



# Credit Sentiment Survey

Survey Results | 2019 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 of the UAE (“CBUAE”) and should not be construed as such. Further details about the Survey along with its questionnaire results for the September quarter are available in the “About the Survey” section and annexes to this report.<sup>1</sup>*

## > Executive Summary

Survey results in the September quarter revealed a mild increase in appetite for business loans coupled with a tightening of credit standards. Demand appetite for personal loans, has also increased moderately, although credit standards remained unchanged. In terms of outlook, survey respondents are expecting an increase in the demand appetite for both business and personal loans, with a continuous tightening in credit standards.

**Lending to Corporates & Small Businesses** – Survey respondents in the September quarter, revealed a modest increase in demand for business loans. By Emirates, Dubai and Abu Dhabi witnessed an increase in demand appetite for business loans, while Northern Emirates witnessed a decline. In terms of credit standards, 76% of survey respondents reported no change. However, in aggregate, a positive net balance measure of 12.8 was recorded suggesting a tightening of credit standards. For the December quarter, survey respondents were optimistic and anticipated demand for business loans to increase across all emirates and firms. In terms of credit availability, survey respondents also expected further tightening in credit standards and across all terms and conditions.

**Lending to Individuals** – In the September quarter, demand for personal loans, in aggregate, increased slightly. The increase in demand for personal loans was attributable to the strengthening demand in Northern Emirates and Dubai, while it remained unchanged in Abu Dhabi. When asked about which factors attributed to the change in demand for loans in the September quarter, survey results cited that change in income, housing market outlook, and seasonal influences were the most important. In terms of credit availability, survey results reported a marginal tightening for all household in the September quarter, although, more than 88% of survey respondents reported that credit standards were unchanged. Survey results for December quarter revealed a further increase in demand across all categories with the exception of car loans. In terms of credit availability, survey respondents also expected further tightening in credit standards and across all terms and conditions.

<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)

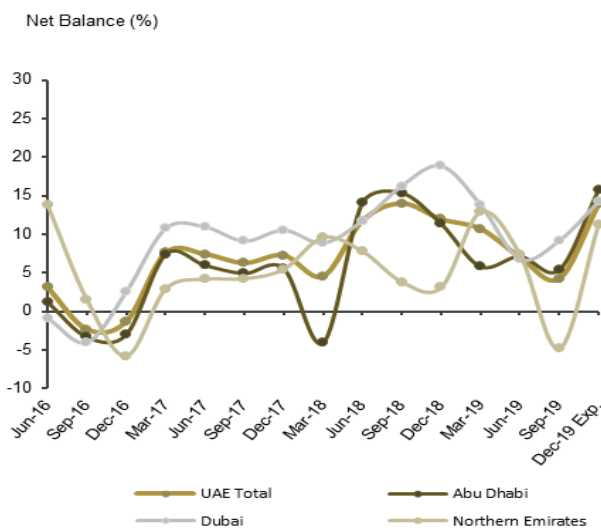
For credit standards, net balance = (% Reporting Significant Tightening + 0.5 x % Reporting Moderate Tightening) – (% Reporting Significant Easing + 0.5 x % Reporting Moderate Easing)

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

For the September quarter, survey results revealed that demand for business loans has increased moderately with a net balance measure of 4.3. According to the survey results, 44.4 percent reported no change, 34.2 percent reported an increase in demand, while 21.4 percent of respondents reported a decrease in demand. By emirate, survey respondents reported an increase in demand appetite for business loans in Dubai and Abu Dhabi, while it declined in Northern Emirates.

With respect to expectations for the December quarter, a net balance measure of 14 was recorded, suggesting an optimistic outlook for demand of business loans. By emirate, the expected strengthening in loan demand is attributable to stronger demand across all Emirates (**Chart 1**).

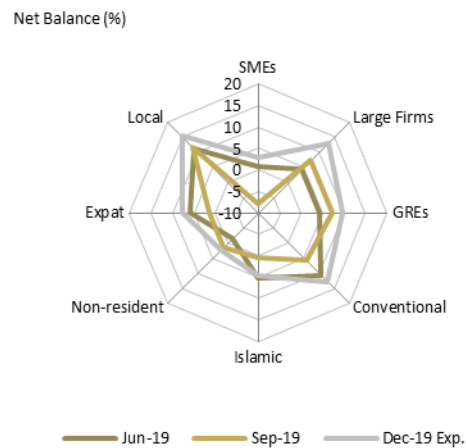
**Chart 1 Change in Demand for Business Loans by Emirate**



By market segment, survey results reported an increase in demand across all categories in the September quarter with the exception of small and medium enterprises. The increase in demand for loans was most significant among local and large firms, government related entities, and conventional loans. Non-resident, expat, and Islamic finance also increased but marginally.

In terms of outlook for the December quarter, survey respondents expected that the demand for business loans to increase across all categories, predominately for local, large firms, and conventional loans (**Chart 2**).

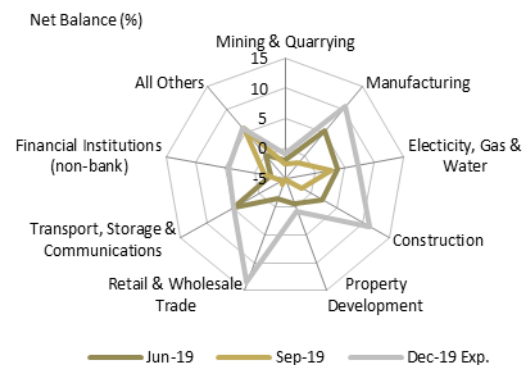
**Chart 2 Change in Demand for Business Loans by Type**



When asked about the change in demand for business loans by industry in the September quarter, survey respondents reported an increase in demand in all other, electricity, gas and water. However, survey results suggested a marginal to moderate decreases in business loans in property development, transport, storage and communications, retail and wholesale trade, mining and quarrying, construction, manufacturing, and financial institutions (excluding banks).

For the December quarter, survey results predicted demand for loans to increase across all industries with the exception of mining and quarrying. The increase in demand was most significant in retail and wholesale trade, construction, manufacturing, and electricity, gas and water (**Chart 3**).

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

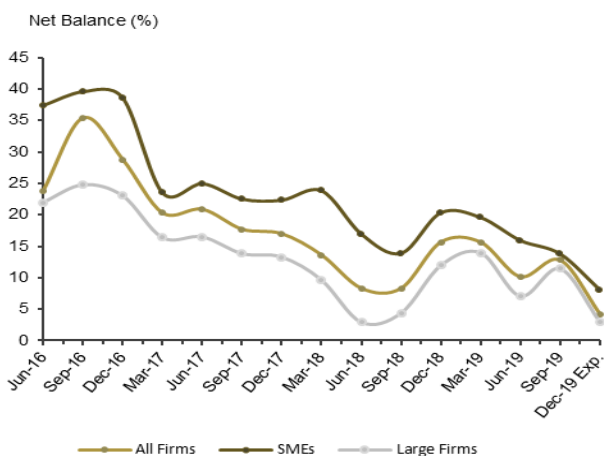


<sup>2</sup> Full survey results are presented in Annex 1 to this report

The most significant factors determining the change in demand for business loans during the September quarter were customers' fixed asset investment, customers' sales, and property market outlook. Interest rates factor is also significant but to lesser extent. For the December quarter, survey respondents predicted customers' sales, customers' fixed asset investment, and property market outlook, to be the most important determining factors.

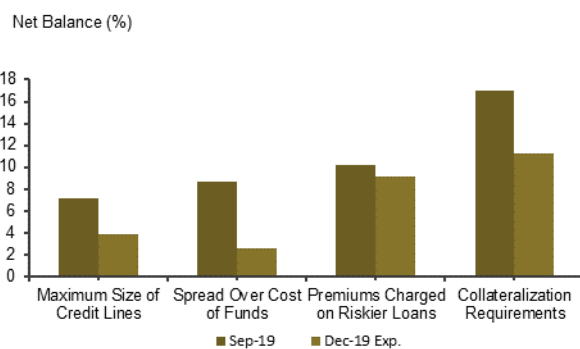
In terms of credit standards, 76% of survey respondents reported no change for the September quarter. However, in aggregate, a positive net balance measure of 12.8 was recorded suggesting a tightening of credit standards. In particular, survey results reported a stronger tightening for small and medium enterprises relative to large firms. In terms of outlook for the December quarter, survey respondents expected a tightening in credit standards but to a lesser extent (Chart 4).

Chart 4 Change in Credit Standards



With respect to specific terms and conditions, survey results suggested a tightening that occurred across the board, most evidently related to terms and conditions pertaining to collateralization requirements and premiums charged on riskier loans. In the December quarter, survey respondents predicted a tightening 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 in the September quarter, survey respondents reported that economic outlook, industry or firm specific conditions, and quality of bank's asset portfolio to be the most significant factors. Meanwhile, competition from finance companies and competition from banks continued to have minimum bearing on credit standards in the September quarter.

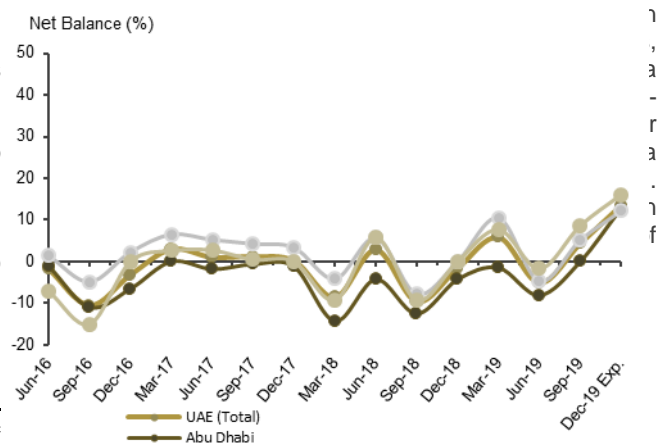
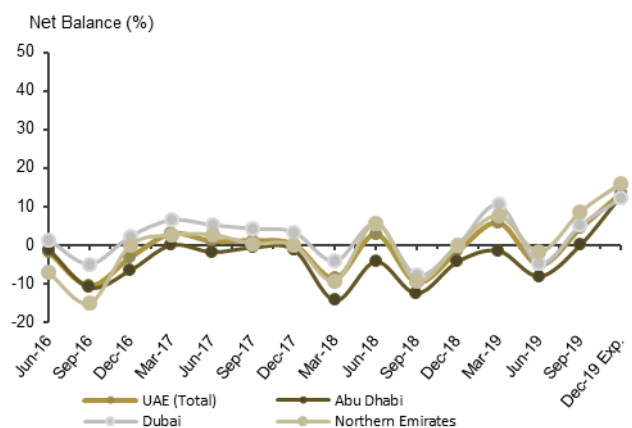
With respect to expectations for the December quarter, the main factors that are anticipated to impact credit standards are economic outlook, quality of bank's asset portfolio, and industry or firm specific conditions.

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

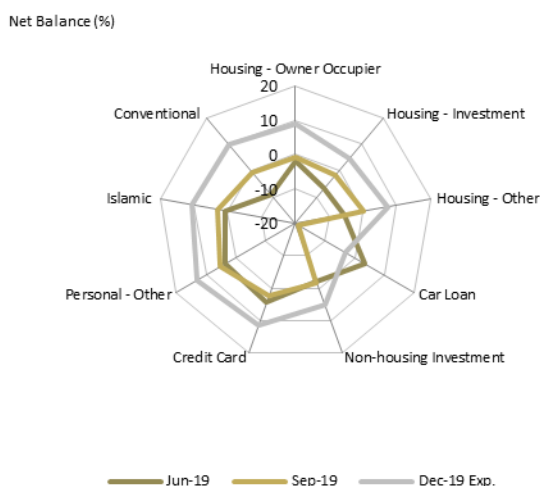
In the September quarter, demand for personal loans, in aggregate, had witnessed a modest increase as suggested by the net balance measure of 4.3. The increase in demand for personal loans was attributable to the strengthening demand in Northern Emirates and Dubai, while it remained unchanged in Abu Dhabi.

According to survey respondents, the demand for personal loans is predicted to increase in the December quarter as suggested by a net balance measure of 13.5. By emirate, survey respondents anticipated an increase in the demand appetite across all Emirates (Chart 6).

Chart 6 Change in Demand for Personal Loans by Emirate



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

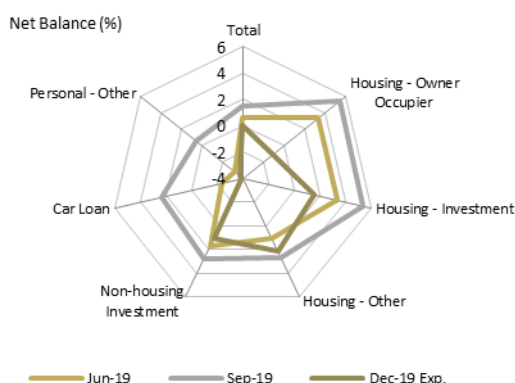


When asked about which factors attributed to the change in demand for loans in the September quarter, survey results cited that change in income, housing market outlook, and seasonal influences were the most important. Meanwhile, they reported seasonal influences, change in income, and housing market outlook to be the most important factors expected to influence demand for personal loans for the December quarter.

In terms of credit availability, survey results reported a marginal tightening with a net balance measure of 1.5 for all household in the September quarter, although, more than 88% of survey respondents reported that credit standards were unchanged. By loan category, tightening in credit standards was evident across the board, most evidently in housing – owner occupier and housing – investment.

For the December quarter, credit standards are projected to remain unchanged in aggregate as suggested by the reported net balance measure of 0.0. By loan type, survey respondents predicted credit standards to tighten across the board, with the exception of car loan, personal – other, and housing – owner occupier which were expected to ease marginally (Chart 8).

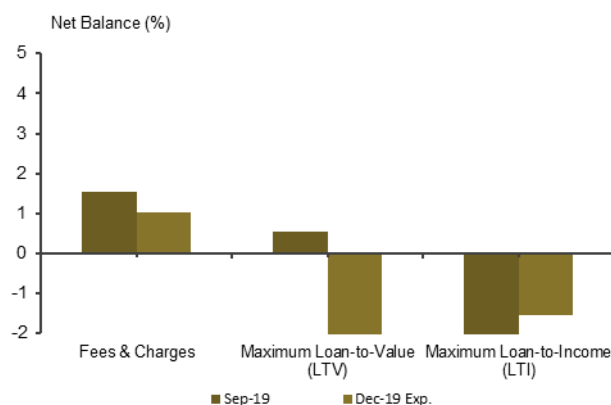
**Chart 8 Change in Credit Standards**



With respect to credit terms and conditions in the September quarter, around 93% of survey respondents reported no change. In aggregate, however, survey respondents reported a marginal tightening in fees and charges and maximum loan-to-value (LTV), while maximum loan-to-income (LTI) eased marginally.

With respect to the expectations for the December quarter, survey respondents predicted that terms and conditions pertaining to fees & charges to continue tightening marginally, while maximum loan-to-value (LTV), and maximum loan-to-income (LTI) to ease marginally (Chart 9).

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



When asked about factors determining the change in credit standards during the September quarter, survey respondents cited economic outlook, quality of bank’s asset portfolio, and change in tolerance for risk as important. With respect to the December quarter, economic outlook, quality of bank’s asset portfolio, customer specific, and change in tolerance for risk were considered the most important.

## About the Survey

The Credit Sentiment Survey (“The Survey”) is a quarterly publication which collects information from all banks and financial institutions extending credit within the UAE. The Survey was first launched in Q1 2014 as part of the 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 2019 Q3 Survey, which was conducted during the period of 11 – 23 September 2019. The Survey questionnaire results are available in the annexes attached to this report.

The total sample size for the September quarter survey was 222 respondents, with 102 answering questions related to personal credit and 120 answering questions related to business credit. The September 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:

- 2019 Q4 Survey in January 2020
- 2020 Q1 Survey in April 2020
- 2020 Q2 Survey in July 2020
- 2020 Q3 Survey in October 2020

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 Management Department via:

[Monetary.Policy@cbuae.gov.ae](mailto:Monetary.Policy@cbuae.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	4.3	17.1	44.4	34.2	0.0	4.3
Abu Dhabi	5.4	13.5	45.9	35.1	0.0	5.4
Dubai	0.0	18.4	44.9	36.7	0.0	9.2
Northern Emirates	9.7	19.4	41.9	29.0	0.0	-4.8
Small and Medium Enterprises	4.4	14.9	72.8	7.9	0.0	-7.9
Large Firms	3.4	12.8	49.6	34.2	0.0	7.3
Government Related Entities	1.0	7.7	67.3	24.0	0.0	7.2
Conventional Loans	4.8	12.5	49.0	33.7	0.0	5.8
Islamic Finance	3.0	10.0	72.0	13.0	2.0	0.5
Non-resident	1.1	4.3	84.9	9.7	0.0	1.6
Expatriate	3.5	12.3	62.3	21.9	0.0	1.3
Local	1.7	8.5	54.7	35.0	0.0	11.5

## 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	3.2	3.2	89.4	4.3	0.0	-2.7
Manufacturing	5.2	16.4	55.2	23.3	0.0	-1.7
Electricity, Gas and Water	0.9	6.6	79.2	12.3	0.9	2.8
Construction	6.9	13.8	55.2	24.1	0.0	-1.7
Property Development	6.2	17.7	58.4	15.0	2.7	-4.9
Retail and Wholesale Trade	3.4	20.5	56.4	19.7	0.0	-3.8
Transport, Storage and Communications	6.0	10.3	71.6	10.3	1.7	-4.3
Financial Institutions (excluding Banks)	3.1	5.2	84.4	6.3	1.0	-1.6
All Others	0.9	7.1	74.1	15.2	2.7	5.8

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

	Not Important	Somewhat Important	Very Important
Customers' Sales	29.7	14.4	55.9
Customers' Fixed Asset Investment	29.7	29.7	40.7
Competition with Finance Companies	78.0	21.2	0.8
Competition with Banks	60.2	23.7	16.1
Interest Rates	50.0	22.0	28.0
Seasonal Influences	49.2	42.4	8.5
Property Market Outlook	33.1	22.0	44.9

<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	3.4	19.7	76.1	0.9	0.0	12.8
Small and Medium Enterprises	6.0	15.5	78.4	0.0	0.0	13.8
Large Firms	4.2	15.3	79.7	0.8	0.0	11.4

**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	31.3	8.7	60.0
Economic Outlook	25.2	7.0	67.8
Industry or Firm Specific Conditions	26.1	26.1	47.8
Competition from Banks	51.3	40.0	8.7
Competition from Finance Companies	77.4	21.7	0.9
Change in Tolerance for Risk	40.0	14.8	45.2
Availability/Cost of Funds	43.5	15.7	40.9
Current/Anticipated Regulatory Changes	42.6	15.7	41.7

**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	4.2	11.0	79.7	5.1	0.0	7.2
Spread Over Your Cost of Funds	0.9	16.5	81.7	0.9	0.0	8.7
Premiums Charged on Riskier Loans	3.4	13.6	83.1	0.0	0.0	10.2
Collateralization Requirements	7.6	18.6	73.7	0.0	0.0	16.9

**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	10.2	51.7	38	0.0	14.0
Abu Dhabi	0.0	13.2	42.1	44.7	0.0	15.8
Dubai	0.0	6.1	59.2	34.7	0.0	14.3
Northern Emirates	0.0	12.9	51.6	35.5	0.0	11.3
Small and Medium Enterprises	3.4	10.2	64.4	21.2	0.8	3.0
Large Firms	0.0	10.4	53.9	34.8	0.9	13.0
Government Related Entities	0.0	1.9	76.9	21.3	0.0	9.7
Conventional Loans	0.0	7.8	59.1	33.0	0.0	12.6
Islamic Finance	0.9	5.4	77.5	16.2	0.0	4.5
Non-resident	0.9	2.7	87.4	9.0	0.0	2.3
Expat	1.7	5.2	68.7	24.3	0.0	7.8
Local	0.0	5.2	60.9	32.2	1.7	15.2

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

	Decrease Substantially	Decrease Moderately	No Change	Increase Moderately	Increase Substantially	Net Balance
Mining and Quarrying	0.0	2.6	96.5	0.9	0.0	-0.9
Manufacturing	0.0	8.5	61.9	29.7	0.0	10.6
Electricity, Gas and Water	0.0	2.6	79.8	17.5	0.0	7.5
Construction	4.3	8.7	49.6	34.8	2.6	11.3
Property Development	5.2	7.8	67.8	18.3	0.9	0.9
Retail and Wholesale Trade	0.0	12.2	48.7	39.1	0.0	13.5
Transport, Storage and Communications	0.0	8.7	73.0	18.3	0.0	4.8
Financial Institutions (excluding Banks)	0.0	0.0	91.0	9.0	0.0	4.5
All Others	0.0	3.6	81.1	15.3	0.0	5.9

**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	31.3	13.0	55.7
Customers' Fixed Asset Investment	35.7	30.4	33.9
Competition with Finance Companies	75.7	24.3	0.0
Competition with Banks	54.8	26.1	19.1
Interest Rates	45.2	23.5	31.3
Seasonal Influences	40.9	48.7	10.4
Property Market Outlook	36.5	16.5	47.0

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

	Tighten Significantly	Tighten Moderately	No Change	Ease Moderately	Ease Significantly	Net Balance
All Firms	0.0	12.7	83.1	4.2	0.0	4.2
Small and Medium Enterprises	1.7	15.3	80.5	2.5	0.0	8.1
Large Firms	0.0	11.0	83.9	5.1	0.0	3.0

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

	Not Important	Somewhat Important	Very Important
Quality of Your Bank's Asset Portfolio	35.7	7.0	57.4
Economic Outlook	30.4	7.0	62.6
Customer Conditions	35.7	20.0	44.3
Competition from Banks	52.2	35.7	12.2
Competition from Finance Companies	79.1	20.0	0.9
Change in Tolerance for Risk	47.0	12.2	40.9
Availability/Cost of Funds	41.7	15.7	42.6
Current/Anticipated Regulatory Changes	42.6	10.4	47.0



**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	1.7	6.1	90.4	1.7	0.0	3.9
Spread Over Your Cost of Funds	0.0	8.7	87.8	3.5	0.0	2.6
Premiums Charged on Riskier Loans	1.7	14.8	83.5	0.0	0.0	9.1
Collateralization Requirements	4.3	15.7	78.3	1.7	0.0	11.3

## 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	0.0	17.3	59.6	20.2	2.9	4.3
Abu Dhabi	0.0	13.9	72.2	13.9	0.0	0.0
Dubai	0.0	20.5	53.8	20.5	5.1	5.1
Northern Emirates	0.0	17.2	51.7	27.6	3.4	8.6
Islamic	0.0	9.5	76.8	11.6	2.1	3.2
Conventional	0.0	14.9	72.3	11.9	1.0	-0.5
Housing – Owner Occupier	0.0	21.6	62.5	11.4	4.5	-0.6
Housing – Investment	0.0	20.5	67.0	8.0	4.5	-1.7
Housing – Other (includes refinancing, renovations)	0.0	13.5	77.5	4.5	4.5	0.0
Car Loan	11.0	24.4	58.5	3.7	2.4	-18.9
Non-housing Investment	0.0	5.9	91.8	2.4	0.0	-1.8
Credit Card	3.3	16.5	56.0	20.9	3.3	2.2
Personal - Other	3.2	14.7	60.0	12.6	9.5	5.3

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

	Not Important	Somewhat Important	Very Important
Housing market outlook	36.1	37.1	26.8
Financial markets outlook	39.0	26.0	35.0
Change in income	32.0	16.0	52.0
Interest rates	39.0	30.0	31.0
Competition with other banks or financial institutions	50.0	37.0	13.0
Seasonal influences	38.0	43.0	19.0

## 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	1.0	5.9	88.1	5.0	0.0	1.5
Housing – Owner Occupier	1.1	8.7	90.2	0.0	0.0	5.4
Housing – Investment	1.1	8.6	90.3	0.0	0.0	5.4
Housing – Other (includes refinancing, renovations)	0.0	5.4	94.6	0.0	0.0	2.7
Non-housing Investment	0.0	5.6	94.4	0.0	0.0	2.8
Car Loan	0.0	8.0	88.5	3.4	0.0	2.3
Personal - Other	0.0	11.3	78.4	10.3	0.0	0.5

<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	28.6	11.2	60.2
Economic Outlook	25.7	19.8	54.5
Customer Specific	31.0	25.0	44.0
Competition from Banks	42.0	38.0	20.0
Competition from Finance Companies	54.0	39.0	7.0
Change in Tolerance for Risk	30.0	23.0	47.0
Availability/Cost of Funds	39.0	18.0	43.0
Current/Anticipated Regulatory Changes	36.0	1.0	63.0

**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	5.2	92.8	2.1	0.0	1.5
Maximum Loan-to-Value (LTV)	0.0	3.2	95.7	0.0	1.1	0.5
Maximum Loan-to-Income (LTI)	0.0	0.0	94.8	4.1	1.0	-3.1

**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	9.0	56.0	34.0	1.0	13.5
Abu Dhabi	0.0	8.6	60.0	28.6	2.9	12.9
Dubai	0.0	10.8	54.1	35.1	0.0	12.2
Northern Emirates	0.0	7.1	53.6	39.3	0.0	16.1
Islamic	0.0	3.2	72.3	24.5	0.0	10.6
Conventional	0.0	7.2	66.0	26.8	0.0	9.8
Housing – Owner Occupier	0.0	11.3	59.8	28.9	0.0	8.8
Housing – Investment	0.0	12.4	66.0	21.6	0.0	4.6
Housing – Other (includes refinancing, renovations)	0.0	7.2	71.1	21.6	0.0	7.2
Car Loan	6.4	7.4	72.3	13.8	0.0	-3.2
Non-housing Investment	0.0	1.0	87.6	11.3	0.0	5.2
Credit Card	3.1	6.2	56.7	33.0	1.0	11.3
Personal - Other	0.0	7.2	62.9	26.8	3.1	12.9

**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	35.1	34.0	30.9
Financial markets outlook	39.2	25.8	35.1
Change in income	33.0	26.8	40.2
Interest rates	40.2	29.9	29.9
Competition with other banks or financial institutions	47.4	39.2	13.4
Seasonal influences	32.0	46.4	21.6

**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	1.0	1.0	94.8	3.1	0.0	0.0
Housing – Owner Occupier	1.1	2.1	90.4	6.4	0.0	-1.1
Housing – Investment	1.1	2.1	95.7	1.1	0.0	1.6
Housing – Other (includes refinancing, renovations)	1.1	2.1	96.8	0.0	0.0	2.1
Non-housing Investment	1.1	0.0	98.9	0.0	0.0	1.1
Car Loan	0.0	1.1	90.1	8.8	0.0	-3.8
Personal - Other	1.1	1.1	87.2	10.6	0.0	-3.7

**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	33.0	13.4	53.6
Economic Outlook	29.9	16.5	53.6
Industry or Firm Specific Conditions	36.1	17.5	46.4
Competition from Banks	41.2	43.3	15.5
Competition from Finance Companies	54.6	37.1	8.2
Change in Tolerance for Risk	39.2	11.3	49.5
Availability/Cost of Funds	48.5	12.4	39.2
Current/Anticipated Regulatory Changes	42.3	3.1	54.6

**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	0.0	2.1	97.9	0.0	0.0	1.0
Maximum Loan-to-Value (LTV)	0.0	0.0	96.9	2.1	1.0	-2.1
Maximum Loan-to-Income (LTI)	0.0	0.0	97.9	1.0	1.0	-1.5