



# Credit Sentiment Survey

Survey Results | 2021 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 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 September quarter are available in the “About the Survey” section and annexes to this report.<sup>1</sup>*

## > Executive Summary

Survey results for the September quarter pointed to increased demand for credit, from both businesses and households, in the UAE, coupled with a softening of credit standards for the household sector. Business loan demand was especially strong during the quarter, registering the strongest growth since 2014, and reflects ongoing confidence of the corporate sector in the economic recovery. Looking forward, expectations for business and personal loan demand along with changes in credit standards bode well for credit growth in the months ahead.

**Lending to Corporates & Small Businesses** – September data highlighted a solid increase in demand for business loans, which continued to strengthen across all Emirates. Increased demand was widespread among the different loan categories, comprising large firms, domestic firms, government-related entities, and small & medium-sized enterprises, and was primarily driven by customers’ sales, the property market outlook, interest rates, customers’ fixed asset investments, and seasonal influences. In terms of credit standards, a net tightening was reported, but was smaller than what had been expected by survey respondents in the previous quarter. Looking ahead to the December quarter, business loan demand is expected to remain strong across all Emirates, although survey respondents expect a minor net tightening of credit standards.

**Lending to Individuals** – Survey results revealed moderate growth in consumer appetite for credit in the September quarter, albeit at around half the rate as that for business loans, which stemmed from increased demand for personal loans across all Emirates. Strengthening demand was evident across all categories with the exception of non-housing investment and car loans, with solid demand for personal – credit card, housing – owner occupier, and personal – other. Survey respondents reported that the main drivers of increased demand were the housing market outlook, change in income, financial market outlook, and interest rates. The outlook for the December quarter remains optimistic with survey respondents expecting a strong increase in credit demand and a net easing of credit standards.

<sup>1</sup> Survey results are reported on a ‘net balance’ basis (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 of credit availability and standards, a negative score indicates an easing of 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)

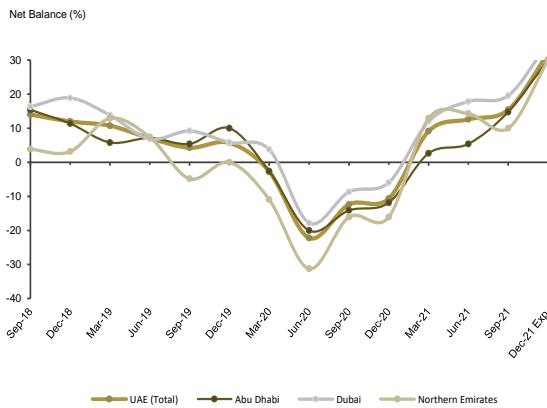
For credit standards, net balance = (% Reporting Significant Tightening + 0.5 x % Reporting Moderate Tightening) – (% Reporting Significant Easing + 0.5 x % Reporting Moderate Easing)

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

For the September quarter, survey results suggested that demand for business loans surged further with a net balance of +15.4, recording its strongest increase since 2014. According to survey results, 47.5 percent of respondents reported no change, 42.5 percent reported an increase in demand, while 10.0 percent of respondents reported a decrease in demand. By Emirate, the results of the September survey revealed a significant increase in credit appetite and demand for business loans across all Emirates, primarily in Dubai and Abu Dhabi.

Survey participants are benefitting from the country's economic recovery and are becoming exceedingly optimistic, retaining a positive outlook and higher expectations for business loan demand in the months ahead. This was indicated by a net balance of +32.0 for the December quarter, reflecting intensified demand by firms across the board (Chart 1).

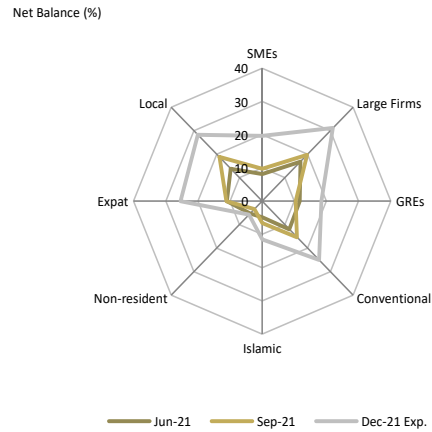
**Chart 1 Change in Demand for Business Loans by Emirate**



By market segment, a rise in demand was reported across all loan categories in the September quarter. Demand for business loans increased strongly for large firms, locals, and conventional loans, while the increase in demand was more moderate for Islamic loans and non-residents.

For the upcoming quarter, survey respondents expect a strong increase in demand for business loans across the board and in particular for large firms, locals, expats, conventional loans, small & medium-sized enterprises, and government-related entities (Chart 2).

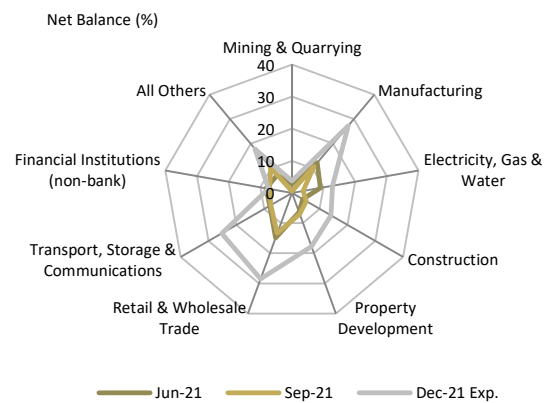
**Chart 2 Change in Demand for Business Loans by Type**



In contrast to headline figures, survey respondents reported a more moderate increase in demand for business loans across all economic activities and industries in the September quarter. The increase was most evident for loans to firms in the retail and wholesale trade sector, manufacturing, all others, transport, storage and communications, property development, and financial institutions (excluding banks). By contrast, the increase in demand was relatively soft in the electricity, gas & water, and mining & quarrying sectors.

In terms of outlook for the December quarter, a more pronounced increase in demand for business loans is expected in all economic sectors, predominantly in retail and wholesale trade, manufacturing, transport, storage and communications, property development, and all others (Chart 3).

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

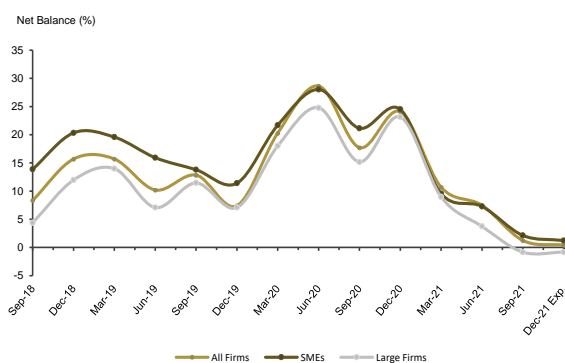


<sup>2</sup> Full survey results are presented in Annex 1 to this report

When asked about the factors that contributed to the change in demand for business loans in the September quarter, survey respondents indicated that customers' sales, the property market outlook, interest rates, customers' fixed asset investments, and seasonal influences appear to have made remarkable positive contributions to the increase in demand. The main factors underpinning the expected growth in demand in the December quarter are likely to remain the same as in the current survey round.

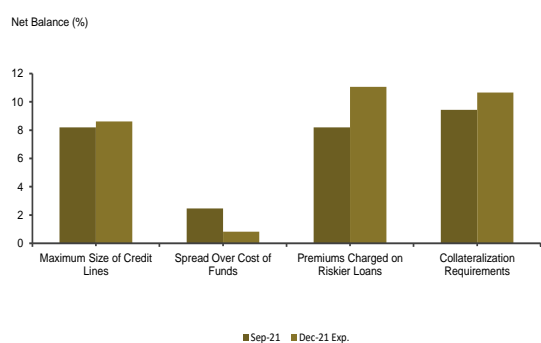
In terms of credit availability, survey results pointed to a further net tightening of credit standards, as indicated by a positive net balance of +1.2, which was, however, of a significantly smaller magnitude than in previous quarters of the year. This is attributable to an easing in the supply of credit to large firms offset by a tightening in credit availability for small and medium-sized enterprises. For the next quarter, survey results suggested an overall tightening of credit standards, but to an even lesser extent (Chart 4).

Chart 4 Change in Credit Standards



The results of the survey revealed a tightening of terms and conditions for loans to firms across all categories in the September quarter. Survey respondents reported the highest degree of tightening for collateralization requirements, as opposed to a lower degree of tightening for spread of loan rates over cost of funds. Over the next three months, survey respondents expect credit terms and conditions to tighten further, mainly with respect to premiums charged on riskier loans and collateralization requirements (Chart 5).

Chart 5 Change in Terms and Conditions



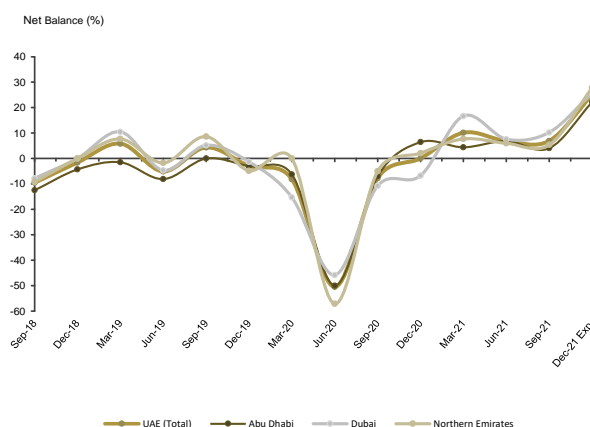
Amongst the underlying factors influencing the change in credit standards for loans to firms in the September quarter are economic outlook, quality of bank's asset portfolio, change in tolerance for risk, and industry or firm specific conditions, which contributed strongly to a tightening of credit standards. Competition from finance companies exerted a limited net impact on credit standards. Looking forward, survey respondents expect the factors driving the change in credit standards to remain the same as those reported in the September quarter.

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

For the September quarter, survey respondents reported a moderate increase in personal loan demand, in aggregate, evidenced by a net balance of +6.9. This growth stemmed from increased demand for personal loans across all Emirates, most significantly in Dubai.

Looking ahead to the December quarter, survey respondents indicated that they are anticipating further growth in demand for credit from consumers. By Emirate, respondents expect a marked increase in consumer appetite and demand for personal loans across the board, predominantly in Northern Emirates and Dubai (Chart 6).

Chart 6 Change in Demand for Personal Loans by Emirate

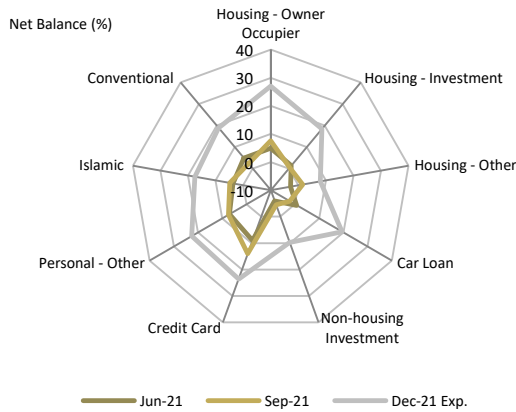


By market segment, survey results suggested that the growth in demand for personal loans in the September quarter was evident in all categories with the exception of non-housing investment and car loans, particularly in the demand for personal – credit card, housing – owner occupier, and personal – other. Islamic loans, conventional loans, housing – other (includes refinancing, renovations), and housing – investment also contributed to the increase in demand, but to a lesser extent.

In terms of expectations for the next quarter, a sharp rise in demand is anticipated across all categories of loans, primarily in housing – owner occupier, personal – credit card, personal – other, car loans, conventional loans, housing – investment, and Islamic loans (Chart 7).

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

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

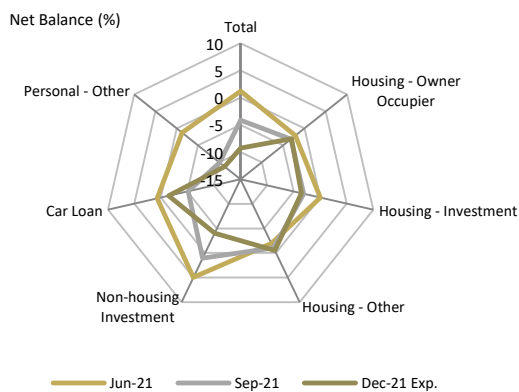


When asked about the determinants of change in demand for personal loans, survey respondents reported that the main drivers of demand in the September quarter were the housing market outlook, change in income, financial market outlook, and interest rates. In terms of expectations for the next three months, the same factors were cited as key contributors to the expected change in personal loan demand.

Credit standards for personal loans, in aggregate, eased considerably in the September quarter, registering a net balance of -4.1, after +1.2 in the previous quarter. The net easing of credit standards was supported by a softening across all categories, with the exception of non-housing investment. Personal – other and car loans had the greatest easing impact on credit standards.

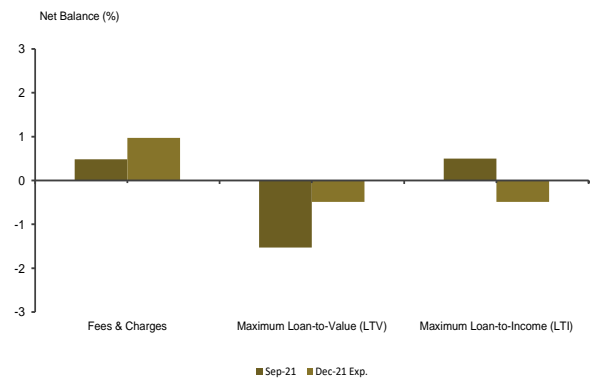
Looking ahead, survey respondents expect a continued net easing of credit standards in the December quarter, as signaled by a net balance of -9.2. Credit standards for personal loans are expected to ease across all categories, particularly for personal – other (Chart 8).

**Chart 8 Change in Credit Standards**



The majority of survey respondents (97.6%) reported, on balance, broadly no change in the terms and conditions on loans to households in the September quarter. The results of the survey pointed to a slight net easing of the maximum LTV ratio, a marginal net tightening of the maximum LTI ratio, and a small net increase in fees & charges (i.e. tighter financing costs). For the December quarter, 98.7% of the banks and financial institutions surveyed expect credit terms and conditions to remain unchanged, though a small net percentage of respondents anticipate a relaxation of the LTV and LTI limits, and increased costs of financing (Chart 9).

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



The main factors behind the easing of credit standards for personal loans in the September quarter were the economic outlook, quality of bank’s asset portfolio, customer specific factors, change in tolerance for risk, and regulatory changes. Competition from finance companies had the lowest impact on the change in credit standards. Survey respondents indicated that the factors likely to contribute to the expected change in credit standards in the December quarter are the economic outlook, quality of bank’s asset portfolio, regulatory changes, and change in tolerance for risk.

## 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 Q3 Survey, which was conducted during the period of 13 September – 7 October 2021. The Survey questionnaire results are available in the annexes attached to this report.

The total sample size for the September quarter survey was 234 respondents, with 112 answering questions related to personal credit and 122 answering questions related to business credit. The September quarter sample included responses from 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.**

Survey results are reported on a ‘net balance’ basis (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 of credit availability and standards, a negative score indicates an easing of 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 Q4 Survey in January 2022
- 2022 Q1 Survey in April 2022
- 2022 Q2 Survey in July 2022
- 2022 Q3 Survey in October 2022

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 Questionnaire 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	3.3	6.7	47.5	40.8	1.7	15.4
Abu Dhabi	2.3	9.1	47.7	38.6	2.3	14.8
Dubai	4.3	4.3	41.3	47.8	2.2	19.6
Northern Emirates	3.3	6.7	56.7	33.3	0.0	10.0
Small and Medium Enterprises	3.5	5.3	61.1	28.3	1.8	9.7
Large Firms	0.8	5.9	48.7	42.0	2.5	19.7
Government Related Entities	0.9	0.9	75.5	21.8	0.9	10.5
Conventional Loans	3.5	4.4	52.6	36.8	2.6	15.4
Islamic Finance	2.2	1.1	78.0	18.7	0.0	6.6
Non-resident	1.0	5.9	78.4	14.7	0.0	3.4
Expat	3.4	8.5	53.0	32.5	2.6	11.1
Local	0.9	2.6	57.3	36.8	2.6	18.8

## 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	1.0	2.9	90.2	5.9	0.0	0.5
Manufacturing	3.4	6.9	56.0	31.9	1.7	10.8
Electricity, Gas and Water	0.9	2.7	84.8	11.6	0.0	3.6
Construction	1.7	9.6	68.7	16.5	3.5	5.2
Property Development	1.8	7.1	68.1	21.2	1.8	7.1
Retail and Wholesale Trade	0.8	10.0	51.7	36.7	0.8	13.3
Transport, Storage and Communications	0.8	7.6	67.2	24.4	0.0	7.6
Financial Institutions (excluding Banks)	1.0	0.0	83.8	14.1	1.0	7.1
All Others	0.8	6.8	63.6	28.8	0.0	10.2

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

	Not Important	Somewhat Important	Very Important
Customers' Sales	18.9	16.4	64.8
Customers' Fixed Asset Investment	33.6	34.4	32.0
Competition with Finance Companies	73.0	18.9	8.2
Competition with Banks	41.8	37.7	20.5
Interest Rates	31.1	41.0	27.9
Seasonal Influences	37.7	40.2	22.1
Property Market Outlook	25.4	40.2	34.4

<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	2.5	12.3	70.5	14.8	0.0	1.2
Small and Medium Enterprises	2.6	11.1	74.4	12.0	0.0	2.1
Large Firms	2.5	9.9	71.9	14.9	0.8	-0.8

**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	25.4	11.5	63.1
Economic Outlook	19.7	13.9	66.4
Industry or firm specific conditions	28.7	14.8	56.6
Competition from Banks	50.8	33.6	15.6
Competition from Finance Companies	78.7	13.9	7.4
Change in Tolerance for Risk	26.2	20.5	53.3
Availability/Cost of Funds	33.6	27.9	38.5
Current/Anticipated Regulatory Changes	38.5	14.8	46.7

**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	2.5	19.7	70.5	6.6	0.8	8.2
Spread Over Your Cost of Funds	3.3	7.4	80.3	9.0	0.0	2.5
Premiums Charged on Riskier Loans	1.6	16.4	78.7	3.3	0.0	8.2
Collateralization Requirements	2.5	21.3	69.7	5.7	0.8	9.4

**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	4.1	28.7	66	0.8	32.0
Abu Dhabi	0.0	4.4	31.1	64.4	0.0	30.0
Dubai	0.0	4.3	23.4	70.2	2.1	35.1
Northern Emirates	0.0	3.3	33.3	63.3	0.0	30.0
Small and Medium Enterprises	0.0	4.1	53.3	41.8	0.8	19.7
Large Firms	1.6	2.5	28.7	66.4	0.8	31.1
Government Related Entities	0.0	0.8	61.5	37.7	0.0	18.4
Conventional Loans	0.0	5.7	40.2	52.5	1.6	25.0
Islamic Finance	0.8	0.0	75.4	23.0	0.8	11.5
Non-resident	0.0	0.8	86.9	12.3	0.0	5.7
Expat	0.0	4.1	41.8	53.3	0.8	25.4
Local	0.0	2.5	39.3	57.4	0.8	28.3



**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	2.5	87.6	9.9	0.0	3.7
Manufacturing	0.0	5.0	38.0	54.5	2.5	27.3
Electricity, Gas and Water	0.0	0.0	74.4	25.6	0.0	12.8
Construction	0.0	8.3	57.0	33.1	1.7	14.0
Property Development	0.0	5.0	55.4	38.8	0.8	17.8
Retail and Wholesale Trade	0.0	5.8	32.2	61.2	0.8	28.5
Transport, Storage and Communications	0.0	3.3	45.5	48.8	2.5	25.2
Financial Institutions (excluding Banks)	0.8	0.0	82.6	16.5	0.0	7.4
All Others	0.0	1.7	62.0	35.5	0.8	17.8

**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	16.4	16.4	67.2
Customers' Fixed Asset Investment	27.0	37.7	35.2
Competition with Finance Companies	73.0	18.9	8.2
Competition with Banks	46.7	29.5	23.8
Interest Rates	36.9	34.4	28.7
Seasonal Influences	32.0	41.0	27.0
Property Market Outlook	24.6	34.4	41.0

**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	3.3	8.2	74.6	13.9	0.0	0.4
Small and Medium Enterprises	2.5	10.7	73.8	13.1	0.0	1.2
Large Firms	2.5	8.2	75.4	13.1	0.8	-0.8

**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	29.5	12.3	58.2
Economic Outlook	20.5	7.4	72.1
Industry or firm specific conditions	28.7	15.6	55.7
Competition from Banks	54.9	28.7	16.4
Competition from Finance Companies	74.6	17.2	8.2
Change in Tolerance for Risk	30.3	21.3	48.4
Availability/Cost of Funds	35.2	31.1	33.6
Current/Anticipated Regulatory Changes	35.2	13.9	50.8



**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	2.5	21.3	67.2	9.0	0.0	8.6
Spread Over Your Cost of Funds	0.0	8.2	85.2	6.6	0.0	0.8
Premiums Charged on Riskier Loans	3.3	16.4	79.5	0.8	0.0	11.1
Collateralization Requirements	4.9	18.9	68.9	7.4	0.0	10.7

## Annex 2

> Personal Lending Survey Questionnaire 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	1.8	19.3	44.0	33.0	1.8	6.9
Abu Dhabi	2.7	21.6	43.2	29.7	2.7	4.1
Dubai	2.3	15.9	43.2	36.4	2.3	10.2
Northern Emirates	0.0	21.4	46.4	32.1	0.0	5.4
Islamic	0.0	8.7	72.8	18.4	0.0	4.9
Conventional	1.9	17.9	53.8	26.4	0.0	2.4
Housing – Owner Occupier	4.3	13.0	48.9	30.4	3.3	7.6
Housing – Investment	4.4	8.8	68.1	18.7	0.0	0.5
Housing – Other (includes refinancing, renovations)	3.3	1.1	85.6	8.9	1.1	1.7
Car Loan	3.4	13.6	67.0	15.9	0.0	-2.3
Non-housing Investment	2.2	10.0	82.2	5.6	0.0	-4.4
Credit Card	3.2	8.6	47.3	38.7	2.2	14.0
Personal - Other	3.0	13.9	48.5	34.7	0.0	7.4

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

	Not Important	Somewhat Important	Very Important
Housing Market Outlook	23.6	30.2	46.2
Financial Market Outlook	25.7	26.6	47.7
Change in Income	24.8	14.7	60.6
Interest Rates	25.7	39.4	34.9
Competition with Other Banks or Financial Institutions	40.4	39.4	20.2
Seasonal Influences	37.6	39.4	22.9

## 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	4.6	0.9	76.1	18.3	0.0	-4.1
Housing – Owner Occupier	2.1	3.2	81.1	13.7	0.0	-3.2
Housing – Investment	2.1	3.1	81.3	13.5	0.0	-3.1
Housing – Other (includes refinancing, renovations)	2.1	2.1	87.5	8.3	0.0	-1.0
Non-housing Investment	3.3	3.3	85.9	7.6	0.0	1.1
Car Loan	2.3	1.1	80.7	15.9	0.0	-5.1
Personal - Other	4.8	3.8	57.7	33.7	0.0	-10.1

<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	17.9	11.3	70.8
Economic Outlook	12.8	22.0	65.1
Customer Specific	29.4	28.4	42.2
Competition from Banks	35.8	39.4	24.8
Competition from Finance Companies	64.2	27.5	8.3
Change in Tolerance for Risk	29.4	18.3	52.3
Availability/Cost of Funds	37.6	21.1	41.3
Current/Anticipated Regulatory Changes	30.3	8.3	61.5

**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	1.0	99.0	0.0	0.0	0.5
Maximum Loan-to-Value (LTV)	0.0	1.0	94.9	4.1	0.0	-1.5
Maximum Loan-to-Income (LTI)	0.0	1.0	99.0	0.0	0.0	0.5

**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	1.9	0.9	45.3	49.1	2.8	25.0
Abu Dhabi	2.8	2.8	44.4	47.2	2.8	22.2
Dubai	2.3	0.0	46.5	46.5	4.7	25.6
Northern Emirates	0.0	0.0	44.4	55.6	0.0	27.8
Islamic	0.0	0.0	68.0	29.0	3.0	17.5
Conventional	1.9	2.9	53.4	38.8	2.9	18.9
Housing – Owner Occupier	2.0	0.0	44.0	50.0	4.0	27.0
Housing – Investment	2.0	1.0	58.0	36.0	3.0	18.5
Housing – Other (includes refinancing, renovations)	2.0	1.0	79.0	15.0	3.0	8.0
Car Loan	2.0	0.0	58.0	37.0	3.0	19.5
Non-housing Investment	0.0	0.0	83.5	13.6	2.9	9.7
Credit Card	1.9	2.8	44.3	48.1	2.8	23.6
Personal - Other	1.9	3.8	44.3	47.2	2.8	22.6

**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	23.6	17.0	59.4
Financial Market Outlook	31.1	15.1	53.8
Change in Income	30.2	14.2	55.7
Interest Rates	28.3	41.5	30.2
Competition with Other Banks or Financial Institutions	40.6	40.6	18.9
Seasonal Influences	40.6	39.6	19.8

**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	1.9	0.0	75.7	22.3	0.0	-9.2
Housing – Owner Occupier	2.0	1.0	85.9	11.1	0.0	-3.0
Housing – Investment	2.0	1.0	84.8	12.1	0.0	-3.5
Housing – Other (includes refinancing, renovations)	0.0	4.0	90.9	5.1	0.0	-0.5
Non-housing Investment	1.0	3.0	82.8	13.1	0.0	-4.0
Car Loan	1.9	1.0	89.3	7.8	0.0	-1.5
Personal - Other	2.0	3.9	64.7	28.4	1.0	-11.3

**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	27.4	10.4	62.3
Economic Outlook	21.7	16.0	62.3
Customer Specific	39.6	17.9	42.5
Competition from Banks	40.6	38.7	20.8
Competition from Finance Companies	60.4	29.2	10.4
Change in Tolerance for Risk	34.0	15.1	50.9
Availability/Cost of Funds	46.2	15.1	38.7
Current/Anticipated Regulatory Changes	32.1	11.3	56.6

**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	1.9	98.1	0.0	0.0	1.0
Maximum Loan-to-Value (LTV)	0	0.0	99.0	1.0	0	-0.5
Maximum Loan-to-Income (LTI)	0	0.0	99.0	1.0	0	-0.5