BANCO DE PORTUGAL
EUROSISTEMA

BANK LENDING SURVEY | Results for Portugal | January 2015

I. Overall assessment

According to the results of the survey conducted in January to the five banking groups included in the Portuguese sample, credit standards and conditions as well as terms applied on loans or credit lines to enterprises and households registered slight reductions in restrictiveness for some of the institutions surveyed while for others there were no significant changes in restrictiveness during the fourth quarter of 2014. In the segments of enterprises and households there continues to be reported lower spreads on average risk loans and basically unchanged spreads on riskier loans. 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 easing of credit standards applied to the approval of short-term loans to enterprises.

The survey results point to a slight increase in demand of loans during the fourth quarter, being especially the case for long-term loans by enterprises. For the first quarter of 2015, banks foresee a small increase in the loan demand by enterprises, which should be concentrated on small and medium enterprises (SMEs) for all types of maturities. In the segment of households, banks expect small increases in the demand of loans for both house purchase and consumption and other purposes.

II. Presentation of the results

Supply

In the fourth quarter of 2014, two banks reported broadly unchanged credit standards while two other banks reported slightly less restrictive criteria both to SMEs and large firms. Additionally, two banks reported having reduced restrictiveness levels slightly for short run credits. An institution reported tighter credit standards, which was more pronounced in the case of loans to large corporations and in the case of long-term loans. Competition from banks and industry or firm-specific outlook was reported by three banks as a factor leading to an easing of the credit policy. Two institutions considered that the bank's liquidity position contributed to an easing of the credit policy. For SMEs and less to large firms most banks reported lower spreads on average risk loans and some institutions reported an increase in the size of the loan or credit line and in maturities and a reduction in non-interest rate charges.

In the segment of loans to households, both for house purchase and for consumption and other purposes, all banks reported basically unchanged credit standards. Nevertheless, according to one institution the cost of funds and balance sheet constraints contributed somewhat to a tightening of the credit standards while another institution reported the same factor as contributing to an easing of credit standards for both house purchase and consumption and other purposes. One institution reported also the expectations regarding general economic activity to have a positive impact on credit standards for house purchase. In this credit segment, only one institution reported a decline in the spread applied to the average loan with all the others factors remained unchanged. For consumption and other purposes one institution reported other banks' conditions and terms for approving credit to households remained unchanged. As for consumption and other purposes other factors such as competition from other banks, expectations regarding general economic activity and the Creditworthiness of consumers were referred to have a somewhat positive effect in easing credit standards.

For the first quarter of 2015, in general terms, banks expect the maintenance of credit standards applied on the approval of loans to the non-financial private sector with the possibility of being less restrictive especially for short-term loans. In the case of households all banks anticipate a stabilization of the credit standards.

Demand

In the fourth quarter of 2014, banks divided their answer between reporting an overall stabilization and a slight increase in the demand for loans or credit lines by enterprises. Additionally, three institutions reported a small increase for long term loan demand. Among the factors contributing positively to loan demand three institutions reported the increase in financing needs for inventories and working capital and the decline in loans from other banks whether two institutions reported an increase in financing needs to fixed investment.

In the same period, the demand for loans by households for house purchase and for consumption and other purposes remained broadly unchanged for most of the inquired institutions. In both credit segments, one institution reported a slight decline in demand while for house purchase one institution reported a slight increase and for consumption and other purposes two institutions reported a slight increase. Regarding the factors, two institutions considered that the improvement in spending on durable consumer goods and consumer confidence contributed to an increase in the demand for loans to consumption and other purposes. On the other hand, one institution reported that securities purchases contributed negatively to loan demand in the same segment.

For the first quarter of 2015, two banks foresee a slight increase of the loan demand by enterprises. The increase in demand is expected to be determined by loans to SME in all type of maturities. For households, three banks anticipate demand will remain basically unchanged. Nonetheless, two institutions anticipate a slight increase in loan demand both for house purchase and consumption and other purposes.

III. *Ad-hoc* questions

The bank lending survey includes some ad-hoc questions aimed at assessing the impact of specific events on the conditions of bank lending to companies and individuals. The survey conducted in January 2015, includes six questions of this kind.

The first question assessed the impact of the situation in financial markets on banks' access to funding and their ability to transfer risk. The majority of banks reported a generalized stabilization in all type of funding sources. Nonetheless, one bank reported a significant deterioration in almost all types of funding sources. Additionally, two institutions reported small improvements in access to medium to long term debt securities. For the first quarter of 2015, banks were divided between a stabilization and a slight improvement on bank's access to funding and financial markets, with a more optimistic sentiment for retail funding, medium to long term debt securities and securitisation, both for enterprises and households.

The second question aims to assess the impact of the Capital Requirements Regulation relating to capital, leverage or liquidity requirements while the third question aims to access the impact of the Capital Requirements Regulation on the banks' credit standards and margins loans.

Regarding the second question and for the last six months, two institutions reported small total assets reductions especially for liquid and risk-weighted assets while three institutions reported a stabilization of these assets for the same period. Banks also reported a stabilization in capital levels and no impact on the banks' funding conditions. For the next six months banks foresee no significant changes in these criteria. With respect to the third question, the majority of banks reported for the last six months that, on average, credit standards have not significantly due to the regulatory changes introduced. As for the next six months, two institutions expect that these changes may increase credit standards restrictiveness slightly. Regarding margins loans to enterprises, banks report suggest that these have not changed significantly or have become slightly less restrictive, especially for SMEs. In relation to the next six months most banks do not anticipate any major changes in margins loans. With respect to households, both for the last six months and for the next six months all banks have reported no changes in credit standards and margin loans due to the capital requirements regulations.

The last three ad-hoc questions are related with the targeted longer-term refinancing operations (TLTRO) conducted or to be conducted by the Eurosystem between December 2014 and June 2016.

The first question assesses the reasons behind the decision of banks to participate or to not participate in the initial TLTRO of December 2014 and in the additional TLTROs in 2015 and 2016. Three banks participated in the initial TLTRO of December 2014. One of them considered the main reason behind the participation was the attractive TLTRO conditions, other one pointed out the fulfilment of regulatory liquidity requirements and another institution reported the reduction of uncertainty regarding the fulfilment of regulatory requirements. Among the two banks not participating in this operation, only one reported the collateral constraints and the reason behind not participating in the December 2014 TLTRO program. Regarding the additional TLTROs in 2015 and 2016, three banks intend to participate mostly due to the attractive TLTRO conditions but also due to precautionary motives and the fulfillment of regulatory requirements. One institution reported that does not intend to participate due to collateral constraints.

The second question aims to identify the uses for funds obtained from the TLTROs. All banks considered funds obtained from the initial TLTROs of December 2014 will be used for substituting other Eurosystem liquidity operations. Some banks also reported that these operations contributed to replace maturing debt, deposit shortfalls and interbank lending. Additionally, three banks considered that the funds obtained from the TLTROs contributed to increase loans to non-financial corporations, having no impact in loans to households or in assets purchases. Regarding the additional TLTROs in 2015 and 2016, four banks consider the funds will be used for substituting other Eurosystem liquidity operations and to increase loans to non-financial corporations, having only two banks reporting that the expect these to have a positive impact on loans for consumer credit and other purposes. Some of the banks reported still that these operations contribute to replace maturing debt, deposit shortfalls, interbank lending and to the purchase of domestic sovereign bonds.

The last question evaluates the impact of the TLTROs on the banks financial situation and on their lending behaviour. The majority of banks considered the 2014 operations have basically no impact on their financial situation. The 2015-16 TLTROs might contribute to improve liquidity position and profitability according to two banks. Regarding the impact on credit standards and terms and conditions applied to loans, the majority of banks considered these operations to have basically no impact in the decline in the restrictiveness on loans to enterprises, with two banks having reported a small decrease in restrictiveness for credit standards and terms and conditions applied to enterprises.

Methodological note

The following tables include the results for Portugal of the Bank Lending Surveys conducted in January 2015.

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

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

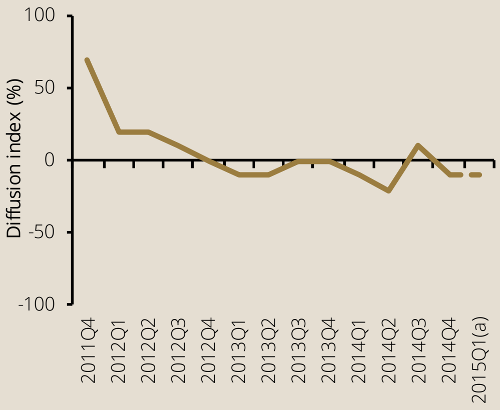
Tables on the first set of questions have five possible options, for each segment, according to the trend and rate of the changes reported (either occurred or foreseen); replies are shown along columns. Answers to tables on factors' appraisal are along the rows; six options are available – including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

The results of the survey are as follows:

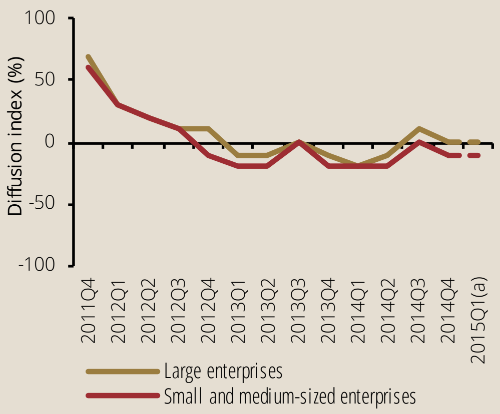
- The number of banks choosing each option;
- The diffusion index of the options chosen by the banks, calculated using a scale (from -100 to 100) to aggregate individual replies, according to which 0 corresponds to "remained basically unchanged". For questions concerning supply, values of less than 0 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).

Credit supply

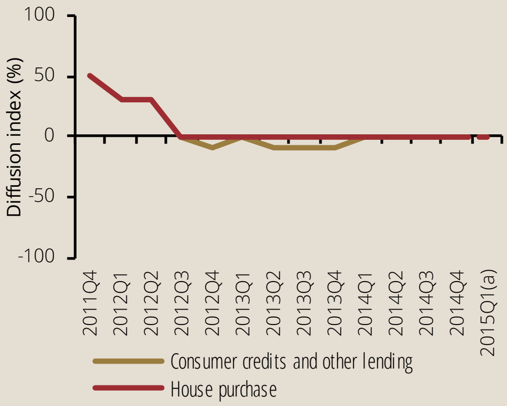
Enterprises (overall)



Enterprises

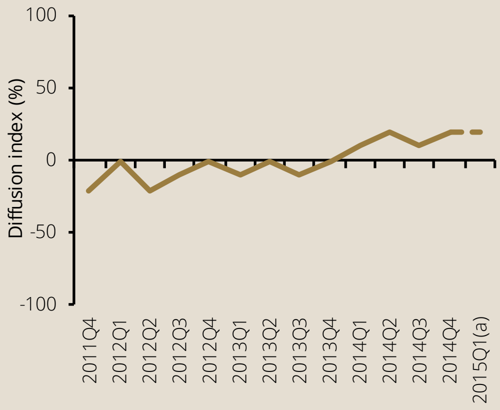


Households

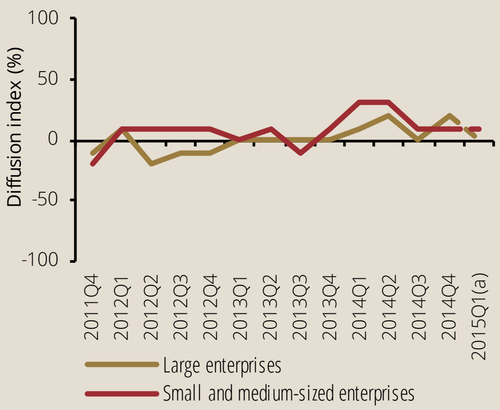


Credit demand

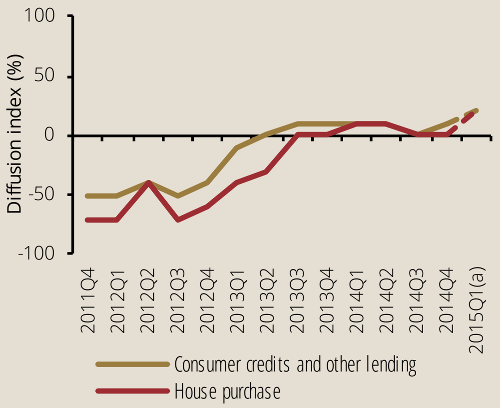
Enterprises (overall)



Enterprises



Households



Note: (a) Bank's expectations.

I • Loans or credit lines to enterprises

1. Over the past three months, how have your bank's credit standards as applied to the approval of loans or credit lines to enterprises changed?

		Overall	Loans to small and medium-sized enterprises	Loans to large enterprises	Short-term loans	Long-term loans
Tightened considerably				1		1
Tightened somewhat		1	1		1	
Remained basically unchanged		2	2	2	2	3
Eased somewhat		2	2	2	2	1
Eased considerably						
Diffusion index %	Jan.15	-10	-10	0	-10	10
	Oct.14	10	0	10	0	20

2. Over the past three months, how have the following factors affected your bank's credit standards as applied to the approval of loans or credit lines to enterprises (as described in question 1)? Please rate the contribution of the following factors to the tightening or easing of credit standards using the following scale:

– – = contributed considerably to tightening of credit standards

– = contributed somewhat to tightening of credit standards

º = contributed to basically unchanged credit standards

\+ = contributed somewhat to easing of credit standards

\+ + = contributed considerably to easing of credit standards

N/A = Not Applicable

	Overall						Diffusion index %	
	– –	–	º	+	+ +	N/A	Jan. 15	Oct. 14
a) Cost of funds and balance sheet constraints								
Costs related to your bank's capital position[1]			5				0	20
Your bank's ability to access market financing (*e.g.* money or bond market financing, incl. true-sale securitisation[2])			5				0	20
Your bank's liquidity position			3	2			-20	10
b) Pressure from competition								
Competition from other banks			2	3			-30	-40
Competition from non-banks			5				0	0
Competition from market financing			5				0	0
c) Perception of risk								
Expectations regarding general economic activity			4	1			-10	-10
Industry or firm-specific outlook		1	1	3			-20	0
Risk on the collateral demanded			5				0	0

	Loans to small and medium-sized enterprises						Diffusion index %	
	– –	–	°	+	+ +	N/A	Jan. 15	Oct. 14
a) Cost of funds and balance sheet constraints								
Costs related to your bank's capital position[1]			5				0	20
Your bank's ability to access market financing (*e.g.* money or bond market financing, incl. true-sale securitisation[2])			5				0	20
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			5				0	0
Competition from market financing			5				0	0
c) Perception of risk								
Expectations regarding general economic activity			3	2			-20	-10
Industry or firm-specific outlook			2	3			-30	-10
Risk on the collateral demanded			5				0	0

	Loans to large enterprises						Diffusion index %	
	– –	–	°	+	+ +	N/A	Jan. 15	Oct. 14
a) Cost of funds and balance sheet constraints								
Costs related to your bank's capital position[1]			5				0	10
Your bank's ability to access market financing (*e.g.* money or bond market financing, incl. true-sale securitisation[2])			5				0	10
Your bank's liquidity position			3	2			-20	10
b) Pressure from competition								
Competition from other banks			2	3			-30	-30
Competition from non-banks			5				0	0
Competition from market financing			5				0	-20
c) Perception of risk								
Expectations regarding general economic activity			4	1			-10	-10
Industry or firm-specific outlook		1	1	3			-20	0
Risk on the collateral demanded			5				0	0

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

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

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

– – = tightened considerably

– = tightened somewhat

º = remained basically unchanged

\+ = eased somewhat

\+ + = eased considerably

N/A = Not Applicable

	Overall						Diffusion index %	
	– –	–	º	+	+ +	N/A	Jan. 15	Oct. 14
a) Price								
Your bank's margin on average loans (wider margin = tightened, narrower margin = eased)			1	4			-40	-40
Your bank's margin on riskier loans		1	3	1			0	0
b) Other conditions and terms								
Non-interest rate charges			4	1			-10	-10
Size of the loan or credit line			2	3			-30	-20
Collateral requirements			5				0	0
Loan covenants			5				0	0
Maturity			4	1			-10	0

	Empréstimos a PME						Diffusion index %	
	– –	–	º	+	+ +	N/A	Jan. 15	Oct. 14
a) Price								
Your bank's margin on average loans (wider margin = tightened, narrower margin = eased)			1	3	1		-50	-50
Your bank's margin on riskier loans			4		1		-20	-10
b) Other conditions and terms								
Non-interest rate charges			3	2			-20	-30
Size of the loan or credit line			2	2	1		-40	-30
Collateral requirements			4		1		-20	-20
Loan covenants			4		1		-20	-20
Maturity			3	1	1		-30	-30

	Loans to large enterprises						Diffusion index %	
	– –	–	∘	+	+ +	N/A	Jan. 15	Oct. 14
a) Price								
Your bank's margin on average loans (wider margin = tightened, narrower margin = eased)			1	4			-40	-50
Your bank's margin on riskier loans		1	3	1			0	0
b) Other conditions and terms								
Non-interest rate charges			3	2			-20	-10
Size of the loan or credit line			4	1			-10	-20
Collateral requirements			4	1			-10	-10
Loan covenants			4	1			-10	-10
Maturity			3	2			-20	-20

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

		Overall	Loans to small and medium-sized enterprises	Loans to large enterprises	Short-term loans	Long-term loans
Decreased considerably						
Decreased somewhat			1			
Remained basically unchanged		3	2	3	3	2
Increased somewhat		2	2	2	2	3
Increased considerably						
Diffusion index %	Jan. 15	20	10	20	20	30
	Oct. 14	10	10	0	20	0

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

– – = contributed considerably to lower demand

– = contributed somewhat to lower demand

º = contributed to basically unchanged demand

\+ = contributed somewhat to higher demand

\+ + = contributed considerably to higher demand

N/A= Not Applicable

	– –	–	º	+	+ +	N/A	Diffusion index % Jan. 15	Diffusion index % Oct. 14
a) Financing needs								
Fixed investment			3	2			20	0
Inventories and working capital			2	3			30	20
Mergers / acquisitions and corporate restructuring			5				0	20
Debt restructuring			4	1			10	10
b) Use of alternative finance								
Internal financing			4	1			10	10
Loans from other banks			2	3			30	30
Loans from non-banks			5				0	0
Issuance of debt securities			5				0	0
Issuance of equity			5				0	0

6. Please indicate how you expect your bank's credit standards as applied to the approval of loans or credit lines to enterprises to change over the next three months.

		Overall	Loans to small and medium-sized enterprises	Loans to large enterprises	Short-term loans	Long-term loans
Tighten considerably						
Tighten somewhat				1		1
Remain basically unchanged		4	4	3	4	4
Ease somewhat		1	1	1	1	
Ease considerably						
Diffusion index %	Jan. 15	-10	-10	0	-10	10
	Oct. 14	-10	-10	-10	-20	10

7. Please indicate how you expect demand for loans or credit lines to enterprises to change at your bank over the next three months (apart from normal seasonal fluctuations)?

		Overall	Loans to small and medium-sized enterprises	Loans to large enterprises	Short-term loans	Long-term loans
Decrease considerably						
Decrease somewhat			1			
Remain basically unchanged		3	2	5	3	3
Increase somewhat		2	2		2	2
Increase considerably						
Diffusion index %	Jan. 15	20	10	0	20	20
	Oct. 14	30	30	0	30	0

II • Loans to households

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

		Loans for house purchase	Consumer credit and other lending
Tightened considerably			
Tightened somewhat			
Remained basically unchanged		5	5
Eased somewhat			
Eased considerably			
Diffusion index %	Jan. 15	0	0
	Oct. 14	0	0

9. Over the past three months, how have the following factors affected your bank's credit standards as applied to the approval of loans to households for house purchase (as described in question 8)? Please rate the contribution of the following factors to the tightening or easing of credit standards using the following scale:

– – = contributed considerably to tightening of credit standards
– = contributed somewhat to tightening of credit standards
º = contributed to basically unchanged credit standards
+ = contributed somewhat to easing of credit standards
+ + = contributed considerably to easing of credit standards
N/A = Not Applicable

							Diffusion index %	
	– –	–	º	+	+ +	N/A	Jan. 15	Oct. 14
a) Cost of funds and balance sheet constraints		1	3	1			0	10
b) Pressure from competition								
Competition from other banks			5				0	-20
Competition from non-banks			5				0	0
c) Perception of risk								
Expectations regarding general economic activity			4	1			-10	0
Housing market prospects			5				0	-10

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

– – = tightened considerably
– = tightened somewhat
º = remained basically unchanged
+ = eased somewhat
+ + = eased considerably
N/A = Not Applicable

	– –	–	º	+	+ +	N/A	Diffusion index % Jan. 15	Oct. 14
a) Price								
Your bank's margin on average loans (wider margin = tightened, narrower margin = eased)			4	1			-10	-30
Your bank's margin on riskier loans			5				0	0
b) Other conditions and terms								
Collateral requirements			5				0	0
Loan-to-value ratio			5				0	0
Maturity			5				0	0
Non-interest rate charges			5				0	0

11. Over the past three months, how have the following factors affected your bank's credit standards as applied to the approval of consumer credit and other lending to households (as described in question 8)? Please rate the contribution of the following factors to the tightening or easing of credit standards using the following scale:

– – = contributed considerably to tightening of credit standards
– = contributed somewhat to tightening of credit standards
º = contributed to basically unchanged credit standards
+ = contributed somewhat to easing of credit standards
+ + = contributed considerably to easing of credit standards
N/A = Not Applicable

	– –	–	º	+	+ +	N/A	Diffusion index % Jan. 15	Oct. 14
a) Cost of funds and balance sheet constraints		1	3	1			0	10
b) Pressure from competition								
Competition from other banks			4	1			-10	0
Competition from non-banks			5				0	0
c) Perception of risk								
Expectations regarding general economic activity			4	1			-10	-10
Creditworthiness of consumers			4	1			-10	-10
Risk on the collateral demanded			5				0	0

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

– – = tightened considerably
– = tightened somewhat
º = remained basically unchanged
\+ = eased somewhat
\+ + = eased considerably
N/A = Not Applicable

	– –	–	º	+	+ +	N/A	Diffusion index % Jan. 15	Oct. 14
a) Price								
Your bank's margin on average loans (wider margin = tightened, narrower margin = eased)			4	1			-10	-10
Your bank's margin on riskier loans			5				0	0
b) Other conditions and terms								
Collateral requirements			5				0	0
Maturity			5				0	0
Non-interest rate charges			5				0	0

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

		Loans for house purchase	Consumer credit and other lending
Decreased considerably			
Decreased somewhat		1	1
Remained basically unchanged		3	2
Increased somewhat		1	2
Increased considerably			
Diffusion index %	Jan. 15	0	10
	Oct. 14	0	0

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

– – = contributed considerably to lower demand
– = contributed somewhat to lower demand
º = contributed to basically unchanged demand
\+ = contributed somewhat to higher demand
\+ + = contributed considerably to higher demand
N/A = Not Applicable

	– –	–	º	+	+ +	N/A	Diffusion index % Jan. 15	Oct. 14
a) Financing needs								
Housing market prospects			5				0	10
Consumer confidence			5				0	20
Non-housing related consumption expenditure			5				0	0
b) Use of alternative finance								
Household savings			5				0	0
Loans from other banks			5				0	0
Other sources of finance			5				0	0

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

– – = responsible for considerable decrease
– = responsible for decrease
º = responsible for neither decrease nor increase
\+ = responsible for increase
\+ + = responsible for considerable increase
N/A = Not Applicable

	– –	–	º	+	+ +	N/A	Diffusion index % Jan. 15	Diffusion index % Oct. 14
a) Financing needs								
Spending on durable consumer goods, such as cars, furniture, etc.			3	2			20	10
Consumer confidence			3	2			20	20
Securities purchases		1	4				-10	0
b) Use of alternative finance								
Household savings			5				0	0
Loans from other banks			5				0	0
Other sources of finance			5				0	0

16. Please indicate how you expect your bank's credit standards as applied to the approval of loans to households to change over the next three months.

		Loans for house purchase	Consumer credit and other lending
Tighten considerably			
Tighten somewhat			
Remain basically unchanged		5	5
Ease somewhat			
Ease considerably			
Diffusion index %	Jan. 15	0	0
	Oct. 14	0	0

17. Please indicate how you expect demand for loans to households to change over the next three months at your bank (apart from normal seasonal fluctuations).

		Loans for house purchase	Consumer credit and other lending
Decrease considerably			
Decrease somewhat			
Remain basically unchanged		3	3
Increase somewhat		2	2
Increase considerably			
Diffusion index %	Jan. 15	20	20
	Oct. 14	0	20

IV • *Ad-hoc* question

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]
	– –	–	°	+	+ +	– –	–	°	+	+ +	
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					4	1		
Short-term money market (more than 1 week)	1		4					5			
c) Wholesale debt securities[3]											
Short-term debt securities (*e.g.* certificates of deposit or commercial paper)	1		4					4	1		
Medium to long term debt securities (incl. covered bonds)	1		2	2				3	2		
d) Securitisation[4]											
Securitisation of corporate loans		1	3	1				2	3		
Securitisation of loans for house purchase	1		4					3	2		
e) Ability to transfer credit risk off balance sheet[5]		1	3					3	1		1
f) Other markets (please specify)											
Repos on portuguese public debt				1					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 questions on the impact of the Capital Requirements Regulation / Capital Requirements Directive IV (CRR/CRD IV) and other specific regulatory or supervisory actions relating to capital, leverage or liquidity requirements

2. These questions address the extent to which the new regulatory capital requirements set out in the CRR/CRD IV, as well as other specific regulatory or supervisory actions relating to capital, leverage or liquidity requirements(*), have impacted, or will impact, on your lending policies (via the actions taken to adjust your bank's capital, leverage or liquidity position and the potential impact on funding conditions)

In connection with the new regulatory or supervisory actions, has your bank:

– increased / decreased total assets

– increased / decreased risk-weighted assets

– increased / decreased its capital position

– experienced an easing / tightening of its funding conditions

over the past six months, and / or does it intend to do so over the next six months?

– – = decreased / will decrease considerably; experienced / will experience a considerable tightening of funding conditions

– = decreased / will decrease somewhat; experienced / will experience a moderate tightening of funding conditions

° = remained / will remain basically unchanged

\+ = increased / will increase somewhat; experienced / will experience a moderate easing of funding conditions

\+ + = increased / will increase considerably; experienced / will experience a considerable easing of funding conditions

N/A=Not applicable

	Over the past six months						Over the next six months					
	– –	–	°	+	+ +	N/A	– –	–	°	+	+ +	N/A
Total assets		1	1	1		2			3			2
Of which: Liquid assets(1)		2	1	1		1			4			1
Risk-weighted assets		2	2			1		1	3			1
Of which: Average loans		2	3						5			
Riskier loans		2	3					1	4			
Capital			2	1		2		1	2			2
Of which: Retained earnings			4			1			3			2
Capital issuance(2)			2	1		2			3			2
Impact on your bank's funding conditions			3	1		1			4			1

(*) Please consider the regulatory requirements set out in the CRR/CRD IV, as adopted by the European Parliament in April 2013, which can be found at http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+TA+P7-TA-2013-0114+0+DOC+XML+V0//EN and http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+TA+P7-TA-2013-0115+0+DOC+XML+V0//EN&language=EN, as well as the requirements resulting from the comprehensive assessment to be conducted by the ECB and the participating national competent authorities in accordance with the provisions of the Regulation on the single supervisory mechanism, or those resulting from any other specific regulatory or supervisory actions that have recently been approved / implemented or that are expected to be approved / implemented in the near future.

(1) Liquid assets should be defined as freely transferable assets that can be converted quickly into cash in private markets within a short time frame and without significant loss in value, in line with the European Commission Delegated Act of 10.10.2014 to supplement Regulation (EU) 575/2013 with regard to liquidity coverage requirement for Credit Institutions (C (2014) 7232 final).

(2) Capital issuance includes the issuance of shares and hybrid instruments, as well as capital injections by, inter alia, national or supra-national public authorities.

3. Have any adjustments been made, or will any be made, to your bank's credit standards / margins for loans over the past / next six months, owing to the new regulatory or supervisory actions(*)?

– – = credit standards / margins have been tightened / will be tightened considerably

– = credit standards / margins have been tightened / will be tightened somewhat

º = the requirements have basically not had / will not have any impact on credit standards / margins

\+ = credit standards / margins have been eased / will be eased somewhat

\+ + = credit standards / margins have been eased / will be eased considerably

a) Credit standards

		Loans and credit lines to enterprises		Loans to households	
		Small and medium-sized enterprises	Large enterprises	For house purchase	Consumer credit and other lending
Over the past six months	– –		1		
	–	1			
	º	3	4	5	5
	+	1			
	+ +				
Over the next six months	– –				
	–	1	2		
	º	3	2	5	5
	+	1	1		
	+ +				

b) Credit margins

		Loans and credit lines to enterprises		Loans to households	
		Small and medium-sized enterprises	Large enterprises	For house purchase	Consumer credit and other lending
Over the past six months	– –				
	–		1		
	º	2	2	5	5
	+	3	2		
	+ +				
Over the next six months	– –				
	–		1		
	º	4	3	5	5
	+	1	1		
	+ +				

(*) Please consider the regulatory requirements set out in the CRR/CRD IV, as adopted by the European Parliament in April 2013, which can be found at http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+TA+P7-TA-2013-0114+0+DOC+XML+V0//EN and http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+TA+P7-TA-2013-0115+0+DOC+XML+V0//EN&language=EN, as well as the requirements resulting from from the comprehensive assessment conducted by the ECB and the participating national competent authorities in accordance with the provisions of the Regulation on the single supervisory mechanism, or those resulting from any other specific regulatory or supervisory actions that have recently been approved / implemented or that are expected to be approved / implemented in the near future.

Ad-hoc questions on the targeted longer-term refinancing operations (TLTROS)

4. These ad hoc questions are aimed at gauging the impact of the targeted longer-term refinancing operations (TLTROs) conducted by the Eurosystem between September 2014 and June 2016.

Please answer all questions, even if you did not participate in the initial tltros of 18 september 2014 and 11 december 2014 and have not yet decided whether to participate in the additional tltros to be carried out in march, june, september and december 2015 and in march and june 2016.

For questions 5 and 6: please use the category “N/A” in the left-hand panel only if you did not participate in either the initial september tltro or the initial december tltro. In addition, please use the category “N/A” in the right-hand panel only if you have decided not to participate in the additional tltros or if you do not have any business / exposure in this category.

Please consider yourself to have participated (or assume that you will / would participate) as long as you received (will / would receive) funds under the conditions set by the ECB, even if you obtained them indirectly via your participation in a TLTRO group.

Did your bank participate in the initial December 2014 TLTRO? And does your bank intend to participate in the additional TLTROs to be conducted between 2015 and 2016? Please explain the reasons behind your decisions.

Participation

	Yes	No	Currently undecided about participation
In the initial TLTRO of December 2014	3	2	
In the additional TLTROS in 2015 and 2016	3		2

Reasons

Please choose the category which applies most: If your bank participated, intends to participate:

	Attractive TLTRO conditions (profitability motive)	Precautionary motive (to reduce current and / or prevent future funding difficulties)	To enhance the fulfilment of regulatory liquidity requirements(1)	Reduction of uncertainty regarding the fulfillment of regulatory requirements(2)
In the initial TLTRO of December 2014	1		1	1
In the additional TLTROS in 2015 and 2016	2	1	1	

Please choose the category which applies most: If your bank did not participate, does not intend to participate:

	No funding constraints	Concerns about insufficient loan demand(3)	Capital constraints	Collateral constraints	Concerns about market stigma	Cost of holding liquidity due to negative ECB deposit facility rate	Funding sought via ABSPP and / or CBPP3
In the initial TLTRO of December 2014				1			
In the additional TLTROs in 2015 and 2016				1			

(1) The long-term TLTRO funds may enhance the fulfilment of the net stable funding ratio.

(2) Following the comprehensive assessment.

(3) This includes concerns about the fulfilment of the required TLTRO net lending benchmark.

5. For which purposes did or will your bank use funds obtained from the initial TLTROs of September and December 2014? For which purposes does your bank intend to use funds obtained from the additional TLTROs in 2015 and 2016?

	Initial TLTROs September and December 2014				Additional TLTROs in 2015 and 2016			
	Have contributed or will contribute considerably to this purpose	Have contributed or will contribute somewhat to this purpose	Have had or will have basically no impact	N/A [1]	Will or would contribute considerably to this purpose	Will or would contribute somewhat to this purpose	Will or would basically have no impact	N/A [2]
For refinancing								
For substituting deposit shortfalls	1		4			1	4	
For substituting maturing debt	1	1	3			1	4	
For substituting interbank lending	1	1	3			3	2	
For substituting other Eurosystem liquidity operations[3]	5				2	2	1	
For granting loans								
Loans to non-financial corporations		3	2		2	2	1	
Loans to households for house purchase			5				5	
Consumer credit and other lending to households			5		1	1	3	
For purchasing assets								
Domestic sovereign bonds			5			1	4	
Other financial assets[4]			5				5	

(1) Please use the category "N/A" only if you did not participate in the initial September and December 2014 TLTROs or if you do not have any business / exposure in this category.

(2) Please use the category "N/A" only if you have decided not to participate in the additional TLTROs or if you do not have any business / exposure in this category.

(3) This includes the replacement of the three-year LTRO funds.

4) "Other financial assets" refer to euro-denominated assets other than domestic sovereign bonds and non-euro-denominated assets, including loans to other banks and other financial intermediaries.

6. Did or will the initial TLTROs of September and December 2014 improve your financial situation in the following areas and did or will this have an impact on your lending behaviour? Will or would the additional TLTROs to be conducted in 2015 and 2016 improve your financial situation in the following areas and, if so will or would this have an impact on your lending behaviour?

Financial situation of your bank

	Initial TLTROs September and December 2014				Additional TLTROs in 2015 and 2016			
	Have improved or will improve considerably	Have improved or will improve somewhat	Have had or will have basically no impact	N/A(1)	Will or would improve considerably	Will or would improve somewhat	Will or would basically have no impact	N/A(2)
Your liquidity position		1	4			2	3	
Your market financing conditions			5			1	4	
Your ability to improve your profitability		1	4			2	3	
Your ability to improve your capital position (via retained earnings)		1	4			1	4	

	Have decreased or will decrease considerably	Have decreased or will decrease somewhat	Have had or will have basically no impact	N/A(1)	Will or would decrease considerably	Will or would decrease somewhat	Will or would basically have no impact	N/A(2)
Your need to deleverage(3)			5				5	

(to be continued)

Impact on your bank's credit standards and terms and conditions

	Initial TLTROs September and December 2014				Additional TLTROs in 2015 and 2016			
	Have contributed or will contribute considerably to easing credit standards / terms and conditions	Have contributed or will contribute somewhat to easing credit standards / terms and conditions	Have had or will have basically no impact on credit standards / terms and conditions	N/A(1)	Will or would contribute considerably to easing credit standards / terms and conditions	Will or would contribute somewhat to easing credit standards / terms and conditions	Will or would have basically no impact on credit standards / terms and conditions	N/A(2)
Credit standards								
On loans to enterprises		1	4		1	1	3	
On loans to households for house purchase			5			1	4	
On consumer credit and other lending to households			5			2	3	
Terms and conditions								
On loans to enterprises		2	3		1	3	1	
On loans to households for house purchase			5			1	4	
On consumer credit and other lending to households			5			2	3	

(1) Please use the category "N/A" only if you did not participate in the initial September and December 2014 TLTROs or if you do not have any business / exposure in this category.

(2) Please use the category "N/A" only if you have decided not to participate in the additional TLTROs or if you do not have any business / exposure in this category.

(3) A decrease in your need to deleverage should be understood as a mitigation of pressures to reduce your asset side on account of funding or capital constraints.