



Credit Sentiment Survey

Survey Results | 2019 Q4

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 December quarter are available in the “About the Survey” section and annexes to this report.¹

> Executive Summary

Survey results in the December quarter reported a moderate increase in appetite for business loans along with a continuous tightening of credit standards. Demand appetite for personal loans, however, continued its moderate decreasing trend although credit standards remained unchanged. With respect to expectations for the March 2020 quarter, survey respondents are predicting an increase in overall credit appetite for both business and personal loans coupled with a continuous tightening in credit standards, suggesting the reduced willingness to extend loans among surveyed financial institutions.

Lending to Corporates & Small Businesses – Survey respondents in the December quarter, revealed a moderate increase in demand for business loans with a positive net balance measure of 5.7. By Emirates, Dubai and Abu Dhabi witnessed an increase in demand appetite for business loans, while demand in Northern Emirates was unchanged. In terms of credit standards, 77% of survey respondents reported no change. However, in aggregate, a positive net balance measure of 7.4 was recorded suggesting a tightening of credit standards. For the March 2020 quarter, survey respondents were optimistic and anticipated demand for business loans to increase across all Emirates and firms, although they anticipate a continuous tightening in credit standards and across all terms and conditions.

Lending to Individuals – In the December quarter, demand for personal loans, in aggregate, has moderately decreased with a negative net balance measure of 2.9. This decrease was attributable to the weakening in credit appetite across all Emirates. When asked about which factors attributed to the change in demand for loans in the December quarter, survey results cited that housing market outlook, financial market outlook, and change in income as the most important. In terms of credit availability, survey results reported no change for all households in the December quarter. Survey results were optimistic for March 2020 quarter, expecting an increase in demand across all Emirates, coupled with a tightening in credit standards and across all terms and conditions.

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)

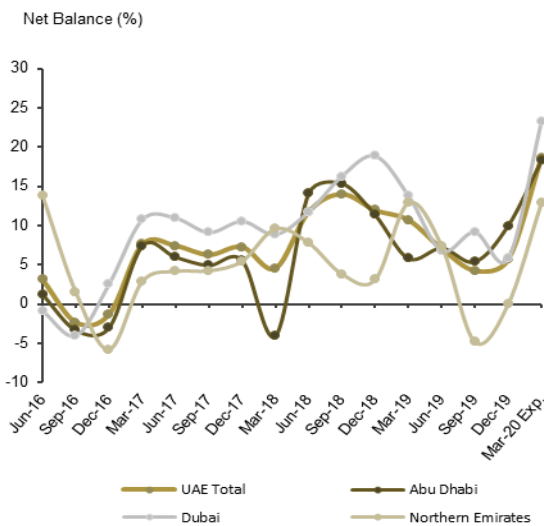
For credit standards, net balance = (% Reporting Significant Tightening + 0.5 x % Reporting Moderate Tightening) – (% Reporting Significant Easing + 0.5 x % Reporting Moderate Easing)

> Business Lending²

For the December quarter, survey results suggested that demand for business loans has increased moderately with a net balance measure of 5.7. According to the survey results, 54.4 percent reported no change, 29.8 percent reported an increase in demand, while 15.8 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 demand has remained unchanged in Northern Emirates.

When asked about expectations for the March 2020 quarter, a net balance measure of 18.7 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**).

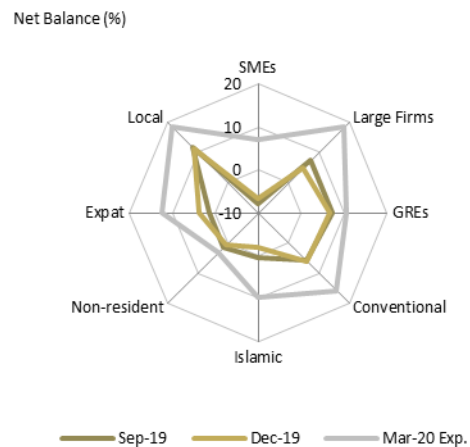
Chart 1 Change in Demand for Business Loans by Emirate



By market segment, survey results revealed an increase in demand across all categories in the December quarter with the exception of small and medium enterprises and Islamic finance, where demand has decreased with net balance measures of -6.7 and -2.1, respectively. The increase in demand for business loans, however, was most significant among local, government related entities, conventional loans, large firms, and expat. Non-resident also increased but marginally.

In terms of outlook for the March 2020 quarter, survey respondents expected the demand for business loans to increase across all categories, predominately for local, large firms, conventional loans, and expat (**Chart 2**).

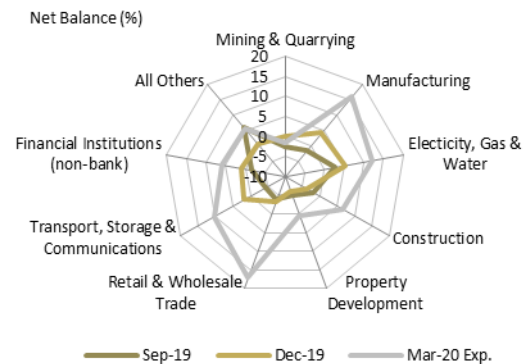
Chart 2 Change in Demand for Business Loans by Type



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

For the March 2020 quarter, survey results predicted demand for loans to increase across all industries with the exception of mining and quarrying. The increase in demand is predicted to be the most significant in retail and wholesale trade, manufacturing, and electricity, gas and water (**Chart 3**).

Chart 3 Change in Demand for Business Loans by Industry

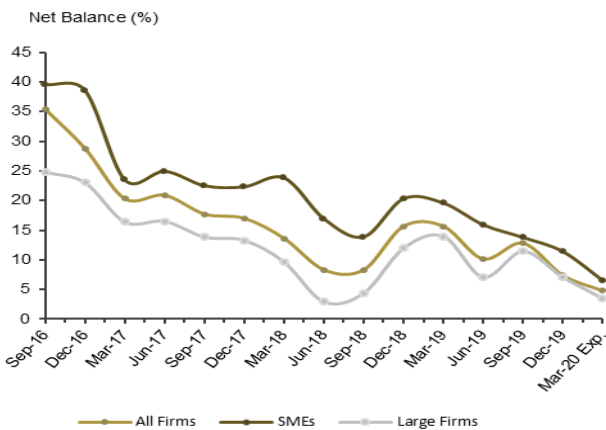


² Full survey results are presented in Annex 1 to this report

The most significant factors determining the change in demand for business loans during the December quarter were customers’ sales, property market outlook, customers’ fixed asset investment, and interest rates. For the March 2020 quarter, survey respondents expected customers’ sales, property market outlook, interest rates, and seasonal influences to be the most important determining factors.

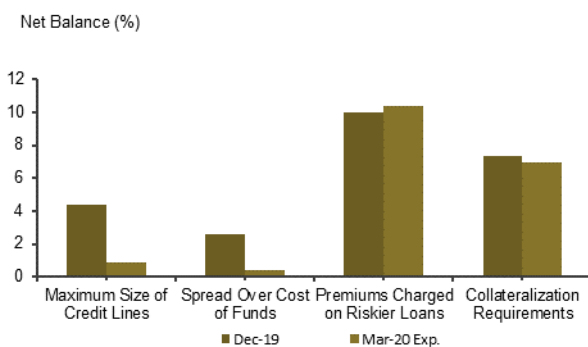
In terms of credit standards, more than 77% of survey respondents reported no change for the December quarter. Nonetheless, in aggregate, a positive net balance measure of 7.4 was recorded suggesting a tightening in credit standards. In particular, survey results reported a stronger tightening for small and medium enterprises relative to large firms. In terms of outlook for the March 2020 quarter, survey respondents expected a continuous 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 among terms and conditions pertaining to premiums charged on riskier loans and collateralization requirements. In the March 2020 quarter, survey respondents expected a moderate tightening across all terms and conditions, particularly with respect to premiums charged on riskier loans and collateralization requirements, while maximum size of credit lines and spread over banks’ cost of funds are expected to tighten marginally (Chart 5).

Chart 5 Change in Terms and Conditions



When asked about which factors were attributable to the change in credit standards in the December quarter, survey respondents revealed that economic outlook, quality of bank’s asset portfolio, and industry or firm specific conditions 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 December quarter.

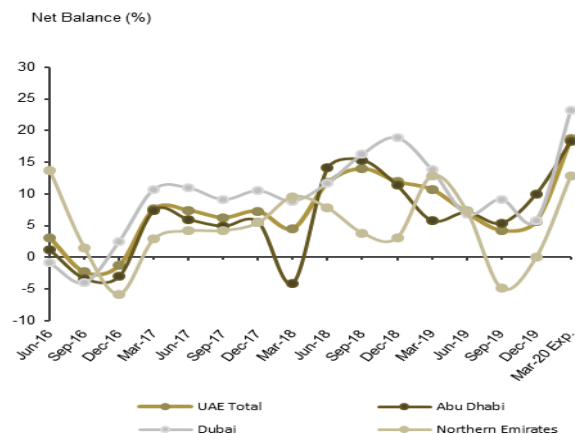
When asked about expectations for the March 2020 quarter, the main factors that are expected to impact credit standards are economic outlook, industry or firm specific conditions, and quality of bank’s asset portfolio.

> Personal Lending³

In the December quarter, demand for personal loans, in aggregate, has moderately decreased as suggested by the net balance measure of -2.9. The decrease in demand for personal loans was attributable to the weakening in demand across all Emirates.

Meanwhile, survey respondents expect the demand for personal loans to increase in the March 2020 quarter as suggested by a positive net balance measure of 19.7. By Emirate, survey respondents expected an increase in the demand appetite across all Emirates (Chart 6).

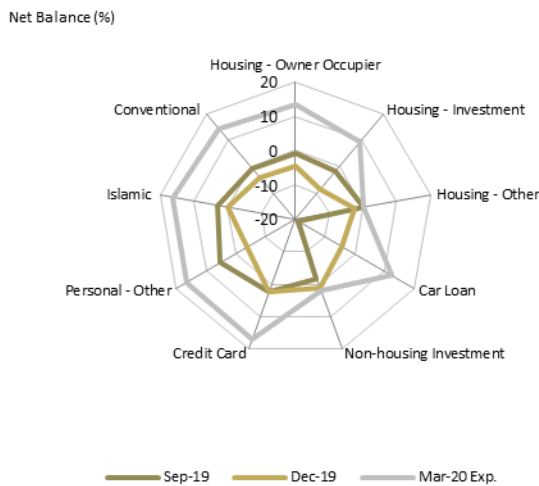
Chart 6 Change in Demand for Personal Loan by Emirate



For the December quarter, survey results reported a decrease in personal loans for housing – investment, housing – owner occupier, car loan, conventional loan, personal – other, and housing – other (includes refinancing, renovations). However, credit card and non-housing investment reported a modest increase in demand for personal loans, while Islamic loans remained unchanged. For the March 2020 quarter, survey respondents expected an increase in demand across the board, with the exception of housing – other (includes refinancing, renovations), which is expected to remain unchanged (Chart 7).

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

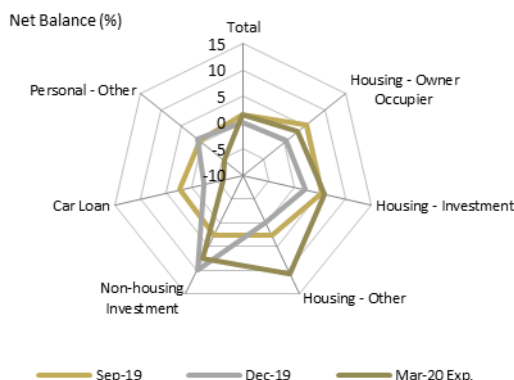
Chart 7 Change in Demand for Personal Loans by Type



When asked about which factors attributed to the change in demand for loans in the December quarter, survey results reported that housing market outlook, financial markets outlook, and seasonal influences as the most important. Meanwhile, they reported housing market outlook, financial market outlook, and change in income to be the most important factors expected to influence demand for personal loans for the March 2020 quarter.

In terms of credit availability, survey results reported no change with a net balance measure of 0.0 for all households in the December quarter, where around 94% of the respondents reported that credit standards were unchanged. By loan category, the tightening in credit standards was evident across the board, with the exception of car loan (with a negative net balance of 2.4), and housing – other (includes refinancing, renovations), which remained unchanged. For the March 2020 quarter, credit standards are expected to tighten marginally as suggested by the net balance measure of 1.6. By loan type, survey respondents predicted credit standards to tighten across the board, with the exception of car loan, and personal – other (Chart 8).

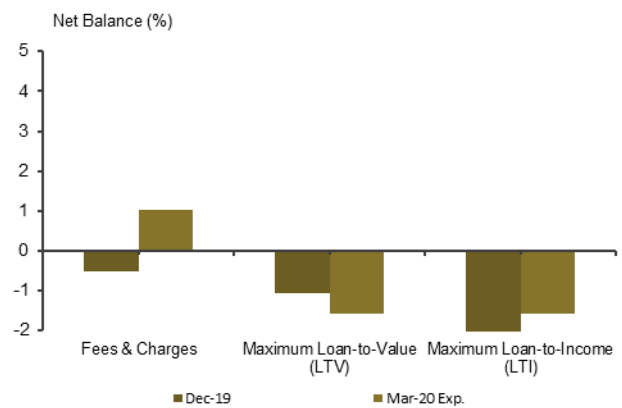
Chart 8 Change in Credit Standards



With respect to credit terms and conditions in the December quarter, more than 86% of survey respondents reported no change. In aggregate, however, survey respondents reported a marginal to modest easing in maximum loan-to-income (LTI), maximum loan-to-value (LTV), and fees and charges.

With respect to the expectations for the March 2020 quarter, survey respondents predicted that terms and conditions pertaining to maximum loan-to-value (LTV), and maximum loan-to-income (LTI) to continue easing, while terms and conditions pertaining to fees and charges to tighten marginally (Chart 9).

Chart 9 Change in Selected Terms and Conditions



When asked about factors determining the change in credit standards during the December quarter, survey respondents cited economic outlook, quality of bank’s asset portfolio, and change in tolerance for risk as important. With respect to the March 2020 quarter, economic outlook, quality of bank’s asset portfolio, and regulatory changes 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 Q4 Survey, which was conducted during the period of 8 – 29 December 2019. The Survey questionnaire results are available in the annexes attached to this report.

The total sample size for the December quarter survey was 217 respondents, with 102 answering questions related to personal credit and 115 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:

- 2020 Q1 Survey in April 2020
- 2020 Q2 Survey in July 2020
- 2020 Q3 Survey in October 2020
- 2020 Q4 Survey in January 2021

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 Management Department via:

Monetary.Policy@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	2.6	13.2	54.4	29.8	0.0	5.7
Abu Dhabi	0.0	15.0	50.0	35.0	0.0	10.0
Dubai	0.0	16.3	55.8	27.9	0.0	5.8
Northern Emirates	9.7	6.5	58.1	25.8	0.0	0.0
Small and Medium Enterprises	3.6	15.2	73.2	7.1	0.9	-6.7
Large Firms	0.9	14.9	58.8	24.6	0.9	4.8
Government Related Entities	1.0	8.1	67.7	23.2	0.0	6.6
Conventional Loans	4.9	9.8	53.9	31.4	0.0	5.9
Islamic Finance	1.0	7.3	86.5	5.2	0.0	-2.1
Non-resident	1.1	5.4	84.9	8.6	0.0	0.5
Expat	1.8	12.3	62.3	23.7	0.0	3.9
Local	0.0	8.9	59.8	31.3	0.0	11.2

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	1.1	3.3	90.2	5.4	0.0	0.0
Manufacturing	0.9	9.9	69.4	19.8	0.0	4.1
Electricity, Gas and Water	0.0	6.7	76.2	17.1	0.0	5.2
Construction	3.6	19.6	58.0	17.9	0.9	-3.6
Property Development	5.5	18.2	59.1	17.3	0.0	-5.9
Retail and Wholesale Trade	2.7	17.7	63.7	15.0	0.9	-3.1
Transport, Storage and Communications	1.8	10.6	70.8	15.9	0.9	1.8
Financial Institutions (excluding Banks)	0.0	4.3	89.2	6.5	0.0	1.1
All Others	3.7	10.1	67.9	18.3	0.0	0.5

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

	Not Important	Somewhat Important	Very Important
Customers' Sales	24.3	20.9	54.8
Customers' Fixed Asset Investment	33.9	27.8	38.3
Competition with Finance Companies	80.0	16.5	3.5
Competition with Banks	48.7	29.6	21.7
Interest Rates	40.0	36.5	23.5
Seasonal Influences	40.9	49.6	9.6
Property Market Outlook	33.0	27.8	39.1

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	0.9	17.4	77.4	4.3	0.0	7.4
Small and Medium Enterprises	4.4	15.8	78.1	1.8	0.0	11.4
Large Firms	0.9	15.0	81.4	2.7	0.0	7.1

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	22.6	16.5	60.9
Economic Outlook	20.9	7.8	71.3
Industry or Firm Specific Conditions	28.7	20.9	50.4
Competition from Banks	57.4	31.3	11.3
Competition from Finance Companies	77.4	19.1	3.5
Change in Tolerance for Risk	32.2	18.3	49.6
Availability/Cost of Funds	36.5	25.2	38.3
Current/Anticipated Regulatory Changes	39.1	14.8	46.1

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	0.0	15.7	77.4	7.0	0.0	4.3
Spread Over Your Cost of Funds	0.0	9.6	86.1	4.3	0.0	2.6
Premiums Charged on Riskier Loans	0.9	18.3	80.9	0.0	0.0	10.0
Collateralization Requirements	1.7	20.9	70.4	4.3	2.6	7.4

Q7. Over the next quarter, how do you expect demand for loans from firms to change? (% of total)

	Decrease Substantially	Decrease Moderately	No Change	Increase Moderately	Increase Substantially	Net Balance
All Firms	0.0	7.0	48.7	44	0.0	18.7
Abu Dhabi	0.0	9.8	43.9	46.3	0.0	18.3
Dubai	0.0	2.3	48.8	48.8	0.0	23.3
Northern Emirates	0.0	9.7	54.8	35.5	0.0	12.9
Small and Medium Enterprises	2.6	7.8	63.5	25.2	0.9	7.0
Large Firms	0.9	4.3	52.2	42.6	0.0	18.3
Government Related Entities	0.0	3.7	71.6	24.8	0.0	10.6
Conventional Loans	0.0	7.0	54.8	38.3	0.0	15.7
Islamic Finance	0.9	0.9	77.7	18.8	1.8	9.8
Non-resident	0.0	2.6	88.7	8.7	0.0	3.0
Expat	0.0	6.1	62.6	31.3	0.0	12.6
Local	0.0	6.1	51.3	42.6	0.0	18.3

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	3.6	96.4	0.0	0.0	-1.8
Manufacturing	0.9	3.5	58.3	37.4	0.0	16.1
Electricity, Gas and Water	0.0	3.6	68.8	27.7	0.0	12.1
Construction	3.5	13.9	51.3	28.7	2.6	6.5
Property Development	3.5	10.4	69.6	14.8	1.7	0.4
Retail and Wholesale Trade	0.9	9.6	46.1	41.7	1.7	17.0
Transport, Storage and Communications	0.9	7.8	60.9	30.4	0.0	10.4
Financial Institutions (excluding Banks)	0.0	2.7	83.0	14.3	0.0	5.8
All Others	0.0	6.3	76.8	17.0	0.0	5.4

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	24.3	21.7	53.9
Customers' Fixed Asset Investment	40.9	24.3	34.8
Competition with Finance Companies	79.1	19.1	1.7
Competition with Banks	52.2	30.4	17.4
Interest Rates	37.4	30.4	32.2
Seasonal Influences	37.4	51.3	11.3
Property Market Outlook	33.0	24.3	42.6

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	17.4	74.8	7.8	0.0	4.8
Small and Medium Enterprises	0.9	20.9	68.7	9.6	0.0	6.5
Large Firms	0.0	14.8	77.4	7.8	0.0	3.5

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

	Not Important	Somewhat Important	Very Important
Quality of Your Bank's Asset Portfolio	33.9	7.8	58.3
Economic Outlook	27.0	7.0	66.1
Industry or Firm Specific Conditions	30.4	20.0	49.6
Competition from Banks	53.0	29.6	17.4
Competition from Finance Companies	76.5	21.7	1.7
Change in Tolerance for Risk	39.1	18.3	42.6
Availability/Cost of Funds	41.7	16.5	41.7
Current/Anticipated Regulatory Changes	40.0	20.0	40.0

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	8.7	80.9	7.0	1.7	0.9
Spread Over Your Cost of Funds	0.0	9.6	82.6	7.0	0.9	0.4
Premiums Charged on Riskier Loans	2.6	17.4	78.3	1.7	0.0	10.4
Collateralization Requirements	1.7	14.8	79.1	4.3	0.0	7.0

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	7.8	8.8	64.7	18.6	0.0	-2.9
Abu Dhabi	9.1	9.1	60.6	21.2	0.0	-3.0
Dubai	5.3	10.5	65.8	18.4	0.0	-1.3
Northern Emirates	9.7	6.5	67.7	16.1	0.0	-4.8
Islamic	6.5	3.2	74.2	16.1	0.0	0.0
Conventional	8.1	7.1	69.7	15.2	0.0	-4.0
Housing – Owner Occupier	11.6	5.8	64.0	17.4	1.2	-4.7
Housing – Investment	12.6	6.9	66.7	12.6	1.1	-8.6
Housing – Other (includes refinancing, renovations)	4.9	6.1	78.0	11.0	0.0	-2.4
Car Loan	11.3	8.8	60.0	17.5	2.5	-4.4
Non-housing Investment	0.0	6.5	85.7	6.5	1.3	1.3
Credit Card	9.4	5.9	58.8	22.4	3.5	2.4
Personal - Other	11.0	7.7	61.5	17.6	2.2	-3.8

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

	Not Important	Somewhat Important	Very Important
Housing market outlook	28.1	38.5	33.3
Financial markets outlook	28.3	41.4	30.3
Change in income	31.3	22.2	46.5
Interest rates	39.4	31.3	29.3
Competition with other banks or financial institutions	44.4	29.3	26.3
Seasonal influences	30.3	45.5	24.2

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	3.0	93.9	3.0	0.0	0.0
Housing – Owner Occupier	0.0	1.1	98.9	0.0	0.0	0.5
Housing – Investment	0.0	6.5	91.3	2.2	0.0	2.2
Housing – Other (includes refinancing, renovations)	0.0	0.0	100.0	0.0	0.0	0.0
Non-housing Investment	6.7	6.7	86.5	0.0	0.0	10.1
Car Loan	0.0	1.2	92.9	5.9	0.0	-2.4
Personal - Other	0.0	8.3	85.4	6.3	0.0	1.0

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	19.8	10.4	69.8
Economic Outlook	18.2	22.2	59.6
Customer Specific	29.3	21.2	49.5
Competition from Banks	33.3	46.5	20.2
Competition from Finance Companies	54.5	37.4	8.1
Change in Tolerance for Risk	23.2	32.3	44.4
Availability/Cost of Funds	40.4	17.2	42.4
Current/Anticipated Regulatory Changes	34.3	1.0	64.6

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	6.3	86.5	7.3	0.0	-0.5
Maximum Loan-to-Value (LTV)	0.0	0.0	98.9	0.0	1.1	-1.1
Maximum Loan-to-Income (LTI)	0.0	0.0	95.8	3.1	1.0	-2.6

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	1.0	58.6	40.4	0.0	19.7
Abu Dhabi	0.0	3.1	56.3	40.6	0.0	18.8
Dubai	0.0	0.0	59.5	40.5	0.0	20.3
Northern Emirates	0.0	0.0	60.0	40.0	0.0	20.0
Islamic	0.0	0.0	67.7	32.3	0.0	16.1
Conventional	0.0	1.0	68.8	30.2	0.0	14.6
Housing – Owner Occupier	0.0	2.1	68.8	29.2	0.0	13.5
Housing – Investment	0.0	5.2	70.8	24.0	0.0	9.4
Housing – Other (includes refinancing, renovations)	6.3	2.1	77.1	14.6	0.0	0.0
Car Loan	1.1	1.1	69.9	28.0	0.0	12.4
Non-housing Investment	0.0	4.2	89.6	4.2	2.1	2.1
Credit Card	0.0	4.2	60.4	32.3	3.1	17.2
Personal - Other	1.0	5.2	56.3	34.4	3.1	16.7

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	34.4	34.4	31.3
Financial markets outlook	36.5	36.5	27.1
Change in income	37.5	24.0	38.5
Interest rates	41.7	21.9	36.5
Competition with other banks or financial institutions	47.9	39.6	12.5
Seasonal influences	40.6	36.5	22.9

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	6.3	90.6	3.1	0.0	1.6
Housing – Owner Occupier	0.0	9.7	87.1	3.2	0.0	3.2
Housing – Investment	0.0	12.9	86.0	1.1	0.0	5.9
Housing – Other (includes refinancing, renovations)	9.7	4.3	83.9	2.2	0.0	10.8
Non-housing Investment	9.7	0.0	86.0	4.3	0.0	7.5
Car Loan	0.0	0.0	87.8	12.2	0.0	-6.1
Personal - Other	0.0	7.5	76.3	14.0	2.2	-5.4

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	30.2	8.3	61.5
Economic Outlook	30.2	17.7	52.1
Industry or Firm Specific Conditions	38.5	16.7	44.8
Competition from Banks	56.3	34.4	9.4
Competition from Finance Companies	62.5	32.3	5.2
Change in Tolerance for Risk	38.5	21.9	39.6
Availability/Cost of Funds	51.0	12.5	36.5
Current/Anticipated Regulatory Changes	37.5	6.3	56.3

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	0.0	3.1	95.8	1.0	0.0	1.0
Maximum Loan-to-Value (LTV)	0.0	0.0	97.9	1.0	1.0	-1.6
Maximum Loan-to-Income (LTI)	0.0	0.0	97.9	1.0	1.0	-1.6