



BANCO DE PORTUGAL
EUROSYSTEM

BANK LENDING SURVEY | Results for Portugal | April 2015

I. Overall assessment

The survey conducted in the first quarter of 2015 has been revised, with an increase in the number of standard questions from 18 to 23. In this revision, it is important to highlight the introduction of two questions regarding the share of rejected loans applications, both to enterprises as well as households. Furthermore, questions were introduced to gain further insight into the factors impacting banks' credit standards and conditions as well as terms and conditions to both firms and households. In addition, the questionnaire includes some *ad-hoc* questions regarding topics of particular interest at the moment¹.

According to the results of the survey conducted at the end of the first quarter, for the five banking groups included in the Portuguese sample credit standards and conditions as well as terms and conditions to enterprises and households remained broadly unchanged with one institution registering a slight reduction in restrictiveness. In the enterprises and households segments lower spreads on average risk loans continue to be reported. There was more diversity in the responses concerning riskier loans, with one institution reporting higher spreads while a different institution reported the opposite trend. In the first quarter of 2015, the survey anticipates broadly unchanged credit standards on loans to the non-financial private sector with some banks foreseeing a slight reduction in restrictiveness in loans to both Small and Medium Enterprises (SMEs) and large enterprises.

The survey results point to unchanged demand for loans from enterprises during the first quarter while for household banks reported a slight increase in demand. Banks foresee a small increase in demand from enterprises in the second quarter of 2015, particularly for SMEs in all types

of maturities. Regarding households, the majority of the institutions expect a slight increase in loan demand, both for house purchases and consumption and other purposes.

II. Presentation of the results

Supply

In the first quarter of 2015, four banks reported that credit standards remained broadly unchanged with one institution reporting a slight reduction in restrictiveness levels. Nonetheless, two institutions reported slightly fewer restrictions for loans to SMEs and large enterprises as well as for short-term duration loans. On the other hand, one institution reported considerably higher restrictiveness levels for loans to large enterprises and longer maturities. Competition from other banks and industry or firm-specific situation and outlook were identified as having a positive impact to reduce overall credit standards' restrictiveness to both SMEs and large enterprises. Regarding terms and conditions, especially for SMEs, almost all institution reported lower spreads to average risk loans. One institution reported a reduction in restrictiveness levels due to an improvement in overall terms and conditions, the bank's loan margin on riskier loans and the size of the loan or credit line.

Regarding household loans directed to house purchase, the main factor contributing to the reduction in restrictiveness levels in credit standards was the general economic situation and outlook. With respect to terms and conditions, all institutions reported lower spreads to average risk loans, while one institution also reported a slight improvement in overall terms and conditions and another one reported a slight

increase in the “loan-to-value” ratio and the collateral requirements. Additionally, two institutions reported that restrictiveness levels for bank’s credit terms and conditions as well as the bank’s margins were reduced due to the cost of funds and balance sheet constraints. In the consumption and other purposes segment of households, two institutions reported that the general economic situation and outlook promoted the reduction in the restrictiveness level. Moreover, with reference to terms and conditions, one institution reported a slight improvement in loan maturity and a reduction in spreads to average risk loans as well.

With the exception of one institution who reported a slight decrease in loans approvals to households, all institutions reported that the share of loans approval, both to enterprises and households, remained unchanged in the last quarter.

For the first quarter of 2015, in general terms, banks expect the continuation of credit standards applied on the approval of loans to the non-financial private sector with the possibility of becoming less restrictive on loans to SMEs and large enterprises. Nonetheless, one institution also reported the possibility of a slight increase in restrictiveness to loans directed at large enterprises. In the case of households, the majority of the banks expect the continuation of current credit standards, with one institution reporting the possibility of these becoming slightly more restrictive for house purchases.

Demand

According to the results of the survey for the first quarter of 2015, all institutions interviewed reported that demand for loans and credit lines remained unchanged. Nevertheless, three institutions reported that the financing of inventories and working capital contributed to an increase in loan demand.

Three institutions also reported a slight increase in loan demand by households, both for house purchase and consumption and other purposes. On this point, the majority of banks reported that the general level of interest rates as supporting the increase in demand loans for house

purchases with two institutions adding that housing market prospects and consumer confidence also positively supported this demand. Concerning loans towards consumption and other purposes, all institutions except one reported spending on durable consumer goods has contributed to an increase in loan demand whereas some institutions also reported the positive impact of the general level of interest rates and the increase in consumer confidence.

For the second quarter of 2015, most banks foresee slight changes in the demand of enterprises for loans and credit lines. In this regard, the increase is expected to happen particularly for large enterprises and in all types of maturities. For households, the majority of banks anticipate loan demand to increase slightly for house purchase and consumption and other purposes.

III. *Ad-hoc* questions

The bank lending survey to banks includes some *ad-hoc* questions to assess the impact of specific and/or time-constrained events on the bank credit conditions to companies and households. This survey includes five questions of this type.

The first question assesses the impact of the financial markets situation on banks’ access to credit and their ability to transfer risk. Responses from banks suggest an improvement in conditions in the last three months. However, there is strong heterogeneity. For one institution retail short-term financing registered considerable improvements. Additionally, medium and long-term wholesale negotiation of debt securities improved slightly for two institutions and there were slight improvements in the very short-term money market and medium and long-term wholesale debt securitization for another institution. On the other hand, one institution reported a slight deterioration in long-term retail financing and loan securitization. For the second quarter of 2015, banks predict stability or in some cases improvements in the very short-term money market, short and medium to long-term debt securities, and in the securitization of corporate loans.

The second question assesses current restrictiveness in the concession of credit in comparison

to the first quarter of 2003 and the second quarter of 2010. When compared to the first quarter of 2003, institutions are divided between a similar and a moderately greater level of restrictiveness. One institution mentioned that the level of restrictiveness is considerably greater for all types of credit. Concerning loans to households, three institutions consider that restrictiveness is now moderately greater for house purchase loans, one institution reported a considerably greater restrictiveness level and another considers that there are no significant differences between the two periods. In respect to consumer credit and other lending, two institutions consider that the restrictiveness level is now considerably higher and two institutions consider the level to be just moderately more restrictive. On the other hand, when compared to the second quarter of 2010, two institutions reported that the level of restrictiveness did not change significantly or was kept constant throughout the period, while one institution stated that it reduced slightly and another institution that it diminished considerably. Still another institution reported that the level of restrictiveness has increased moderately since 2010. These results apply for all analyzed segments.

The last 3 *ad-hoc* questions are related to the impact of ECB's expanded asset purchase programme on banks' activity in diverse aspects in the last six months and prospects for the next six months.

Of these three questions, the first focuses on understanding how the programme affected institutions' operational situation, namely total assets, liquidity position, market financing conditions, profitability, and capital position. Two institutions mentioned that financing conditions improved slightly with the programme, while three institutions mentioned that profitability from net interest margin suffered a slight deterioration. For the next six months, institutions predict slight improvements on almost all fronts. The exception to the trend is the lack

of significant changes in banks' capital position and market financing conditions through equity issued, and banks' overall profitability. Additionally, two institutions anticipate a slight deterioration in profitability due to the net interest margin in the next six months.

The second question assesses how institutions used additional liquidity from the expanded asset purchase programme in the last six months, and to which ends it will be used in the next six months. It is relevant to mention that in the last six months additional liquidity from the programme had a limited impact on refinancing conditions and credit concession. However, two institutions reported that greater liquidity from enterprise and household deposits contributed slightly to the substitution of maturing debt. For the next six months, most of the surveyed institutions expect that increases liquidity from sales of marketable assets will contribute to refinance the substitution of maturing debt and to the concession of loans to enterprises and to households for house purchase. Only two institutions predict a positive effect on the concession of consumer credit and other lending to households and on the purchase of Euro area marketable assets, excluding sovereign bonds. Concerning greater liquidity owing to an increase in customer deposits from enterprises and households, some institutions predict a slight contribution to an increase in the concession of loans to enterprises and households for house purchase.

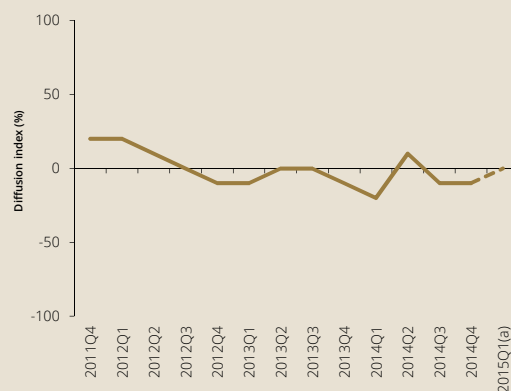
The third question assesses how the ECB's asset purchase programme affected the behavior of surveyed institutions in the concession of credit. Both in the last six months and in the next six months, only one institution reported impacts on the easing of credit standards and terms and conditions. Concerning terms and conditions, another institution also reported slight improvements both in the last six months and in the next six months.

Note

1. For details regarding the revised survey, see [document](#).

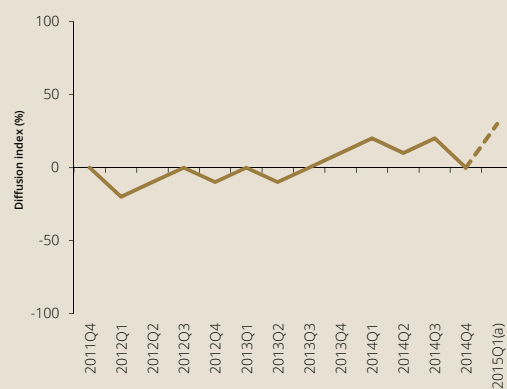
Credit supply

Enterprises (overall)

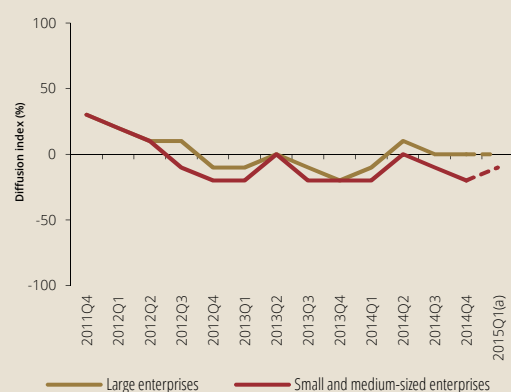


Credit demand

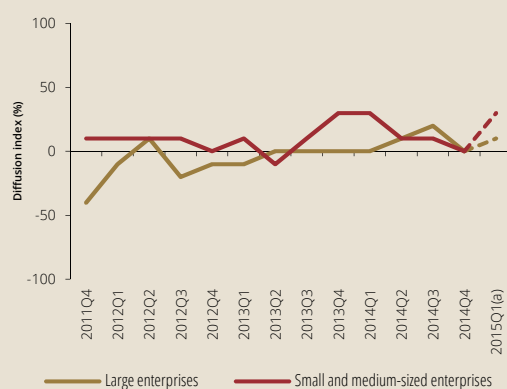
Enterprises (overall)



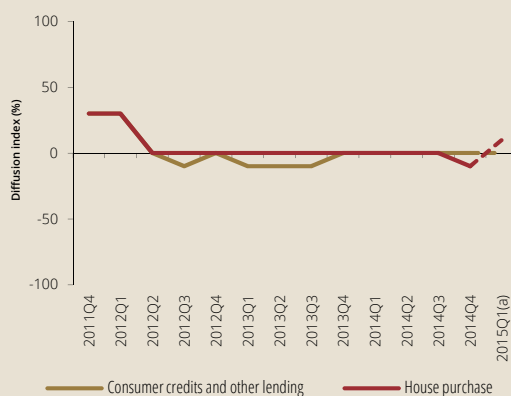
Enterprises



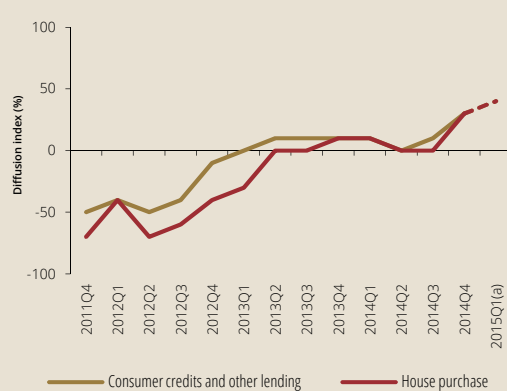
Enterprises



Households



Households



Note: (a) Bank's expectations.

I • Loans or credit lines to enterprises ⁽¹⁾

1. Over the past three months, how have your bank's credit standards ⁽¹⁾ as applied to the approval of loans or credit lines to enterprises ^(2, 3, 4) changed? Please note that we are asking about the change in credit standards, rather than about their level.

			Loans to small and medium-sized enterprises ⁽⁵⁾	Loans to large enterprises ⁽⁵⁾	Short-term loans ⁽⁶⁾	Long-term loans ⁽⁶⁾
	Overall					
Tightened considerably				1		1
Tightened somewhat						
Remained basically unchanged	4		3	2	3	3
Eased somewhat	1		2	2	2	1
Eased considerably						
Diffusion index %	Apr.15	-10	-20	0	-20	10
	Jan.15	-10	-10	0	-10	10

(1) Credit standards.

(2) Loans.

(3) Credit line.

(4) Enterprises.

(5) Enterprise size.

(6) Maturity.

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 defined in the notes to 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 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. 15	Jan. 15
a) Cost of funds and balance sheet constraints ⁽¹⁾								
Costs related to your bank's capital position ⁽²⁾			5				0	0
Your bank's ability to access market financing (e.g. money or bond market financing, incl. true-sale securitisation ⁽³⁾)			4	1			-10	0
Your bank's liquidity position			4	1			-10	-20
b) Pressure from competition								
Competition from other banks			3	2			-20	-30
Competition from non-banks ⁽⁴⁾			4	1			-10	0
Competition from market financing			4	1			-10	0
c) Perception of risk ⁽⁵⁾								
General economic situation and outlook			4	1			-10	-10
Industry or firm-specific situation and outlook / borrower's creditworthiness ⁽⁶⁾		1	2	2			-10	-20
Risk related to the collateral demanded			5				0	0
d) Your bank's risk tolerance ⁽⁵⁾								
Your bank's risk tolerance		1	4				10	

	Impact on your bank's credit standards for loans to small and medium-sized enterprises						Diffusion index %	
	--	-	o	+	++	N/A	Apr. 15	Jan. 15
a) Cost of funds and balance sheet constraints ⁽¹⁾								
Costs related to your bank's capital position ⁽²⁾			5				0	0
Your bank's ability to access market financing (e.g. money or bond market financing, incl. true-sale securitisation ⁽³⁾)			4	1			-10	0
Your bank's liquidity position			4	1			-10	-10
b) Pressure from competition								
Competition from other banks			2	3			-30	-30
Competition from non-banks ⁽⁴⁾			5				0	0
Competition from market financing			4	1			-10	0
c) Perception of risk ⁽⁵⁾								
General economic situation and outlook			3	2			-20	-20
Industry or firm-specific situation and outlook / borrower's creditworthiness ⁽⁶⁾			2	3			-30	-30
Risk related to the collateral demanded			4	1			-10	0
d) Your bank's risk tolerance ⁽⁵⁾								
Your bank's risk tolerance			4	1			-10	

	Impact on your bank's credit standards for loans to large enterprises						Diffusion index %	
	--	-	o	+	++	N/A	Apr. 15	Jan. 15
a) Cost of funds and balance sheet constraints ⁽¹⁾								
Costs related to your bank's capital position ⁽²⁾			4	1			-10	0
Your bank's ability to access market financing (e.g. money or bond market financing, incl. true-sale securitisation ⁽³⁾)			4	1			-10	0
Your bank's liquidity position			4	1			-10	-20
b) Pressure from competition								
Competition from other banks			3	2			-20	-30
Competition from non-banks ⁽⁴⁾			4	1			-10	0
Competition from market financing			4	1			-10	0
c) Perception of risk ⁽⁵⁾								
General economic situation and outlook			3	2			-20	-10
Industry or firm-specific situation and outlook / borrower's creditworthiness ⁽⁶⁾		1	1	3			-20	-20
Risk related to the collateral demanded			5				0	0
d) Your bank's risk tolerance ⁽⁵⁾								
Your bank's risk tolerance			5				0	

(1) Cost of funds and balance sheet constraints.

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

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

(4) Non-banks.

(5) Perception of risk and risk tolerance.

(6) Risks related to non-performing loans may be reflected not only in the "industry or firm-specific situation and outlook / borrower's creditworthiness", but also in the bank's "cost of funds and balance sheet constraints".

3. Over the past three months, how have your bank's terms and conditions ⁽¹⁾ 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. 15	Jan. 15
a) Overall terms and conditions ⁽¹⁾								
Overall terms and conditions			4	1			-10	
b) Margins								
Your bank's loan margin (i.e. the spread over a relevant market reference rate) on average loans (wider spread = tightened, narrower spread = eased) ⁽²⁾				5			-50	-40
Your bank's loan margin (i.e. the spread over a relevant market reference rate) on riskier loans		1	3	1			0	0
c) Other conditions and terms								
Non-interest rate charges ⁽³⁾		1	3	1			0	-10
Size of the loan or credit line			4	1			-10	-30
Collateral ⁽⁴⁾ requirements			5				0	0
Loan covenants ⁽⁵⁾			5				0	0
Maturity			5				0	-10

	Loans to small and medium-sized enterprises						Diffusion index %	
	--	-	°	+	++	N/A	Apr. 15	Jan. 15
a) Overall terms and conditions ⁽¹⁾								
Overall terms and conditions			4	1			-10	
b) Margins								
Your bank's loan margin (i.e. the spread over a relevant market reference rate) on average loans (wider spread = tightened, narrower spread = eased) ⁽²⁾				5			-50	-50
Your bank's loan margin (i.e. the spread over a relevant market reference rate) on riskier loans			4	1			-10	-20
c) Other conditions and terms								
Non-interest rate charges ⁽³⁾		1	4				10	-20
Size of the loan or credit line			3	2			-20	-40
Collateral ⁽⁴⁾ requirements			5				0	-20
Loan covenants ⁽⁵⁾			5				0	-20
Maturity			5				0	-30

	Loans to large enterprises						Diffusion index %	
	--	-	o	+	++	N/A	Apr. 15	Jan. 15
a) Overall terms and conditions ⁽¹⁾								
Overall terms and conditions			4	1			-10	
b) Margins								
Your bank's loan margin (i.e. the spread over a relevant market reference rate) on average loans (wider spread = tightened, narrower spread = eased) ⁽²⁾			1	4			-40	-40
Your bank's loan margin (i.e. the spread over a relevant market reference rate) on riskier loans		1	3	1			0	0
c) Other conditions and terms								
Non-interest rate charges ⁽³⁾		1	3	1			0	-20
Size of the loan or credit line			4	1			-10	-10
Collateral ⁽⁴⁾ requirements			5				0	-10
Loan covenants ⁽⁵⁾			5				0	-10
Maturity			5				0	-20

(1) Credit terms and conditions.

(2) Loan margin / spread over a relevant market reference rate.

(3) Non-interest rate charges.

(4) Collateral.

(5) Covenant.

4. Over the past three months, how have the following factors ⁽¹⁾ affected your bank's credit terms and conditions as applied to new loans or credit lines to enterprises (as defined in the notes to question 3)? Please rate the contribution of the following factors to the tightening or easing of credit terms and conditions using the following scale:

	Overall impact on your bank's credit terms and conditions						Diffusion index %	
	--	-	o	+	++	N/A	Apr. 15	Jan. 15
a) Cost of funds and balance sheet constraints								
Cost of funds and balance sheet constraints			3	2			-20	
b) Pressure from competition								
Pressure from competition			1	4			-40	
c) Perception of risk								
Perception of risk			4	1			-10	
d) Your bank's risk tolerance								
Your bank's risk tolerance		1	4				10	

	Impact on your bank's margin on average loans						Diffusion index %	
	--	-	o	+	++	N/A	Apr. 15	Jan. 15
a) Cost of funds and balance sheet constraints								
Cost of funds and balance sheet constraints			1	4			-40	
b) Pressure from competition								
Pressure from competition			1	3	1		-50	
c) Perception of risk								
Perception of risk			4	1			-10	
d) Your bank's risk tolerance								
Your bank's risk tolerance		1	4				10	

	Impact on your bank's margin on riskier loans						Diffusion index %	
	--	-	o	+	++	N/A	Apr. 15	Jan. 15
a) Cost of funds and balance sheet constraints								
Cost of funds and balance sheet constraints			5				0	
b) Pressure from competition								
Pressure from competition			4	1			-10	
c) Perception of risk								
Perception of risk		1	4				10	
d) Your bank's risk tolerance								
Your bank's risk tolerance		1	4				10	

(1) The factors refer to the same sub-factors as in question 2.

5. Over the past three months (apart from normal seasonal fluctuations), has the share of enterprise loan applications ⁽¹⁾ that were completely rejected ⁽²⁾ 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. 15	0
	Jan. 15	

(1) Loan application.

(2) Loan rejection.

6. Over the past three months (apart from normal seasonal fluctuations), how has the demand for loans ⁽¹⁾ or credit lines ⁽²⁾ 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		5	5	5	5	4
Increased somewhat						1
Increased considerably						
Diffusion index %	Apr. 15	0	0	0	0	10
	Jan. 15	20	10	20	20	30

(1) Demand for loans.

(2) Credit line.

7. Over the past three months, how have the following factors affected the overall demand for loans or credit lines to enterprises (as defined in the notes to question 6)? 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

	--	-	°	+	++	N/A	Diffusion index %	
							Apr. 15	Jan. 15
a) Financing needs								
Fixed investment		5				0	20	
Inventories and working capital		2	3			30	30	
Mergers / acquisitions and corporate restructuring		5				0	0	
General level of interest rates		4	1			10		
Debt refinancing / restructuring and renegotiation ⁽¹⁾ (when leading to an increase or prolongation)		5				0	10	
b) Use of alternative finance								
Internal financing		4	1			10	10	
Loans from other banks		4	1			10	30	
Loans from non-banks		5				0	0	
Issuance of debt securities		5				0	0	
Issuance of equity		5				0	0	

(1) Debt refinancing / restructuring and renegotiation.

(2) Marketing campaigns.

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				1		
Remained basically unchanged		5	4	3	5	5
Eased somewhat			1	1		
Eased considerably						
Diffusion index %	Apr. 15	0	-10	0	0	0
	Jan. 15	-10	-10	0	-10	10

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		2	2	4	3	3
Increase somewhat		3	3	1	2	2
Increase considerably						
Diffusion index %	Apr. 15	30	30	10	20	20
	Jan. 15	20	10	0	20	20

II • Loans to households ⁽¹⁾

10. Over the past three months, how have your bank's credit standards ⁽¹⁾ as applied to the approval of loans ⁽²⁾ to households ⁽³⁾ 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 ⁽⁴⁾
Tightened considerably		
Tightened somewhat		
Remained basically unchanged	4	5
Eased somewhat	1	
Eased considerably		
Diffusion index %	Apr. 15	-10
	Jan. 15	0

(1) Credit standards.

(2) Loans.

(3) Households.

(4) Consumer credit and other lending.

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 (as defined in the notes to question 10)? 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. 15	Jan. 15
a) Cost of funds and balance sheet constraints ⁽¹⁾								
Cost of funds and balance sheet constraints			4	1			-10	0
b) Pressure from competition								
Competition from other banks			4	1			-10	0
Competition from non-banks ⁽²⁾			5				0	0
c) Perception of risk ⁽³⁾								
General economic situation and outlook			2	3			-30	-10
Housing market prospects, including expected house price developments ⁽⁴⁾			4	1			-10	0
Borrower's creditworthiness ⁽⁵⁾			4	1			-10	
d) Your bank's risk tolerance ⁽³⁾								
Your bank's risk tolerance			5				0	

(1) Cost of funds and balance sheet constraints.

(2) Non-banks.

(3) Perception of risk and risk tolerance.

(4) Housing market prospects, including expected house price developments.

(5) Risks related to non-performing loans may be reflected not only in the "borrower's creditworthiness", but also in the bank's "cost of funds and balance sheet constraints".

12. Over the past three months, how have your bank's terms and conditions⁽¹⁾ 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
 ° = remained basically unchanged
 + = eased somewhat
 ++ = eased considerably
 N/A = not applicable

	--	-	°	+	++	N/A	Diffusion index %	
							Apr. 15	Jan. 15
a) Overall terms and conditions								
Overall terms and conditions			4	1			-10	
b) Margins								
Your bank's loan margin (i.e. the spread over a relevant market reference rate) on average loans (wider spread = tightened, narrower spread = eased) ⁽²⁾				5			-50	-10
Your bank's loan margin (i.e. the spread over a relevant market reference rate) on riskier loans			5				0	0
c) Other terms and conditions								
Collateral ⁽³⁾ requirements			5				0	0
Loan-to-value ratio ⁽⁴⁾		1	4				10	0
Other loan size limits			5				0	
Maturity			5				0	0
Non-interest rate charges ⁽⁵⁾			5				0	0

(1) Credit terms and conditions.

(2) Loan margin / spread over a relevant market reference rate.

(3) Collateral.

(4) Loan-to-value ratio.

(5) Non-interest rate charges.

13. Over the past three months, how have the following factors⁽¹⁾ affected your bank's credit terms and conditions as applied to new loans to households for house purchase (as defined in the notes to question 12)? 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. 15	Jan. 15
a) Cost of funds and balance sheet constraints								
Cost of funds and balance sheet constraints			3	2			-20	
b) Pressure from competition								
Pressure from competition			4	1			-10	
c) Perception of risk								
Perception of risk			4	1			-10	
d) Your bank's risk tolerance								
Your bank's risk tolerance			5				0	

	Impact on your bank's margin on average loans						Diffusion index %	
	--	-	°	+	++	N/A	Apr. 15	Jan. 15
a) Cost of funds and balance sheet constraints								
Cost of funds and balance sheet constraints			3	2			-20	
b) Pressure from competition								
Pressure from competition			3	2			-20	
c) Perception of risk								
Perception of risk			4	1			-10	
d) Your bank's risk tolerance								
Your bank's risk tolerance			5				0	

	Impact on your bank's margin on riskier loans						Diffusion index %	
	--	-	°	+	++	N/A	Apr. 15	Jan. 15
a) Cost of funds and balance sheet constraints			5				0	
Cost of funds and balance sheet constraints								
b) Pressure from competition			5				0	
Pressure from competition								
c) Perception of risk			5				0	
Perception of risk								
d) Your bank's risk tolerance			5				0	
Your bank's risk tolerance								

(1) The factors refer to the same sub-factors as in question 11.

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 (as defined in the notes to question 10)? 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

	--	-	o	+	++	N/A	Diffusion index %	
							Apr. 15	Jan. 15
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	-10
Competition from non-banks			5				0	0
c) Perception of risk								
General economic situation and outlook			3	2			-20	-10
Creditworthiness of consumers ⁽¹⁾			4	1			-10	-10
Risk on the collateral demanded			5				0	0
d) Your bank's risk tolerance								
Your bank's risk tolerance			5				0	

(1) Risks related to non-performing loans may be reflected not only in the "creditworthiness of consumers", but also in the bank's "cost of funds and balance sheet constraints".

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

							Diffusion index %	
	--	-	°	+	++	N/A	Apr. 15	Jan. 15
a) Overall terms and conditions								
Overall terms and conditions			5				0	
b) Margins								
Your bank's loan margin (i.e. the spread over a relevant market reference rate) on average loans (wider spread = tightened, narrower spread = eased)			4	1			-10	-10
Your bank's loan margin (i.e. the spread over a relevant market reference rate) on riskier loans			5				0	0
c) Other terms and conditions								
Collateral requirements			5				0	0
Size of the loan			5				0	
Maturity			4	1			-10	0
Non-interest rate charges			5				0	0

16. Over the past three months, how have the following factors⁽¹⁾ affected your bank's credit terms and conditions as applied to new consumer credit and other lending to households (as defined in the notes to question 12)? 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. 15	Jan. 15
a) Cost of funds and balance sheet constraints			5				0	
Cost of funds and balance sheet constraints								
b) Pressure from competition			5				0	
Pressure from competition								
c) Perception of risk			5				0	
Perception of risk								
d) Your bank's risk tolerance			5				0	
Your bank's risk tolerance								

	Impact on your bank's margin on average loans						Diffusion index %	
	--	-	°	+	++	N/A	Apr. 15	Jan. 15
a) Cost of funds and balance sheet constraints			5				0	
Cost of funds and balance sheet constraints								
b) Pressure from competition			5				0	
Pressure from competition								
c) Perception of risk			5				0	
Perception of risk								
d) Your bank's risk tolerance			5				0	
Your bank's risk tolerance								

	Impact on your bank's margin on riskier loans						Diffusion index %	
	--	-	°	+	++	N/A	Apr. 15	Jan. 15
a) Cost of funds and balance sheet constraints			5				0	
Cost of funds and balance sheet constraints								
b) Pressure from competition			5				0	
Pressure from competition								
c) Perception of risk			5				0	
Perception of risk								
d) Your bank's risk tolerance			5				0	
Your bank's risk tolerance								

(1) The factors refer to the same sub-factors as in question 14.

17. Over the past three months (apart from normal seasonal fluctuations), has the share of household loan applications ⁽¹⁾ that were completely rejected ⁽²⁾ 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	1	1
Remained basically unchanged	4	4
Increased somewhat		
Increased considerably		
Diffusion index %	Apr. 15	-10
	Jan. 15	-10

(1) Loan application.

(2) Loan rejection.

18. Over the past three months (apart from normal seasonal fluctuations), how has the demand for loans ⁽¹⁾ 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		
Remained basically unchanged	2	2
Increased somewhat	3	3
Increased considerably		
Diffusion index %	Apr. 15	30
	Jan. 15	0
		10

(1) Demand for loans.

19. Over the past three months, how have the following factors affected the demand for loans to households for house purchase (as defined in the notes to question 18)? 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 = not applicable

	--	-	°	+	++	N/A	Diffusion index %	
							Apr. 15	Jan. 15
a) Financing needs / underlying drivers or purpose of loan demand								
Housing market prospects, including expected house price developments			3	2			20	0
Consumer confidence ⁽¹⁾			3	2			20	0
General level of interest rates			1	4			40	
Debt refinancing / restructuring and renegotiation (when leading to an increase or prolongation of the amount borrowed) ⁽²⁾			5				0	
Regulatory and fiscal regime of housing markets			5				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) ⁽³⁾			5				0	
Loans from other banks			5				0	0
Other sources of external finance			5				0	0

(1) Consumer confidence.

(2) Debt refinancing / restructuring and renegotiation.

(3) Down payment.

(4) Marketing campaigns.

20. Over the past three months, how have the following factors affected the demand for consumer credit and other lending to households (as defined in the notes to question 18)? 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. 15	Jan. 15
a) Financing needs / underlying drivers or purpose of loan demand								
Spending on durable consumer goods, such as cars, furniture, etc.			1	4			40	20
Consumer confidence			2	3			30	20
General level of interest rates			2	3			30	
Consumption expenditure financed through real-estate guaranteed loans ("mortgage equity withdrawal") ⁽¹⁾			4			1	0	
b) Use of alternative finance								
Internal finance out of savings			5				0	
Loans from other banks			5				0	0
Other sources of finance			5				0	0

(1) Consumption expenditure financed through real-estate guaranteed loans.

(2) Marketing campaigns.

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		1	
Remain basically unchanged		4	5
Ease somewhat			
Ease considerably			
Diffusion index %	Apr. 15	10	0
	Jan. 15	0	0

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. 15	40	40
	Jan. 15	20	20

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					N/A ⁽²⁾
	--	-	o	+	++	--	-	o	+	++	
a) Retail funding											
Short-term deposits (up to one year)			4		1			5			
Long-term (more than one year) deposits and other retail funding instruments	1		3	1				5			
b) Inter-bank unsecured money market											
Very short term money market (up to 1 week)			4	1				3	2		
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					4	1		
Medium to long term debt securities (incl. covered bonds)			3	2				3	2		
d) Securitisation ⁽⁴⁾											
Securitisation of corporate loans	1		3	1				4	1		
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			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	2
Moderately tighter than the midpoint of the range	2	2	2	3	2
Basically identical to the midpoint of the range	2	2	2	1	1
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	1	1	1	1	1
Basically identical to the midpoint of the range	1	1	1	1	1
Moderately looser than the midpoint of the range	1	1	1	1	1
Considerably looser than the midpoint of the range	1	1	1	1	1
At the tightest level during this period					
Levels have remained constant during this period	1	1	1	1	1
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 ⁽¹⁾

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

o = 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					
	--	-	o	+	++	N/A	--	-	o	+	++	N/A
a) Your bank's total assets												
Your bank's total assets (non-risk weighted volume)			3	2			1	1	3			
of which: euro area sovereign bond holdings			3	2			1	1	3			
b) Your bank's liquidity position												
Your bank's overall liquidity position			2	3				2	3			
owing to: sales of marketable assets			3	2				2	3			
an increase in deposits from enterprises ⁽²⁾ and households			3	2				3	2			
c) Your bank's market financing conditions												
Your bank's overall market financing conditions			3	2				2	3			
of which financing via:												
asset-backed securities			3	2				2	3			
covered bonds			3	2				1	4			
unsecured bank bonds			3	2				3	2			
equity issued			4	1				4	1			
d) Your bank's profitability												
Your bank's overall profitability			4	1				3	2			
owing to: net interest margin ⁽³⁾	3	2					2	1	2			
capital gains / losses			3	2				3	2			
of which: capital gains / losses out of sales of marketable assets			3	2				3	2			
e) Your bank's capital position												
Your bank's capital ratio ⁽⁴⁾			5					5				
owing to capital release ⁽⁵⁾			5					5				
Your bank's leverage ratio ⁽⁶⁾			4	1				3	2			

(1) Please use "N/A" only if you do not have any business / exposure in this category..

(2) Enterprises are defined as non-financial corporations.

(3) Interest income minus interest paid, relative to the amount of interest-bearing assets.

(4) Defined in accordance with the regulatory requirements set out in the CRR/CRD IV, including both tier 1 capital and tier 2 capital.

(5) That is, on account of the ABSPP.

(6) Defined in accordance with the delegated act under the Capital Requirements Regulation adopted by the European Commission on 10 October 2014.

2. 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 ⁽¹⁾	Will contribute considerably to this purpose	Will contribute somewhat to this purpose	Will basically have no impact	N/A ⁽²⁾
a) Increased liquidity resulting from your bank's sales of marketable assets								
For refinancing:								
For substituting deposit shortfalls			5				5	
For substituting maturing debt		1	4			4	1	
For substituting interbank lending			5			2	3	
For substituting other Eurosystem liquidity operations			5			1	4	
For granting loans:								
Loans to enterprises			5			4	1	
Loans to households for house purchase			5			4	1	
Consumer credit and other lending to households			5			2	3	
For purchasing assets:								
Euro area marketable assets, excluding sovereign bonds			5			2	3	
Non-euro area marketable assets			5				5	
b) Increased liquidity owing to an increase in customer deposits from enterprises ⁽²⁾ and households								
For refinancing:								
For substituting maturing debt		2	3			1	4	
For substituting interbank lending		1	4			1	4	
For substituting other Eurosystem liquidity operations		1	4			1	4	
For granting loans:								
Loans to enterprises		1	4			2	3	
Loans to households for house purchase			5			2	3	
Consumer credit and other lending to households			5			1	4	
For purchasing assets:								
Euro area marketable assets, excluding sovereign bonds			5			2	3	
Non-euro area marketable assets			4	1			5	

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

(2) Enterprises are defined as non-financial corporations.

3. 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

o = 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 ⁽²⁾
	--	-	o	+	++	--	-	o	+	++	
a) Credit standards											
For loans to enterprises			4	1				4	1		
For loans to households for house purchase			4	1				4	1		
For consumer credit and other lending to households			5					5			
b) Terms and conditions											
For loans to enterprises			3	2				3	2		
For loans to households for house purchase			3	2				3	2		
For consumer credit and other lending to households			4	1				4	1		

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

Note

1. For questions regarding terms and definitions see General guidelines for the completion of the bank lending survey questionnaire.