease marginally, while Fees & Charges and would tighten moderately. (Chart 9).

**Chart 9 Change in Selected Terms and Conditions**



When asked about those factors attributable to the change in credit standards during the March 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 2017 Q1 Survey, which was conducted during the period of 16 – 30 March 2017. The Survey questionnaire results are available in the annexes attached to this report.

The total sample size for the September quarter survey was 211 respondents, with 97 answering questions related to personal credit and 114 answering questions related to business credit. The December 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:

- 2017 Q2 Survey in July 2017
- 2017 Q3 Survey in October 2017
- 2017 Q4 Survey in January 2018
- 2018 Q1 Survey in April 2018

These publications will be available on the CBUAE’s website at [www.centralbank.ae](http://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](mailto:Monetary.Management@cbae.gov.ae)

## Annex 1

> Business Lending Survey Questionnaires Results<sup>4</sup>

## 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	0.4	22.4	39.5	37	0.7	7.6
Abu Dhabi	0.0	22.8	39.7	37.6	0.0	7.4
Dubai	0.9	20.6	36.2	40.4	1.8	10.8
Northern Emirates	0.0	24.8	44.5	30.7	0.0	2.9
Small and Medium Enterprises	3.9	21.9	41.2	31.3	1.7	2.6
Large Firms	0.2	19.8	44.8	35.3	0.0	7.6
Government Related Entities	0.0	11.0	77.6	11.2	0.2	0.3
Conventional Loans	0.2	11.4	53.3	34.0	1.1	12.2
Islamic Finance	0.0	14.9	56.5	28.1	0.5	7.2
Non-resident	4.5	14.4	74.8	5.4	1.0	-7.9
Expat	0.2	21.5	48.0	29.1	1.2	4.8
Local	0.0	16.7	60.6	21.7	1.1	3.6

## 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	0.5	7.8	83.5	7.8	0.5	0.0
Manufacturing	1.5	13.6	57.8	25.0	2.0	6.3
Electricity, Gas and Water	2.9	13.1	75.5	7.3	1.2	-4.5
Construction	0.6	22.4	39.2	34.7	3.2	8.8
Property Development	0.2	18.2	56.2	23.0	2.4	4.6
Retail and Wholesale Trade	0.4	22.9	49.2	25.9	1.7	2.8
Transport, Storage and Communications	0.4	14.0	60.1	24.7	0.7	5.7
Financial Institutions (excluding Banks)	0.0	4.4	83.3	8.3	4.1	6.1
All Others	0.0	17.8	67.2	14.8	0.2	-1.3

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

	Not Important	Somewhat Important	Very Important
Customers' Sales	16.0	29.0	55.0
Customers' Fixed Asset Investment	22.4	46.7	30.9
Competition with Finance Companies	65.7	27.7	6.6
Competition with Banks	46.3	34.1	19.6
Interest Rates	29.4	34.3	36.3
Seasonal Influences	46.7	45.2	8.1
Property Market Outlook	25.6	40.3	34.1

<sup>4</sup> 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	5.3	32.8	59.2	2.7	0.0	20.3
Small and Medium Enterprises	13.5	25.3	55.8	5.4	0.0	23.5
Large Firms	0.2	36.1	60.0	3.7	0.0	16.4

**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	19.4	22.1	58.5
Economic Outlook	13.9	21.3	64.8
Industry or Firm Specific Conditions	15.4	25.0	59.6
Competition from Banks	44.6	38.1	17.3
Competition from Finance Companies	64.6	32.0	3.4
Change in Tolerance for Risk	21.9	37.3	40.8
Availability/Cost of Funds	33.3	42.1	24.6
Current/Anticipated Regulatory Changes	35.4	20.8	43.8

**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	1.5	21.4	70.7	6.3	0.0	9.1
Spread Over Your Cost of Funds	1.7	34.0	56.7	7.6	0.0	14.9
Premiums Charged on Riskier Loans	6.3	35.6	56.8	0.2	1.1	22.8
Collateralization Requirements	9.5	37.4	52.5	0.6	0.0	28.0

**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	0.0	12.8	41.4	45	0.7	16.8
Abu Dhabi	0.0	11.2	43.9	44.9	0.0	16.8
Dubai	0.0	13.4	39.8	44.9	1.9	17.6
Northern Emirates	0.0	14.1	40.7	45.2	0.0	15.6
Small and Medium Enterprises	0.0	13.8	57.7	27.2	1.3	8.0
Large Firms	0.4	13.6	42.2	42.2	1.6	15.5
Government Related Entities	0.0	3.0	72.4	24.7	0.0	10.8
Conventional Loans	0.0	7.7	57.8	33.5	1.0	13.9
Islamic Finance	0.0	4.3	72.4	23.3	0.0	9.5
Non-resident	0.0	7.5	81.1	10.6	0.8	2.3
Expat	0.0	11.1	61.6	26.3	1.0	8.5
Local	0.0	8.3	53.9	35.1	2.7	16.1

**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	2.5	94.5	2.9	0.0	0.2
Manufacturing	1.3	8.6	51.3	38.7	0.0	13.7
Electricity, Gas and Water	0.0	3.0	83.0	13.9	0.0	5.4
Construction	0.0	10.5	47.8	39.1	2.6	16.9
Property Development	0.0	8.8	68.7	18.7	3.7	8.7
Retail and Wholesale Trade	0.4	13.7	50.4	32.6	3.0	12.1
Transport, Storage and Communications	0.4	7.3	66.1	26.0	0.2	9.2
Financial Institutions (excluding Banks)	0.0	0.8	89.5	9.7	0.0	4.4
All Others	0.0	7.1	78.1	13.9	0.9	4.3

**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	25.5	26.3	48.2
Customers' Fixed Asset Investment	31.2	36.4	32.4
Competition with Finance Companies	64.2	31.4	4.4
Competition with Banks	50.9	30.3	18.9
Interest Rates	33.1	34.3	32.6
Seasonal Influences	46.7	39.8	13.5
Property Market Outlook	33.1	26.5	40.4

**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	0.4	22.1	75.2	2.3	0.0	10.3
Small and Medium Enterprises	4.2	17.8	75.7	2.3	0.0	12.0
Large Firms	0.4	18.0	78.5	3.1	0.0	7.8

**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	30.9	16.0	53.1
Economic Outlook	23.6	21.5	54.9
Industry or Firm Specific Conditions	28.8	21.5	49.7
Competition from Banks	56.0	27.0	17.0
Competition from Finance Companies	70.3	26.5	3.2
Change in Tolerance for Risk	32.4	38.3	29.3
Availability/Cost of Funds	40.2	36.6	23.2
Current/Anticipated Regulatory Changes	41.3	17.7	41.0



**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	0.8	12.3	82.2	4.8	0.0	4.5
Spread Over Your Cost of Funds	0.0	29.3	62.3	8.4	0.0	10.4
Premiums Charged on Riskier Loans	1.3	33.5	62.7	2.5	0.0	16.9
Collateralization Requirements	4.3	29.0	65.0	1.7	0.0	17.9

## Annex 2

> Personal Lending Survey Questionnaires Results<sup>5</sup>

## 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	1.7	17.8	53.8	25.9	0.7	3.0
Abu Dhabi	4.6	16.5	53.2	25.7	0.0	0.0
Dubai	0.0	17.0	55.0	26.0	2.0	6.5
Northern Emirates	0.0	20.8	53.2	26.0	0.0	2.6
Islamic	0.0	9.0	73.0	17.3	0.7	4.9
Conventional	1.4	13.1	66.7	18.1	0.7	1.8
Housing – Owner Occupier	0.4	16.9	62.8	18.2	1.7	1.9
Housing – Investment	1.7	12.0	74.0	10.7	1.7	-0.6
Housing – Other (includes refinancing, renovations)	1.7	5.4	78.5	14.5	0.0	2.9
Car Loan	2.4	18.4	66.4	10.0	2.8	-3.8
Non-housing Investment	1.3	11.4	82.7	4.6	0.0	-4.6
Credit Card	3.2	10.7	54.4	30.6	1.2	7.9
Personal - Other	0.0	12.3	58.7	26.4	2.5	9.6

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

	Not Important	Somewhat Important	Very Important
Housing market outlook	27.0	37.2	35.8
Financial markets outlook	22.9	40.6	36.5
Change in income	27.1	29.2	43.8
Interest rates	33.3	29.2	37.5
Competition with other banks or financial institutions	37.2	36.8	26.0
Seasonal influences	38.9	37.8	23.3

## 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	96.5	3.5	0.0	-1.7
Housing – Owner Occupier	0.0	0.0	82.3	17.7	0.0	-8.8
Housing – Investment	0.0	0.0	92.5	7.5	0.0	-3.7
Housing – Other (includes refinancing, renovations)	0.0	0.0	93.6	6.4	0.0	-3.2
Non-housing Investment	0.0	0.0	97.0	3.0	0.0	-1.5
Car Loan	0.0	0.0	95.5	4.5	0.0	-2.3
Personal - Other	0.0	0.0	91.4	8.6	0.0	-4.3

<sup>5</sup> 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	23.4	16.3	60.3
Economic Outlook	17.7	21.5	60.8
Customer Specific	29.2	24.7	46.2
Competition from Banks	39.6	45.5	14.9
Competition from Finance Companies	64.2	28.5	7.3
Change in Tolerance for Risk	33.3	17.7	49.0
Availability/Cost of Funds	34.0	33.7	32.3
Current/Anticipated Regulatory Changes	32.6	12.2	55.2

**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	0.4	10.6	85.8	3.2	0.0	4.1
Maximum Loan-to-Value (LTV)	0.0	3.3	95.6	1.1	0.0	1.1
Maximum Loan-to-Income (LTI)	0.0	3.2	94.0	2.8	0.0	0.2

**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	0.3	11.5	57.8	30.3	0.0	9.1
Abu Dhabi	0.9	12.8	59.6	26.6	0.0	6.0
Dubai	0.0	9.9	56.4	33.7	0.0	11.9
Northern Emirates	0.0	11.7	57.1	31.2	0.0	9.7
Islamic	0.0	5.8	74.4	19.9	0.0	7.0
Conventional	0.4	8.9	71.5	19.2	0.0	4.8
Housing – Owner Occupier	1.1	8.9	60.9	29.2	0.0	9.1
Housing – Investment	2.8	7.1	70.5	17.4	2.1	4.4
Housing – Other (includes refinancing, renovations)	1.1	4.6	72.6	21.7	0.0	7.5
Car Loan	3.2	9.0	69.7	18.1	0.0	1.3
Non-housing Investment	0.0	6.5	86.6	6.9	0.0	0.2
Credit Card	0.4	7.6	58.1	30.3	3.6	14.6
Personal - Other	0.4	8.7	56.0	30.7	4.3	15.0

**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	18.1	42.2	39.7
Financial markets outlook	20.6	38.7	40.8
Change in income	24.8	30.9	44.3
Interest rates	35.1	30.1	34.8
Competition with other banks or financial institutions	36.5	36.9	26.6
Seasonal influences	35.8	41.5	22.7

**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	1.1	13.2	70.7	15.0	0.0	0.2
Housing – Owner Occupier	1.1	4.8	78.0	16.1	0.0	-4.6
Housing – Investment	1.1	7.3	83.2	8.1	0.4	0.4
Housing – Other (includes refinancing, renovations)	1.1	4.3	83.7	11.0	0.0	-2.3
Non-housing Investment	0.0	10.4	87.1	2.5	0.0	4.0
Car Loan	0.0	5.6	79.9	14.5	0.0	-4.5
Personal - Other	1.1	23.0	59.9	16.0	0.0	4.6

**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	22.7	19.1	58.2
Economic Outlook	13.5	29.8	56.7
Industry or Firm Specific Conditions	30.9	25.2	44.0
Competition from Banks	34.4	47.2	18.4
Competition from Finance Companies	61.0	27.7	11.3
Change in Tolerance for Risk	33.0	18.1	48.9
Availability/Cost of Funds	35.8	32.3	31.9
Current/Anticipated Regulatory Changes	30.9	13.5	55.7

**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	8.8	88.6	2.6	0	3.1
Maximum Loan-to-Value (LTV)	0	0.7	97.4	1.8	0	-0.5
Maximum Loan-to-Income (LTI)	0	2.2	94.9	2.9	0	-0.4