



BANK LENDING SURVEY | Results for Portugal | April 2016

I. Overall assessment

According to the results of the April 2016 survey to the five Portuguese banking groups, the credit standards applied remained stable overall in the first quarter of 2016, with some institutions reporting slightly lower spreads and some reporting an easing of non-interest charges and maturity mainly in credit to enterprises. Moreover, most institutions reported that pressure from competition, a more favorable assessment of the general economic situation and the costs related to the bank's capital position have slightly contributed to an easing of terms and conditions applied to credit contracts. There was also a narrowing of spreads on average risk loans for both small and medium-sized enterprises (SMEs) and large enterprises. For households, all banks reported unchanged terms and conditions on loans for house purchase but one institution reported a narrowing of spreads on loans for consumer credit. Overall, most institutions do not foresee changes in the credit standards applied to both enterprises and households in the second quarter of 2016. Nonetheless, two institutions expect a slight easing of credit standards in loans for house purchase while one institution expects a similar evolution in consumer credit and other lending.

Although most of the institutions reported relatively stable demand for loans or credit lines to enterprises during the first quarter of 2016, some noted an increase in loan demand, particularly from SMEs. In the household segment, most institutions reported stable demand for credit for house purchases as well as loans for consumption or other purposes though one institution reported a strong increase in the demand of loans for house purchase.

For the second quarter of 2016, although most banks expect stable demand for loans or credit

lines from enterprises, some banks anticipate a slight increase particularly from SMEs and for both shorter and longer maturities. In the household segment, most institutions expects an increase in loan demand for house purchase as well as consumer credit.

II. Presentation of the results

Supply

In the first quarter of 2016, credit standards remained broadly unchanged with respect to the previous quarter. Nevertheless, some banks reported that increased competition from other banks and financial institutions contributed to an easing of credit standards in credit to households.

Two institutions reported an easing of the general terms and conditions for credit contracts with enterprises. More specifically, three institutions reported lower spreads for average risk loans and some banks reported easing of terms and conditions related to non-interest rate charges and maturities. Banks reported these slightly more relaxed conditions for both SMEs and large enterprises. However, one institution reported a tightening of non-interest rate charges and maturities for both SMEs and large enterprises. Four banks reported that pressure from competition contributed slightly to the current terms and conditions of loans, overall and for average risk loans. One institution also reported that competitive pressure impacted the spread on high risk loans.

In the households segment, none of the participating banks reported a change in credit standards, both for house purchase

and consumption. Some banks continue to report pressure from competition leading to slightly loosened credit standards, while one bank reported that balance sheet restrictions and financing costs led to a slight tightening of standards. While all banks reported that terms and conditions were broadly unchanged, one institution reported that funding costs and balance sheet restrictions contributed to slightly easier conditions overall and for average risk housing loans. Another institution reported that pressure from competition led to slightly easier conditions for consumer credit.

In the first quarter of 2016, the share of rejected applications of loans remained broadly unchanged in comparison to the previous quarter for both enterprises and households.

For the second quarter of 2016, all institutions reported that they expect credit standards to remain broadly unchanged for enterprises. In the household sector, most institutions do not expect changes in credit standards while two institutions reported the possibility of a slight easing of standards for housing loans and one institution indicated a possible easing for consumer credit.

Demand

According to the results of the survey, four institutions reported that demand for loans or credit lines from enterprises remained relatively stable in the first quarter of 2016, with the remaining institution reporting a slight increase in loan demand. Moreover, two institutions also reported an increase in loan demand from SMEs. The increase in loan demand was essentially driven by higher financial needs related to inventories and working capital and the general level of interest rates. One institution also noted investment financing, the increase in financial needs for mergers/acquisitions and corporate restructuring and the fact that it represents an alternative to loans granted by other financial institutions as contributing positively to their loan demand growth.

In the households segment, most participating institutions reported that the demand for credit

for house purchase or consumption and other purposes remained stable. One bank reported a significant increase and another a slight decrease in loan demand for house purchase. The demand for credit for consumption and other purposes decreased slightly for one bank and increased slightly for another. The increase in loan demand for house purchase was related to improving confidence about the housing market, the general level of interest rates, and consumer confidence. For consumption and other loans, demand was influenced positively by durable goods expenditure, the general level of interest rates and consumer confidence.

For the second quarter of 2016, three of the institutions surveyed foresee an increase in the demand for loans or credit lines from SMEs and one institution anticipates an increase in short term and long term loans. In the households segment, four banks anticipate a slight increase in the demand for housing loans and consumer credit and other lending while one institution does not anticipate any changes in demand.

III. *Ad-hoc* questions

In line with previous surveys, the current survey includes some *ad-hoc* questions to assess the impact of specific and/or time-constrained events on bank credit conditions to firms and households. In particular, this survey included a question related to the access to both the wholesale and retail financial market; a question about the criteria of credit concession; three questions related to ECB's expanded asset purchase program; and a question about the impact of negative deposit rates.

The first question assessed the impact of financial market conditions on banks' access to credit and their ability to transfer credit risk from the balance sheet. In general, the financing conditions in markets and the ability to transfer risk remained relatively stable in the last three months. For both short and long term deposits, one institution reported a slight improvement in retail financing, while another institution reported a slight deterioration. Some institutions reported slightly decreased access to the interbank money market, a slight decrease in short term and medium to long-term

securities, securitization of corporate and housing loans, and the ability to transfer credit risk from the balance sheet. For the next quarter, participating institutions do not foresee significant changes, although two institutions anticipate improvements in retail financing of both short term and long term deposits.

The next set of *ad-hoc* questions focused on the level of restrictiveness of the current criteria for loan concession compared with the range of prevailing criteria between the first quarter of 2003 and now and between the second quarter of 2010 (that is, when the sovereign debt crisis began to intensify) and now. When compared to the first period, most institutions reported that the current level of criteria was considerably or moderately more restrictive than the midpoint of the range, across all segments (SMEs, large enterprises, housing loans, and consumer credit). One institution reported that current criteria is essentially identical to the median level of restrictiveness in the period for credit conceded to firms, while two institutions reported the same for credit to households. When comparing the second period and the present conditions, two institutions reported essentially identical conditions while three institutions reported that actual conditions are slightly less restrictive.

Three questions focused on the ECB's expanded asset purchase program, namely in its impact on assets held by banks, as well as in the use of the additional liquidity provided by the program. The results obtained suggest that the ECB's expanded asset purchase program did not significantly change either the value of underlying assets or the overall liquidity position of surveyed banks. However, one institution reported a positive impact on their balance sheet through government bonds holdings. One institution also reported a positive impact on their global liquidity position through the sale of tradable assets. One institution reported slight improvements on general funding conditions, driven essentially by both asset backed securities and covered bonds and two institutions reported a slight improvement of profitability of the bank driven by capital gains in tradable assets. For the next six months, although most institutions do not anticipate significant

changes, two participating institutions expect a positive impact on the value of their total assets. One institution also predicts improvements to its liquidity position through an increase in deposits. Additionally, several institutions anticipate a slight improvement in general conditions of the funding market, driven essentially by developments in funding conditions through asset backed securities and covered bonds. Finally, one bank also reported favorable prospects about bank's overall profitability position.

All banks considered that the additional liquidity obtained through the expanded assets purchase program did not have a significant impact either on their financing policy or lending policy in the last six months, except for one bank which found that the increased liquidity improved credit concession to firms. According to one institution, the increased liquidity owing to an increase in customer deposits from enterprises and households contributed to substitute for both deposit shortfalls and interbank lending. Additionally, it had a slight positive impact on granting loans. For the next six months, two institutions anticipate that the increased liquidity resulting from sales of marketable assets could contribute to substitute deposit interbank lending and Eurosystem liquidity operations. Increased liquidity due to an increase in customer deposits may be used to substitute maturing debt, or to grant loans to enterprises and households for house purchase.

The last question assessed whether the additional liquidity arising from the ECB's expanded asset purchase program affected lending behavior in the last six months. One institution reported slight lower restrictiveness on the terms and conditions for loans to enterprises and households for house purchase. Looking forward to the next semester, some institutions expect a lower restrictiveness on credit standards for loans to enterprises, as well as on terms and conditions for loans, particularly to enterprises and households for house purchase.

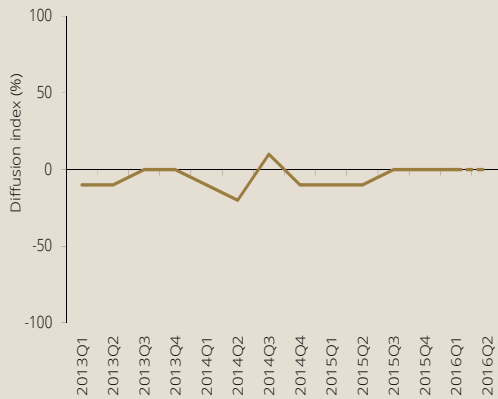
Regarding the impact of the negative deposit rate, four institutions reported a slightly negative impact on the financial margin of the bank and the remaining institution reported a considerable negative impact. Four institutions also reported

that the negative deposit rate contributed to lowering interest rates at the bank for both firms and housing loans; two institutions reported a slight negative contribution on consumer credit rates. Overall most banks reported that there was no impact on spread, commissions, or the volume of credit conceded for all three categories of loans to enterprises, housing and consumer credit. However, one institution reported that the negative deposit rate contributed to slightly increase spreads, non-interest rate charges, and the volume of credit conceded, again across the three categories. In the following six months all banks expect the negative impact on the financial margin to persist and four institutions reported that they expect a continued negative impact on interest rates to firms and households. In terms of spreads, non-interest rate charges, and the volume of credit conceded, banks expected no impact or a slightly positive impact.

Main results

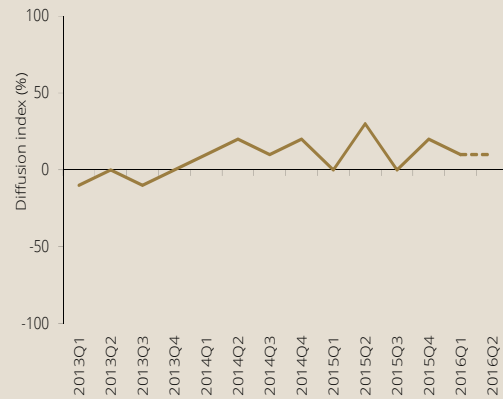
Credit supply

Enterprises (overall)

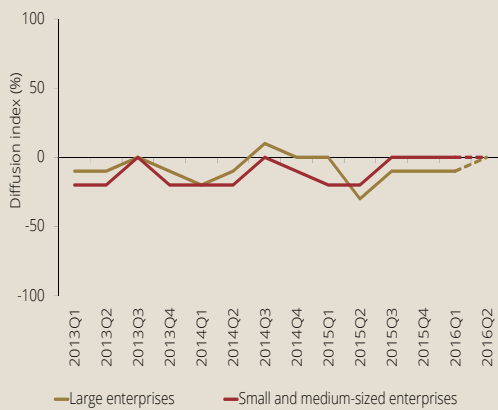


Credit demand

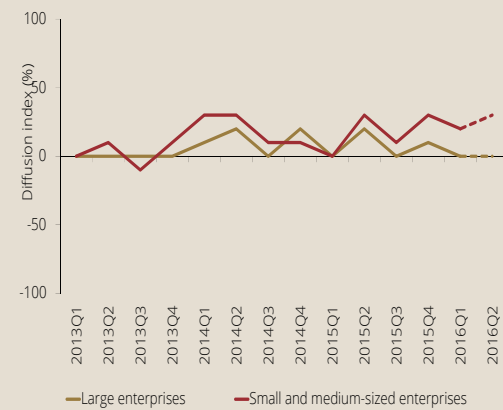
Enterprises (overall)



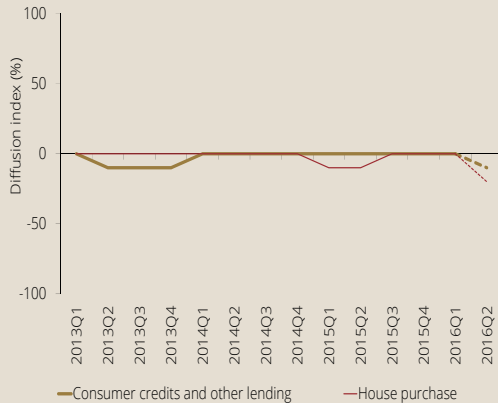
Enterprises



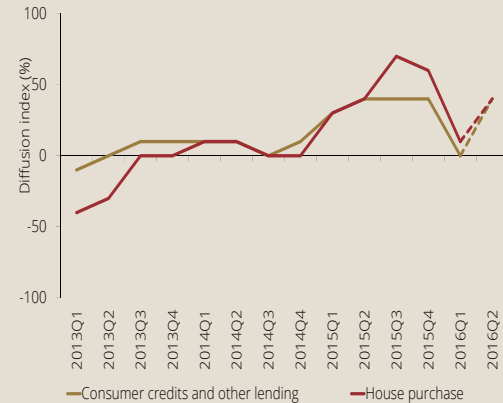
Enterprises



Households



Households



Notes: The diffusion index varies between -100 and 100. Values of less (more) than zero means a loosening (tightening) of the criteria in the case of the credit supply and a decrease (increase) in the case of credit demand. Figures for the last quarter are bank's expectations.

Annex^(a)

The following tables include the results for Portugal of the Bank Lending Surveys for this quarter. 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; and ii) the appraisal of factors affecting credit standards, conditions and terms, and those underlying developments in demand.

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 -100 to 100) 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 -50

figure corresponds to a “slight” change (the closer the diffusion index is to 0, the slighter it will be the change) while -100 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 50 figure corresponds to a “slight” change while 100 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).

Note: (a) For clarification of terms and definitions used in the survey, see the document “General guidelines for the completion of the bank lending survey questionnaire”.

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? 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
Tightened considerably						
Tightened somewhat						
Remained basically unchanged		5	5	4	5	5
Eased somewhat				1		
Eased considerably						
Diffusion Index %	Apr.16	0	0	-10	0	0
	Jan.16	0	0	-10	0	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**? 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

	Overall impact on your bank's credit standards						Diffusion index %	
	--	-	°	+	++	N/A	Apr.16	Jan.16
a) Cost of funds and balance sheet constraints								
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			4	1			-10	-10
b) Pressure from competition								
Competition from other banks			5				0	-10
Competition from non-banks			5				0	0
Competition from market financing			5				0	-10
c) Perception of risk								
General economic situation and outlook			5				0	-10
Industry or firm-specific situation and outlook / borrower's creditworthiness			4	1			-10	-10
Risk related to the collateral demanded			5				0	0
d) Your bank's risk tolerance								
Your bank's risk tolerance			5				0	0



	Impact on your bank's credit standards for loans to small and medium-sized enterprises						Diffusion index %	
	--	-	o	+	++	N/A	Apr.16	Jan.16
a) Cost of funds and balance sheet constraints								
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			4	1			-10	-10
b) Pressure from competition								
Competition from other banks			5				0	-10
Competition from non-banks			5				0	0
Competition from market financing			5				0	-10
c) Perception of risk								
General economic situation and outlook			4	1			-10	-10
Industry or firm-specific situation and outlook / borrower's creditworthiness			4	1			-10	-10
Risk related to the collateral demanded			5				0	0
d) 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						Diffusion index %	
	--	-	o	+	++	N/A	Apr.16	Jan.16
a) Cost of funds and balance sheet constraints								
Costs related to your bank's capital position			4	1			-10	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			4	1			-10	-10
b) Pressure from competition								
Competition from other banks			4	1			-10	-10
Competition from non-banks			4	1			-10	0
Competition from market financing			4	1			-10	-10
c) Perception of risk								
General economic situation and outlook			5				0	-10
Industry or firm-specific situation and outlook / borrower's creditworthiness			4	1			-10	-10
Risk related to the collateral demanded			5				0	0
d) Your bank's risk tolerance								
Your bank's risk tolerance			5				0	0

3. 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
- ° = remained basically unchanged
- + = eased somewhat
- ++ = eased considerably
- N/A = not applicable

	Overall						Diffusion index %	
	--	-	°	+	++	N/A	Apr.16	Jan.16
a) Overall terms and conditions								
Overall terms and conditions			3	2			-20	-20
b) Margins (<i>i.e.</i> the spread over a relevant market reference rate) (wider spread = tightened, narrower spread = eased)								
Your bank's loan margin on average loans			2	3			-30	-50
Your bank's loan margin on riskier loans			5				0	0
c) Other conditions and terms								
Non-interest rate charges		1	2	2			-10	-20
Size of the loan or credit line			3	2			-20	-10
Collateral requirements			4	1			-10	-10
Loan covenants			4	1			-10	-10
Maturity			4	1			-10	-30

	Loans to small and medium-sized enterprises						Diffusion index %	
	--	-	°	+	++	N/A	Apr.16	Jan.16
a) Overall terms and conditions								
Overall terms and conditions			3	2			-20	-20
b) Margins (<i>i.e.</i> the spread over a relevant market reference rate) (wider spread = tightened, narrower spread = eased)								
Your bank's loan margin on average loans			2	3			-30	-50
Your bank's loan margin on riskier loans			5				0	0
c) Other conditions and terms								
Non-interest rate charges		1	3	1			0	-10
Size of the loan or credit line			3	2			-20	-10
Collateral requirements			4	1			-10	-10
Loan covenants			5				0	0
Maturity			5				0	-20

	Loans to large enterprises						Diffusion index %	
	--	-	o	+	++	N/A	Apr.16	Jan.16
a) Overall terms and conditions								
Overall terms and conditions			3	2			-20	-10
b) Margins (i.e. the spread over a relevant market reference rate) (wider spread = tightened, narrower spread = eased)								
Your bank's loan margin on average loans			1	4			-40	-50
Your bank's loan margin on riskier loans			5				0	0
c) Other conditions and terms								
Non-interest rate charges		1	3	1			0	-10
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	-20

4. 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

	Overall impact on your bank's credit terms and conditions						Diffusion index %	
	--	-	o	+	++	N/A	Apr.16	Jan.16
a) Cost of funds and balance sheet constraints								
Cost of funds and balance sheet constraints			5				0	0
b) Pressure from competition								
Pressure from competition			1	4			-40	-60
c) Perception of risk								
Perception of risk			5				0	0
d) Your bank's risk tolerance								
Your bank's risk tolerance			5				0	0

	Impact on your bank's margin on average loans						Diffusion index %	
	--	-	o	+	++	N/A	Apr.16	Jan.16
a) Cost of funds and balance sheet constraints								
Cost of funds and balance sheet constraints			5				0	0
b) Pressure from competition								
Pressure from competition			1	4			-40	-60
c) Perception of risk								
Perception of risk			5				0	0
d) Your bank's risk tolerance								
Your bank's risk tolerance			5				0	0

	Impact on your bank's margin on riskier loans						Diffusion index %	
	--	-	o	+	++	N/A	Apr.16	Jan.16
a) Cost of funds and balance sheet constraints								
Cost of funds and balance sheet constraints			5				0	0
b) Pressure from competition								
Pressure from competition			4	1			-10	0
c) Perception of risk								
Perception of risk			5				0	0
d) Your bank's risk tolerance								
Your bank's risk tolerance			5				0	0

5. Over the past three months (apart from normal seasonal fluctuations), has the **share of 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	
Decrease considerably		
Decrease somewhat		
Remain basically unchanged		5
Increase somewhat		
Increase considerably		
Diffusion Index %	Apr.16	0
	Jan.16	0

6. 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	Loans to large enterprises	Short-term loans	Long-term loans
Decreased considerably						
Decreased somewhat						
Remain basically unchanged		4	3	5	4	4
Increased somewhat		1	2		1	1
Increased considerably						
Diffusion Index %	Apr.16	10	20	0	10	10
	Jan.16	20	30	10	20	20

7. 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 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

		--	-	°	+	++	NA	Diffusion index %	
								Apr.16	Jan.16
a) Financing needs / underlying drivers on purpose of loan demands									
Fixed investment				4	1			10	20
Inventories and working capital				3	2			20	30
Mergers / acquisitions and corporate restructuring				4	1			10	10
General level of interest rates				3	2			20	20
Debt refinancing / restructuring and renegotiation				5				0	0
b) Use of alternative finance									
Internal financing				5				0	0
Loans from other banks				4	1			10	10
Loans from non-banks				5				0	0
Issuance of debt securities				5				0	0
Issuance of equity				5				0	0

8. 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
Tightened considerably						
Tightened somewhat						
Remained basically unchanged		5	5	5	5	5
Eased somewhat						
Eased considerably						
Diffusion Index %	Apr.16	0	0	0	0	0
	Jan.16	0	0	0	0	0

9. 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
Decrease considerably						
Decrease somewhat						
Remain basically unchanged		4	2	5	4	4
Increase somewhat		1	3		1	1
Increase considerably						
Diffusion Index %	Apr.16	10	30	0	10	10
	Jan.16	30	30	0	20	20

II • Loans to households

10. 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
Tightened considerably		
Tightened somewhat		
Remained basically unchanged	5	5
Eased somewhat		
Eased considerably		
Diffusion Index %	Apr.16	0
	Jan.16	0

11. 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
- ° = 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

	--	-	°	+	++	N/A	Diffusion index %	
							Apr.16	Jan.16
a) Cost of funds and balance sheet constraints								
Cost of funds and balance sheet constraints		1	4				10	10
b) Pressure from competition								
Competition from other banks			3	2			-20	-20
Competition from non-banks			4	1			-10	-10
c) Perception of risk								
General economic situation and outlook			5				0	-10
Housing market prospects, including expected house price developments			5				0	-20
Borrower's creditworthiness			5				0	-10
d) Your bank's risk tolerance								
Your bank's risk tolerance			5				0	0

12. 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

	--	-	o	+	++	N/A	Diffusion index %	
							Apr.16	Jan.16
a) Overall terms and conditions								
Overall terms and conditions			5				0	0
b) Margins (i.e. the spread over a relevant market reference rate) (wider spread = tightened, narrower spread = eased)								
Your bank's loan margin on average loans			5				0	-10
Your bank's loan margin on riskier loans			5				0	0
c) Other terms and conditions								
Collateral requirements			5				0	0
Loan-to-value ratio			5				0	0
Other loan size limits			5				0	0
Maturity			5				0	0
Non-interest rate charges			5				0	0

13. 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
- 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

	Overall impact on your bank's credit terms and conditions						Diffusion index %	
	--	-	o	+	++	N/A	Apr.16	Jan.16
a) Cost of funds and balance sheet constraints								
Cost of funds and balance sheet constraints			4	1			-10	-10
b) Pressure from competition								
Pressure from competition			4	1			-10	-30
c) Perception of risk								
Perception of risk			5				0	0
d) Your bank's risk tolerance								
Your bank's risk tolerance			5				0	0

	Impact on your bank's margin on average loans						Diffusion index %	
	--	-	o	+	++	N/A	Apr.16	Jan.16
a) Cost of funds and balance sheet constraints								
Cost of funds and balance sheet constraints			4	1			-10	-10
b) Pressure from competition								
Pressure from competition			4	1			-10	-30
c) Perception of risk								
Perception of risk			5				0	-10
d) Your bank's risk tolerance								
Your bank's risk tolerance			5				0	0

	Impact on your bank's margin on riskier loans						Diffusion index %	
	--	-	o	+	++	N/A	Apr.16	Jan.16
a) Cost of funds and balance sheet constraints								
Cost of funds and balance sheet constraints			5				0	0
b) Pressure from competition								
Pressure from competition			5				0	0
c) Perception of risk								
Perception of risk			5				0	0
d) Your bank's risk tolerance								
Your bank's risk tolerance			5				0	0

14. 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
- 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

							Diffusion index %	
	--	-	o	+	++	N/A	Apr.16	Jan.16
a) Cost of funds and balance sheet constraints								
Cost of funds and balance sheet constraints			4	1			-10	-10
b) Pressure from competition								
Pressure from competition			4	1			-10	-20
Competition from non-banks			4	1			-10	-20
c) Perception of risk								
General economic situation and outlook			5				0	0
Creditworthiness of consumers			5				0	0
Risk on the collateral demanded			5				0	0
d) Your bank's risk tolerance								
Your bank's risk tolerance			5				0	0

15. 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
 ° = remained basically unchanged
 + = eased somewhat
 ++ = eased considerably
 N/A = not applicable

	--	-	°	+	++	N/A	Diffusion index %	
							Apr.16	Jan.16
a) Overall terms and conditions								
Overall terms and conditions			4	1			-10	-10
b) Margins (i.e. the spread over a relevant market reference rate) (wider spread = tightened, narrower spread = eased)								
Your bank's loan margin on average loans			4	1			-10	-20
Your bank's loan margin on riskier loans			5				0	0
c) 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	0

16. 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

	Overall impact on your bank's credit terms and conditions						Diffusion index %	
	--	-	°	+	++	N/A	Apr.16	Jan.16
a) Cost of funds and balance sheet constraints								
Cost of funds and balance sheet constraints			4	1			-10	-10
b) Pressure from competition								
Pressure from competition			4	1			-10	-10
c) Perception of risk								
Perception of risk			5				0	0
d) Your bank's risk tolerance								
Your bank's risk tolerance			5				0	0

	Impact on your bank's margin on average loans						Diffusion index %	
	--	-	o	+	++	N/A	Apr.16	Jan.16
a) Cost of funds and balance sheet constraints								
Cost of funds and balance sheet constraints			5				0	0
b) Pressure from competition								
Pressure from competition			5				0	0
c) Perception of risk								
Perception of risk			5				0	0
d) Your bank's risk tolerance								
Your bank's risk tolerance			5				0	0

	Impact on your bank's margin on riskier loans						Diffusion index %	
	--	-	o	+	++	N/A	Apr.16	Jan.16
a) Cost of funds and balance sheet constraints								
Cost of funds and balance sheet constraints			5				0	0
b) Pressure from competition								
Pressure from competition			4	1			-10	-10
c) Perception of risk								
Perception of risk			5				0	0
d) Your bank's risk tolerance								
Your bank's risk tolerance			5				0	0

17. Over the past three months (apart from normal seasonal fluctuations), has the **share of 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
Decreased considerably		
Decreased somewhat		
Remained basically unchanged	5	5
Increased somewhat		
Increased considerably		
Diffusion Index %	Apr.16	0
	Jan.16	-10

18. 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
Decreased considerably		
Decreased somewhat	1	1
Remained basically unchanged	3	3
Increased somewhat		1
Increased considerably	1	
Diffusion Index %	Apr.16	0
	Jan.16	40

19. 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
- ° = contributed to keeping demand basically unchanged
- + = contributed somewhat to higher demand
- ++ = contributed considerably to higher demand
- N/A = not applicable

	--	-	°	+	++	N/A	Diffusion index %	
							Apr.16	Jan.16
a) Financing needs / underlying drivers or purpose of loan demand								
Housing market prospects, including expected house price developments			3	2			20	40
Consumer confidence			4	1			10	40
General level of interest rates			3	2			20	30
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
b) 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. 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

	--	-	o	+	++	N/A	Diffusion index %	
							Apr.16	Jan.16
a) Financing needs / underlying drivers or purpose of loan demand								
Spending on durable consumer goods, such as cars, furniture, etc.			2	3			30	40
Consumer confidence			4	1			10	40
General level of interest rates			2	3			30	30
Consumption expenditure financed through real-estate guaranteed loans ("mortgage equity withdrawal")			5				0	0
b) Use of alternative finance								
Internal finance out of savings			5				0	0
Loans from other banks			5				0	0
Other sources of finance			5				0	0

21. 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
Tighten considerably			
Tighten somewhat			
Remain basically unchanged		3	4
Ease somewhat		2	1
Ease considerably			
Diffusion Index %	Apr.16	-20	-10
	Jan.16	-20	-10

22. 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
Decrease considerably			
Decrease somewhat			
Remain basically unchanged		1	1
Increase somewhat		4	4
Increase considerably			
Diffusion Index %	Apr.16	40	40
	Jan.16	30	30

Ad-hoc question on retail and wholesale funding ⁽¹⁾

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

o = remained unchanged / will remain unchanged

+ = eased somewhat / will ease somewhat

++ = eased considerably / will ease considerably

N/A = not applicable

	Over the past three months					Over the next three months						
	--	-	o	+	++	N/A ⁽²⁾	--	-	o	+	++	N/A ⁽²⁾
a) Retail funding												
Short-term deposits (up to one year)		1	3	1					3	2		
Long-term (more than one year) deposits and other retail funding instruments		1	3	1					3	2		
b) Inter-bank unsecured money market												
Very short term money market (up to 1 week)		1	4						5			
Short-term money market (more than 1 week)		2	3						5			
c) Wholesale debt securities ⁽³⁾												
Short-term debt securities (e.g. certificates of deposit or commercial paper)		2	3						5			
Medium to long term debt securities (incl. covered bonds)		2	3						5			
d) Securitisation ⁽⁴⁾												
Securitisation of corporate loans		1	4						5			
Securitisation of loans for house purchase		1	4						5			
e) Ability to transfer credit risk off balance sheet ⁽⁵⁾												
Ability to transfer credit risk off balance sheet		1	3			1			4			1

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

(2) Please select "N/A" (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 the level of credit standards ⁽¹⁾

2. 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	1	1	1	1
Moderately tighter than the midpoint of the range	3	3	3	2	2
Basically identical to the midpoint of the range	1	1	1	2	2
Moderately looser than the midpoint of the range					
Considerably looser than the midpoint of the range					
At the tightest level during this period					
Levels have remained constant during this period					
At the loosest level during this 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					
Basically identical to the midpoint of the range	2	2	2	3	2
Moderately looser than the midpoint of the range	3	3	3	2	3
Considerably looser than the midpoint of the range					
At the tightest level during this period					
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.

Ad hoc questions on the ECB's expanded asset purchase programme

3. Over the past six months, has the ECB's expanded asset purchase programme led to a change in your bank's assets or affected (either directly or indirectly) your bank in any of the following areas? Is it likely to have an impact here over the next six months?

-- = has contributed considerably to a decrease or deterioration / will contribute considerably to a decrease or deterioration

- = has contributed somewhat to a decrease or deterioration / will contribute somewhat to a decrease or deterioration

° = has had basically no impact / will have basically no impact

+ = has contributed somewhat to an increase or improvement / will contribute somewhat to an increase or improvement

++ = has contributed considerably to an increase or improvement / will contribute considerably to an increase or improvement

N/A = not applicable

	Over the past six months					Over the next six months						
	--	-	°	+	++	N/A	--	-	°	+	++	N/A
a) Your bank's total assets												
Your bank's total assets (non-risk weighted volume)			4	1				3	2			
of which: euro area sovereign bond holdings			4	1				4	1			
b) Your bank's liquidity position												
Your bank's overall liquidity position			4	1				4	1			
owing to: sales of marketable assets			4	1				5				
an increase in deposits from enterprises and households			5					4	1			
c) Your bank's market financing conditions												
Your bank's overall market financing conditions			5					3	2			
of which financing via:												
asset-backed securities			4	1				3	2			
covered bonds			4	1				2	3			
unsecured bank bonds			5					5				
equity issued			5					5				
d) Your bank's profitability												
Your bank's overall profitability			5					4	1			
owing to: net interest margin			5					4	1			
capital gains / losses			3	2				4	1			
of which: capital gains / losses out of sales of marketable assets			3	2				4	1			
e) Your bank's capital position												
Your bank's capital ratio			4	1				5				
owing to capital release			4	1				5				
Your bank's leverage ratio			4	1				5				

4. Over the past six months, for what purposes has your bank used the additional liquidity arising from the ECB's expanded asset purchase programme? And for what purposes will such liquidity be used over the next six months?

	Over the past six months				Over the next six months			
	Has contributed considerably to this purpose	Has contributed somewhat to this purpose	Has had basically no impact	N/A	Will contribute considerably to this purpose	Will contribute somewhat to this purpose	Will basically have no impact	N/A
a) Increased liquidity resulting from your bank's sales of marketable assets								
For refinancing:								
For substituting deposit shortfalls			4	1	1	3		1
For substituting maturing debt			4	1		4		1
For substituting interbank lending			4	1	1	3		1
For substituting other Eurosystem liquidity operations			4	1	1	3		1
For granting loans:								
Loans to enterprises		1	3	1	2	2		1
Loans to households for house purchase			4	1	2	2		1
Consumer credit and other lending to households			4	1	1	3		1
For purchasing assets:								
Euro area marketable assets, excluding sovereign bonds			4	1		4		1
Non-euro area marketable assets			4	1		4		1
b) Increased liquidity owing to an increase in customer deposits from enterprises and households								
For refinancing:								
For substituting maturing debt		1	3	1	1	3		1
For substituting interbank lending		1	3	1		4		1
For substituting other Eurosystem liquidity operations			4	1		4		1
For granting loans:								
Loans to enterprises		1	3	1	2	2		1
Loans to households for house purchase		1	3	1	2	2		1
Consumer credit and other lending to households			4	1		4		1
For purchasing assets:								
Euro area marketable assets, excluding sovereign bonds			4	1		4		1
Non-euro area marketable assets			4	1		4		1

5. Over the past six months, how has the ECB's expanded asset purchase programme affected your bank's lending behaviour? And what will be its impact on lending behaviour over the next six months?

-- = has contributed considerably to tightening credit standards/terms and conditions / will contribute considerably to tightening credit standards / terms and conditions

- = has contributed somewhat to tightening credit standards/terms and conditions / will contribute somewhat to tightening credit standards / terms and conditions

° = has had basically no impact on credit standards/terms and conditions / will have basically no impact on credit standards / terms and conditions

+ = has contributed somewhat to easing credit standards/terms and conditions / will contribute somewhat to easing credit standards / terms and conditions

++ = has contributed considerably to easing credit standards/terms and conditions / will contribute considerably to easing credit standards / terms and conditions

N/A = not applicable

	Over the past three months						Over the next three months					
	--	-	°	+	++	N/A	--	-	°	+	++	N/A
a) Credit standards												
For loans to enterprises				5					3	2		
For loans to households for house purchase				5					4	1		
For consumer credit and other lending to households				5					4	1		
b) Terms and conditions												
For loans to enterprises				4	1				3	2		
For loans to households for house purchase				4	1				3	2		
For consumer credit and other lending to households				5					4	1		

Ad hoc question on the impact of the ECB's negative deposit facility rate

6. Given the ECB's negative deposit facility rate, did or will this measure, either directly or indirectly⁽¹⁾, contribute to:

- a decrease/increase of your bank's net interest income
- a decrease/increase of your bank's lending rates
- a decrease/increase of your bank's loan margin (narrower spread = decrease; wider spread = increase)
- a decrease/increase of your bank's non-interest rate charges
- a decrease/increase of your bank's lending volume

over the past or next six months?

-- = contributed/will contribute considerably to a decrease

- = contributed/will contribute somewhat to a decrease

o = did not/will not have an impact

+ = contributed/will contribute somewhat to an increase

++ = contributed/will contribute considerably to an increase

N/A= not applicable

	Over the past six months						Over the next six months					
	--	-	o	+	++	N/A ⁽²⁾	--	-	o	+	++	N/A ⁽²⁾
Impact on your bank's net interest income												
Impact on your bank's net interest income ⁽³⁾	1	4					1	4				
Loans to enterprises												
Impact on your bank's lending rates	1	3	1				1	3	1			
Impact on your bank's loan margin ⁽⁴⁾				4	1					4	1	
Impact on your bank's non-interest rate charges				4	1					3	2	
Impact on your bank's lending volume				4	1					4	1	
Loans to households for house purchase												
Impact on your bank's lending rates	1	3	1				1	3	1			
Impact on your bank's loan margin ⁽⁴⁾				4	1					4	1	
Impact on your bank's non-interest rate charges				4	1					3	2	
Impact on your bank's lending volume				4	1					3	1	1
Consumer credit and other lending to households												
Impact on your bank's lending rates		2	3					2	3			
Impact on your bank's loan margin ⁽⁴⁾				4	1					4	1	
Impact on your bank's non-interest rate charges				4	1					3	2	
Impact on your bank's lending volume				4	1					4	1	

1) Independent of whether your bank has excess liquidity.

2) Please use the category "N/A" only if you do not have any business in this category.

3) The net interest income is defined as the difference between the interest earned and interest paid on the outstanding amount of interest-bearing assets and liabilities by the bank.

4) The loan margin is defined as the spread of the bank's lending rates on new loans over a relevant market reference rate.