



مصرف الإمارات العربية المتحدة المركزي
CENTRAL BANK OF THE U.A.E.

Credit Sentiment Survey

Survey Results | 2024 Q3



Credit Sentiment Survey

The Credit Sentiment Survey (“The Survey”) is a quarterly publication, which collects information from Senior Credit Officers from all banks and credit-providing financial institutions in the UAE. The information collected is based on 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 opinions of Survey respondents only, and do not reflect the views of the Central Bank of the UAE (“CBUAE”). 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.

Executive Summary

The survey results for the September quarter underscore that the healthy credit conditions have continued into the second half of the year; there is ongoing demand growth and increased credit availability to support the UAE economy.¹ Business credit conditions have become less buoyant compared to previous quarters due to weaker demand growth and reduced lending appetite. However, they remain very favorable and are still significantly above historical levels. In contrast, there has been a slight improvement in personal lending conditions due to a greater willingness to lend. Optimism about the state of the economy and its outlook continue to support loan demand and lending appetite, with survey respondents expecting robust credit conditions to persist through to the end of the year.

Business Lending – Business credit conditions softened in the third quarter, with quarterly demand growth hitting its lowest level since September 2021 (Chart 1). However, demand is still elevated relative to its historical levels, both in aggregate and by industry. Property development posted the strongest demand growth, followed by manufacturing, construction, retail & wholesale trade, and transport, storage & communications; the finance sector recorded the lowest demand growth. Perceptions about the state of the economy – together with lower interest rates – were major drivers of both demand and lending appetite. The increased willingness to lend was further supported by improving asset quality and stable credit-worthiness of borrowers. Looking ahead, financial institutions expect positive credit conditions in the corporate sector to remain conducive to growth.

Personal Lending – September quarter results point to persistent personal credit demand and stronger lending appetite (Chart 2). Increased consumer demand was solid across all personal loan categories, with stronger increases recorded in credit cards, housing (owner-occupier and investment) loans, personal (other) loans, and car loans. Economic factors contributed to improved demand, with economic conditions and rising incomes having the strongest impact. Declining interest rates have supported demand, and more than during the previous quarter. On the supply side, a positive economic outlook, improving asset quality, competition from other banks, and stable credit-worthiness of borrowers were the key drivers for financial institutions' willingness to lend. Credit conditions for personal lending are expected to continue to improve in the December quarter.

Chart 1 Business Loans: Change in Supply vs. Demand

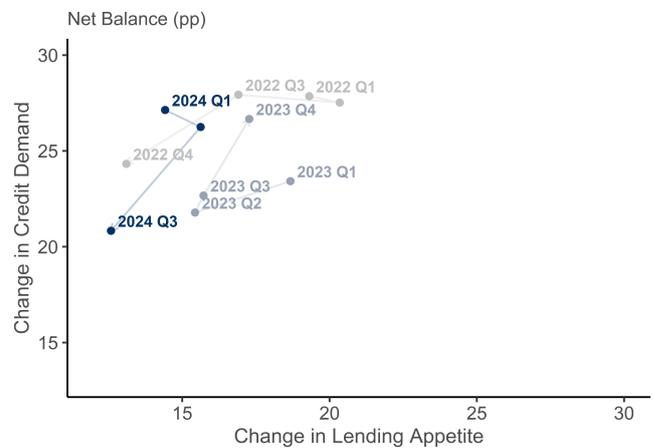


Chart 2 Personal Loans: Change in Supply vs. Demand



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 appetite to extend loans minus the weighted percentage of respondents reporting a decrease in demand for loans or appetite to extend loans. Responses indicating a modest change are given half the weighting of those reporting a significant change in the surveyed quarter. A positive score indicates growth in demand for loans or appetite to extend loans.

For example, the net balance for loan demand is calculated as (% of Respondents Reporting a Substantial Increase + 0.5 x % of Respondents Reporting a Moderate Increase) – (% of Respondents Reporting a Substantial Decrease + 0.5 x % of Respondents Reporting a Moderate Decrease). The same calculation applies to other measures, such as appetite to extend loans, changes in terms and conditions, and factors influencing loan demand and credit appetite.

Business Lending²

Survey results suggest business credit demand seemed to have consolidated at a historically high level during the second half of 2024. According to survey results, 50.6% of respondents reported no change, and 44.9% reported a moderate or strong increase in demand, while only 4.5% of respondents reported a decrease in demand. By Emirate, there was a notable increase in business loan demand across all Emirates, with the Northern Emirates leading the way. Expectation measures for the next three months indicate that business loan demand will remain solid (Chart 3).

Demand grew at a comparable rate across all firm categories, including small and medium-sized enterprises (SMEs), large firms and government-related entities (GREs) (Chart 4), and was stronger from expats and locals than non-residents. Looking ahead, demand for credit from SMEs is expected to remain solid, followed by large firms and GREs.

By industry, demand remained strong across the board over the last three months, with all industries remaining above long-run average levels (Chart 5). The property development sector posted the strongest growth rate, followed by manufacturing, construction, retail & wholesale trade, and transport, storage & communications.

Credit appetite and demand expectations were strong for the quarter ahead across all sectors of the economy, with the strongest growth anticipated in retail & wholesale trade, property development, construction, and manufacturing.

Chart 3 Business Loans: Change in Demand

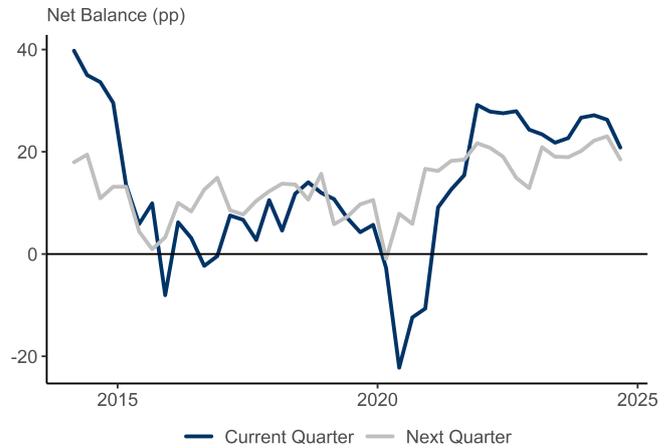


Chart 4 Business Loans: Change in Demand by Type

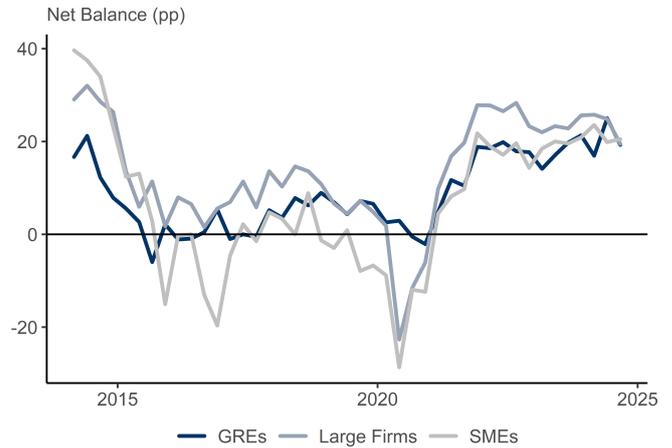
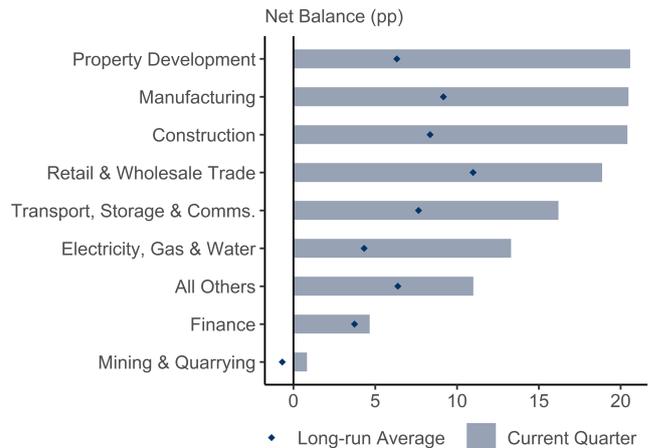


Chart 5 Business Loans: Change in Demand by Industry



² Full survey results are presented in Annex 1 of this report.

Demand growth was supported by ongoing improvement in economic conditions, working capital needs, change in government expenditure, and investment. The impact of interest rates has become positive after having weighted on demand during previous quarters (Chart 6).

Financial institutions' lending appetite remains steady, as indicated by a net balance of +12.6pp, and is expected to persist well into the next quarter. Increased willingness to lend was driven by a positive economic outlook, followed by improving quality of banks' asset portfolios and stable credit-worthiness of borrowers. Conversely, cost of funds/balance sheet constraints adversely affected credit appetite.

The overall terms and conditions for new loans to businesses remained broadly unchanged. However, credit terms such as maximum size of credit lines and collateralization requirements did register a moderate increase compared to the previous quarter (Chart 7).

The net share of rejected business loan applications increased moderately, as suggested by a net balance of +3.2pp, although almost 90% of respondents reported no change. The increase in the share of rejected applications for loans to large firms was slightly higher relative to the share of rejected applications for loans to SMEs.

In the September quarter, financial institutions were asked about the impact of change in reserve requirements on demand deposits (from 11% to 14%) in June. 66.9% of the financial institutions surveyed reported that the change did not affect business lending activity, 19.4% reported a minor reduction in lending, 13.1% reported a moderate reduction, while 0.6% of respondents reported a significant reduction in lending (Chart 8).

Chart 6 Business Loans: Factors Influencing Demand

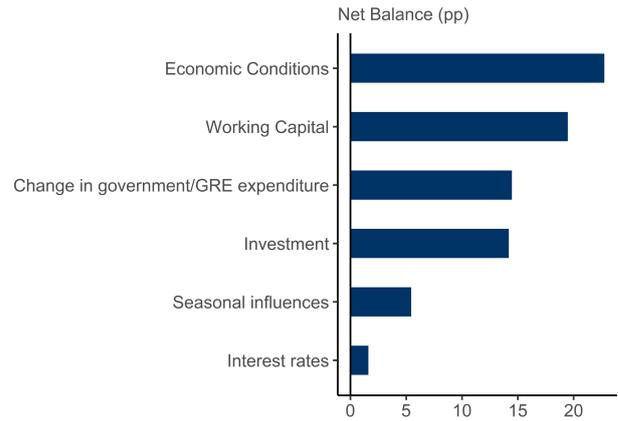


Chart 7 Business Loans: Change in Terms and Conditions on New Loans

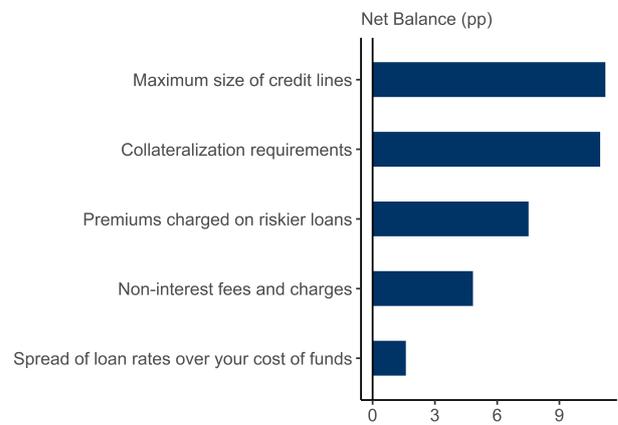
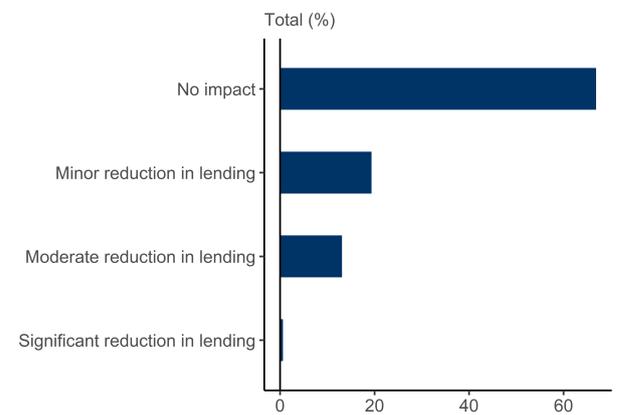
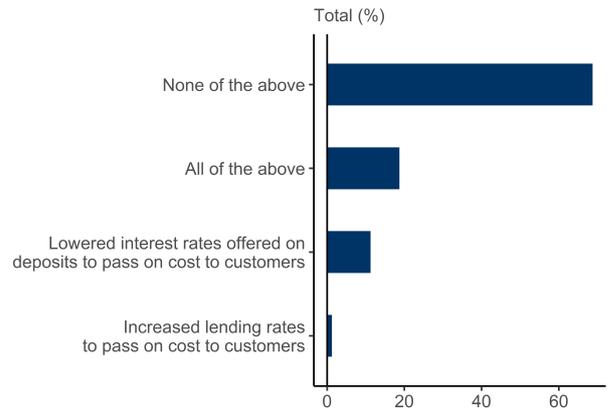


Chart 8 Business Loans: Impact of Change in Reserve Requirements on Lending Activity



Financial institutions were also asked about how their institutions responded to the change in reserve requirements. 11.3% of respondents lowered interest rates offered on deposits to pass on cost to customers, 1.3% increased business lending rates to pass on cost to customers, 18.8% lowered deposit rates and increased lending rates, while 68.8% of respondents did neither (Chart 9).

Chart 9 Business Loans: Response to the Change in Reserve Requirements



Personal Lending³

September quarter results show a steady rise in personal loan demand, with a net balance of +18.9pp. Solid growth was noted across all Emirates, with demand strongest in Dubai. Expectations for the next quarter remain strong, highlighted by a net balance of +29.3pp (Chart 10).

Consumer appetite and demand was particularly prominent for credit cards, housing (owner-occupier and investment) loans, personal (other) loans, and car loans (Chart 11). Increased demand growth is expected across all loan categories over the next three months, mainly in credit cards, housing loans (owner-occupier and investment), and personal (other) loans.

Economic factors contributed to improved demand, with economic conditions and rising incomes having the strongest impact. Interest rates continued to exert a positive impact on demand in line with lower interest rates through the quarter.

Financial institutions reported a marked increase in overall willingness to extend personal loans, evidenced by a net balance of +16.7pp. The increase in financial institutions' appetite to lend was evident across all personal loan categories, primarily credit cards, personal (other) loans, housing loans (owner-occupier and investment), and car loans (Chart 12).

Survey results suggest that appetite to lend will continue to increase at a solid pace in the next quarter, highlighted by a net balance of +17.9pp, whereby lending appetite is expected to be strongest among housing loans (owner-occupier and investment), credit cards, and personal (other) loans.

Chart 10 Personal Loans: Change in Demand

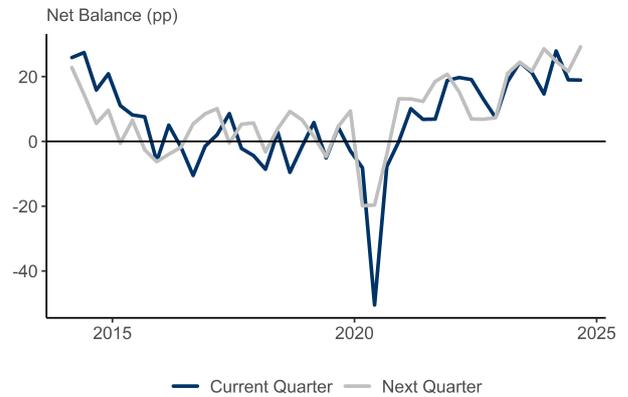


Chart 11 Personal Loans: Change in Demand for Housing-Related Loans

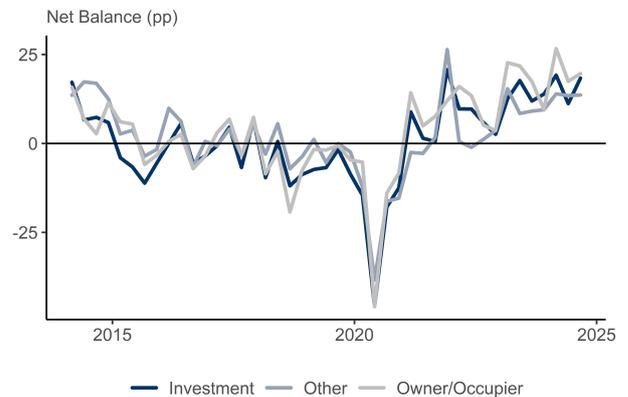
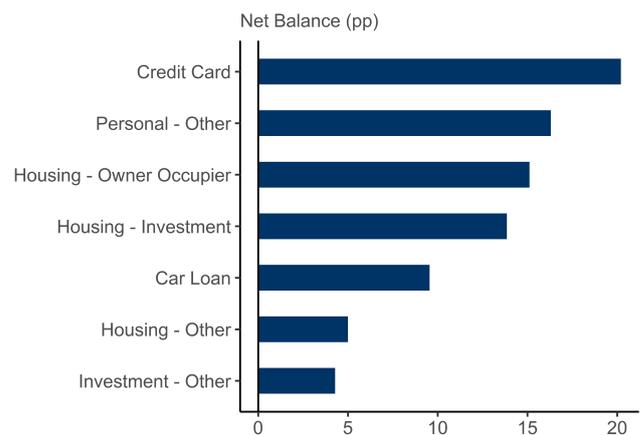


Chart 12 Personal Loans: Change in Lending Appetite by Type



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

The economic outlook was cited as the key driver for financial institutions' willingness to lend over the past quarter, followed by quality of banks' asset portfolios, competition from other banks, and change in credit-worthiness of borrowers.

Most financial institutions surveyed have kept their credit terms and conditions on new personal loans broadly unchanged. Having said that, survey results point to a moderate increase in the spread of loan rates over cost of funds and premiums charged on riskier loans, followed by marginal increases in non-interest fees & charges and the maximum LTI/LTV ratios (Chart 13).

Survey results suggest a marginal increase in the overall share of rejected personal loan applications, evidenced by a net balance of +0.9pp. The increase is attributable to increases in the share of rejected housing-related loans, car loans, and credit card applications.

When asked about the impact of change in reserve requirements on demand deposits (from 11% to 14%), 84.4% of survey respondents reported that the change did not affect personal lending activity, 8.6% reported a minor reduction in lending, 7.0% reported a moderate reduction, and no respondents reported a significant reduction in lending (Chart 14).

When asked about how institutions responded to the change in reserve requirements, 13.3% of respondents lowered interest rates offered on deposits to pass on cost to customers, 2.3% increased personal lending rates to pass on cost to customers, 8.6% lowered deposit rates and increased lending rates, while 75.8% of respondents did neither (Chart 15).

Chart 13 Personal Loans: Change in Terms and Conditions on New Loans

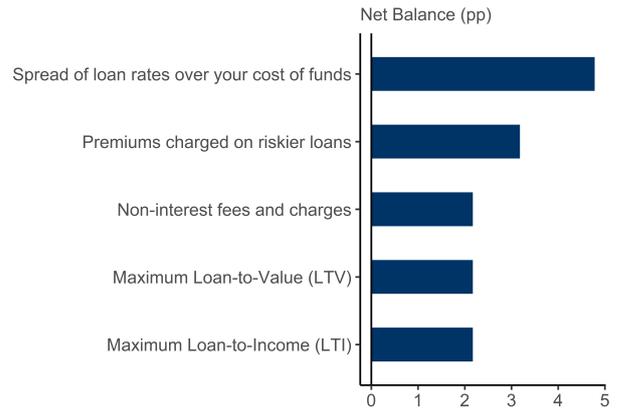


Chart 14 Personal Loans: Impact of Change in Reserve Requirements on Lending Activity

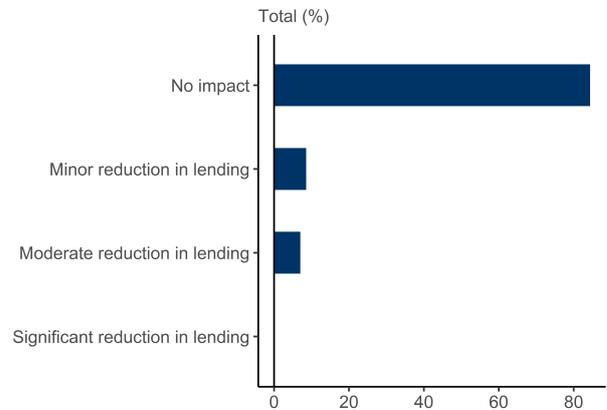
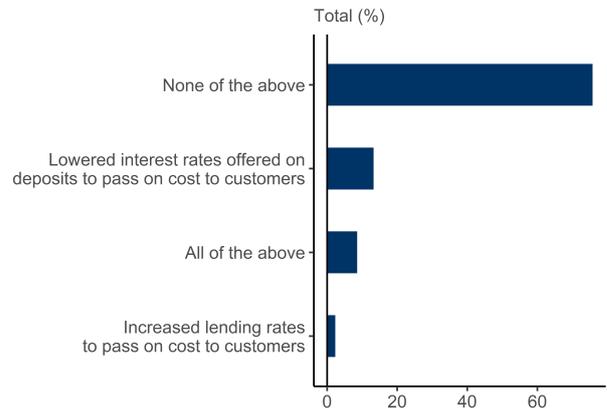


Chart 15 Personal Loans: Response to the Change in Reserve Requirements



About the Survey

The Credit Sentiment Survey ("The Survey") is a quarterly publication which collects information from all banks and credit-providing financial institutions in 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 2024 Q3 Survey, which was conducted during the period of 11 September – 4 November 2024. The Survey questionnaire results are available in the annexes attached to this report.

The total sample size for the September quarter survey was 288 respondents, with 128 answering questions related to personal credit and 160 answering questions related to business credit. The September quarter sample included responses from Senior Credit Officers, covering Abu Dhabi, Dubai and the Northern Emirates, of all banks and finance companies, conventional and Islamic financial institutions. **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). Taking demand for loans as an example, net balance is calculated as the weighted percentage of respondents reporting an increase in demand for loans minus the weighted percentage of respondents reporting a decrease in demand for loans. Responses indicating a modest change are given half the weighting of those reporting a significant change in the surveyed quarter. A positive net balance measure indicates an increase in demand for loans during the quarter.

For example, the net balance for loan demand = $(\% \text{ of Respondents Reporting a Substantial Increase} + 0.5 \times \% \text{ of Respondents Reporting a Moderate Increase}) - (\% \text{ of Respondents Reporting a Substantial Decrease} + 0.5 \times \% \text{ of Respondents Reporting a Moderate Decrease})$. The same calculation applies to other measures, such as appetite to extend loans, changes in terms and conditions, and factors influencing loan demand and credit appetite.

The scheduled publication dates for the upcoming surveys are:

- 2024 Q4 Survey in February 2025
- 2025 Q1 Survey in May 2025
- 2025 Q2 Survey in August 2025
- 2025 Q3 Survey in November 2025

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 the CBUAE's Monetary Policy Department via: Monetary.Policy@cbuae.gov.ae

Annex 1

Business Lending Survey Questionnaire Results⁴

Q1. How has demand for business loans changed relative to the preceding quarter? (% of total)

	Decreased Substantially	Decreased Moderately	No Change	Increased Moderately	Increased Substantially	Net Balance
All Firms	0.6	3.8	50.6	42.9	1.9	20.8
Abu Dhabi	0.0	5.8	48.1	46.2	0.0	20.2
Dubai	1.7	5.1	52.5	39.0	1.7	16.9
Northern Emirates	0.0	0.0	51.1	44.4	4.4	26.7
Small and Medium-Sized Enterprises	0.7	2.2	53.7	41.8	1.5	20.5
Large Firms	0.6	6.5	48.7	41.6	2.6	19.5
Government-Related Entities	0.0	3.3	58.2	35.2	3.3	19.3
Conventional	0.0	4.3	55.1	37.7	2.9	19.6
Islamic	0.0	1.3	72.5	22.5	3.8	14.4
Non-resident	0.0	0.0	80.7	19.3	0.0	9.6
Expat	0.8	3.9	60.9	33.6	0.8	14.8
Local	0.0	3.7	65.4	29.4	1.5	14.3

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	0.8	4.1	87.6	7.4	0.0	0.8
Manufacturing	0.0	2.1	56.9	38.9	2.1	20.5
Electricity, Gas and Water	0.0	2.9	70.5	23.7	2.9	13.3
Construction	0.0	1.4	60.6	33.8	4.2	20.4
Property Development	0.0	2.2	59.6	33.1	5.1	20.6
Retail and Wholesale Trade	0.0	2.6	57.6	39.1	0.7	18.9
Transport, Storage and Communications	0.0	0.7	67.6	30.3	1.4	16.2
Financial Institutions (excluding Banks)	0.0	4.2	82.2	13.6	0.0	4.7
All Others	0.0	3.3	71.3	25.3	0.0	11.0

⁴ All figures are rounded to one decimal place

Q3. How have the following factors affected the change in demand for business loans? (% of total)

	Substantial Contribution to a Fall in Demand	Moderate Contribution to a Fall in Demand	No Impact	Moderate Contribution to an Increase in Demand	Substantial Contribution to an Increase in Demand	Net Balance
Economic Conditions	0.0	0.6	57.1	38.5	3.8	22.8
Working Capital	0.0	1.9	62.3	30.5	5.2	19.5
Investment	0.0	1.9	71.6	22.6	3.9	14.2
Interest Rates	0.6	9.7	75.5	14.2	0.0	1.6
Seasonal Influences	0.0	4.5	80.8	14.1	0.6	5.4
Change in Government/GRE Expenditure	0.0	0.7	71.1	27.0	1.3	14.5

Q4. How has your institution's appetite to extend loans changed relative to the preceding quarter? (% of total)

	Decreased Substantially	Decreased Moderately	No Change	Increased Moderately	Increased Substantially	Net Balance
All Firms	1.9	0.6	67.7	29.7	0.0	12.6
Small and Medium-Sized Enterprises	2.2	0.7	63.0	33.3	0.7	14.8
Large Firms	2.0	2.6	63.4	28.1	3.9	14.7

Q5. How have the following factors affected your institution's appetite to extend business loans? (% of total)

	Substantial Contribution to a Fall in Appetite	Moderate Contribution to a Fall in Appetite	No Impact	Moderate Contribution to an Increase in Appetite	Substantial Contribution to an Increase in Appetite	Net Balance
Change in Risk Tolerance	1.9	3.9	76.8	17.4	0.0	4.8
Cost of Funds/Balance Sheet Constraints	1.9	7.1	81.2	9.7	0.0	-0.6
Quality of Bank's Asset Portfolio	1.9	1.3	73.1	23.1	0.6	9.6
Competition from other Banks	0.0	6.5	80.0	12.9	0.6	3.9
Competition from other Financial Institutions	0.0	5.8	84.4	9.1	0.6	2.3
Economic Outlook	0.0	1.9	62.2	30.8	5.1	19.6
Regulatory Changes	0.0	3.8	85.3	10.9	0.0	3.5
Credit-worthiness of Borrowers	0.0	4.5	75.6	19.9	0.0	7.7

Q6. How have the following terms and conditions for new business loans changed? (% of total)

	Decreased Substantially	Decreased Moderately	No Change	Increased Moderately	Increased Substantially	Net Balance
Maximum Size of Credit Lines	0.0	1.9	73.7	24.4	0.0	11.2
Spread over Cost of Funds	0.0	9.6	77.6	12.8	0.0	1.6
Premiums Charged on Riskier Loans	0.0	0.7	83.7	15.7	0.0	7.5
Collateralization Requirements	0.0	0.0	78.7	20.6	0.6	11.0
Non-interest Fees and Charges	0.0	2.6	85.2	12.3	0.0	4.8

Q7. How has the share of rejected business loan applications changed? (% of total)

	Decreased Substantially	Decreased Moderately	No Change	Increased Moderately	Increased Substantially	Net Balance
All Firms	0.0	1.9	89.6	8.4	0.0	3.2
Small and Medium-Sized Enterprises	0.0	2.2	91.2	6.6	0.0	2.2
Large Firms	0.7	3.9	85.5	7.2	2.6	3.6

Q8. Over the next quarter, how do you expect demand for business loans to change? (% of total)

	Decrease Substantially	Decrease Moderately	No Change	Increase Moderately	Increase Substantially	Net Balance
All Firms	0.0	3.2	44.2	50.6	1.9	25.6
Small and Medium-Sized Enterprises	0.0	0.8	42.4	53.8	3.0	29.5
Large Firms	0.0	3.2	44.8	46.1	5.8	27.3
Government-Related Entities	0.0	5.0	56.3	35.3	3.4	18.5

Q9. Over the next quarter, how do you expect demand for business loans to change by economic activity? (% of total)

	Decreased Substantially	Decreased Moderately	No Change	Increased Moderately	Increased Substantially	Net Balance
Mining and Quarrying	0.0	2.4	86.6	10.2	0.8	4.7
Manufacturing	0.0	2.0	51.7	43.6	2.7	23.5
Electricity, Gas and Water	0.0	2.1	67.9	28.6	1.4	14.6
Construction	0.0	2.1	53.8	38.5	5.6	23.8
Property Development	0.0	3.5	50.4	39.7	6.4	24.5
Retail and Wholesale Trade	0.0	1.9	46.8	48.1	3.2	26.3
Transport, Storage and Communications	0.0	2.0	60.5	36.1	1.4	18.4
Financial Institutions (excluding Banks)	0.0	3.3	74.2	22.5	0.0	9.6
All Others	0.0	3.3	63.6	31.8	1.3	15.6

Q10. Over the next quarter, how do you expect your institution's appetite to extend business loans to change? (% of total)

	Decrease Substantially	Decrease Moderately	No Change	Increase Moderately	Increase Substantially	Net Balance
All Firms	0.0	0.0	66.7	32.1	1.3	17.3
Small and Medium-Sized Enterprises	0.0	2.2	67.4	28.3	2.2	15.2
Large Firms	0.0	0.0	62.7	32.0	5.2	21.2

Q11. In June, the CBUAE raised Reserve Requirements on Demand Deposits from 11% to 14%. To what extent do you believe this change impacted lending activity at your institution? (% of total)

	All Emirates	Abu Dhabi	Dubai	Other Northern Emirates
Minor reduction in lending	19.4	16.7	23.3	17.4
Moderate reduction in lending	13.1	16.7	11.7	10.9
Significant reduction in lending	0.6	0.0	0.0	2.2
No impact	66.9	66.7	65.0	69.6

Q12. To what extent do you believe the change in Reserve Requirements impacted lending activity at other institutions? (% of total)

	All Emirates	Abu Dhabi	Dubai	Other Northern Emirates
Minor reduction in lending	29.4	27.8	35.0	23.9
Moderate reduction in lending	23.8	24.1	20.0	28.3
Significant reduction in lending	0.0	0.0	0.0	0.0
No impact	46.9	48.1	45.0	47.8

Q13. How did your institution respond to the change in Reserve Requirements? (% of total)

	All Emirates	Abu Dhabi	Dubai	Other Northern Emirates
Lowered interest rates offered on deposits to pass on cost to customers	11.3	14.8	10.0	8.7
Increased lending rates to pass on cost to customers	1.3	3.7	0.0	0.0
All of the above	18.8	16.7	23.3	15.2
None of the above	68.8	64.8	66.7	76.1

Q14. How do you believe other financial institutions responded to the change in Reserve Requirements? (% of total)

	All Emirates	Abu Dhabi	Dubai	Other Northern Emirates
Lowered interest rates offered on deposits to pass on cost to customers	21.3	20.4	23.3	19.6
Increased lending rates to pass on cost to customers	10.0	13.0	6.7	10.9
All of the above	33.8	29.6	38.3	32.6
None of the above	35.0	37.0	31.7	37.0

Annex 2

Personal Lending Survey Questionnaire Results⁵

Q1. How has demand for personal loans changed relative to the preceding quarter? (% of total)

	Decreased Substantially	Decreased Moderately	No Change	Increased Moderately	Increased Substantially	Net Balance
All Households	0.9	4.5	55.9	33.3	5.4	18.9
Abu Dhabi	0.0	2.7	54.1	40.5	2.7	21.6
Dubai	0.0	5.1	53.8	33.3	7.7	21.8
Northern Emirates	2.9	5.7	60.0	25.7	5.7	12.9
Islamic	0.0	1.9	51.9	42.6	3.7	24.1
Conventional	1.1	6.6	52.7	34.1	5.5	18.1
Housing – Owner Occupier	1.2	8.3	46.4	38.1	6.0	19.6
Housing – Investment	1.3	3.8	57.0	32.9	5.1	18.4
Housing – Other (includes refinancing, renovations)	0.0	7.8	59.7	29.9	2.6	13.6
Car Loan	1.1	6.9	52.9	34.5	4.6	17.2
Non-housing Investment	0.0	6.1	69.7	22.7	1.5	9.8
Credit Card	1.1	7.6	46.7	39.1	5.4	20.1
Personal - Other	0.0	6.6	54.9	31.9	6.6	19.2

Q2. How have the following factors affected the change in demand for loans? (% of total)

	Substantial Contribution to a Fall in Demand	Moderate Contribution to a Fall in Demand	No Impact	Moderate Contribution to an Increase in Demand	Substantial Contribution to an Increase in Demand	Net Balance
Economic Conditions	0.0	0.9	69.0	24.1	6.0	17.7
Change in Income	0.0	0.9	65.5	31.0	2.6	17.7
Interest Rates	0.0	0.0	75.9	24.1	0.0	12.1
Seasonal Influences	0.0	4.4	66.7	28.1	0.9	12.7

⁵ All figures are rounded to one decimal place

Q3. How has your institution's appetite to extend personal 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	1.8	66.7	28.1	3.5	16.7
Housing – Owner Occupier	0.0	2.3	69.8	23.3	4.7	15.1
Housing – Investment	0.0	3.6	68.7	24.1	3.6	13.9
Housing – Other (includes refinancing, renovations)	0.0	7.5	75.0	17.5	0.0	5.0
Car Loan	0.0	4.5	71.9	23.6	0.0	9.6
Non-housing Investment	0.0	2.9	85.7	11.4	0.0	4.3
Credit Card	0.0	2.1	58.5	36.2	3.2	20.2
Personal - Other	0.0	3.3	65.2	27.2	4.3	16.3

Q4. How have the following factors affected your institution's appetite to extend personal loans? (% of total)

	Substantial Contribution to a Fall in Appetite	Moderate Contribution to a Fall in Appetite	No Impact	Moderate Contribution to an Increase in Appetite	Substantial Contribution to an Increase in Appetite	Net Balance
Change in Risk Tolerance	1.8	1.8	83.0	13.4	0.0	4.0
Cost of Funds/Balance Sheet Constraints	1.8	1.8	83.9	12.5	0.0	3.6
Quality of Bank's Asset Portfolio	1.7	2.6	74.8	20.9	0.0	7.4
Competition from other Banks	0.0	3.5	78.9	17.5	0.0	7.0
Competition from other Financial Institutions	0.0	1.8	88.2	10.0	0.0	4.1
Economic Outlook	0.0	0.9	70.4	28.7	0.0	13.9
Regulatory Changes	0.0	0.9	92.1	7.0	0.0	3.1
Credit-worthiness of Borrowers	0.0	0.9	86.1	13.0	0.0	6.1

Q5. How have the following terms and conditions for new personal loans changed? (% of total)

	Decreased Substantially	Decreased Moderately	No Change	Increased Moderately	Increased Substantially	Net Balance
Spread over Cost of Funds	0.0	2.6	85.2	12.2	0.0	4.8
Premiums Charged on Riskier Loans	0.0	0.9	91.8	7.3	0.0	3.2
Non-interest Fees and Charges	0.0	0.0	95.7	4.3	0.0	2.2
Maximum Loan-to-Value	0.0	0.0	95.7	4.3	0.0	2.2
Maximum Loan-to-Income	0.0	0.0	95.7	4.3	0.0	2.2

Q6. How has the share of rejected personal loan applications changed? (% of total)

	Decreased Substantially	Decreased Moderately	No Change	Increased Moderately	Increased Substantially	Net Balance
All Households	0.0	6.3	85.7	8.0	0.0	0.9
Housing-related Loans	1.1	1.1	87.1	9.7	1.1	4.3
Car Loans	1.1	1.1	89.0	8.8	0.0	2.7
Credit Card Applications	1.0	4.1	87.8	7.1	0.0	0.5

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

	Decrease Substantially	Decrease Moderately	No Change	Increase Moderately	Increase Substantially	Net Balance
All Households	0.0	0.0	47.4	46.6	6.0	29.3
Housing – Owner Occupier	0.0	4.7	39.5	50.0	5.8	28.5
Housing – Investment	0.0	0.0	47.6	46.4	6.0	29.2
Housing – Other (includes refinancing, renovations)	0.0	1.2	59.3	35.8	3.7	21.0
Car Loan	0.0	6.7	52.8	39.3	1.1	17.4
Non-housing Investment	0.0	1.4	66.7	31.9	0.0	15.3
Credit Card	0.0	0.0	41.5	47.9	10.6	34.6
Personal - Other	0.0	0.0	51.5	42.3	6.2	27.3

Q8. Over the next quarter, how do you expect your institution’s appetite to extend personal loans to change? (% of total)

	Decrease Substantially	Decrease Moderately	No Change	Increase Moderately	Increase Substantially	Net Balance
All Households	0.0	3.4	59.8	34.2	2.6	17.9
Housing – Owner Occupier	0.0	1.1	58.6	36.8	3.4	21.3
Housing – Investment	0.0	2.3	61.6	32.6	3.5	18.6
Housing – Other (includes refinancing, renovations)	0.0	2.4	76.8	19.5	1.2	9.8
Car Loan	0.0	3.3	70.0	25.6	1.1	12.2
Non-housing Investment	0.0	1.4	77.0	21.6	0.0	10.1
Credit Card	2.1	4.2	52.6	34.7	6.3	19.5
Personal - Other	0.0	4.3	60.6	31.9	3.2	17.0

Q9. In June, the CBUAE raised Reserve Requirements on Demand Deposits from 11% to 14%. To what extent do you believe this change impacted lending activity at your institution? (% of total)

	All Emirates	Abu Dhabi	Dubai	Other Northern Emirates
Minor reduction in lending	8.6	9.3	6.4	10.5
Moderate reduction in lending	7.0	9.3	8.5	2.6
Significant reduction in lending	0.0	0.0	0.0	0.0
No impact	84.4	81.4	85.1	86.8

Q10. To what extent do you believe the change in Reserve Requirements impacted lending activity at other institutions? (% of total)

	All Emirates	Abu Dhabi	Dubai	Other Northern Emirates
Minor reduction in lending	19.5	23.3	12.8	23.7
Moderate reduction in lending	17.2	18.6	19.1	13.2
Significant reduction in lending	0.0	0.0	0.0	0.0
No impact	63.3	58.1	68.1	63.2

Q11. How did your institution respond to the change in Reserve Requirements? (% of total)

	All Emirates	Abu Dhabi	Dubai	Other Northern Emirates
Lowered interest rates offered on deposits to pass on cost to customers	13.3	16.3	12.8	10.5
Increased lending rates to pass on cost to customers	2.3	2.3	4.3	0.0
All of the above	8.6	9.3	8.5	7.9
None of the above	75.8	72.1	74.5	81.6

Q12. How do you believe other financial institutions responded to the change in Reserve Requirements? (% of total)

	All Emirates	Abu Dhabi	Dubai	Other Northern Emirates
Lowered interest rates offered on deposits to pass on cost to customers	12.5	14.0	8.5	15.8
Increased lending rates to pass on cost to customers	7.8	7.0	8.5	7.9
All of the above	32.8	32.6	36.2	28.9
None of the above	46.9	46.5	46.8	47.4