



# Credit Sentiment Survey

Survey Results | 2018 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 and should not be construed as such. Further details about the Survey along with its questionnaire results for the March quarter are available in the “About the Survey” section and annexes to this report.<sup>1</sup>*

## > Executive Summary

Results from the December quarter Credit Sentiment Survey suggested demand in business loans increased, while demand for personal loans decreased marginally, but to a lesser extent than reported in the September quarter. Survey respondents expected demand in 2019 March quarter to increase for business and personal lending.

**Lending to Corporates & Small Businesses** – Survey results for the December quarter, revealed an increase in demand for business loans across all Emirates. By loan type, demand increased across the board, with the exception of small and medium enterprises. As per the survey results, the factors that strongly contributed to the change in business demand for loans were customers’ sales, seasonal influences, and customers’ fixed asset investment. When asked about credit standards, more than three-quarters of survey respondents reported no change. However, in aggregate, a positive net balance measure was recorded suggesting a further tightening of credit standards was relative to the September quarter. In terms of outlook for the March 2019 quarter, demand for business loans were expected to increase further across all emirates and firms.

**Lending to Individuals** – In the December quarter, demand for personal loans, in aggregate has decreased marginally, but to a lesser extent than reported in the September quarter as suggested by the net balance measure. The marginal decrease was attributable to the weakening demand in Abu Dhabi. In terms of credit availability, nearly 88% of survey respondents cited that the credit standards were unchanged. When asked about which factors attribute to the change in demand for loans in the December quarter, survey results reported that housing market outlook and interest rates were the most important. In terms of outlook for the March 2019 quarter, demand for personal loans was expected to recover and move into the positive territory and credit standards in aggregate was expected to tighten slightly.

<sup>1</sup> Results from the survey are reported as a net balance (expressed as a percentage). The net balance is calculated as the weighted percentage of respondents reporting an increase in demand for loans (or tightening of credit standards) minus the weighted percentage of respondents reporting a decrease in demand for loans (or easing of credit standards). Weightings are determined such that those responses indicating a modest change are given half the weighting of those reporting a significant change in the surveyed quarter. For the demand measures, a positive score indicates growth in demand for loans during the quarter and for the measures on credit availability and standards, a negative score indicates an easing in credit standards during the surveyed quarter.

For demand for loans, net balance = (% Reporting Substantial Increase + 0.5 x % Reporting Moderate Increase) – (% Reporting Substantial Decrease + 0.5 x % Reporting Moderate Decrease)

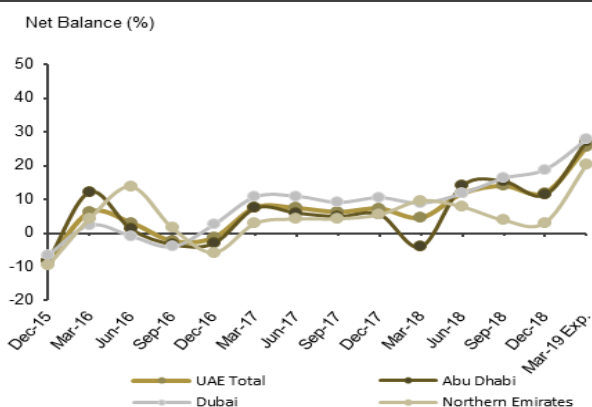
For credit standards, net balance = (% Reporting Significant Tightening + 0.5 x % Reporting Moderate Tightening) – (% Reporting Significant Easing + 0.5 x % Reporting Moderate Easing)

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

For the December quarter, survey respondents reported that demand for business loans has increased with a net balance measure of +12. According to the survey results, 48.8 percent reported no change, 36.4 percent reported an increase in demand, while 14.8 percent of respondents reported a moderate decrease in demand. By emirate, survey results reported an increase in demand across the board, most evidently in Dubai and Abu Dhabi.

With respect to expectations for the March 2019 quarter, a net balance measure of +25.6 was recorded suggesting a positive outlook for demand of business loans. By emirate, the strengthening in loan demand will be attributable to stronger demand across the board.

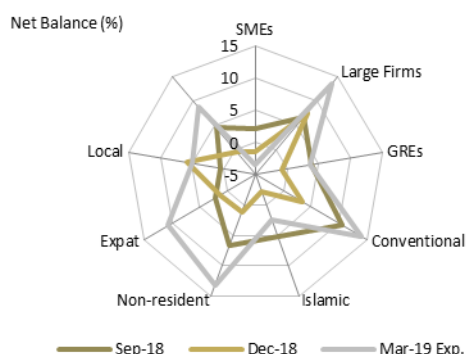
**Chart 1 Change in Demand for Business Loans by Emirate**



By market segment, demand increased across all categories with the exception of small to medium enterprises in the December quarter. The increase in demand for loans was most evident among large firms, local, conventional loans, and government related entities. Islamic finance, expat, and non-resident also increased but to a lesser extent.

In terms of outlook for the March 2019 quarter, survey respondents predicted that the demand for business loans to increase further across all categories, most significantly for large firms, conventional loans, local firms, expat, and government related entities (Chart 2).

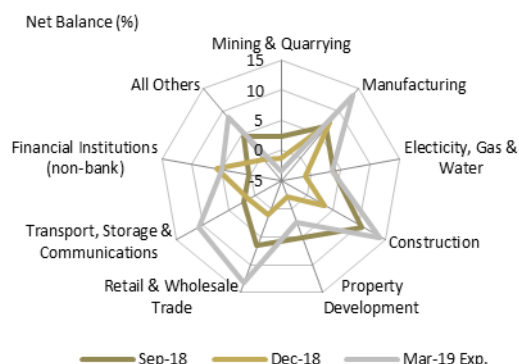
**Chart 2 Change in Demand for Business Loans by Type**



When asked about the change in demand for business loans by industry in the December quarter, survey respondents reported a marginal increase in demand across all economic activities with the exception of property development, mining and quarrying, electricity and gas and water, and all others. The increase in loan demand was most evident in manufacturing, and financial institutions (excluding Banks). Construction, transport, storage and communication, and retail and wholesale trade have also increased but to a lesser extent. It is worth noticing that loan demand for Mining & Quarrying moved back into the negative territory after a slight recovery in the previous quarter.

For the March 2019 quarter, survey respondents predicted demand for loans to increase across all industries with the exception of mining and quarrying. The increase in loan demand was most evident in construction, manufacturing, retail and wholesale trade, and transport, storage and communications (Chart 3).

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

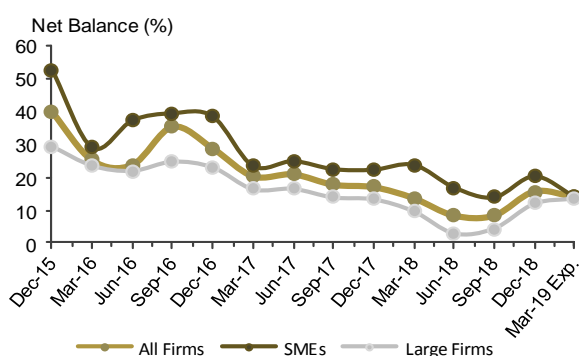


<sup>2</sup> Full survey results are presented in Annex 1 to this report

The main factors determining the change in demand for business loans were customers’ sales, seasonal influences, and customers’ fixed asset investment. For the March 2019 quarter, survey respondents cited that the most significant determining factors will be customers’ sales, seasonal influences, property market outlook, and customers’ fixed asset investment.

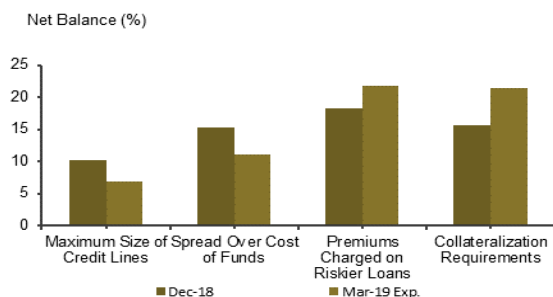
In terms of credit standards, more than three-quarters of survey respondents reported no change. However, in aggregate, a positive net balance measure of 15.7 was recorded suggesting a tightening of credit standards. In particular, survey results revealed a stronger tightening for small and medium enterprises relative to large firms. Moreover, survey respondents expected further tightening in credit standards for the March 2019 quarter further (Chart 4).

Chart 4 Change in Credit Standards



With respect to specific terms and conditions, survey results revealed a tightening in credit standards that occurred across the board, most evidently with respect to terms and conditions pertaining to premiums charged on riskier loans, collateralization requirements and spread over the cost of funds. In the March 2019 quarter, survey respondents predicted a further tightening across all terms and conditions, particularly with respect to premiums charged on riskier loans and collateralization requirements (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, industry or firm specific conditions, and quality of bank’s asset portfolio are the most significant factors. Competition from finance companies continued to have minimum bearing on credit standards in the December quarter.

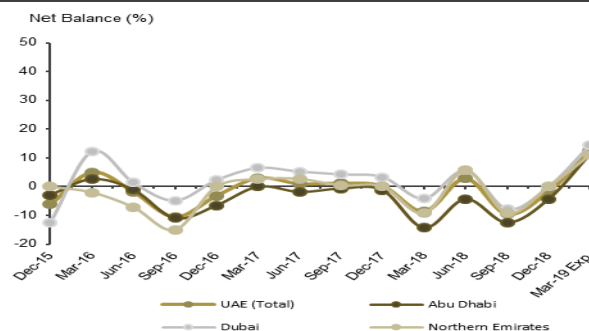
For the March 2019 quarter, the factors that will be most attributed to the change in credit standards will be economic outlook, quality of bank’s asset portfolio, and industry or firm specific conditions.

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

Demand for personal loans has decreased in the December quarter but to a lower extent than reported in the September quarter as suggested by a net balance measure of -1.6. The marginal decrease was attributable to the weakening demand in Abu Dhabi, while demand in Dubai and Northern Emirates remained unchanged.

With respect to expectations for the March 2019 quarter, survey respondents expected the demand for personal loans to recover as suggested by a net balance measure of +12.4. By emirate, survey respondents predicted an increase in the demand appetite across the board, most significantly in Dubai (Chart 6).

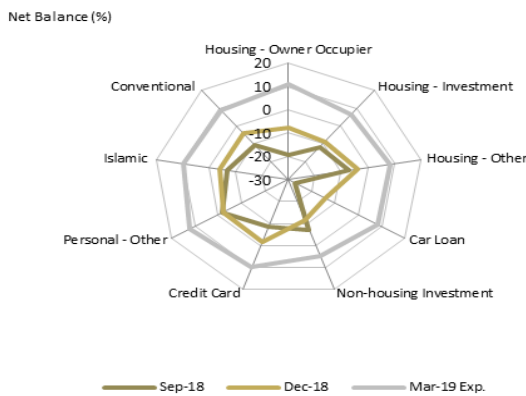
Chart 6 Change in Demand for Personal Loans by Emirate



For the December quarter, survey results revealed a decrease in personal loans across all categories, most significantly in car loan and non-housing investment. Loans for housing investment, housing-owner occupier, Islamic, housing - other, personal - other, and credit card have also declined, but to a lesser extent. In terms of outlook, survey respondents predicted an increase in demand across the board, most evidently in personal – other, housing-owner occupier, and credit card (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**

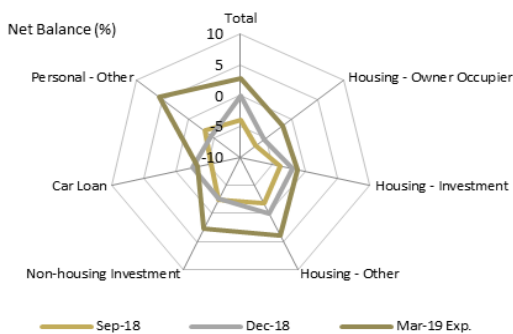


When asked about which factors attribute to the change in demand for loans in the December quarter, survey results reported that housing market outlook, and interest rates were the most important. Financial market outlook, and change in income were also considered to be important. For the March 2019 quarter, survey respondents cited interest rates, housing market outlook, and financial markets outlook to be the most significant factors expected to influence demand for personal loans.

In terms of credit availability, nearly 88% of survey respondents reported that credit standards were unchanged. By loan category, tightening in credit standards was evident across the board with the exception of housing - owner occupier, which eased marginally, and car loan, which remained unchanged.

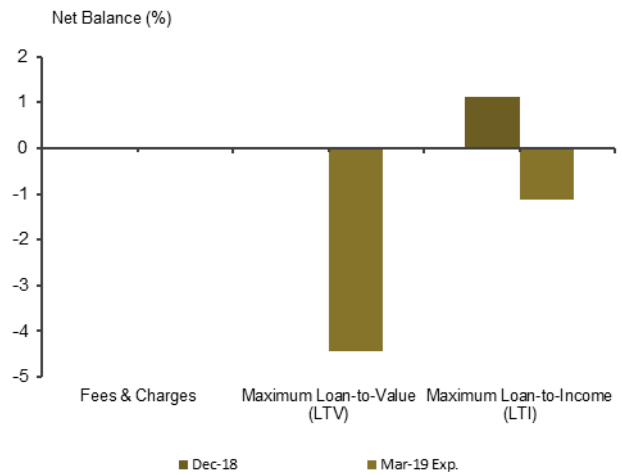
With respect to expectations for the March 2019 quarter, credit standards on aggregate were expected to tighten slightly further as suggested by the net balance measure of +2.8. By loan type, survey respondents predicted credit standards to tighten mainly in personal - other, housing - other and non-housing investment. However, credit standards were expected to ease in car loan, housing - owner occupier, and housing - investment (Chart 8).

**Chart 8 Change in Credit Standards**



With respect to credit terms and conditions in the December quarter, more than 90% of survey respondents reported no change across the board. In aggregate, survey respondents reported a marginal tightening in maximum loan-to-income (LTI) whereas, maximum loan-to-value (LTV) and fees and charges remained unchanged. With respect to the outlook for the March 2019 quarter, survey respondents predicted that terms and conditions pertaining to fees & charges to remain unchanged, while maximum loan-to-value (LTV), maximum loan-to-income (LTI) to ease slightly (Chart 9).

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



When asked about those factors determining the change in credit standards during the December quarter, survey respondents reported quality of bank's asset portfolio, economic outlook, and change in tolerance for risk as very important. With respect to the March 2019 quarter, quality of bank's asset portfolio, economic outlook, and industry or firm specific conditions 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 Central Bank (“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 2018 Q4 Survey, which was conducted during the period of 16 – 31 December 2018. The Survey questionnaire results are available in the annexes attached to this report.

The total sample size for the June quarter survey was 217 respondents, with 96 answering questions related to personal credit and 121 answering questions related to business credit. The September quarter sample included responses from all banks and finance companies, conventional and Islamic financial institutions as well as Senior Credit Officers covering Abu Dhabi, Dubai and the Northern Emirates. **These results do not reflect the views of the CBUAE on Credit Sentiment in the UAE and should not be construed as such.**

Results from the survey are reported as a net balance (expressed as a percentage). The net balance is calculated as the weighted percentage of respondents reporting an increase in demand for loans (or tightening of credit standards) minus the weighted percentage of respondents reporting a decrease in demand for loans (or easing of credit standards). Weightings are determined such that those responses indicating a modest change are given half the weighting of those reporting a significant change in the surveyed quarter. For the demand measures, a positive score indicates growth in demand for loans during the quarter and for the measures on credit availability and standards, a negative score indicates an easing in credit standards during the surveyed quarter.

For demand for loans, net balance = (% Reporting Substantial Increase + 0.5 x % Reporting Moderate Increase) – (% Reporting Substantial Decrease + 0.5 x % Reporting Moderate Decrease)

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

The scheduled publication dates for the upcoming surveys are:

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

These publications will be available on the CBUAE’s website at [www.centralbank.ae](http://www.centralbank.ae)

Should you have any queries or comments on the Survey results, please communicate with CBUAE’s Monetary & Reserve Management Department via:

[Monetary.Management@cbae.gov.ae](mailto:Monetary.Management@cbae.gov.ae)

## Annex 1

> Business Lending Survey Questionnaires Results<sup>4</sup>

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

	Decreased Substantiall y	Decreased Moderately	No Change	Increased Moderately	Increased Substantiall y	Net Balance
All Firms	0.8	14.0	48.8	33.1	3.3	12.0
Abu Dhabi	2.3	11.4	50.0	34.1	2.3	11.4
Dubai	0.0	11.1	44.4	40.0	4.4	18.9
Northern Emirates	0.0	21.9	53.1	21.9	3.1	3.1
Small and Medium Enterprises	3.4	12.1	69.8	12.9	1.7	-1.3
Large Firms	0.8	10.0	57.5	30.0	1.7	10.8
Government Related Entities	0.0	4.5	74.1	20.5	0.9	8.9
Conventional Loans	5.5	5.5	56.0	31.2	1.8	9.2
Islamic Finance	0.9	3.7	80.6	13.9	0.9	5.1
Non-resident	1.9	3.7	84.1	9.3	0.9	1.9
Expat	3.4	11.0	61.0	22.9	1.7	4.2
Local	0.0	7.4	65.3	26.4	0.8	10.3

## Q2. By economic activity, how has demand for loans from firms changed compared to the preceding quarter? (% of total)

	Decreased Substantiall y	Decreased Moderately	No Change	Increased Moderately	Increased Substantiall y	Net Balance
Mining and Quarrying	1.9	7.7	83.7	4.8	1.9	-1.4
Manufacturing	3.3	7.5	60.0	29.2	0.0	7.5
Electricity, Gas and Water	1.7	8.7	79.1	10.4	0.0	-0.9
Construction	1.7	17.8	54.2	24.6	1.7	3.4
Property Development	2.6	17.2	63.8	14.7	1.7	-2.2
Retail and Wholesale Trade	1.7	18.2	57.9	20.7	1.7	1.2
Transport, Storage and Communications	1.7	12.5	69.2	15.0	1.7	1.3
Financial Institutions (excluding Banks)	0.0	2.7	85.6	9.0	2.7	5.9
All Others	0.0	13.3	75.0	10.8	0.8	-0.4

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

	Not Important	Somewhat Important	Very Important
Customers' Sales	22.0	16.1	61.9
Customers' Fixed Asset Investment	28.8	33.1	38.1
Competition with Finance Companies	73.7	21.2	5.1
Competition with Banks	53.4	31.4	15.3
Interest Rates	41.5	31.4	27.1
Seasonal Influences	27.1	54.2	18.6
Property Market Outlook	38.1	17.8	44.1

<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	7.6	16.1	76.3	0.0	0.0	15.7
Small and Medium Enterprises	15.3	11.0	72.9	0.8	0.0	20.3
Large Firms	5.1	14.5	79.5	0.9	0.0	12.0

**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	28.0	9.3	62.7
Economic Outlook	19.5	6.8	73.7
Industry or Firm Specific Conditions	24.6	23.7	51.7
Competition from Banks	55.9	33.1	11.0
Competition from Finance Companies	70.3	28.8	0.8
Change in Tolerance for Risk	32.2	17.8	50.0
Availability/Cost of Funds	35.6	22.0	42.4
Current/Anticipated Regulatory Changes	34.7	22.9	42.4

**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	5.9	14.4	73.7	5.9	0.0	10.2
Spread Over Your Cost of Funds	4.2	22.9	72.0	0.8	0.0	15.3
Premiums Charged on Riskier Loans	3.5	32.2	61.7	2.6	0.0	18.3
Collateralization Requirements	7.6	26.3	55.9	10.2	0.0	15.7

**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	0.8	3.3	41.3	53	1.7	25.6
Abu Dhabi	2.3	0.0	40.9	54.5	2.3	27.3
Dubai	0.0	6.7	33.3	57.8	2.2	27.8
Northern Emirates	0.0	3.1	53.1	43.8	0.0	20.3
Small and Medium Enterprises	0.8	10.7	51.2	35.5	1.7	13.2
Large Firms	0.8	8.5	37.3	51.7	1.7	22.5
Government Related Entities	0.0	2.5	63.6	33.9	0.0	15.7
Conventional Loans	0.8	2.5	56.8	38.1	1.7	18.6
Islamic Finance	0.8	0.8	74.6	19.5	4.2	12.7
Non-resident	0.8	6.8	81.4	11.0	0.0	1.3
Expat	0.8	7.6	52.5	35.6	3.4	16.5
Local	0.0	8.5	48.3	42.4	0.8	17.8

**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	0.8	10.2	83.9	5.1	0.0	-3.4
Manufacturing	4.2	3.4	53.4	39.0	0.0	13.6
Electricity, Gas and Water	0.0	9.9	72.7	17.4	0.0	3.7
Construction	1.7	12.4	47.1	33.9	5.0	14.0
Property Development	2.5	17.4	57.0	19.0	4.1	2.5
Retail and Wholesale Trade	0.8	13.2	47.1	36.4	2.5	13.2
Transport, Storage and Communications	0.8	10.7	57.0	28.9	2.5	10.7
Financial Institutions (excluding Banks)	0.0	2.5	85.1	12.4	0.0	5.0
All Others	0.0	3.3	76.9	19.0	0.8	8.7

**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	21.2	27.1	51.7
Customers' Fixed Asset Investment	28.8	34.7	36.4
Competition with Finance Companies	71.2	26.3	2.5
Competition with Banks	58.5	33.1	8.5
Interest Rates	44.1	26.3	29.7
Seasonal Influences	27.1	55.9	16.9
Property Market Outlook	28.0	26.3	45.8

**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	5.1	23.7	65.3	5.9	0.0	14.0
Small and Medium Enterprises	8.5	18.8	65.0	7.7	0.0	14.1
Large Firms	4.2	22.9	68.6	4.2	0.0	13.6

**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	24.6	15.3	60.2
Economic Outlook	22.9	12.7	64.4
Industry or Firm Specific Conditions	27.1	23.7	49.2
Competition from Banks	55.9	33.1	11.0
Competition from Finance Companies	67.8	30.5	1.7
Change in Tolerance for Risk	35.6	17.8	46.6
Availability/Cost of Funds	38.1	25.4	36.4
Current/Anticipated Regulatory Changes	38.1	20.3	41.5



**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	8.5	6.0	79.5	2.6	3.4	6.8
Spread Over Your Cost of Funds	4.3	17.9	73.5	4.3	0.0	11.1
Premiums Charged on Riskier Loans	6.8	29.9	63.2	0.0	0.0	21.8
Collateralization Requirements	12.8	21.4	61.5	4.3	0.0	21.4

## Annex 2

> Personal Lending Survey Questionnaires Results<sup>5</sup>

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

	Decreased Substantially	Decreased Moderately	No Change	Increased Moderately	Increased Substantially	Net Balance
All Households	0.0	18.3	66.7	15.1	0.0	-1.6
Abu Dhabi	0.0	22.9	62.9	14.3	0.0	-4.3
Dubai	0.0	16.1	67.7	16.1	0.0	0.0
Northern Emirates	0.0	14.8	70.4	14.8	0.0	0.0
Islamic	0.0	14.9	78.2	6.9	0.0	-4.0
Conventional	0.0	22.2	63.3	14.4	0.0	-3.9
Housing – Owner Occupier	0.0	27.8	59.5	12.7	0.0	-7.6
Housing – Investment	3.8	17.5	71.3	7.5	0.0	-8.8
Housing – Other (includes refinancing, renovations)	0.0	17.5	72.5	10.0	0.0	-3.8
Car Loan	6.3	22.5	65.0	6.3	0.0	-14.4
Non-housing Investment	0.0	22.9	77.1	0.0	0.0	-11.4
Credit Card	0.0	17.6	68.2	14.1	0.0	-1.8
Personal - Other	0.0	23.3	58.9	16.7	1.1	-2.2

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

	Not Important	Somewhat Important	Very Important
Housing market outlook	28.9	43.3	27.8
Financial markets outlook	32.3	34.4	33.3
Change in income	32.3	20.4	47.3
Interest rates	30.1	30.1	39.8
Competition with other banks or financial institutions	37.6	52.7	9.7
Seasonal influences	37.6	47.3	15.1

## 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	12.2	87.8	0.0	0.0	6.1
Housing – Owner Occupier	0.0	7.5	82.5	10.0	0.0	-1.3
Housing – Investment	0.0	6.3	90.0	3.8	0.0	1.3
Housing – Other (includes refinancing, renovations)	0.0	4.8	95.2	0.0	0.0	2.4
Non-housing Investment	0.0	6.0	89.2	4.8	0.0	0.6
Car Loan	0.0	4.8	90.4	4.8	0.0	0.0
Personal - Other	3.3	34.4	56.7	5.6	0.0	17.8

<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	25.6	8.9	65.6
Economic Outlook	30.1	25.8	44.1
Customer Specific	37.6	29.0	33.3
Competition from Banks	49.5	38.7	11.8
Competition from Finance Companies	64.5	30.1	5.4
Change in Tolerance for Risk	31.2	26.9	41.9
Availability/Cost of Funds	41.9	18.3	39.8
Current/Anticipated Regulatory Changes	37.6	3.2	59.1

**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	3.3	93.3	3.3	0.0	0.0
Maximum Loan-to-Value (LTV)	0.0	1.1	97.7	1.1	0.0	0.0
Maximum Loan-to-Income (LTI)	0.0	2.2	97.8	0.0	0.0	1.1

**Q6. How do you expect demand for loans from consumers to change over the next quarter? (% of total)**

	Decrease Substantially	Decrease Moderately	No Change	Increase Moderately	Increase Substantially	Net Balance
All Households	0.0	4.3	66.7	29.0	0.0	12.4
Abu Dhabi	0.0	5.7	65.7	28.6	0.0	11.4
Dubai	0.0	3.2	64.5	32.3	0.0	14.5
Northern Emirates	0.0	3.7	70.4	25.9	0.0	11.1
Islamic	0.0	4.4	73.3	21.1	1.1	9.4
Conventional	0.0	4.4	73.3	22.2	0.0	8.9
Housing – Owner Occupier	0.0	5.6	67.8	25.6	1.1	11.1
Housing – Investment	0.0	8.9	70.0	20.0	1.1	6.7
Housing – Other (includes refinancing, renovations)	0.0	5.6	74.4	17.8	2.2	8.3
Car Loan	1.1	7.8	65.6	24.4	1.1	8.3
Non-housing Investment	0.0	5.6	78.9	15.6	0.0	5.0
Credit Card	0.0	6.7	66.7	26.7	0.0	10.0
Personal - Other	0.0	6.7	63.3	28.9	1.1	12.2

**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	37.8	33.3	28.9
Financial markets outlook	37.8	32.2	30.0
Change in income	40.0	16.7	43.3
Interest rates	34.4	35.6	30.0
Competition with other banks or financial institutions	51.1	40.0	8.9
Seasonal influences	50.0	33.3	16.7

**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	11.1	83.3	5.6	0.0	2.8
Housing – Owner Occupier	0.0	5.7	85.1	9.2	0.0	-1.7
Housing – Investment	1.1	6.9	80.5	11.5	0.0	-1.1
Housing – Other (includes refinancing, renovations)	1.1	6.9	90.8	1.1	0.0	4.0
Non-housing Investment	1.1	6.7	88.9	3.3	0.0	2.8
Car Loan	0.0	5.7	81.6	12.6	0.0	-3.4
Personal - Other	1.1	16.7	74.4	7.8	0.0	5.6

**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	35.6	10.0	54.4
Economic Outlook	36.7	26.7	36.7
Industry or Firm Specific Conditions	41.1	24.4	34.4
Competition from Banks	50.0	41.1	8.9
Competition from Finance Companies	64.4	31.1	4.4
Change in Tolerance for Risk	42.2	23.3	34.4
Availability/Cost of Funds	48.9	17.8	33.3
Current/Anticipated Regulatory Changes	45.6	7.8	46.7

**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	3.3	93.3	3.3	0	0.0
Maximum Loan-to-Value (LTV)	0	0	91.1	8.9	0	-4.4
Maximum Loan-to-Income (LTI)	0	0.0	97.8	2.2	0	-1.1