

BANK LENDING SURVEY

RESULTS FOR PORTUGAL

JUL. 2022



BANCO DE
PORTUGAL
EUROSYSTEM

BANK LENDING SURVEY

RESULTS FOR PORTUGAL

JUL. 2022



BANCO DE PORTUGAL
EUROSISTEMA

Lisbon, 2022 • www.bportugal.pt

Contents

1 Presentation of the results | **5**

1.1 Supply | **5**

1.2 Demand | **6**

1.3 *Ad hoc* questions | **7**

Box • New housing credit, demand and supply of credit and housing prices | **8**

2 Annex | **10**

2.1 Loans or credit lines to enterprises | **11**

2.2 Loans to households | **21**

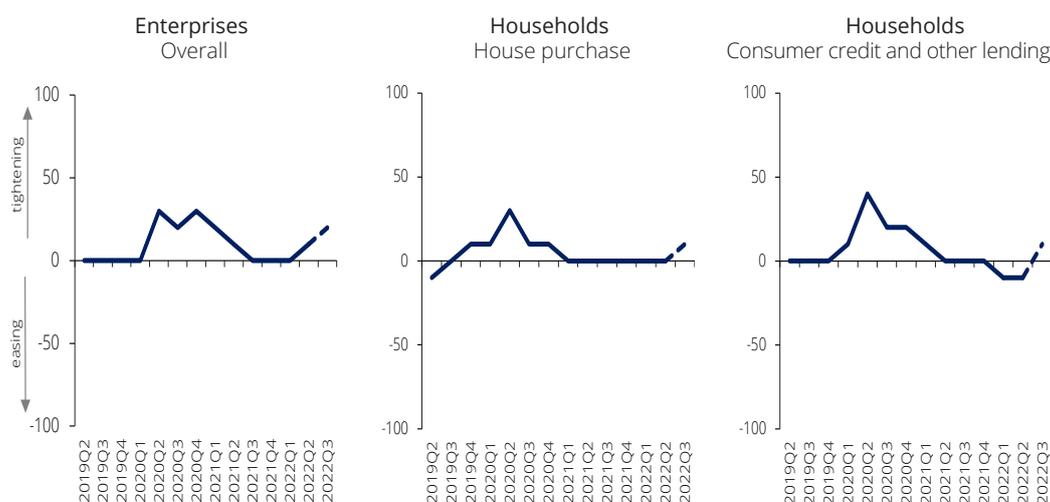
1 Presentation of the results

The questionnaire for this round of the survey was sent to the banks on June 9, 2022 and the responses were received by June 27. The assessment of supply and demand refers to the **2nd quarter of 2022** in comparison with the previous quarter. Expectations refer to the 3rd quarter of 2022.

1.1 Supply

- **Credit standards for loans:** as for firms, somewhat tighter for long-term loans to SME; as for households, unchanged for housing loans and somewhat easier for consumer credit and other lending.
 - **Factors:** the general and, in the case of SME, also industry or firm-specific economic situation and outlook contributed to a tightening of credit standards for firms, especially SME. In loans to households, the general economic situation and outlook contributed somewhat to a tightening of credit standards, while pressures from competition and, in the case of consumer credit and other lending, also banks' risk tolerance contributed somewhat to an easing of credit standards.
- **Terms and conditions:** somewhat tighter non-interest rate charges, collateral requirements and loan covenants on new loans to SME; basically unchanged on loans to households.
 - **Factors:** the general and industry or firm-specific economic situation and outlook contributed somewhat to a tightening of terms and conditions on new loans to firms.
- **Share of rejected loan applications:** basically unchanged in the case of firms; with a slight increase in the case of households.
- **Expectations:** somewhat tighter credit standards for (mainly long-term) loans to SME; somewhat tighter for loans to households.

Chart 1.1 • Credit supply | Diffusion index



Notes: The credit supply corresponds to credit standards. The diffusion index varies between -100 and 100. Values of less (more) than zero mean an easing (tightening) of credit standards. Figures for the last quarter are banks' expectations.

1.2 Demand

- **Demand for loans by firms:** slight increase in the demand for short-term loans, across all firm size classes.
 - **Factors:** the financing of inventories and working capital contributed somewhat to higher demand by firms, across all size classes.
- **Demand for loans by households:** slight increase in the demand for housing loans and consumer credit and other lending.
 - **Factors:** housing market prospects and the general level of interest rates contributed somewhat to higher demand for housing loans and consumption expenditure financed through real-estate guaranteed loans contributed somewhat to higher demand for consumer credit and other lending.
- **Expectations:** slight increase in the demand for short-term loans by firms, mainly SME; slight decrease in the demand for loans by households, mainly for house purchase.

Chart 1.2 • Credit demand | Diffusion index



Notes: The diffusion index varies between -100 and 100. Values of less (more) than zero mean a decrease (increase) in credit demand. Figures for the last quarter are banks' expectations.

1.3 *Ad hoc* questions

This section presents the results for a set of additional questions of non-permanent nature.

On retail and wholesale funding (Question 23 in the annex)

- **Past three months:** slight deterioration in access to the short-term money market and deterioration in access to funding through medium to long-term debt securities.
- **Next three months:** slight deterioration in access to the inter-bank unsecured money market.

On the impact of banks' non-performing loan ratios (Question 24 in the annex)

- **Past and next six months:** slight contribution of NPL ratios to the tightening of credit standards for loans to firms and households, namely through pressures related to supervisory or regulatory requirements and through banks' perception and tolerance of risks.

On credit standards, terms and conditions on new loans and demand for loans across main sectors of economic activities (Question 25 in the annex)

- **Past six months:** somewhat tighter credit standards for firms in the manufacturing and construction and real estate sectors. Somewhat tighter terms and conditions on new loans to firms in the real estate sector. Slight decrease in the demand for loans by firms in the real estate sector – both commercial and residential – and, on the contrary and to a lesser extent, slight increase in the demand for loans by firms in the manufacturing, services (excluding financial services and real estate) and trade sectors.
- **Next six months:** tighter credit standards for firms in the manufacturing sector, as well as, to a lesser extent, in the construction and real estate sector. Somewhat tighter terms and conditions on new loans to firms in the real estate sector. Slight increase in the demand for loans by firms in the manufacturing sector.

The complete set of the survey results is presented in the annex.

Box • New housing credit, demand and supply of credit and housing prices

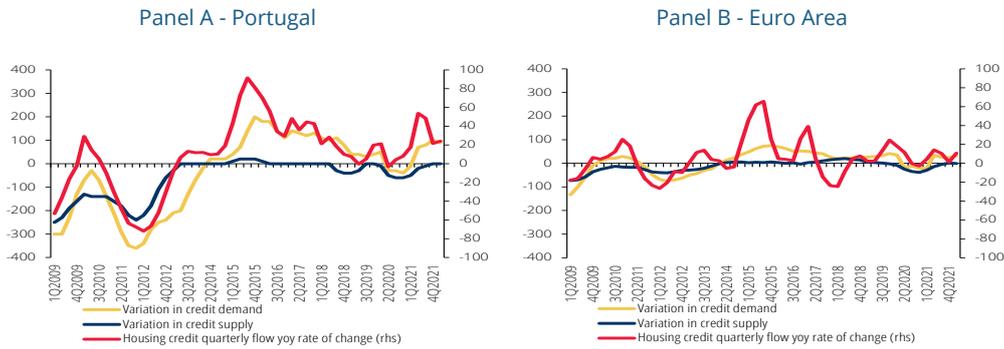
In Portugal, new loans for house purchase decreased during lockdowns, but recovered quickly afterwards. The results of the Bank Lending Survey (BLS) may help to understand the factors underlying the dynamics of the housing credit, by allowing for a distinction between the behaviour of credit demand and credit supply and their underlying factors, comparing Portugal and the euro area.

The BLS results indicate that the variation in new loans for house purchase after the financial crisis seems to have been more associated with the variation in the demand for housing loans than with changes in banks' credit policy (Chart C.1 – Panel A). This association between new housing loans and demand for housing loans is particularly apparent in Portugal, but it is also present for the euro area average (Chart C.1 – Panel B).

According to the respondent banks, between 2014 and 2019, demand for new loans increased in Portugal and the euro area. The factors underlying the increase in demand were the housing market prospects, including housing prices, consumer confidence and the general level of interest rates (Chart C.2 – Panel A and B). In 2020, the year in which the covid-19 pandemic started, demand for housing loans decreased, with housing market prospects and especially consumer confidence contributing negatively to credit demand, in both geographies. In 2021, demand increased and the contributions from both these factors were positive once again, together with a contribution from the general level of interest rates that remained positive throughout. Although the contribution from the general level of interest rates to loan demand remained positive throughout the whole period under analysis, it has been losing importance since the second quarter of 2020 in the euro area, which is not the case in Portugal.

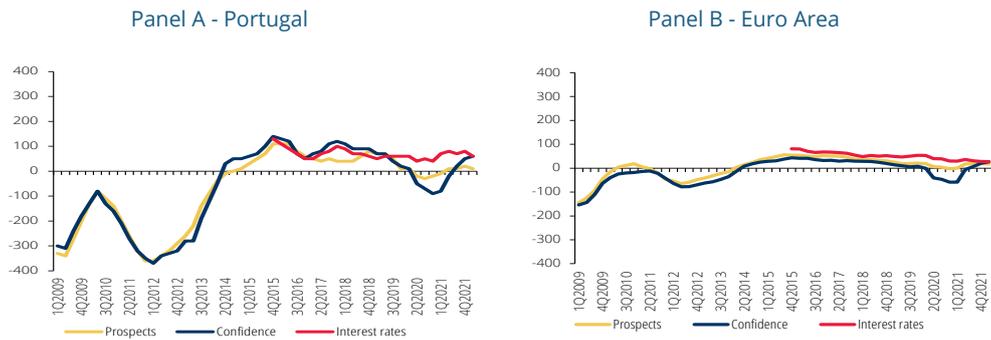
These results show that the demand for housing loans is strongly related to the housing market prospects. However, new loans do not always change in line with the behavior of housing prices (Chart C.3). In 2020, new loans slowed down, but prices kept a robust growth both in Portugal and in the euro area. The robustness of the price growth in a period in which new loans slowed down confirms that, besides credit, several other factors determine the behavior of the housing market, such as demand by non-residents and some shortage of supply.

Chart C.1 • Year-on-year change in quarterly demand and supply of loans for house purchase and year-on-year rate of change of new quarterly loans for house purchase | Diffusion index and percentage



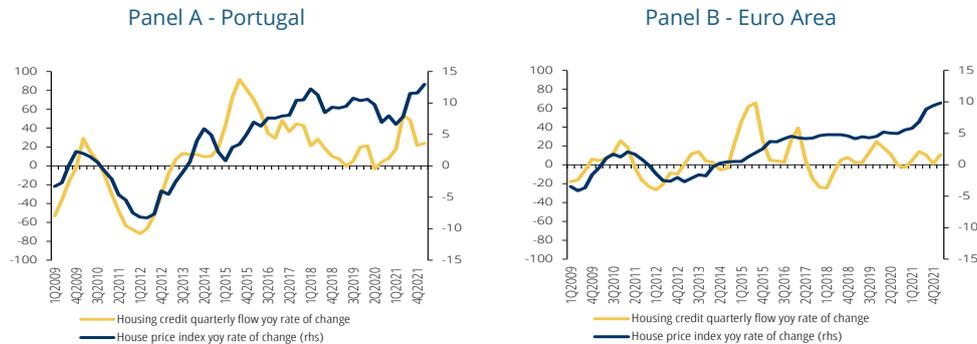
Sources: Banco de Portugal and ECB. | Notes: The year-on-year change in demand (supply) for credit in each quarter is the sum of the diffusion index of demand (credit standards) for housing loans by households in that quarter and in the previous three quarters. Positive (negative) values of this sum mean an year-on-year increase (decrease) in the quarterly demand for credit and an year-on-year easing (tightening) of credit standards applied in the quarter. The year-on-year rate of change of new loans for house purchase in each quarter is based on new loans granted in that quarter and in the same quarter in the previous year.

Chart C.2 • Impact on the year-on-year change in the quarterly demand of loans for house purchase by factor | Diffusion index



Sources: Banco de Portugal and ECB. | Notes: The contribution of a given factor in a given quarter is the sum of the diffusion index of the factor in that quarter and in the previous three quarters. Positive (negative) values of this sum mean a contribution to an year-on-year increase (decrease) in the quarterly demand for loans.

Chart C.3 • Year-on-year rate of change of new quarterly loans for house purchase and year-on-year rate of change of quarterly house prices | Percentage



Sources: Banco de Portugal, ECB and Eurostat. | Notes: The year-on-year rate of change of new loans for house purchase in each quarter is based on new loans granted in that quarter and in the same quarter in the previous year. The year-on-year rate of change of house prices in each quarter is based on the quarterly total house price index (2015 = 100).

2 Annex¹

The following tables include the results for Portugal of the Bank Lending Survey for the current exercise.

Questions 1 to 9 relate to loans or credit lines to non-financial enterprises and questions 10 to 22 to loans to households. In the case of enterprises a distinction is made between small and medium sized enterprises (SME) and large enterprises and between short-term loans and long-term loans. For households, a distinction between loans for house purchase and consumer credit and other lending is made.

In the survey, questions are asked about the developments on credit standards for approving loans, terms and conditions on new loans and loan demand, as well as the factors that may explain the changes that have occurred in each of these aspects. A question on the share of loan rejections to enterprises and households is also asked. Questions about past developments are expressed in terms of changes between the quarter of the survey and the immediately preceding quarter. Questions on expectations are expressed in terms of changes between the quarter of the survey and the immediately following quarter.

For each sector – enterprises and households – there are two types of tables. In the first type (questions 1, 5, 6, 8 to 10, 17, 18, 21 and 22), responses are shown along the columns and, in the second type (remaining questions), answers are presented along the rows. For all questions there are six possible answers. Five are related to the sign and intensity of the changes reported (either occurred or foreseen) and one covers the option of being not applicable (N/A).

Each table presents the number of banks choosing each option and the diffusion index. This index is measured using a scale to aggregate individual responses, according to the sign and intensity of the responses. It varies from -100 to 100, where zero corresponds to “remained basically unchanged”. For questions concerning the supply, values of less (higher) than zero mean less (more) restrictive credit standards, terms and conditions or a contribution of the factors leading to a lower (higher) restrictiveness. In questions on demand, the same scale applies, where positive (negative) values of the diffusion index represent an increase (decrease) in demand for credit or a contribution of factors in the same direction.

Besides the standard questions, the survey may also include *ad hoc* questions which focus on situations of particular interest.

1. For clarification of terms and definitions used in the survey, see document “BLS presentation and glossary”.

2.1 Loans or credit lines to enterprises

1 • Enterprises – Credit standards

Over the past three months, how have your bank's credit standards as applied to the approval of loans or credit lines to enterprises changed? Please note that we are asking about the change in credit standards, rather than about their level.

	Overall	Loans to small and medium-sized enterprises	Loans to large enterprises	Short-term loans	Long-term loans
No of banks that selected the option					
Tightened considerably					
Tightened somewhat	1	1			1
Remained basically unchanged	4	4	5	5	4
Eased somewhat					
Eased considerably					
N/A ^(a)					
Diffusion index %					
Jul. 22	10	10	0	0	10
Apr. 22	0	0	0	0	0

Note: (a) N/A = not applicable.

2 • Enterprises – Credit standards – Factors

Over the past three months, how have the following factors affected your bank's credit standards as applied to the approval of loans or credit lines to enterprises? Please rate the contribution of the following factors to the tightening or easing of credit standards using the following scale:

- contributed considerably to tightening of credit standards
- contributed somewhat to tightening of credit standards
- o contributed to keeping credit standards basically unchanged
- + contributed somewhat to easing of credit standards
- ++ contributed considerably to easing of credit standards
- N/A not applicable

	No of banks that selected the option						Diffusion index %	
	--	-	o	+	++	N/A	Jul. 22	Apr. 22
Overall impact on your bank's credit standards								
Cost of funds and balance sheet constraints								
Your bank's capital and the costs related to your bank's capital position			5				0	0
Your bank's ability to access market financing (e.g. money or bond market financing, incl. true-sale securitisation)			5				0	0
Your bank's liquidity position			5				0	0
Pressure from competition								
Competition from other banks			5				0	0
Competition from non-banks			5				0	0
Competition from market financing			5				0	0
Perception of risk								
General economic situation and outlook		3	2				30	-10
Industry or firm-specific situation and outlook/borrower's creditworthiness		2	3				20	0
Risk related to the collateral demanded			5				0	-10
Your bank's risk tolerance								
Your bank's risk tolerance			5				0	0

	No of banks that selected the option						Diffusion index %	
	--	-	o	+	++	N/A	Jul. 22	Apr. 22
Impact on your bank's credit standards for loans to small and medium-sized enterprises								
Cost of funds and balance sheet constraints								
Your bank's capital and the costs related to your bank's capital position			5				0	0
Your bank's ability to access market financing (e.g. money or bond market financing, incl. true-sale securitisation)			5				0	0
Your bank's liquidity position			5				0	0
Pressure from competition								
Competition from other banks			5				0	0
Competition from non-banks			5				0	0
Competition from market financing			5				0	0
Perception of risk								
General economic situation and outlook		3	2				30	-10
Industry or firm-specific situation and outlook/borrower's creditworthiness		2	3				20	0
Risk related to the collateral demanded			5				0	-10
Your bank's risk tolerance								
Your bank's risk tolerance			5				0	0

Impact on your bank's credit standards for loans to large enterprises

Cost of funds and balance sheet constraints								
Your bank's capital and the costs related to your bank's capital position			5				0	0
Your bank's ability to access market financing (e.g. money or bond market financing, incl. true-sale securitisation)			5				0	0
Your bank's liquidity position			5				0	0
Pressure from competition								
Competition from other banks			5				0	-10
Competition from non-banks			5				0	0
Competition from market financing			5				0	0
Perception of risk								
General economic situation and outlook		2	3				20	0
Industry or firm-specific situation and outlook/borrower's creditworthiness		1	4				10	10
Risk related to the collateral demanded			5				0	-10
Your bank's risk tolerance								
Your bank's risk tolerance			5				0	10

3 • Enterprises – Terms and conditions

Over the past three months, how have your bank's terms and conditions for new loans or credit lines to enterprises changed? Please rate the overall terms and conditions for this loan category and each factor using the following scale:

- tightened considerably
- tightened somewhat
- o remained basically unchanged
- + eased somewhat
- ++ eased considerably
- N/A not applicable

	No of banks that selected the option						Diffusion index %	
	--	-	o	+	++	N/A	Jul. 22	Apr. 22
Overall								
Overall terms and conditions								
Overall terms and conditions			5				0	0
Margins (i.e. the spread over a relevant market reference rate)								
Your bank's loan margin on average loans			5				0	-10
Your bank's loan margin on riskier loans			5				0	0
Other conditions and terms								
Non-interest rate charges		1	4				10	10
Size of the loan or credit line			5				0	0
Collateral requirements		1	4				10	0
Loan covenants		1	4				10	0
Maturity			5				0	0

Loans to small and medium-sized enterprises

Overall terms and conditions								
Overall terms and conditions			5				0	0
Margins (i.e. the spread over a relevant market reference rate)								
Your bank's loan margin on average loans			5				0	-10
Your bank's loan margin on riskier loans			5				0	0
Other conditions and terms								
Non-interest rate charges		1	4				10	10
Size of the loan or credit line			5				0	0
Collateral requirements		1	4				10	0
Loan covenants		1	4				10	0
Maturity			5				0	0

	No of banks that selected the option						Diffusion index %	
	--	-	o	+	++	N/A	Jul. 22	Apr. 22
Loans to large enterprises								
Overall terms and conditions								
Overall terms and conditions			5				0	10
Margins (i.e. the spread over a relevant market reference rate)								
Your bank's loan margin on average loans			5				0	-10
Your bank's loan margin on riskier loans			5				0	0
Other conditions and terms								
Non-interest rate charges			5				0	10
Size of the loan or credit line			5				0	0
Collateral requirements			5				0	10
Loan covenants			5				0	0
Maturity			5				0	0

4 • Enterprises – Terms and conditions – Factors

Over the past three months, how have the following factors affected your bank's credit terms and conditions as applied to new loans or credit lines to enterprises? Please rate the contribution of the following factors to the tightening or easing of credit terms and conditions using the following scale:

- contributed considerably to tightening of credit terms and conditions/contributed considerably to widening of margins
- contributed somewhat to tightening of credit terms and conditions/contributed somewhat to widening of margins
- o contributed to keeping credit terms and conditions basically unchanged/contributed to keeping margins basically unchanged
- + contributed somewhat to easing of credit terms and conditions/contributed somewhat to narrowing of margins
- ++ contributed considerably to easing of credit terms and conditions/contributed considerably to narrowing of margins
- N/A not applicable

	No of banks that selected the option						Diffusion index %	
	--	-	o	+	++	N/A	Jul. 22	Apr. 22
Overall impact on your bank's credit terms and conditions								
Cost of funds and balance sheet constraints								
Your bank's capital and the costs related to your bank's capital position			5				0	0
Your bank's ability to access market financing (e.g. money or bond market financing, incl. true-sale securitisation)			5				0	0
Your bank's liquidity position			5				0	0
Pressure from competition								
Competition from other banks			5				0	-20
Competition from non-banks			5				0	0
Competition from market financing			5				0	0
Perception of risk								
General economic situation and outlook		2	3				20	20
Industry or firm-specific situation and outlook/borrower's creditworthiness		2	3				20	0
Risk related to the collateral demanded			5				0	0
Your bank's risk tolerance								
Your bank's risk tolerance		1	4				10	10

	No of banks that selected the option						Diffusion index %	
	--	-	o	+	++	N/A	Jul. 22	Apr. 22
Impact on your bank's margin on average loans								
Cost of funds and balance sheet constraints								
Your bank's capital and the costs related to your bank's capital position			5				0	0
Your bank's ability to access market financing (e.g. money or bond market financing, incl. true-sale securitisation)			5				0	0
Your bank's liquidity position			5				0	0
Pressure from competition								
Competition from other banks			5				0	-20
Competition from non-banks			5				0	0
Competition from market financing			5				0	0
Perception of risk								
General economic situation and outlook		2	3				20	20
Industry or firm-specific situation and outlook/borrower's creditworthiness		2	3				20	0
Risk related to the collateral demanded			5				0	0
Your bank's risk tolerance								
Your bank's risk tolerance		1	4				10	10
Impact on your bank's margin on riskier loans								
Cost of funds and balance sheet constraints								
Your bank's capital and the costs related to your bank's capital position			5				0	0
Your bank's ability to access market financing (e.g. money or bond market financing, incl. true-sale securitisation)			5				0	0
Your bank's liquidity position			5				0	0
Pressure from competition								
Competition from other banks			5				0	0
Competition from non-banks			5				0	0
Competition from market financing			5				0	0
Perception of risk								
General economic situation and outlook		2	3				20	20
Industry or firm-specific situation and outlook/borrower's creditworthiness		2	3				20	20
Risk related to the collateral demanded			5				0	10
Your bank's risk tolerance								
Your bank's risk tolerance		1	4				10	10

5 • Enterprises – Rejected applications

Over the past three months (apart from normal seasonal fluctuations), has the share of formal and informal enterprise loan applications that were completely rejected by your bank increased, remained unchanged or decreased (loan volume, relative to the total volume of loan applications in that loan category)?

	Share of rejected applications		
	Overall	Loans to small and medium-sized enterprises	Loans to large enterprises
No of banks that selected the option			
Decreased considerably			
Decreased somewhat			
Remained basically unchanged	5	5	5
Increased somewhat			
Increased considerably			
N/A ^(a)			
Diffusion index %			
Jul. 22	0	0	0
Apr. 22	0	0	0

Note: (a) N/A = not applicable.

6 • Enterprises – Demand

Over the past three months (apart from normal seasonal fluctuations), how has the demand for loans or credit lines to enterprises changed at your bank? Please refer to the financing need of enterprises independent of whether this need will result in a loan or not.

	Overall	Loans to small and medium-sized enterprises			Long-term loans
		Loans to large enterprises	Short-term loans	Long-term loans	
No of banks that selected the option					
Decreased considerably					
Decreased somewhat					
Remained basically unchanged	4	4	4	4	5
Increased somewhat	1	1	1	1	
Increased considerably					
N/A ^(a)					
Diffusion index %					
Jul. 22	10	10	10	10	0
Apr. 22	10	10	-10	10	10

Note: (a) N/A = not applicable.

7 • Enterprises – Demand – Factors

Over the past three months, how have the following factors affected the overall demand for loans or credit lines to enterprises? Please rate each possible factor using the following scale:

- contributed considerably to lower demand
- contributed somewhat to lower demand
- ° contributed to keeping demand basically unchanged
- + contributed somewhat to higher demand
- ++ contributed considerably to higher demand
- N/A not applicable

	No of banks that selected the option					N/A	Diffusion index %	
	--	-	°	+	++		Jul. 22	Apr. 22
Overall								
Financing needs/underlying drivers on purpose of loan demands								
Fixed investment			5				0	0
Inventories and working capital			3	2			20	10
Mergers/acquisitions and corporate restructuring			5				0	0
General level of interest rates			5				0	0
Debt refinancing/restructuring and renegotiation (when leading to an increase or prolongation of the amount borrowed)			5				0	20
Use of alternative finance								
Internal financing			5				0	-10
Loans from other banks			5				0	0
Loans from non-banks			5				0	0
Issuance/redemption of debt securities			5				0	0
Issuance/redemption of equity			5				0	0
Loans to small and medium-sized enterprises								
Financing needs/underlying drivers on purpose of loan demands								
Fixed investment			5				0	0
Inventories and working capital			3	2			20	10
Mergers/acquisitions and corporate restructuring			5				0	0
General level of interest rates			5				0	0
Debt refinancing/restructuring and renegotiation (when leading to an increase or prolongation of the amount borrowed)			5				0	20
Use of alternative finance								
Internal financing			5				0	-10
Loans from other banks			5				0	0
Loans from non-banks			5				0	0
Issuance/redemption of debt securities			5				0	0
Issuance/redemption of equity			5				0	0

	No of banks that selected the option						Diffusion index %	
	--	-	o	+	++	N/A	Jul. 22	Apr. 22
Loans to large enterprises								
Financing needs/underlying drivers on purpose of loan demands								
Fixed investment			5				0	0
Inventories and working capital			3	2			20	0
Mergers/acquisitions and corporate restructuring			5				0	0
General level of interest rates			5				0	0
Debt refinancing/restructuring and renegotiation (when leading to an increase or prolongation of the amount borrowed)			5				0	10
Use of alternative finance								
Internal financing			5				0	-10
Loans from other banks			5				0	0
Loans from non-banks			5				0	0
Issuance/redemption of debt securities			5				0	0
Issuance/redemption of equity			5				0	0

8 • Enterprises – Credit standards – Outlook

Please indicate how you expect your bank's credit standards as applied to the approval of loans or credit lines to enterprises to change over the next three months. Please note that we are asking about the change in credit standards, rather than about their level.

	Overall	Loans to small and medium-sized enterprises	Loans to large enterprises	Short-term loans	Long-term loans
No of banks that selected the option					
Tighten considerably					
Tighten somewhat	2	2		1	2
Remain basically unchanged	3	3	5	4	3
Ease somewhat					
Ease considerably					
N/A ^(a)					
Diffusion index %					
Jul. 22	20	20	0	10	20
Apr. 22	10	10	0	10	10

Note: (a) N/A = not applicable.

9 • Enterprises – Demand – Outlook

Please indicate how you expect demand for loans or credit lines to enterprises to change at your bank over the next three months (apart from normal seasonal fluctuations)? Please refer to the financing need of enterprises independent of whether this need will result in a loan or not.

	Overall	Loans to small and medium-sized enterprises	Loans to large enterprises	Short-term loans	Long-term loans
No of banks that selected the option					
Decrease considerably					
Decrease somewhat					
Remain basically unchanged	3	3	4	3	5
Increase somewhat	2	2	1	2	
Increase considerably					
N/A ^(a)					
Diffusion index %					
Jul. 22	20	20	10	20	0
Apr. 22	20	20	10	20	0

Note: (a) N/A = not applicable.

2.2 Loans to households

10 • Households – Credit standards

Over the past three months, how have your bank's credit standards as applied to the approval of loans to households changed? Please note that we are asking about the change in credit standards, rather than about their level.

	Loans for house purchase	Consumer credit and other lending
No of banks that selected the option		
Tightened considerably		
Tightened somewhat		
Remained basically unchanged	5	4
Eased somewhat		1
Eased considerably		
N/A ^(a)		
Diffusion index %		
Jul. 22	0	-10
Apr. 22	0	-10

Note: (a) N/A = not applicable.

11 • Loans for house purchase – Credit standards – Factors

Over the past three months, how have the following factors affected your bank's credit standards as applied to the approval of loans to households for house purchase? Please rate the contribution of the following factors to the tightening or easing of credit standards using the following scale:

- contributed considerably to tightening of credit standards
- contributed somewhat to tightening of credit standards
- o contributed to keeping credit standards basically unchanged
- + contributed somewhat to easing of credit standards
- ++ contributed considerably to easing of credit standards
- N/A not applicable

	No of banks that selected the option						Diffusion index %	
	--	-	o	+	++	N/A	Jul. 22	Apr. 22
Cost of funds and balance sheet constraints								
Your bank's capital and the costs related to your bank's capital position			5				0	0
Your bank's ability to access market financing (e.g. money or bond market financing, incl. true-sale securitisation)			5				0	0
Your bank's liquidity position			5				0	0
Pressure from competition								
Competition from other banks			4	1			-10	0
Competition from non-banks			4			1	0	0
Perception of risk								
General economic situation and outlook		1	4				10	0
Housing market prospects, including expected house price developments			5				0	0
Borrower's creditworthiness			5				0	0
Your bank's risk tolerance								
Your bank's risk tolerance			5				0	0

12 • Loans for house purchase – Terms and conditions

Over the past three months, how have your bank's terms and conditions for new loans to households for house purchase changed? Please rate the overall terms and conditions for this loan category and each factor using the following scale:

- tightened considerably
- tightened somewhat
- o remained basically unchanged
- + eased somewhat
- ++ eased considerably
- N/A not applicable

	No of banks that selected the option						Diffusion index %	
	--	-	o	+	++	N/A	Jul. 22	Apr. 22
Overall terms and conditions								
Overall terms and conditions			5				0	0
Margins (i.e. the spread over a relevant market reference rate)								
Your bank's loan margin on average loans			4	1			-10	0
Your bank's loan margin on riskier loans		1	4				10	0
Other terms and conditions								
Collateral requirements			5				0	0
"Loan-to-value" ratio			5				0	0
Other loan size limits			5				0	0
Maturity		1	4				10	10
Non-interest rate charges			5				0	0

13 • Loans for house purchase – Terms and conditions – Factors

Over the past three months, how have the following factors affected your bank's credit terms and conditions as applied to new loans to households for house purchase? Please rate the contribution of the following factors to the tightening or easing of credit terms and conditions using the following scale:

- contributed considerably to tightening of credit terms and conditions/contributed considerably to widening of margins
- contributed somewhat to tightening of credit terms and conditions/contributed somewhat to widening of margins
- ° contributed to keeping credit terms and conditions basically unchanged/contributed to keeping margins basically unchanged
- + contributed somewhat to easing of credit terms and conditions/contributed somewhat to narrowing of margins
- ++ contributed considerably to easing of credit terms and conditions/contributed considerably to narrowing of margins
- N/A not applicable

	No of banks that selected the option					N/A	Diffusion index %	
	--	-	°	+	++		Jul. 22	Apr. 22
Overall impact on your bank's credit terms and conditions								
Cost of funds and balance sheet constraints								
Cost of funds and balance sheet constraints			5				0	0
Pressure from competition								
Pressure from competition			4	1			-10	0
Perception of risk								
Perception of risk		1	4				10	0
Your bank's risk tolerance								
Your bank's risk tolerance			5				0	0
Impact on your bank's margin on average loans								
Cost of funds and balance sheet constraints								
Cost of funds and balance sheet constraints			5				0	0
Pressure from competition								
Pressure from competition			4	1			-10	0
Perception of risk								
Perception of risk			5				0	0
Your bank's risk tolerance								
Your bank's risk tolerance			5				0	0
Impact on your bank's margin on riskier loans								
Cost of funds and balance sheet constraints								
Cost of funds and balance sheet constraints			5				0	0
Pressure from competition								
Pressure from competition			5				0	0
Perception of risk								
Perception of risk		1	4				10	0
Your bank's risk tolerance								
Your bank's risk tolerance			5				0	0

14 • Consumer credit and other lending – Credit standards – Factors

Over the past three months, how have the following factors affected your bank's credit standards as applied to the approval of consumer credit and other lending to households? Please rate the contribution of the following factors to the tightening or easing of credit standards using the following scale:

- contributed considerably to tightening of credit standards
- contributed somewhat to tightening of credit standards
- ° contributed to keeping credit standards basically unchanged
- + contributed somewhat to easing of credit standards
- ++ contributed considerably to easing of credit standards
- N/A not applicable

	No of banks that selected the option						Diffusion index %	
	--	-	°	+	++	N/A	Jul. 22	Apr. 22
Cost of funds and balance sheet constraints								
Your bank's capital and the costs related to your bank's capital position			5				0	0
Your bank's ability to access market financing (e.g. money or bond market financing, incl. true-sale securitisation)			5				0	0
Your bank's liquidity position			5				0	0
Pressure from competition								
Competition from other banks			4	1			-10	-10
Competition from non-banks			4	1			-10	-10
Perception of risk								
General economic situation and outlook		1	4				10	0
Creditworthiness of consumers			5				0	0
Risk on the collateral demanded			5				0	0
Your bank's risk tolerance								
Your bank's risk tolerance			4	1			-10	-10

15 • Consumer credit and other lending – Terms and conditions

Over the past three months, how have your bank's terms and conditions for new consumer credit and other lending to households changed? Please rate the overall terms and conditions for this loan category and each factor using the following scale:

- tightened considerably
- tightened somewhat
- o remained basically unchanged
- + eased somewhat
- ++ eased considerably
- N/A not applicable

	No of banks that selected the option						Diffusion index %	
	--	-	o	+	++	N/A	Jul. 22	Apr. 22
Overall terms and conditions								
Overall terms and conditions			5				0	0
Margins (i.e. the spread over a relevant market reference rate)								
Your bank's loan margin on average loans			5				0	-10
Your bank's loan margin on riskier loans			5				0	0
Other terms and conditions								
Collateral requirements			5				0	0
Size of the loan			5				0	0
Maturity			5				0	0
Non-interest rate charges			5				0	-10

16 • Consumer credit and other lending – Terms and conditions – Factors

Over the past three months, how have the following factors affected your bank's credit terms and conditions as applied to new consumer credit and other lending to households? Please rate the contribution of the following factors to the tightening or easing of credit terms and conditions using the following scale:

- contributed considerably to tightening of credit terms and conditions/contributed considerably to widening of margins
- contributed somewhat to tightening of credit terms and conditions/contributed somewhat to widening of margins
- ° contributed to keeping credit terms and conditions basically unchanged/contributed to keeping margins basically unchanged
- + contributed somewhat to easing of credit terms and conditions/contributed somewhat to narrowing of margins
- ++ contributed considerably to easing of credit terms and conditions/contributed considerably to narrowing of margins
- N/A not applicable

	No of banks that selected the option						Diffusion index %	
	--	-	°	+	++	N/A	Jul. 22	Apr. 22
Overall impact on your bank's credit terms and conditions								
Cost of funds and balance sheet constraints								
Cost of funds and balance sheet constraints			5				0	0
Pressure from competition								
Pressure from competition			4	1			-10	-10
Perception of risk								
Perception of risk			5				0	0
Your bank's risk tolerance								
Your bank's risk tolerance			5				0	-10
Impact on your bank's margin on average loans								
Cost of funds and balance sheet constraints								
Cost of funds and balance sheet constraints			5				0	0
Pressure from competition								
Pressure from competition			4	1			-10	-10
Perception of risk								
Perception of risk			5				0	0
Your bank's risk tolerance								
Your bank's risk tolerance			5				0	-10
Impact on your bank's margin on riskier loans								
Cost of funds and balance sheet constraints								
Cost of funds and balance sheet constraints			5				0	0
Pressure from competition								
Pressure from competition			4	1			-10	0
Perception of risk								
Perception of risk			4	1			-10	0
Your bank's risk tolerance								
Your bank's risk tolerance			5				0	0

17 • Households – Rejected applications

Over the past three months (apart from normal seasonal fluctuations), has the share of formal and informal household loan applications that were completely rejected by your bank increased, remained unchanged or decreased (loan volume, relative to the total volume of loan applications in that loan category)?

	Share of rejected applications	
	Loans for house purchase	Consumer credit and other lending
No of banks that selected the option		
Decreased considerably		
Decreased somewhat		
Remained basically unchanged	4	4
Increased somewhat	1	1
Increased considerably		
N/A ^(a)		
Diffusion index %		
Jul. 22	10	10
Apr. 22	0	10

Note: (a) N/A = not applicable.

18 • Households – Demand

Over the past three months (apart from normal seasonal fluctuations), how has the demand for loans to households changed at your bank? Please refer to the financing need of households independent of whether this need will result in a loan or not.

	Loans for house purchase	Consumer credit and other lending
	No of banks that selected the option	
Decreased considerably		
Decreased somewhat		
Remained basically unchanged	4	4
Increased somewhat	1	1
Increased considerably		
N/A ^(a)		
Diffusion Index %		
Jul. 22	10	10
Apr. 22	10	40

Note: (a) N/A = not applicable.

19 • Loans for house purchase – Demand - Factors

Over the past three months, how have the following factors affected the demand for loans to households for house purchase? Please rate each factor using the following scale:

- contributed considerably to lower demand
- contributed somewhat to lower demand
- o contributed to keeping demand basically unchanged
- + contributed somewhat to higher demand
- ++ contributed considerably to higher demand
- N/A not applicable

	No of banks that selected the option					Diffusion index %		
	--	-	o	+	++	N/A	Jul. 22	Apr. 22
Financing needs/underlying drivers or purpose of loan demand								
Housing market prospects, including expected house price developments			4	1			10	0
Consumer confidence			5				0	10
General level of interest rates			4	1			10	10
Debt refinancing/restructuring and renegotiation (when leading to an increase or prolongation of the amount borrowed)			5				0	0
Regulatory and fiscal regime of housing markets			5				0	0
Use of alternative sources for housing finance (substitution effects)								
Internal finance of house purchase out of savings/down payment (i.e. share financed via the household's own funds)			5				0	0
Loans from other banks			5				0	0
Other sources of external finance			5				0	0

20 • Consumer credit and other lending – Demand – Factors

Over the past three months, how have the following factors affected the demand for consumer credit and other lending to households? Please rate each factor using the following scale:

- contributed considerably to lower demand
- contributed somewhat to lower demand,
- o contributed to keeping demand basically unchanged
- + contributed somewhat to higher demand
- ++ contributed considerably to higher demand
- N/A not applicable

	No of banks that selected the option						Diffusion index %	
	--	-	o	+	++	N/A	Jul. 22	Apr. 22
Financing needs/underlying drivers or purpose of loan demand								
Spending on durable consumer goods, such as cars, furniture, etc.			5				0	10
Consumer confidence			5				0	40
General level of interest rates			5				0	0
Consumption expenditure financed through real-estate guaranteed loans ("mortgage equity withdrawal")			4	1			10	0
Use of alternative finance								
Internal finance out of savings			5				0	0
Loans from other banks			5				0	0
Other sources of external finance			5				0	0

21 • Households – Credit standards – Outlook

Please indicate how you expect your bank's credit standards as applied to the approval of loans to households to change over the next three months. Please note that we are asking about the change in credit standards, rather than about their level.

	Loans for house purchase	Consumer credit and other lending
No of banks that selected the option		
Tighten considerably		
Tighten somewhat	1	1
Remain basically unchanged	4	4
Ease somewhat		
Ease considerably		
N/A ^(a)		
Diffusion index %		
Jul. 22	10	10
Apr. 22	0	0

Note: (a) N/A = not applicable.

22 • Households – Demand – Outlook

Please indicate how you expect demand for loans to households to change over the next three months at your bank (apart from normal seasonal fluctuations). Please refer to the financing need of households independent of whether this need will result in a loan or not.

	Loans for house purchase	Consumer credit and other lending
No of banks that selected the option		
Decrease considerably		
Decrease somewhat	2	1
Remain basically unchanged	3	4
Increase somewhat		
Increase considerably		
N/A ^(a)		
Diffusion index %		
Jul. 22	-20	-10
Apr. 22	10	10

Note: (a) N/A = not applicable.

23 • Ad hoc question on retail and wholesale funding

As a result of the situation in financial markets^(a), has your market access changed when tapping your usual sources of wholesale and retail funding and/or has your ability to transfer risk changed over the past three months, or are you expecting this access/activity to change over the next three months? Please rate each factor using the following scale:

- deteriorated considerably/will deteriorate considerably
- deteriorated somewhat/will deteriorate somewhat
- ° remained unchanged/will remain unchanged
- + eased somewhat/will ease somewhat
- ++ eased considerably/will ease considerably
- N/A not applicable

	No of banks that selected the option											
	Over the past three months						Over the next three months					
	--	-	°	+	++	N/A ^(b)	--	-	°	+	++	N/A ^(b)
Retail funding												
Short-term deposits (up to one year)			4	1					5			
Long-term (more than one year) deposits and other retail funding instruments			5						5			
Inter-bank unsecured money market												
Very short term money market (up to 1 week)			1	4			1		4			
Short-term money market (more than 1 week)	1			4			1		4			
Wholesale debt securities^(c)												
Short-term debt securities (e.g. certificates of deposit or commercial paper)			1	1	1	2		1	1		1	2
Medium to long term debt securities (incl. covered bonds)	1	2		1	1		1	1	2		1	
Securitisation^(d)												
Securitisation of corporate loans			1	2		2		1	1	1		2
Securitisation of loans for house purchase			1	2		2		1	1	1		2
Ability to transfer credit risk off balance sheet^(e)												
Ability to transfer credit risk off balance sheet			1	2		2		1	1	1		2

Notes: (a) Please also take into account any effect of state guarantees *vis-à-vis* debt securities and recapitalisation support. (b) Please select "N/A" (not applicable) only if the source of funding is not relevant for your bank. (c) Usually involves on-balance sheet funding. (d) Usually involves the sale of loans from banks' balance sheets, i.e. off-balance sheet funding. (e) Usually involves the use of credit derivatives, with the loans remaining on banks' balance sheets.

24 • Ad hoc question on the impact of banks' non-performing loan ratios

Please indicate the impact of your bank's non-performing loan (NPL) ratio^(a) on your lending policy. In addition, please indicate the contribution of each factor through which the NPL ratio has affected or will affect your bank's lending policy.

- has contributed considerably or will contribute considerably to tightening
- has contributed somewhat or will contribute somewhat to tightening
- o has not had/will not have an impact
- + has contributed somewhat or will contribute somewhat to easing
- ++ has contributed considerably or will contribute considerably to easing
- N/A not applicable

	No of banks that selected the option											
	Over the past six months						Over the next six months					
	--	-	o	+	++	N/A ^(b)	--	-	o	+	++	N/A ^(b)
Impact of NPL ratio on the change in your bank's credit standards												
Loans and credit lines to enterprises		1	4					1	4			
Loans to households for house purchase		1	4					1	4			
Consumer credit and other lending to households		1	4					1	4			
Impact of NPL ratio on the change in your bank's credit terms and conditions												
Loans and credit lines to enterprises				5					5			
Loans to households for house purchase				5					5			
Consumer credit and other lending to households				5					5			
Contribution of factors through which the NPL ratio affects your bank's policy on lending to enterprises and households (change in your bank's credit standards and credit terms and conditions)												
Contribution of your bank's cost of funds and balance sheet constraints to the NPL-related impact on your bank's lending policy												
Costs related to your bank's capital position				5					5			
Costs related to your bank's balance sheet clean-up operations ^(c)				5					5			
Pressure related to supervisory or regulatory requirements ^(d)		1	4					1	4			
Your bank's access to market financing				5					5			
Your bank's liquidity position				5					5			
Contribution of your bank's perception of risk and risk tolerance to the NPL-related impact on your bank's lending policy												
Your bank's perception of risk ^(e)		1	4					1	4			
Your bank's risk tolerance		1	4					1	4			

Notes: (a) The NPL ratio is defined as the stock of gross non-performing loans on your bank's balance sheet as a percentage of the gross carrying amount of loans. Changes in credit standards and/or terms and conditions can be caused by changes in the NPL ratio or by changes in regulation or in the bank's assessment of the level of the NPL ratio, even if the NPL ratio has remained unchanged. (b) Please select "N/A" (not applicable) only if you do not have any business in or exposure to the respective lending category (as regards credit standards), if you have not granted any new loans in the respective lending category during the period specified (as regards credit terms and conditions), or if you do not have any non-performing loans. (c) This may include costs due to the need for additional provisions and/or write-offs exceeding the previous stock of provisions. (d) This may include expectations of or uncertainty about future supervisory or regulatory requirements. (e) Your bank's perception of risk regarding the general economic situation and outlook, borrowers' creditworthiness and of the risk related to collateral demanded.

25 • Ad hoc question on credit standards, terms and conditions on new loans, and demand for loans across main sectors of economic activities

Over the past six months, how have your bank's credit standards, terms and conditions on new loans, and demand for loans changed across main sectors of economic activities^(a)? And what do you expect for the next six months?

- tightened considerably/decreased considerably/will tighten considerably/will decrease considerably
- tightened somewhat/decreased somewhat/will tighten somewhat/will decrease somewhat
- o remained basically unchanged/will remain basically unchanged
- + eased somewhat/increased somewhat/will ease somewhat/will increase somewhat
- ++ eased considerably/increased considerably/will ease considerably/will increase considerably
- N/A not applicable

	No of banks that selected the option											
	Over the past six months						Over the next six months					
	--	-	o	+	++	N/A ^(b)	--	-	o	+	++	N/A ^(b)
Your bank's credit standards												
Manufacturing		1	4				3	2				
Construction (excluding real estate)		1	4				2	3				
Services (excluding financial services and real estate)			5					5				
Wholesale and retail trade			5					5				
Real estate ^(c)		1	4				2	3				
of which:												
Commercial real estate		1	4				2	3				
Residential real estate		1	4				2	3				
Your bank's terms and conditions												
Manufacturing			5				1	4				
Construction (excluding real estate)			5				1	4				
Services (excluding financial services and real estate)			5					5				
Wholesale and retail trade			5					5				
Real estate ^(c)		1	4				2	3				
of which:												
Commercial real estate		1	4				2	3				
Residential real estate		1	4				2	3				
Demand for loans at your bank												
Manufacturing			4	1				3	2			
Construction (excluding real estate)			5					5				
Services (excluding financial services and real estate)			4	1				4	1			
Wholesale and retail trade			4	1				4	1			
Real estate ^(c)	1		4					5				
of which:												
Commercial real estate	1		4					5				
Residential real estate	1		4					5				

Notes: (a) The sectors of economic activities are based on the statistical classification of economic activities in the European Community (NACE Rev. 2): Manufacturing = C, Construction (excluding real estate) = F - F.41, Wholesale and retail trade = G, Services (excluding financial services and real estate) = M, N, H, I, J, Real estate = L + F.41. According to Eurostat, NACE relates to the characteristics of the activity itself. In this respect, please allocate the loans to the activity of the ultimate recipient of the funds. Units engaged in the same kind of economic activity are classified in the same category of NACE, irrespective of whether they are (part of) incorporated enterprises, individual proprietors or government, whether or not the parent enterprise is a foreign entity and whether or not the unit consists of more than one establishment. (Source: Eurostat, NACE Rev. 2, Statistical classification of economic activities in the European Community, 2008). (b) Please select "N/A" (not applicable) only if you do not have any business in or exposure to the respective lending category. (c) This includes real estate construction (F.41) and real estate services (L). Commercial real estate is property used for business purposes (e.g. office, retail, industrial, multifamily (of five units or more), hotel, and special purpose buildings), while residential real estate is property used for living purposes, typically single family or individuals homes and one to four unit rental residences.