



# Credit Sentiment Survey

Survey Results | 2017 Q2

*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 June quarter Credit Sentiment Survey suggested that demand for credit appeared to have stabilized following the recovery registered in the previous quarter. Most of the survey respondents reported no change in credit standards for both business and personal loans. Overall, results from the survey suggest that credit conditions within the UAE remain healthy with near term expectation of a continuation of such trends.

**Lending to Corporates & Small Businesses** – According to survey respondents, demand for business credit has increased moderately in the June quarter. By loan type, increase in demand for loans were most evident among conventional loans and large firms. In terms of credit standards, more than 50% of survey respondents reported no changes across all terms and conditions, while around 30% respondents reported modest tightening. Consequently, in aggregate, positive net balance measures were reported, suggesting a moderate tightening of credit standards during the June quarter. For the September quarter, survey respondents expected the demand for business loans to increase moderately, and credit standards would remain largely unchanged.

**Lending to Individuals** – Echoing results for business lending, demand for personal loan in aggregate also slightly increased in the June quarter but to a lesser extent than the previous quarter. For the September quarter, survey respondents showed an optimistic stance and suggested an increase in demand. In terms of credit availability, more than 80% of survey respondents reported credit standards unchanged across all the categories, though, in aggregate, a marginal easing of credit standards was observed. Nonetheless, With respect to expectations in the September quarter, most of the survey respondents expected the credit standards to remain unchanged.

<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)

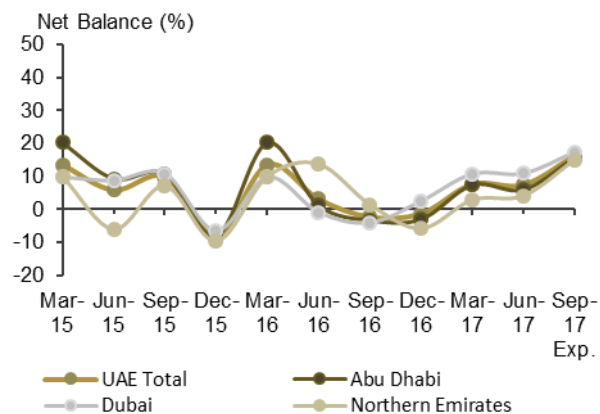
For credit standards, net balance = (% Reporting Significant Tightening + 0.5 x % Reporting Moderate Tightening) – (% Reporting Significant Easing + 0.5 x % Reporting Moderate Easing)

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

Results from the survey revealed that demand for business loans has stabilized in the past two quarters. A modest increase in demand for business loans was observed with a net balance measure of +7.5, similar to the previous quarter. According to the survey results, +21.9 percent of respondents reported a decrease in demand, +36.6 percent reported an increase in demand, and +41.1 percent reported no change. By emirates, the survey respondents reported a slight increase in appetite for business loans across the board.

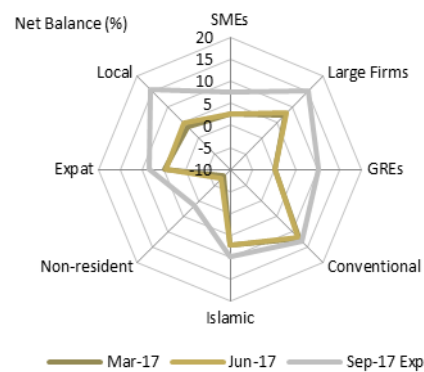
With respect to the expectation for the September quarter, a net balance measure of +16.3 suggested that the survey respondents were optimistic and expected the demand for business loans to increase. By emirate, the strengthening in loan demand was attributable to the stronger demand across the board. (Chart 1).

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



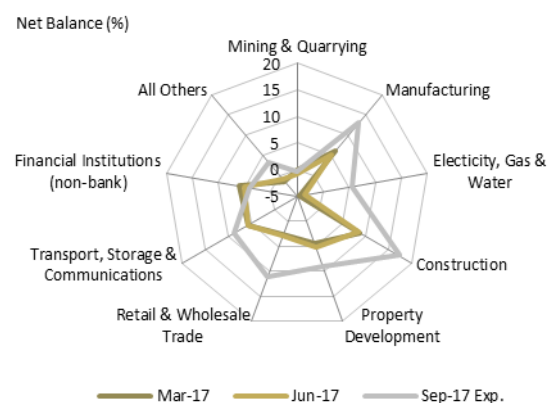
By market segment, increase in demand for loans was found across the board, with the exception of Non-resident. Overall, demand held up with net balance measures largely unchanged from the March quarter. The increase in demand were most evident in Conventional Loans and Large firms. For September quarter, survey respondents were most optimistic about demand growth emanating from Local and Large Firms, while other market segments reported a demand growth as well. (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 is an increase in demand in Construction, Transport Storage and Communication, Property Development, Manufacturing, Financial Institutions (excluding banks), and Retail and Wholesale Trade. On the other hand, there is a softening in demand for loans for Electricity, Gas and Water, Mining & Quarrying and All Others. The net balance measures are at a similar level to the previous quarter. When asked about expectations for the September quarter, the demand for business loans was expected to increase across all the other industries, with the exception of Mining & Quarrying. (Chart 3).

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



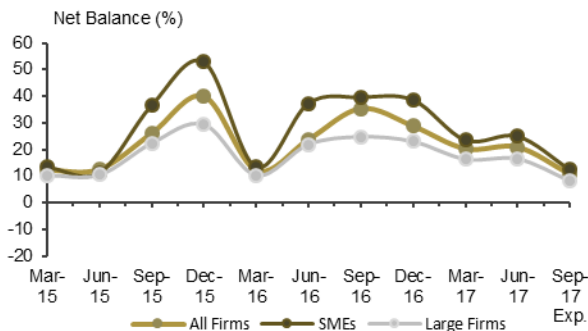
The major factors attributable to the change in demand for business loans were Customers' Sales, Customers Fixed Asset Investment, Property Market Outlook and interest rates. With respect to the September quarter outlook for demand, survey respondents cited Customers' Sales and Customers' Fixed Asset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

In terms of credit standards, more than 50% of survey respondents reported no changes, while 25-35% respondents reported a modest tightening. Consequently, in aggregate positive net balance measures were observed, suggesting a modest tightening of credit standards during the June 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

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

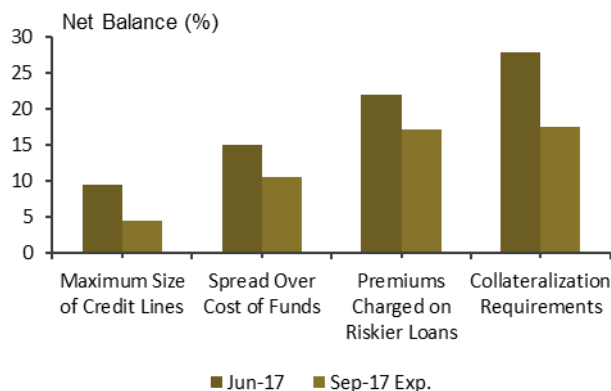
standards, but to a lesser extent than reported in the June quarter. (Chart 4).

**Chart 4 Change in Credit Standards**



Echoing findings in credit standards, most of respondents reported no change with respect to specific terms and conditions. In aggregate, there is a moderate 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 September quarter, survey respondents expected it to tighten across all terms and conditions, but to a lesser extent than the June quarter did. (Chart 5).

**Chart 5 Change in Terms and Conditions**



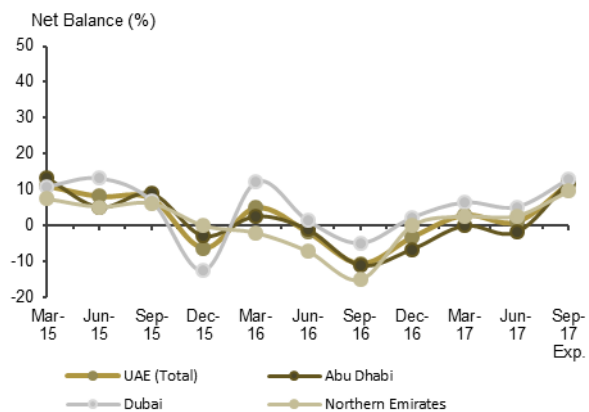
When asked about which factors were attributable to the change in credit standards, survey respondents cited the Economic Outlook, Industry or Firm Specific Conditions and Quality of Your Bank's asset Portfolio, as major factors in determining credit standards in the June quarter. Change in tolerance 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 modestly tightened in the June quarter as suggested by the net balance measure of +1.0, but to a lesser extent than the previous quarter. The marginal increase in personal loan demand was mainly attributable to the strengthening in demand in Dubai, and Northern Emirates. On the other hand, the demand for loans for Abu Dhabi decreased marginally.

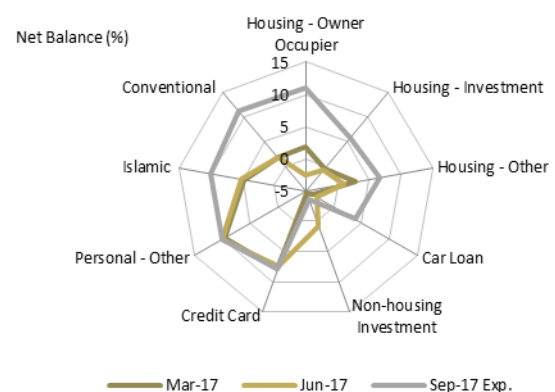
In terms of the September quarter, outlook for personal lending, survey respondents reported a net balance measure of +11.7. In aggregate, survey respondents showed an optimistic stance and expected the demand to increase in the September quarter. By emirate, survey respondents expected an increase in demand for loans across the board. (Chart 6).

**Chart 6 Change in Demand for Personal Loans by Emirate**



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

**Chart 7 Change in Demand for Personal Loans by Type**



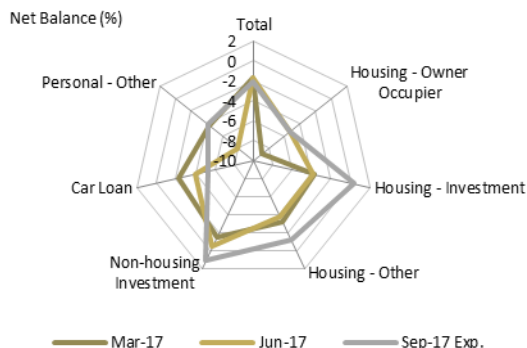
<sup>3</sup> Full survey results are presented in Annex 2 of this report

When asked about which factors contributed to the change in demand for loans, Financial Markets Outlook, and Change in Housing Market Outlook and Interest Rates also featured prominently. For the September quarter, survey respondents cited that Financial Markets Outlook, Change in Income as well as Housing Market Outlook, to be the most important factors expected to influence personal loans demand.

In terms of credit availability, similar to the previous quarter, 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 June quarter. By loan category, the easing in credit standards was evident in Personal – Other, Housing – Owner Occupier, and Car Loan.

In terms of outlook, the credit standards in aggregate were expected to remain in the negative territory, as suggested by the net balance measure of -2.1. By loan type, credit standards were expected to soften further in all the categories except Housing – Investment, and Non-Housing Investment. (Chart 8).

**Chart 8 Change in Credit Standards**

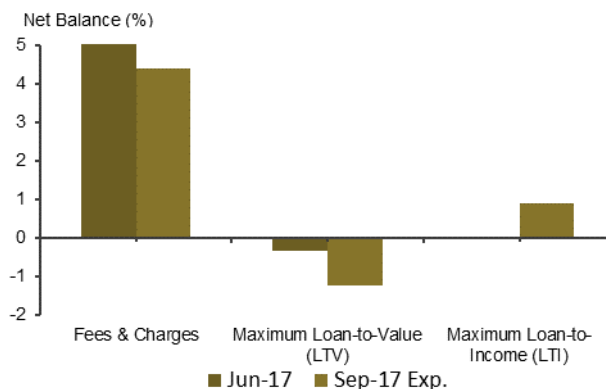


With respect to credit terms and conditions, in the June quarter the survey respondents reported a moderate tightening in Fees and Charges, and softening in Maximum Loan-to-Income (LTI), while it remained unchanged in Maximum Loan-to-Value (LTV). With respect to the outlook

Income were considered the most important.

for the September quarter, survey respondents expected terms and conditions pertaining to Fees & Charges and Maximum Loan-to-Income (LTI) to tighten marginally while maximum Loan-to-Value (LTV) to ease marginally. (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 Your Bank’s Asset Portfolio, and Current/Anticipated Regulatory Changes.

## 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 Q2 Survey, which was conducted during the period of 16 – 30 June 2017. The Survey questionnaire results are available in the annexes attached to this report.

The total sample size for the September quarter survey was 234 respondents, with 106 answering questions related to personal credit and 128 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 Q3 Survey in October 2017
- 2017 Q4 Survey in January 2018
- 2018 Q1 Survey in April 2018
- 2018 Q2 Survey in July 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	0.7	21.2	36	0.6	7.5	7.5
Abu Dhabi	0.9	0.9	21.8	35.5	0.0	6.0
Dubai	1.1	1.1	19.3	40.5	1.5	11.0
Northern Emirates	0.0	0.0	22.8	31.1	0.0	4.2
Small and Medium Enterprises	3.8	3.8	20.3	29.4	1.7	2.5
Large Firms	0.5	0.5	18.5	35.7	0.2	8.3
Government Related Entities	0.0	0.0	11.3	11.5	0.2	0.3
Conventional Loans	0.3	0.3	11.1	34.0	0.8	11.9
Islamic Finance	0.0	0.0	13.1	26.0	0.6	7.1
Non-resident	3.8	3.8	12.9	4.8	0.8	-7.0
Expat	0.5	0.5	19.9	28.3	1.0	4.7
Local	0.1	0.1	15.2	23.1	1.0	4.8

## 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	0.9	7.8	83.7	7.2	0.4	-0.9
Manufacturing	1.7	14.0	58.4	24.0	2.0	5.3
Electricity, Gas and Water	2.3	11.8	77.6	7.3	1.0	-3.6
Construction	1.1	20.5	42.0	33.5	2.9	8.3
Property Development	0.3	16.7	57.8	22.7	2.6	5.3
Retail and Wholesale Trade	0.4	22.4	49.6	26.1	1.5	2.9
Transport, Storage and Communications	0.5	13.9	60.5	24.1	1.1	5.7
Financial Institutions (excluding Banks)	0.0	4.3	84.9	7.4	3.5	5.0
All Others	0.0	17.0	67.6	15.2	0.2	-0.8

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

	Not Important	Somewhat Important	Very Important
Customers' Sales	16.3	28.5	55.2
Customers' Fixed Asset Investment	23.2	45.4	31.4
Competition with Finance Companies	66.2	27.6	6.3
Competition with Banks	46.8	34.5	18.8
Interest Rates	29.9	36.1	34.0
Seasonal Influences	44.2	46.6	9.1
Property Market Outlook	26.5	38.7	34.8

<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	5.5	33.1	58.9	2.4	0.0	20.9
Small and Medium Enterprises	14.9	24.7	55.9	4.5	0.0	25.0
Large Firms	0.6	35.2	60.7	3.5	0.0	16.5

**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	19.7	21.1	59.2
Economic Outlook	14.3	20.0	65.7
Industry or Firm Specific Conditions	16.3	24.2	59.5
Competition from Banks	46.3	37.7	16.0
Competition from Finance Companies	65.8	31.1	3.1
Change in Tolerance for Risk	22.2	35.1	42.8
Availability/Cost of Funds	33.1	41.4	25.5
Current/Anticipated Regulatory Changes	34.5	21.8	43.7

**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	1.4	21.6	71.4	5.6	0.0	9.4
Spread Over Your Cost of Funds	1.5	33.9	57.5	7.1	0.0	15.0
Premiums Charged on Riskier Loans	6.0	35.2	56.6	1.1	1.1	22.0
Collateralization Requirements	9.4	37.9	51.6	1.1	0.0	27.8

**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	13.4	41.1	45	0.6	16.3
Abu Dhabi	0.0	13.0	42.4	44.6	0.0	15.8
Dubai	0.0	13.5	39.7	45.3	1.5	17.4
Northern Emirates	0.0	13.9	41.8	44.2	0.0	15.2
Small and Medium Enterprises	0.5	13.7	57.4	26.9	1.5	7.6
Large Firms	0.5	13.8	42.0	42.5	1.3	15.1
Government Related Entities	0.0	3.7	72.2	24.1	0.0	10.2
Conventional Loans	0.0	8.9	56.6	33.7	0.8	13.2
Islamic Finance	0.0	4.1	72.4	23.5	0.0	9.7
Non-resident	0.0	7.6	82.1	9.7	0.6	1.6
Expat	0.3	11.5	60.3	27.1	0.8	8.3
Local	0.0	9.0	53.2	35.0	2.8	15.8

**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	3.3	94.2	2.5	0.0	-0.4
Manufacturing	1.2	8.5	52.9	37.4	0.0	13.2
Electricity, Gas and Water	0.0	2.9	83.2	13.8	0.0	5.5
Construction	0.0	10.3	47.6	39.2	2.9	17.3
Property Development	0.3	8.6	67.5	19.6	3.9	9.1
Retail and Wholesale Trade	0.8	13.4	51.1	32.3	2.4	11.2
Transport, Storage and Communications	0.5	7.8	65.8	25.6	0.3	8.7
Financial Institutions (excluding Banks)	0.0	1.0	89.8	9.2	0.0	4.1
All Others	0.0	7.9	78.4	12.9	0.8	3.3

**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	26.0	26.0	48.0
Customers' Fixed Asset Investment	32.2	36.4	31.4
Competition with Finance Companies	65.9	30.2	3.9
Competition with Banks	52.7	30.4	16.9
Interest Rates	35.3	33.9	30.8
Seasonal Influences	46.7	40.1	13.3
Property Market Outlook	33.9	27.4	38.7

**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	0.5	23.0	74.1	2.5	0.0	10.7
Small and Medium Enterprises	4.8	18.1	74.6	2.0	0.5	12.4
Large Firms	0.5	18.9	77.1	3.5	0.0	8.2

**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	32.2	15.3	52.5
Economic Outlook	24.8	19.4	55.8
Industry or Firm Specific Conditions	29.3	21.4	49.3
Competition from Banks	57.9	27.1	14.9
Competition from Finance Companies	70.4	26.5	3.1
Change in Tolerance for Risk	33.4	36.7	29.9
Availability/Cost of Funds	40.5	36.1	23.4
Current/Anticipated Regulatory Changes	41.6	17.4	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	11.8	82.9	4.5	0.0	4.4
Spread Over Your Cost of Funds	0.0	28.7	63.7	7.6	0.0	10.6
Premiums Charged on Riskier Loans	2.2	32.6	62.6	2.6	0.0	17.2
Collateralization Requirements	4.4	28.1	65.8	1.7	0.0	17.6

## 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	2.4	16.7	58.0	22.2	0.7	1.0
Abu Dhabi	2.7	18.2	59.1	20.0	0.0	-1.8
Dubai	0.0	14.3	61.9	22.9	1.0	5.2
Northern Emirates	1.4	18.9	54.1	24.3	1.4	2.7
Islamic	0.0	10.8	68.7	19.8	0.7	5.2
Conventional	2.1	11.5	67.6	18.5	0.3	1.7
Housing – Owner Occupier	0.0	21.6	62.8	14.8	0.8	-2.6
Housing – Investment	4.8	10.8	66.4	17.2	0.8	-0.8
Housing – Other (includes refinancing, renovations)	2.4	8.0	75.9	12.4	1.2	1.0
Car Loan	5.1	17.3	59.4	14.6	3.5	-3.0
Non-housing Investment	0.0	8.1	82.6	8.9	0.4	0.8
Credit Card	0.8	13.9	56.8	27.0	1.5	7.3
Personal - Other	0.0	13.9	53.6	31.1	1.4	10.0

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

	Not Important	Somewhat Important	Very Important
Housing market outlook	28.2	43.6	28.2
Financial markets outlook	22.2	44.4	33.4
Change in income	25.3	26.3	48.5
Interest rates	32.1	25.3	42.7
Competition with other banks or financial institutions	32.8	37.2	30.0
Seasonal influences	40.6	44.4	15.0

## 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	96.6	3.4	0.0	-1.7
Housing – Owner Occupier	0.0	0.0	89.3	10.7	0.0	-5.4
Housing – Investment	0.0	0.0	92.2	7.8	0.0	-3.9
Housing – Other (includes refinancing, renovations)	0.0	0.0	92.3	7.7	0.0	-3.8
Non-housing Investment	0.0	0.0	99.1	0.9	0.0	-0.4
Car Loan	0.0	0.0	92.0	8.0	0.0	-4.0
Personal - Other	0.0	0.0	86.6	10.8	2.6	-8.0

<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	16.7	25.8	57.5
Economic Outlook	11.9	28.3	59.7
Customer Specific	32.4	25.6	42.0
Competition from Banks	35.2	49.8	15.0
Competition from Finance Companies	70.6	23.2	6.1
Change in Tolerance for Risk	32.1	23.9	44.0
Availability/Cost of Funds	30.7	37.5	31.7
Current/Anticipated Regulatory Changes	30.4	24.9	44.7

**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	11.8	88.2	0.0	0.0	5.9
Maximum Loan-to-Value (LTV)	0.0	0.7	97.9	1.4	0.0	-0.4
Maximum Loan-to-Income (LTI)	0.0	0.7	98.6	0.7	0.0	0.0

**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	0.0	12.1	52.4	35.5	0.0	11.7
Abu Dhabi	0.0	11.9	51.4	36.7	0.0	12.4
Dubai	0.0	11.5	51.0	37.5	0.0	13.0
Northern Emirates	0.0	13.7	53.4	32.9	0.0	9.6
Islamic	0.0	6.5	66.8	26.7	0.0	10.1
Conventional	0.0	4.6	69.0	25.7	0.7	11.3
Housing – Owner Occupier	0.0	11.6	56.3	30.6	1.4	10.9
Housing – Investment	2.1	10.2	62.0	25.4	0.4	5.8
Housing – Other (includes refinancing, renovations)	0.0	9.5	68.2	21.6	0.7	6.7
Car Loan	0.7	10.8	69.0	19.1	0.4	3.8
Non-housing Investment	0.0	13.4	81.2	4.7	0.7	-3.6
Credit Card	0.0	10.1	64.6	24.5	0.7	7.9
Personal - Other	0.0	9.7	61.4	27.8	1.1	10.1

**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	28.9	36.9	34.1
Financial markets outlook	25.4	43.2	31.4
Change in income	26.1	30.3	43.6
Interest rates	33.1	27.5	39.4
Competition with other banks or financial institutions	33.1	43.6	23.3
Seasonal influences	40.8	45.3	13.9

**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	0.0	6.0	83.8	10.2	0.0	-2.1
Housing – Owner Occupier	0.0	4.3	80.9	14.9	0.0	-5.3
Housing – Investment	0.0	7.8	85.1	7.1	0.0	0.4
Housing – Other (includes refinancing, renovations)	0.0	5.3	87.0	7.7	0.0	-1.2
Non-housing Investment	0.0	6.4	90.0	2.9	0.7	1.1
Car Loan	0.0	5.1	79.3	15.6	0.0	-5.3
Personal - Other	0.0	14.2	64.0	21.1	0.7	-4.2

**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		29.3	20.9	49.8
Economic Outlook		24.7	26.5	48.8
Industry or Firm Specific Conditions		38.7	23.7	37.6
Competition from Banks		41.8	46.7	11.5
Competition from Finance Companies		72.8	23.0	4.2
Change in Tolerance for Risk		36.2	22.0	41.8
Availability/Cost of Funds		50.5	30.3	19.2
Current/Anticipated Regulatory Changes		38.0	15.7	46.3

**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	10.92	86.97	2.11	0.00	4.40
Maximum Loan-to-Value (LTV)	0.00	0.00	98.24	1.06	0.70	-1.23
Maximum Loan-to-Income (LTI)	0.00	3.52	95.42	0.35	0.70	0.88