



Credit Sentiment Survey

Survey Results | 2021 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 analyses 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 June quarter are available in the "About the Survey" section and annexes to this report.¹

> Executive Summary

Survey results for the June quarter were indicative of a sustained recovery in overall credit appetite and loan demand in the UAE, coupled with some easing of credit standards. Notably, demand for business loans was particularly solid, with the demand growth measure recording its strongest increase since September 2018. Looking forward, the September quarter outlook remains positive as suggested by an expected further strengthening of both business and personal credit demand, alongside a further softening of overall credit standards.

Lending to Corporates & Small Businesses – For the June quarter, survey results revealed a solid increase in business loan demand in the quarter, which was evident across all Emirates. Stronger demand for loans was evident across a broad range of lending categories, including large firms, domestic firms, government-related entities and expats. The underlying factors driving the change in demand for business loans in the June quarter were customers' sales, the property market outlook, customers' fixed asset investments, seasonal influences, and interest rates. In terms of credit standards, aggregate results point to ongoing tightening, though the pace of tightening has eased up in recent months. As to the outlook for the September quarter, survey respondents remain very optimistic; further strengthening of business loan demand across all Emirates is expected, though some tightening of credit standards is anticipated by survey respondents.

Lending to Individuals – Survey results suggest that demand for personal loans continued to grow in the June quarter, though at a relatively moderate pace when compared to business loans. The increase in demand was evident across all Emirates, and was notable among personal – credit card, personal – other, housing – owner occupier, conventional loans, and Islamic loans. Survey respondents indicated that the growth in demand was largely attributable to the housing market outlook, change in income, interest rates, and financial market outlook. For the September quarter, survey respondents expect a further increase in consumer appetite for credit, while credit standards are expected to ease further.

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)

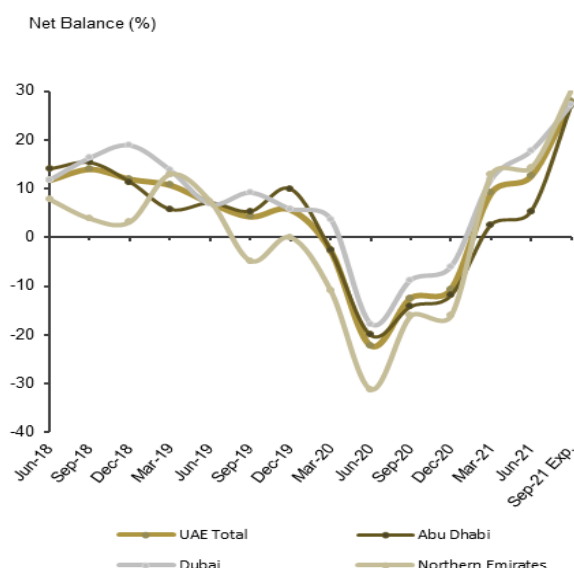
For credit standards, net balance = (% Reporting Significant Tightening + 0.5 x % Reporting Moderate Tightening) – (% Reporting Significant Easing + 0.5 x % Reporting Moderate Easing)

> Business Lending²

For the June quarter, survey results revealed that demand for business loans grew at a robust pace with a net balance measure of +12.6. According to survey results, 46.7 percent of respondents reported no change, 39.3 percent reported an increase in demand, while 14.0 percent of respondents reported a decrease in demand. By Emirate, survey results suggested a notable increase in credit appetite and demand for business loans across the board, most significantly in Dubai and Northern Emirates.

For the September quarter, survey respondents maintained an optimistic outlook for business loan demand as suggested by a net balance measure of +28.0. By Emirate, the strengthening of expected loan demand was attributable to strong demand across all Emirates (Chart 1).

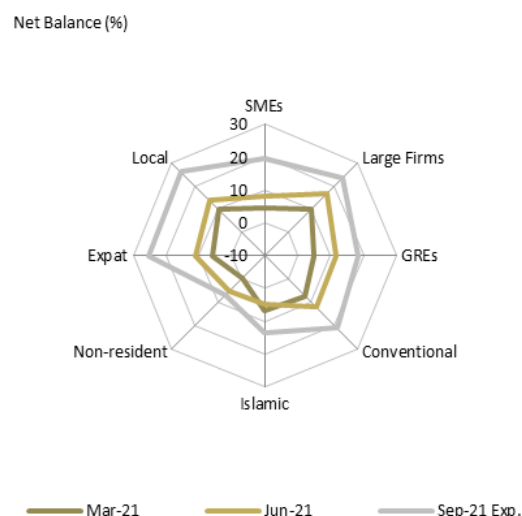
Chart 1 Change in Demand for Business Loans by Emirate



By market segment, demand increased across all categories in the June quarter. The increase in demand for loans was evident among large firms, locals, conventional loans, government-related entities, and expats. Small and medium enterprises, non-residents, and Islamic loans have also contributed to the increase in demand, but to a lesser extent.

In terms of outlook for the next quarter, survey respondents expect demand for business loans to increase across the board. The increase in demand is expected to be driven notably by locals, expats, large firms, and conventional loans (Chart 2).

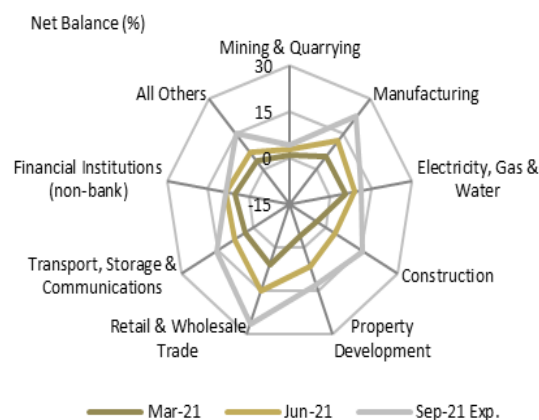
Chart 2 Change in Demand for Business Loans by Type



When asked about the change in demand for business loans by industry in the June quarter, survey respondents noted increased demand across all industries. The increase was most evident in retail & wholesale trade, manufacturing, electricity, gas & water, financial institutions (excluding banks), and transport, storage & communications.

For the upcoming quarter, credit appetite and demand for loans is expected to remain strong and increase further across all economic activities, predominately in retail & wholesale trade, manufacturing, construction, transport, storage & communications, and all others (Chart 3).

Chart 3 Change in Demand for Business Loans by Industry

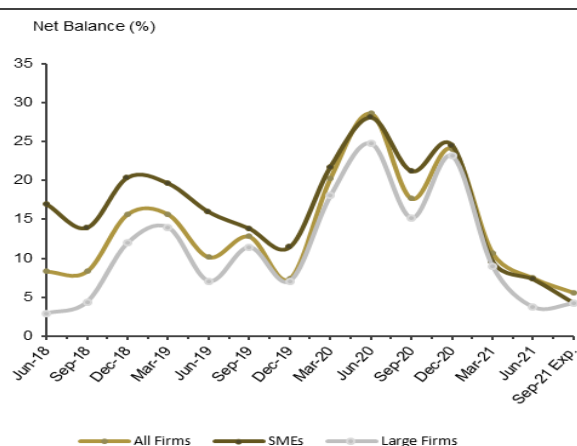


² Full survey results are presented in Annex 1 to this report

The underlying factors driving the change in demand for business loans in the June quarter were revealed to be customers' sales, property market outlook, customers' fixed asset investments, seasonal influences, and interest rates. For the September quarter, the key factors contributing to a change in business loan demand are expected to remain the same as those reported in the June quarter.

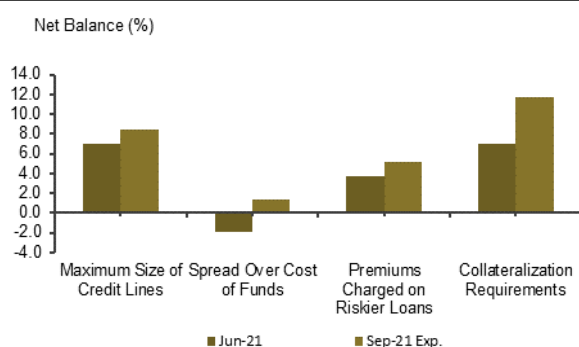
In terms of credit standards, in aggregate, a positive net balance measure of +7.5 was recorded, indicating that credit standards continued to tighten in the June quarter, though to a lesser extent than in the March quarter. Across firm size, survey respondents reported less tightening for large firms relative to small and medium enterprises. For the next quarter, credit standards are expected to continue to tighten, but less so than in the June quarter (**Chart 4**).

Chart 4 Change in Credit Standards



With respect to specific terms and conditions on loans, a moderate tightening of credit standards was observed across all categories in the June quarter, with the exception of spread over cost of funds. Terms and conditions pertaining to premiums charged on riskier loans perceived a smaller tightening than collateralization requirements and maximum size of credit lines. For the upcoming quarter, survey respondents are expecting a further tightening across all terms and conditions, although to varying degrees, particularly with respect to collateralization requirements and maximum size of credit lines (**Chart 5**).

Chart 5 Change in Terms and Conditions



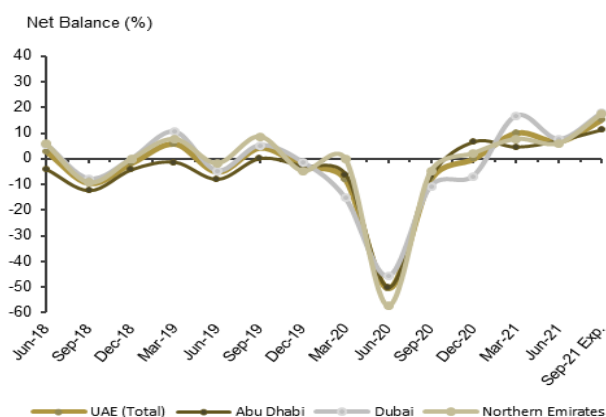
When asked about the factors that contributed to the change in credit standards in the June quarter, survey respondents cited economic outlook, quality of bank's asset portfolio, current/anticipated regulatory changes, change in tolerance for risk, industry or firm specific conditions, and availability/cost of funds as the most significant factors. Competition from finance companies continued to have minimum bearing on credit standards. For the September quarter, the main drivers of change in credit standards are expected to be economic outlook, change in tolerance for risk, quality of asset portfolio, and industry or firm specific conditions.

> Personal Lending³

For the June quarter, survey results suggested a moderate increase in demand for personal loans, in aggregate, as indicated by a net balance measure of +6.8. The increase in demand was attributable to the strengthening of demand across all Emirates, particularly in Dubai.

In terms of outlook for the September quarter, survey respondents expect a further increase in consumer appetite and demand for personal loans. By Emirate, survey respondents predicted a growing appetite for loans across the board, most significantly in Dubai and Northern Emirates (**Chart 6**).

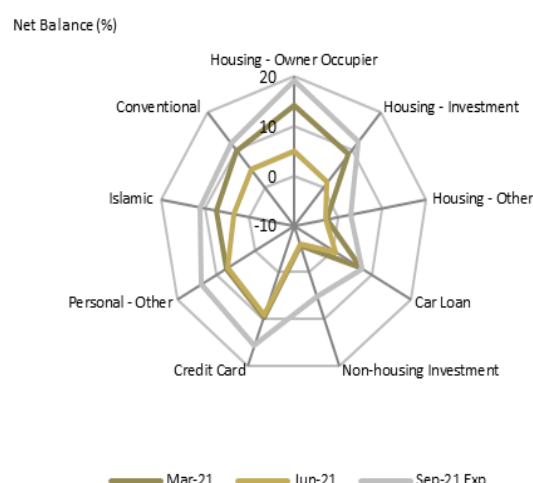
Chart 6 Change in Demand for Personal Loans by Emirate



By market segment, demand for personal loans increased moderately across the board in the June quarter, with the exception of non-housing investment and housing – other (includes refinancing, renovations). The increase in demand was most significant among personal – credit card, personal – other, housing – owner occupier, conventional loans, and Islamic loans. Housing – investment and car loans also registered an increase, but to a lesser extent.

Survey respondents' outlook for the upcoming quarter suggests further growth in personal loan demand across all loan types, most significantly in housing – owner occupier, personal – credit card, personal – other, housing – investment, conventional loans, and Islamic loans (**Chart 7**).

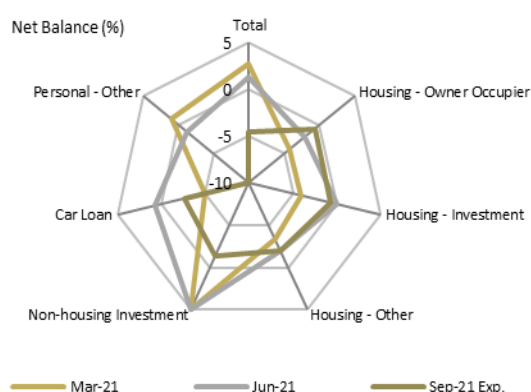
³ Full survey results are presented in Annex 2 to this report

Chart 7 Change in Demand for Personal Loans by Type

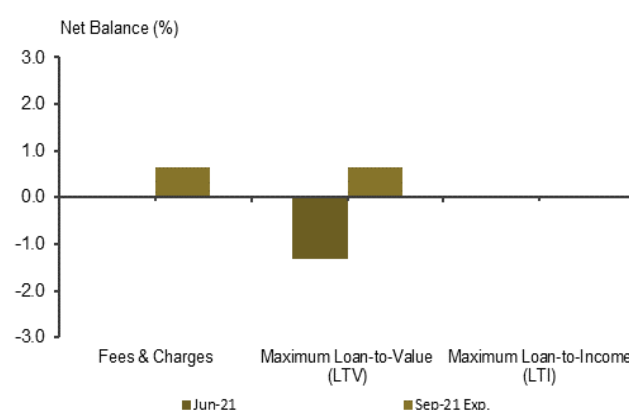
When asked about the factors contributing to the change in personal loan demand in the June quarter, survey respondents suggested that the growth in demand was largely attributable to the housing market outlook, change in income, interest rates, and financial market outlook. In terms of expectations for the next quarter, the determinants of demand for personal loans are expected to remain the same as those revealed in the June quarter.

With respect to credit availability, in aggregate, a net balance measure of +1.2 was recorded, down from +2.7 in the March quarter. By loan category, an easing of credit standards was registered for housing – owner occupier, housing – other (includes refinancing, renovations), and personal – other, and a tightening was registered for non-housing investment and car loans, while housing – investment remained unchanged.

For the September quarter, credit standards are expected to ease further, as suggested by a net balance measure of -4.6. By loan category, survey respondents expect credit standards to ease across all categories, particularly for personal - other (Chart 8).

Chart 8 Change in Credit Standards

With respect to credit terms and conditions in the June quarter, 98% of survey respondents reported no change. However, survey results revealed a marginal easing in maximum Loan-to-Value (LTV), while maximum Loan-to-Income (LTI) and fees & charges remained unchanged. With respect to the next quarter, survey respondents expect terms and conditions pertaining to maximum Loan-to-Value (LTV) and fees & charges to tighten marginally, while maximum Loan-to-Income (LTI) is expected to remain unchanged (Chart 9).

Chart 9 Change in Selected Terms and Conditions

When asked about the factors attributable to the change in credit standards during the June quarter, survey respondents reported economic outlook, quality of bank's asset portfolio, customer specific factors, change in tolerance for risk, and regulatory changes as the key determining factors. Survey results suggest that the expected change in credit standards during the upcoming quarter will be steered by economic outlook, quality of bank's asset portfolio, change in tolerance for risk, and 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 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 2021 Q2 Survey, which was conducted during the period of 13 March – 5 July 2021. The Survey questionnaire results are available in the annexes attached to this report.

The total sample size for the June quarter survey was 196 respondents, with 90 answering questions related to personal credit and 106 answering questions related to business credit. The June 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:

- 2021 Q3 Survey in October 2021
- 2021 Q4 Survey in January 2022
- 2022 Q1 Survey in April 2022
- 2022 Q2 Survey in July 2022

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	0.0	14.0	46.7	39.3	0.0	12.6
Abu Dhabi	0.0	21.6	45.9	32.4	0.0	5.4
Dubai	0.0	7.1	50.0	42.9	0.0	17.9
Northern Emirates	0.0	14.3	42.9	42.9	0.0	14.3
Small and Medium Enterprises	0.0	11.5	61.5	26.0	1.0	8.2
Large Firms	0.0	10.3	48.6	38.3	2.8	16.8
Government Related Entities	0.0	3.2	70.2	26.6	0.0	11.7
Conventional Loans	0.0	9.4	57.3	33.3	0.0	12.0
Islamic Finance	3.6	7.2	65.1	24.1	0.0	4.8
Non-resident	0.0	5.3	78.9	15.8	0.0	5.3
Expatriate	0.0	10.5	57.1	32.4	0.0	11.0
Local	0.0	7.6	57.1	35.2	0.0	13.8

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	0.0	3.4	87.5	9.1	0.0	2.8
Manufacturing	0.0	6.9	61.8	31.4	0.0	12.3
Electricity, Gas and Water	0.0	1.0	80.0	19.0	0.0	9.0
Construction	4.0	10.9	58.4	26.7	0.0	4.0
Property Development	1.0	9.9	64.4	24.8	0.0	6.4
Retail and Wholesale Trade	0.0	7.5	57.9	31.8	2.8	15.0
Transport, Storage and Communications	0.0	10.3	63.6	26.2	0.0	7.9
Financial Institutions (excluding Banks)	0.0	0.0	87.1	9.4	3.5	8.2
All Others	0.0	7.7	70.2	22.1	0.0	7.2

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

	Not Important	Somewhat Important	Very Important
Customers' Sales	17.8	14.0	68.2
Customers' Fixed Asset Investment	32.7	43.0	24.3
Competition with Finance Companies	77.6	13.1	9.3
Competition with Banks	46.7	34.6	18.7
Interest Rates	39.3	38.3	22.4
Seasonal Influences	35.5	39.3	25.2
Property Market Outlook	25.2	43.0	31.8

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	0.0	20.6	73.8	5.6	0.0	7.5
Small and Medium Enterprises	0.0	18.4	77.7	3.9	0.0	7.3
Large Firms	0.0	14.0	79.4	6.5	0.0	3.7

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	27.1	9.3	63.6
Economic Outlook	19.6	7.5	72.9
Industry or firm specific conditions	30.8	15.0	54.2
Competition from Banks	57.9	35.5	6.5
Competition from Finance Companies	84.1	9.3	6.5
Change in Tolerance for Risk	29.9	21.5	48.6
Availability/Cost of Funds	31.8	32.7	35.5
Current/Anticipated Regulatory Changes	29.0	18.7	52.3

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	17.8	78.5	3.7	0.0	7.0
Spread Over Your Cost of Funds	0.0	3.7	88.8	7.5	0.0	-1.9
Premiums Charged on Riskier Loans	0.0	11.2	85.0	3.7	0.0	3.7
Collateralization Requirements	0.0	15.0	84.1	0.9	0.0	7.0

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	8.4	29.0	61	1.9	28.0
Abu Dhabi	0.0	13.5	21.6	62.2	2.7	27.0
Dubai	0.0	4.8	38.1	54.8	2.4	27.4
Northern Emirates	0.0	7.1	25.0	67.9	0.0	30.4
Small and Medium Enterprises	0.0	8.4	48.6	38.3	4.7	19.6
Large Firms	1.9	6.5	34.6	57.0	0.0	23.4
Government Related Entities	0.0	0.9	61.7	37.4	0.0	18.2
Conventional Loans	0.0	6.5	46.7	44.9	1.9	21.0
Islamic Finance	0.0	2.8	69.2	26.2	1.9	13.6
Non-resident	0.0	0.9	84.1	15.0	0.0	7.0
Expat	0.0	4.7	40.2	55.1	0.0	25.2
Local	0.0	2.8	42.1	55.1	0.0	26.2

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	2.8	86.0	11.2	0.0	4.2
Manufacturing	0.0	6.5	44.9	45.8	2.8	22.4
Electricity, Gas and Water	0.0	0.0	77.6	22.4	0.0	11.2
Construction	0.0	9.3	53.3	34.6	2.8	15.4
Property Development	0.0	6.5	60.7	32.7	0.0	13.1
Retail and Wholesale Trade	0.0	8.4	31.8	57.9	1.9	26.6
Transport, Storage and Communications	0.0	8.4	52.3	39.3	0.0	15.4
Financial Institutions (excluding Banks)	0.0	0.0	83.2	16.8	0.0	8.4
All Others	0.0	2.8	66.4	29.0	1.9	15.0

Q9. To what factors do you attribute the expected change in demand for loans from firms? (% of total)

	Not Important	Somewhat Important	Very Important
Customers' Sales	16.8	12.1	71.0
Customers' Fixed Asset Investment	28.0	46.7	25.2
Competition with Finance Companies	80.4	10.3	9.3
Competition with Banks	50.5	29.0	20.6
Interest Rates	39.3	38.3	22.4
Seasonal Influences	29.0	42.1	29.0
Property Market Outlook	24.3	36.4	39.3

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	1.9	11.2	83.2	3.7	0.0	5.6
Small and Medium Enterprises	0.0	10.3	87.9	1.9	0.0	4.2
Large Firms	0.0	11.2	86.0	2.8	0.0	4.2

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	29.0	8.4	62.6
Economic Outlook	17.8	6.5	75.7
Industry or firm specific conditions	29.9	13.1	57.0
Competition from Banks	57.9	32.7	9.3
Competition from Finance Companies	80.4	12.1	7.5
Change in Tolerance for Risk	28.0	26.2	45.8
Availability/Cost of Funds	33.6	35.5	30.8
Current/Anticipated Regulatory Changes	34.6	14.0	51.4

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	0.9	18.7	76.6	3.7	0.0	8.4
Spread Over Your Cost of Funds	0.0	9.3	84.1	6.5	0.0	1.4
Premiums Charged on Riskier Loans	0.0	11.2	87.9	0.9	0.0	5.1
Collateralization Requirements	2.8	19.6	75.7	1.9	0.0	11.7

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	2.3	17.0	45.5	35.2	0.0	6.8
Abu Dhabi	3.4	17.2	41.4	37.9	0.0	6.9
Dubai	3.0	15.2	45.5	36.4	0.0	7.6
Northern Emirates	0.0	20.0	48.0	32.0	0.0	6.0
Islamic	0.0	11.0	70.7	18.3	0.0	3.7
Conventional	2.4	15.9	51.2	30.5	0.0	4.9
Housing – Owner Occupier	2.8	16.9	47.9	32.4	0.0	4.9
Housing – Investment	2.9	8.7	71.0	17.4	0.0	1.4
Housing – Other (includes refinancing, renovations)	4.2	5.6	81.7	8.5	0.0	-2.8
Car Loan	3.0	17.9	53.7	25.4	0.0	0.7
Non-housing Investment	3.0	11.9	79.1	6.0	0.0	-6.0
Credit Card	4.2	9.7	50.0	36.1	0.0	9.0
Personal - Other	2.6	17.9	42.3	37.2	0.0	7.1

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

	Not Important	Somewhat Important	Very Important
Housing market outlook	20.3	41.8	38.0
Financial markets outlook	26.8	20.7	52.4
Change in income	22.4	18.8	58.8
Interest rates	25.9	47.1	27.1
Competition with other banks or financial institutions	43.5	42.4	14.1
Seasonal influences	31.8	42.4	25.9

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	6.1	0.0	84.1	9.8	0.0	1.2
Housing – Owner Occupier	2.8	1.4	84.5	11.3	0.0	-2.1
Housing – Investment	2.7	5.4	81.1	10.8	0.0	0.0
Housing – Other (includes refinancing, renovations)	2.6	1.3	85.7	10.4	0.0	-1.9
Non-housing Investment	4.3	1.4	94.3	0.0	0.0	5.0
Car Loan	4.3	1.4	85.7	8.6	0.0	0.7
Personal - Other	7.4	1.2	72.8	18.5	0.0	-1.2

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	19.0	7.6	73.4
Economic Outlook	13.4	19.5	67.1
Customer Specific	25.9	32.9	41.2
Competition from Banks	34.1	49.4	16.5
Competition from Finance Companies	62.4	29.4	8.2
Change in Tolerance for Risk	27.1	16.5	56.5
Availability/Cost of Funds	40.0	12.9	47.1
Current/Anticipated Regulatory Changes	27.1	4.7	68.2

Q5. How have the following terms and conditions changed at your bank/financial institution compared to the preceding quarter? (% of total)

	Tightened Significantly	Tightened Moderately	No Change	Eased Moderately	Eased Significantly	Net Balance
Fees and Charges	0.0	0.0	100.0	0.0	0.0	0.0
Maximum Loan-to-Value (LTV)	0.0	1.3	94.7	3.9	0.0	-1.3
Maximum Loan-to-Income (LTI)	0.0	0.0	100.0	0.0	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	2.4	1.2	61.0	34.1	1.2	15.2
Abu Dhabi	3.7	3.7	59.3	33.3	0.0	11.1
Dubai	3.2	0.0	58.1	35.5	3.2	17.7
Northern Emirates	0.0	0.0	65.2	34.8	0.0	17.4
Islamic	0.0	0.0	78.9	19.7	1.3	11.2
Conventional	2.6	3.9	61.8	30.3	1.3	11.8
Housing – Owner Occupier	2.7	0.0	54.8	41.1	1.4	19.2
Housing – Investment	2.7	0.0	68.5	27.4	1.4	12.3
Housing – Other (includes refinancing, renovations)	2.7	0.0	86.3	11.0	0.0	2.7
Car Loan	2.7	4.1	68.5	24.7	0.0	7.5
Non-housing Investment	0.0	0.0	90.8	7.9	1.3	5.3
Credit Card	2.5	0.0	62.0	34.2	1.3	15.8
Personal - Other	2.5	5.1	55.7	35.4	1.3	13.9

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	27.8	19.0	53.2
Financial markets outlook	34.2	7.6	58.2
Change in income	29.1	20.3	50.6
Interest rates	29.1	51.9	19.0
Competition with other banks or financial institutions	50.6	32.9	16.5
Seasonal influences	39.2	41.8	19.0

Q8. How do you expect credit standards to change at your bank/financial institution? (% of total)

	Tighten Significantly	Tighten Moderately	No Change	Ease Moderately	Ease Significantly	Net Balance
All Households	2.6	0.0	82.9	14.5	0.0	-4.6
Housing – Owner Occupier	2.7	1.4	87.7	8.2	0.0	-0.7
Housing – Investment	2.7	1.4	87.7	8.2	0.0	-0.7
Housing – Other (includes refinancing, renovations)	0.0	1.4	93.2	5.5	0.0	-2.1
Non-housing Investment	1.4	0.0	93.2	5.5	0.0	-1.4
Car Loan	2.6	1.3	84.2	11.8	0.0	-2.6
Personal - Other	2.6	1.3	69.7	26.3	0.0	-9.9

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	27.8	10.1	62.0
Economic Outlook	20.3	19.0	60.8
Customer Specific	41.8	17.7	40.5
Competition from Banks	40.5	45.6	13.9
Competition from Finance Companies	65.8	25.3	8.9
Change in Tolerance for Risk	31.6	16.5	51.9
Availability/Cost of Funds	46.8	11.4	41.8
Current/Anticipated Regulatory Changes	32.9	5.1	62.0

Q10. How do you expect the following terms and conditions to change 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	1.3	98.7	0.0	0.0	0.7
Maximum Loan-to-Value (LTV)	0	1.3	98.7	0.0	0	0.7
Maximum Loan-to-Income (LTI)	0	0.0	100.0	0.0	0	0.0