



BANCO DE PORTUGAL
EUROSYSTEM

Bank Lending Survey | Results for Portugal

I. Overall assessment

In general, credit standards and conditions and terms applied to loans to companies and households remained broadly unchanged, even though there is evidence of higher spread differentials according to the clients risk profile. In the upcoming three months, the survey anticipates the restrictiveness to remain roughly unchanged, with the possibility of a slight decrease in the case of loans and credit lines to large enterprises and to consumer credit.

The survey results also point to a relative stabilization of the overall demand for loans. Nonetheless, it was reported a slight increase in the demand for loans from small and medium sized enterprises (SME's) and for short-term loans. For the next three months, these institutions expect a slight increase in loan demand from both enterprises and households, even though some suggest that there might be a slight increase in consumer credit demand.

II. Presentation of the results

Supply

According to the surveyed banks, credit standards and conditions and terms applied to loans to companies in the first quarter of 2014 remained broadly unchanged, even though one institution reported a decrease in the restrictiveness. The same pattern can be observed for short- and long-term loans, even though for the former, one institution reported the adoption of less restrictive criteria.

Three banks identified the pressures of competition as having a slight impact on the reduction of restrictiveness for loan approvals. Two banks identified their expectations regarding general economic activity and industry or firm

specific outlook as having a slight impact on the reduction of credit approval restrictions. Nonetheless, regarding loans approvals from SME's, three institutions reported that expectations regarding general economic activity had a slight impact on the reduction of credit approval restrictions, while for large enterprises only one institution reported such factor.

In the third quarter of the year, four of the banks inquired reported slightly lower spreads on average loans while for large enterprises three banks reported the same result. Two institutions reported the size of the loan or credit line and the non-interest rate charges as additional factors contributing to a decrease in the restrictiveness level. Nonetheless, one institution reported that the latter factor contributed to a slight increase in loans and credit lines approval for large enterprises. For the next quarter, most banks anticipate maintaining the criteria for approving loans to companies, while two institutions anticipate these to be slightly less restrictive on loans to large enterprises.

During this quarter, the surveyed banks reported that in general they have not changed the criteria for the approval of loans to households. Nonetheless, the banks reported a greater differentiation of customers according to their risk profile, both on housing loans as on consumer credit. Two institutions pointed out their expectations regarding general economic activity as having an impact to decrease the restrictiveness in the criteria for loan approval, while one institution reported the same impact from changes in the creditworthiness of consumers. For the next quarter, banks anticipate the criteria for approval of loans to households to remain unchanged regarding house purchase while for consumer credit two institutions anticipate a decrease in the restrictiveness level.

Demand

The majority of banks reported that loan demand by businesses remained rather stable. Even so, three institutions reported an increase in demand from SME's and two institutions reported an increase in short-term loans demand. Among the factors that positively influenced firm credit demand were debt restructuring and inventories and working capital (referred by three and two institutions, respectively). For the next three months, the banks surveyed expect demand for loans by enterprises to increase slightly, especially by SMEs and for short-term loans.

Over the past three months, the demand for housing loans remained virtually unchanged. According to one institution, the main factors responsible for slightly higher demand for housing loans was consumer confidence. This factor was also pointed out by two institutions as having a positive impact on demand for consumer credit. For the next three months, banks expect the demand for home loans and for consumption and for other purposes to remain broadly unchanged with demand for consumer credit to eventually increase slightly.

III. *Ad hoc* questions

The bank lending survey includes some ad-hoc questions aimed at assessing the impact of specific events on the conditions of bank lending to companies and individuals. The survey conducted in April 2014, includes three questions of this kind.

The first question assesses the impact of the situation in financial markets on the banks' access to funding and on their ability to transfer risk. In general, banks reported no significant changes. Nonetheless, four of the banks surveyed reported a slight improvement on access to medium to long term debt securities markets. Regarding long-term deposits and other retail funding instruments, one institution reported

as having contributed to an improvement while another institution reported as having a negative impact. The banks' expectations for the next quarter indicate no significant changes. Nonetheless, and following the trend from the last quarter, four banks expect an improvement in the medium to long term debt securities markets. Concerning long-term deposits and other retail funding instruments, two institutions anticipate an improvement, while one institution anticipates a worsening in this factor.

The second question aims to assess the impact of the sovereign debt crisis in banks' financing conditions and credit standards. In general banks reported that both for direct exposure to sovereign debt and the value of the sovereign collateral available for wholesale market transactions had no impact on the funding conditions, credit standards and lending margins, with one institution reporting the latter as having a positive impact.

The last question intends to compare current credit standards with credit standards in two different periods in the past. When comparing the current period with the first quarter of 2003 some of the banks reported that current credit standards are moderately tighter than the midpoint of the range¹, whether two institutions indicate that current levels are basically identical in the case of loans to large enterprises. As for loans to households one institution reported that current restrictiveness levels are at the maximum of the period. When comparing current's period credit standards with the second quarter of 2010, two institutions indicated that current levels are moderately less restrictive than the midpoint of the range while two other institutions reported that they are moderately more restrictive. With respect to household loans, three institutions reported that current credit standards are basically the same of the midpoint range of the period. Within this specific topic, one institution reported that current credit standards are at the maximum of the period.

Notes:

1. The midpoint of the range of credit standards is defined as the midpoint between the maximum and the minimum level of credit standards during the time period under analysis.



Methodological note

The following tables include the results for Portugal of the Bank Lending Surveys (BLS) conducted in April 2014. Two sets of tables are included in the survey: the first set is about loans and credit lines to non financial enterprises while the second one is on loans to households. In the case of enterprises two sorts of segmentations have been undertaken: small and medium sized (SME) versus large enterprises, and short-term versus long-term loans. For households, a distinction between loans for house purchase and consumer credit and other lending has been made.

For each sector - enterprises and households - the questions are focused on: i) the current and the prospective assessment of credit standards, conditions and terms for lending approval, on the one hand, and on demand trends, on the other (tables 1, 4, 6, 7, 8, 13, 16 and 17); and ii) the appraisal of factors affecting credit standards, conditions and terms (tables 2, 3, 9, 10, 11 e 12), and those underlying developments in demand (tables 5, 14 e 15).

Tables on the first set of questions have five possible options, for each segment, according to the trend and rate of the changes reported (either occurred or foreseen); replies are shown along columns. Answers to tables on factors' appraisal are along the rows; six options are available - including NA (not applicable) - according to their contribution to either supply or demand conditions.

The results of the survey are as follows:

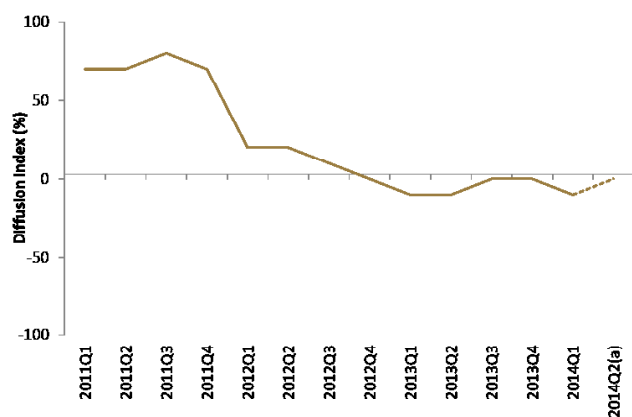
- The number of banks choosing each option;
- The diffusion index of the options chosen by the banks, calculated using a scale (from -1 to 1) to aggregate individual replies, according to which 0 corresponds to "remained basically unchanged". For questions concerning supply, values of less than 0 mean a loosening of the criteria or the impact of factors in the sense of lower restrictiveness. The -0.5

figure corresponds to a "slight" change (the closer the diffusion index is to 0, the slighter it will be the change) while -1 stands for a considerable change in the sense of lower restrictiveness. In turn, values exceeding 0 indicates an increase in restrictiveness or in the impact of factors supporting it. The 0.5 figure corresponds to a "slight" change while 1 stands for a considerable increase in restrictiveness. In the questions about demand, the same scale applies, with negative figures standing for decreases in demand and positive figures signaling the opposite evolution (or the impact of factors affecting it).

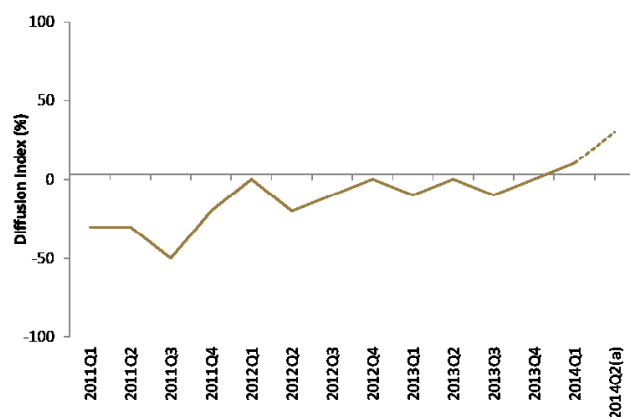
Credit supply

Credit demand

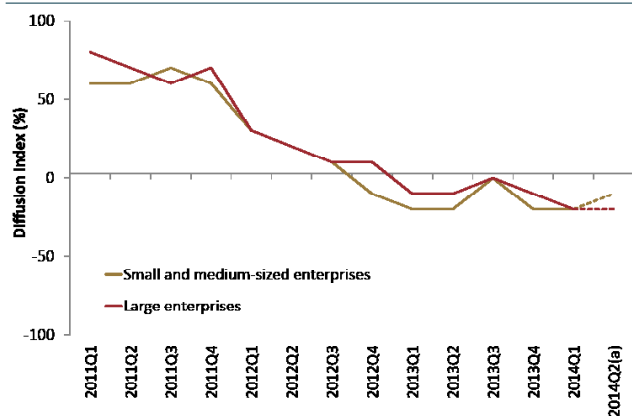
Enterprises (overall)



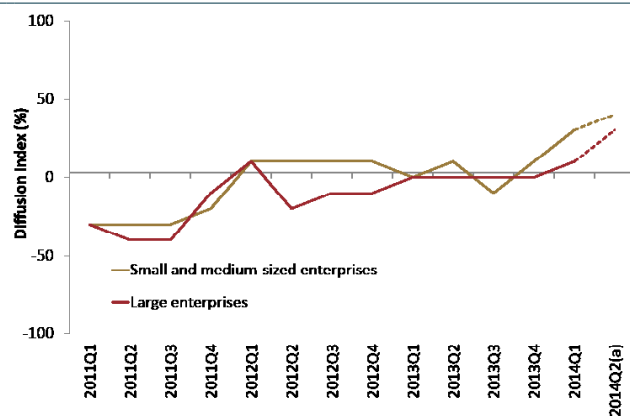
Enterprises (overall)



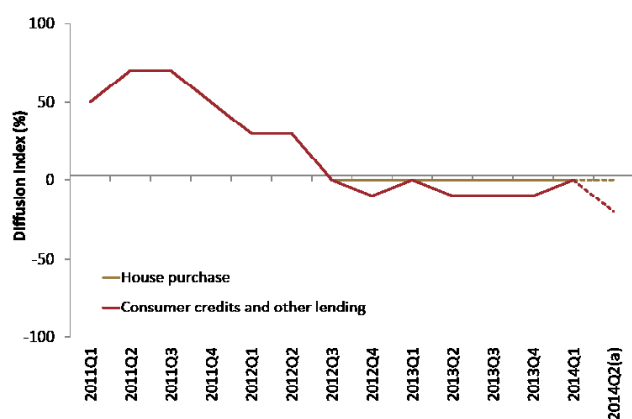
Enterprises



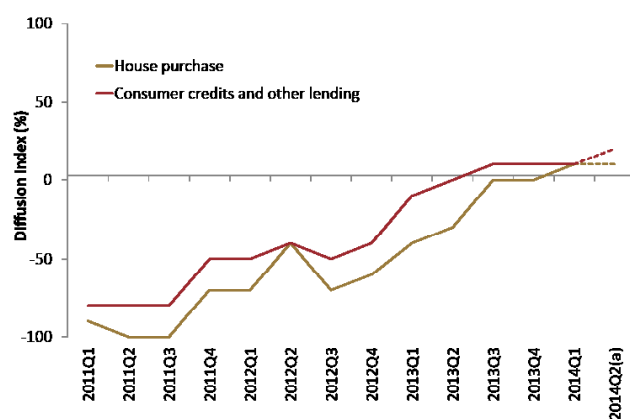
Enterprises



Households



Households



Note: (a) Bank's expectations.

I • Loans or credit lines to enterprises

1. 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?

	Overall	Loans to small and medium-sized enterprises	Loans to large enterprises	Short-term loans	Long-term loans
Tightened considerably					
Tightened somewhat					
Remained basically unchanged	4	3	3	4	5
Eased somewhat	1	2	2	1	
Eased considerably					
Diffusion index %	Apr. 14	-10	-20	-10	0
	Jan. 14	0	-20	-10	0

2. 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** (as described in question 1)? 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 basically unchanged credit standards

+ = contributed somewhat to easing of credit standards

++ = contributed considerably to easing of credit standards

NA = not applicable

Overall	--	-	°	+	++	NA	Diffusion index %	
							Apr. 14	Jan. 14
A) Cost of funds and balance sheet constraints								
Costs related to your bank's capital position ⁽¹⁾			5				0	0
Your bank's ability to access market financing (e.g. money or bond market financing, including true-sale securitisation) ⁽²⁾			5				0	0
Your bank's liquidity position			5				0	-10
B) Pressure from competition								
Competition from other banks			2	3			-30	-30
Competition from non-banks			5				0	0
Competition from market financing			5				0	0
C) Perception of risk								
Expectations regarding general economic activity			3	2			-20	-10
Industry or firm-specific outlook			3	2			-20	-10
Risk on the collateral demanded			5				0	0

(1) Can involve the use of credit derivatives, with the loans remaining on the bank's balance sheet.

(2) Involves the sale of loans from the bank's balance sheet, *i.e.*, off-balance sheet funding.

(to be continued)

Loans to small and medium-sized enterprises	--	-	°	+	++	NA	Diffusion index %	
							Apr.14	Jan.14
A) Cost of funds and balance sheet constraints								
Costs related to your bank's capital position ⁽¹⁾			5				0	0
Your bank's ability to access market financing (e.g. money or bond market financing, including true-sale securitisation) ⁽²⁾			5				0	0
Your bank's liquidity position			5				0	-10
B) Pressure from competition								
Competition from other banks			2	3			-30	-30
Competition from non-banks			5				0	-10
Competition from market financing			5				0	0
C) Perception of risk								
Expectations regarding general economic activity			2	3			-30	-20
Industry or firm-specific outlook			3	2			-20	-20
Risk on the collateral demanded			5				0	0

(1) Can involve the use of credit derivatives, with the loans remaining on the bank's balance sheet.

(2) Involves the sale of loans from the bank's balance sheet, *i.e.*, off-balance sheet funding.

Loans to large enterprises	--	-	°	+	++	NA	Diffusion index %	
							Apr.14	Jan.14
A) Cost of funds and balance sheet constraints								
Costs related to your bank's capital position ⁽¹⁾			5				0	0
Your bank's ability to access market financing (e.g. money or bond market financing, including true-sale securitisation) ⁽²⁾			5				0	0
Your bank's liquidity position			5				0	-10
B) Pressure from competition								
Competition from other banks			2	3			-30	-20
Competition from non-banks			5				0	0
Competition from market financing			5				0	0
C) Perception of risk								
Expectations regarding general economic activity			4	1			-10	-10
Industry or firm-specific outlook			3	2			-20	-10
Risk on the collateral demanded			5				0	0

(1) Can involve the use of credit derivatives, with the loans remaining on the bank's balance sheet.

(2) Involves the sale of loans from the bank's balance sheet, *i.e.*, off-balance sheet funding.

3. Over the past three months, how have your bank's **conditions** and terms for approving **loans or credit lines to enterprises** changed? Please rate each factor using the following scale:

-- = tightened considerably

- = tightened somewhat

° = remained basically unchanged

+ = eased somewhat

++ = eased considerably

NA = not applicable

Overall	--	-	°	+	++	NA	Diffusion index %	
							Apr.14	Jan.14
A) Price								
Your bank's margin on average loans (wider margin = tightened, narrower margin = eased)			1	4			-40	-40
Your bank's margin on riskier loans			5				0	10
B) Other conditions and terms								
Non-interest rate charges		1	2	2			-10	-30
Size of the loan or credit line			3	2			-20	-10
Collateral requirements			5				0	0
Loan covenants			5				0	0
Maturity			4	1			-10	-10

Loans to small and medium-sized enterprises	--	-	°	+	++	NA	Diffusion index %	
							Apr.14	Jan.14
A) Price								
Your bank's margin on average loans (wider margin = tightened, narrower margin = eased)			1	4			-40	-40
Your bank's margin on riskier loans			5				0	10
B) Other conditions and terms								
Non-interest rate charges			3	2			-20	-30
Size of the loan or credit line			3	2			-20	-10
Collateral requirements			5				0	0
Loan covenants			5				0	0
Maturity			3	2			-20	-10

(to be continued)

Loans to large enterprises	--	-	°	+	++	NA	Diffusion index %	
							Apr.14	Jan.14
A) Price								
Your bank's margin on average loans (wider margin = tightened, narrower margin = eased)			2	3			-30	-30
Your bank's margin on riskier loans			5				0	10
B) Other conditions and terms								
Non-interest rate charges		1	2	2			-10	-30
Size of the loan or credit line			3	2			-20	0
Collateral requirements			5				0	0
Loan covenants			5				0	0
Maturity			4	1			-10	-10

4. Over the past three months, how has the **demand for loans or credit lines to enterprises** changed at your bank, apart from normal seasonal fluctuations?

		Overall	Loans to small and medium-sized enterprises	Loans to large enterprises	Short-term loans	Long-term loans
Decreased considerably						
Decreased somewhat						
Remained basically unchanged		4	2	4	3	4
Increased somewhat		1	3	1	2	1
Increased considerably						
Diffusion index %	Apr.14	10	30	10	20	10
	Jan.14	0	10	0	10	0

5. Over the past three months, how have the following **factors** affected the **demand for loans or credit lines to enterprises** (as described in question 4 in the column headed "Overall")? Please rate each possible factor using the following scale:

- = contributed considerably to lower demand
- = contributed somewhat to lower demand
- ° = contributed to basically unchanged demand
- + = contributed somewhat to higher demand
- ++ = contributed considerably to higher demand
- NA = not applicable

Overall	--	-	°	+	++	NA	Diffusion index %	
							Apr.14	Jan.14
A) Financing needs								
Fixed investment			4	1			10	10
Inventories and working capital			3	2			20	30
Mergers/acquisitions and corporate restructuring			4	1			10	10
Debt restructuring			2	3			30	40
B) Use of alternative finance								
Internal financing			4	1			10	10
Loans from other banks			4	1			10	0
Loans from non-banks			5				0	0
Issuance of debt securities			5				0	0
Issuance of equity			5				0	0

6. 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?

		Overall	Loans to small and medium-sized enterprises	Loans to large enterprises	Short-term loans	Long-term loans
Tighten considerably						
Tighten somewhat						
Remain basically unchanged		5	4	3	4	4
Ease somewhat			1	2	1	1
Ease considerably						
Diffusion index %	Apr.14	0	-10	-20	-10	-10
	Jan.14	0	-20	-10	-10	0

7. 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)

		Overall	Loans to small and medium-sized enterprises	Loans to large enterprises	Short-term loans	Long-term loans
Decrease considerably						
Decrease somewhat						
Remain basically unchanged		2	1	2	1	2
Increase somewhat		3	4	3	4	3
Increase considerably						
Diffusion index %	Apr.14	30	40	30	40	30
	Jan.14	10	20	10	20	0

II • Loans to households

8. Over the past three months, how have your bank's **credit standards** as applied to the approval of **loans to households** changed?

			Loans for house purchase	Consumer credit and other lending
Tightened considerably				
Tightened somewhat				
Remained basically unchanged			5	5
Eased somewhat				
Eased considerably				
Diffusion index %	Apr.14	0	0	0
	Jan.14	0	0	-10

9. 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** (as described in question 8)? 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 basically unchanged credit standards
 + = contributed somewhat to easing of credit standards
 ++ = contributed considerably to easing of credit standards
 NA = not applicable

	--	-	°	+	++	NA	Diffusion index %	
							Apr.14	Jan.14
A) Cost of funds and balance sheet constraints			5				0	0
B) Pressure from competition								
Competition from other banks			5				0	-10
Competition from non-banks			4			1	0	0
C) Perception of risk								
Expectations regarding general economic activity			4	1			-10	-10
Housing market prospects			5				0	0

10. Over the past three months, how have your bank's **conditions** and terms for approving **loans to households** for house purchase changed? Please rate each factor using the following scale

- = tightened considerably
 - = tightened somewhat
 ° = remained basically unchanged
 + = eased somewhat
 ++ = eased considerably
 NA = not applicable

	--	-	°	+	++	NA	Diffusion index %	
							Apr.14	Jan.14
A) Price								
Your bank's margin on average loans (wider margin = tightened, narrower margin = eased)			4	1			-10	-10
Your bank's margin on riskier loans			5				0	10
B) Other conditions and terms								
Collateral requirements			5				0	0
"Loan-to-value" ratio			5				0	0
Maturity			5				0	0
Non-interest rate charges			5				0	-10

11. 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** (as described in question 8)? 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 basically unchanged credit standards
- + = contributed somewhat to easing of credit standards
- ++ = contributed considerably to easing of credit standards
- NA = not applicable

	--	-	°	+	++	NA	Diffusion index %	
							Apr.14	Jan.14
A) Cost of funds and balance sheet constraints			5				0	0
B) Pressure from competition								
Competition from other banks			5				0	0
Competition from non-banks			5				0	0
C) Perception of risk								
Expectations regarding general economic activity			3	2			-20	0
Creditworthiness of consumers			4	1			-10	0
Risk on the collateral demanded			5				0	0

12. Over the past three months, how have your bank's **conditions** and terms for approving **consumer credit and other lending to households changed**? Please rate each factor using the following scale:

- = tightened considerably
- = tightened somewhat
- ° = remained basically unchanged
- + = eased somewhat
- ++ = eased considerably
- NA = not applicable

	--	-	°	+	++	NA	Diffusion index %	
							Apr.14	Jan.14
A) Price								
Your bank's margin on average loans (wider margin = tightened, narrower margin = eased)			4	1			-10	-10
Your bank's margin on riskier loans			5				0	10
B) Other conditions and terms								
Collateral requirements			5				0	0
Maturity			5				0	0
Non-interest rate charges			4	1			-10	0

13. Over the past three months, how has the **demand for loans to households** changed at your bank, apart from normal seasonal fluctuations?

	Loans for house purchase	Consumer credit and other lending
Decreased considerably		
Decreased somewhat		
Remained basically unchanged	4	4
Increased somewhat	1	1
Increased considerably		
Diffusion index %		
	Apr.14	10
	Jan.14	0

14. Over the past three months, how have the following factors affected the **demand for loans to households for house purchase** (as described in question 13)? Please rate each factor using the following scale:

- = contributed considerably to lower demand
 - = contributed somewhat to lower demand
 ° = contributed to basically unchanged demand
 + = contributed somewhat to higher demand
 ++ = contributed considerably to higher demand
 NA = not applicable

	--	-	°	+	++	NA	Diffusion index %	
							Apr.14	Jan.14
A) Financing needs								
Housing market prospects			5				0	-10
Consumer confidence			4	1			10	0
Non-housing related consumption expenditure			5				0	0
B) Use of alternative finance								
Household savings			5				0	0
Loans from other banks			4	1			10	0
Other sources of finance			5				0	0

15. Over the past three months, how have the following **factors** affected the **demand for consumer credit and other lending to households** (as described in question 13)? Please rate each factor using the following scale:

- = responsible for considerable decrease
 - = responsible for decrease
 ° = responsible for neither decrease nor increase
 + = responsible for increase
 ++ = responsible for considerable increase
 NA = not applicable

NA = Not applicable							Diffusion index %	
	--	-	°	+	++	NA	Apr.14	Jan.14
A) Financing needs								
Spending on durable consumer goods (such as cars, furniture, etc.)			4	1			10	10
Consumer confidence			3	2			20	10
Securities purchases			5				0	0
B) Use of alternative finance								
Household savings			5				0	0
Loans from other banks			5				0	0
Other sources of finance			5				0	0

16. 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?

	Loans for house purchase		Consumer credit and other lending	
Tighten considerably				
Tighten somewhat				
Remain basically unchanged		5		3
Ease somewhat				2
Ease considerably				
Diffusion index %	Apr.14	0	-20	
	Jan.14	0	0	

17. 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).

	Loans for house purchase		Consumer credit and other lending	
Decrease considerably				
Decrease somewhat				
Remain basically unchanged		4		3
Increase somewhat		1		2
Increase considerably				
Diffusion index %	Apr.14	10	20	
	Jan.14	0	10	

Ad-hoc questions

1. As a result of the situation in financial markets⁽¹⁾, 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

NA = not applicable

	Over the past three months					Over the next three months					NA ⁽²⁾
	--	-	°	+	++	--	-	°	+	++	
A) Retail funding											
Short-term deposits (up to one year)			4	1				4	1		
Long-term (more than one year) deposits and other retail funding instruments		1	3	1			2	2	1		
B) Inter-bank unsecured money market											
Very short-term money market (up to 1 week)			5					4	1		
Short-term money market (more than 1 week)			5					5			
C) Wholesale debt securities⁽³⁾											
Short-term debt securities (e.g. certificates of deposit or commercial paper)			5					5			
Medium to long-term debt securities (incl. covered bonds)			1	4				1	4		
D) Securitisation⁽⁴⁾											
Securitisation of corporate loans			5					5			
Securitisation of loans for house purchase			5					5			
E) Ability to transfer credit risk off balance sheet⁽⁵⁾			3					3			2
F) Other markets (please specify)											
Repo market				1					1		

(1) Please also take into account any effect of state guarantees for debt securities and recapitalisation support.

(2) Please select "NA" (not applicable) if and only if the source of funding is not relevant for your bank.

(3) Usually involves on-balance sheet funding.

(4) Usually involves the sale of loans from banks' balance sheets, i.e., off-balance sheet funding

(5) Usually involves the use of credit derivatives, with the loans remaining on banks' balance sheets.

Ad-hoc question on impact of sovereign debt crisis

2. Given the tensions in the European sovereign debt market⁽¹⁾, how have the following factors contributed to changes in your bank's funding conditions / credit standards / margins over the past three months? Please rate each factor using the following scale:

- = contributed considerably to a deterioration in my bank's funding conditions/contributed considerably to a tightening of credit standards / contributed considerably to a widening of lending margins
- = contributed somewhat to a deterioration in my bank's funding conditions/contributed somewhat to a tightening of credit standards / contributed somewhat to a widening of lending margins
- ° = had no effect on my bank's funding conditions/had no effect on my bank's credit standards / had no effect on my bank's lending margins
- + = contributed somewhat to an easing in my bank's funding conditions/contributed somewhat to an easing of credit standards / contributed somewhat to a narrowing of lending margins
- ++ = contributed considerably to an easing in my bank's funding conditions/contributed considerably to an easing of credit standards / contributed considerably to a narrowing of lending margins

	Impact on your bank's funding conditions					Impact on your bank's credit standards														
						Loans or credit lines to enterprises					Loans to households for house purchase					Loans to households for consumer credit and other lending				
	--	-	°	+	++	--	-	°	+	++	--	-	°	+	++	--	-	°	+	++
A) Direct exposure to sovereign debt			4	1					5					5					5	
B) Value of sovereign collateral available for wholesale market transactions ⁽²⁾			4	1					5				4	1				4	1	
C) Other effects ⁽³⁾			4						4				4					4		

	Impact on your bank's lending margins														
	Loans or credit lines to enterprises					Loans to households for house purchase					Loans to households for consumer credit and other lending				
	--	-	°	+	++	--	-	°	+	++	--	-	°	+	++
A) Direct exposure to sovereign debt			4	1					5					5	
B) Value of sovereign collateral available for wholesale market transactions ⁽²⁾			3	2					4	1			4	1	
C) Other effects ⁽³⁾			4						4				4		

(1) Please also take into account any effect of state guarantees for debt securities and recapitalisation support.

(2) For example, repos or secured transactions in derivatives.

(3) For instance, any automatic rating downgrade affecting your bank following a sovereign downgrade or changes in the value of the domestic government's implicit guarantee, as well as spillover effects on other assets, including the loan book.

Ad-hoc question on the level of credit standards

3. How would you describe the current level of your bank's credit standards for each of the listed loan categories, relative to the range of your bank's credit standards in the time periods specified below?

i) Current level compared with the range of your bank's credit standards between the first quarter of 2003 and now:

	Loans to enterprises			Loans to households	
	Overall loans to enterprises	Loans to small and medium-sized enterprises	Loans to large enterprises	For house purchase	Consumer credit and other lending
Considerably tighter than the midpoint of the range				1	
Moderately tighter than the midpoint of the range	4	4	3	3	4
Basically identical to the midpoint of the range	1	1	2		
Moderately looser than the midpoint of the range					
Considerably looser than the midpoint of the range					
At the tightest level during this period				1	1
Levels have remained constant during this period					
At the loosest level during this period					

Note: The "midpoint of the range" of credit standards is defined as the midpoint between the maximum and the minimum level of credit standards during this time period.

ii) Current level compared with the range of your bank's credit standards between the second quarter of 2010 and now:

	Loans to enterprises			Loans to households	
	Overall loans to enterprises	Loans to small and medium-sized enterprises	Loans to large enterprises	For house purchase	Consumer credit and other lending
Considerably tighter than the midpoint of the range					
Moderately tighter than the midpoint of the range	2	2	2	1	1
Basically identical to the midpoint of the range	1	1	1	3	3
Moderately looser than the midpoint of the range	2	2	2		
Considerably looser than the midpoint of the range					
At the tightest level during this period				1	1
Levels have remained constant during this period					
At the loosest level during this period					

Note: The "midpoint of the range" of credit standards is defined as the midpoint between the maximum and the minimum level of credit standards during this time period.