

BANK LENDING SURVEY



RESULTS FOR PORTUGAL

JAN. 2020



BANCO DE
PORTUGAL
EUROSYSTEM

Bank lending survey

Results for Portugal
January 2020



BANCO DE PORTUGAL
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Presentation of the results

The Portuguese banks that participate in the survey indicated that their lending policy to enterprises and households remained broadly unchanged in the fourth quarter of 2019 compared to the previous quarter. At the same time, demand increased for housing loans and consumer credit increased and remained broadly unchanged for firm loans.

Supply

In the fourth quarter of 2019, credit supply to firms and households remained broadly unchanged compared to the previous quarter, even though banks reported that pressure from competition contributed to narrowing their margin on average risk loans granted to households for house purchase (Chart 1). The participating banks do not anticipate major changes in their credit standards for the first quarter of 2020. The credit supply stabilization was common to all credit segments: loans to SMEs and large firms as well as loans for house purchase and consumer credit and other lending. At the same time, the share of rejected loan applications remained unchanged, both in the firms and households segments.

Demand

In the fourth quarter of 2019, demand for loans to firms remained broadly unchanged and increased in the households segment compared to the previous quarter (Chart 2). In this segment, the increase in loan demand was motivated by the general level of the interest rates. Consumer confidence contributed also for the increase in loan demand for consumer credit. For the first quarter of 2020, banks do not anticipate major changes in the demand for loans to firms and households.

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

Ad hoc questions

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

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

Banks' access to the usual sources of wholesale and retail funding as well as their ability to transfer credit risk off balance sheet remained broadly unchanged in the fourth quarter of 2019 compared with the previous quarter. Nevertheless, participating banks reported a positive impact on their access to medium and long term debt securities. For the first quarter of 2020, surveyed banks anticipate similar changes on their access to retail and wholesale funding and an improvement on their ability to transfer risk off their balance sheets.

On the impact of new regulatory or supervisory requirements relating to capital, leverage, liquidity or provisioning (Questions 24 and 25 in the annex)

Participating banks in the survey reported that the new regulatory or supervisory requirements have had basically no impact on their balance sheets, financing conditions, credit standards, and credit margins applied to loans to enterprises and households over the past six months. Banks do not anticipate relevant impacts for the next six months.

On the impact of banks' non-performing loan ratios (Question 26 in the annex)

Surveyed banks reported that their non-performing loan (NPL) ratios have had basically no impact on the change of their credit standards and terms and conditions applied on new loans to enterprises and households over the past six months. Nevertheless, the banks reported that their cost of funds and balance sheet constraints as well as their perception of risks and risk tolerance in balance sheets contributed to somewhat tightening their lending policy (see Box for a more detailed analysis of the answers of Portuguese and euro area banks to this *ad hoc* question). Banks anticipate similar impacts for the next six months.

On the Eurosystem's third targeted longer-term refinancing operations – TLTRO III (Questions 27, 28 and 29 in the annex)

The current BLS round includes three *ad hoc* questions on the Eurosystem's targeted longer-term refinancing operations (TLTRO) III. According to the answers to the survey, one bank participated in the TLTRO III operation of September 2019, two banks participated in the TLTRO III operation of December 2019, and three banks intend to participate in future TLTRO III operations. The banks that participated in the December operation reported that the enhancement of the fulfilment of regulatory or supervisory requirements was the major reason underlying their participation, while the banks that intend to participate in future operations indicated the attractive TLTRO profitability conditions as the main reason for their future participation.

On the likely purposes for using the TLTRO III liquidity, banks identified their refinancing, namely as a substitute for the TLTRO II funding, and granting loans to the non-financial sector as the main purposes. In general, banks reported that the TLTRO III operations have had no impact on their financial situation, lending policy and lending volumes granted to firms and households over the past six months, while they anticipate for the next six months that their participation in these operations will contribute to an improvement of their financial situation, namely their overall profitability, and to a slight increase in their lending volumes to firms and households.

Chart 1 • Credit supply | Diffusion index

Enterprises (overall)

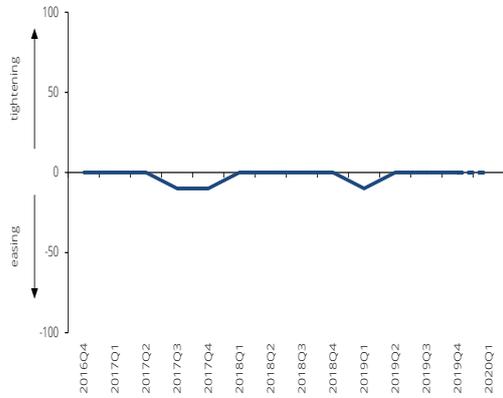
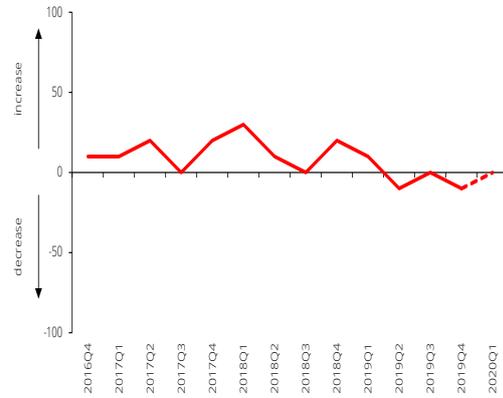
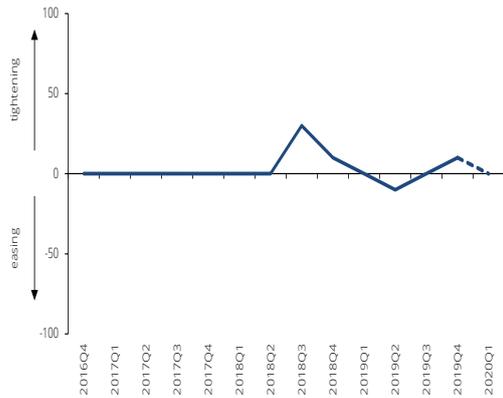


Chart 2 • Credit demand | Diffusion index

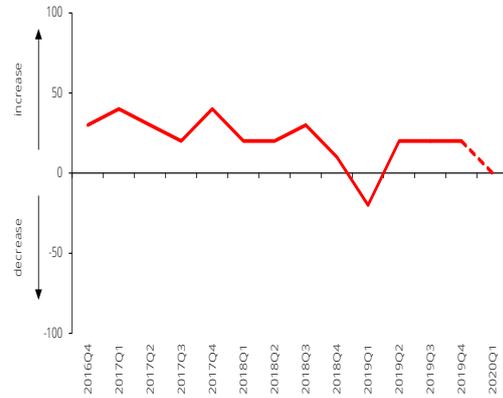
Enterprises (overall)



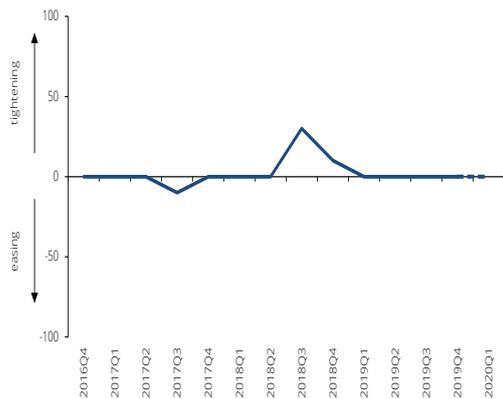
Households - House purchase



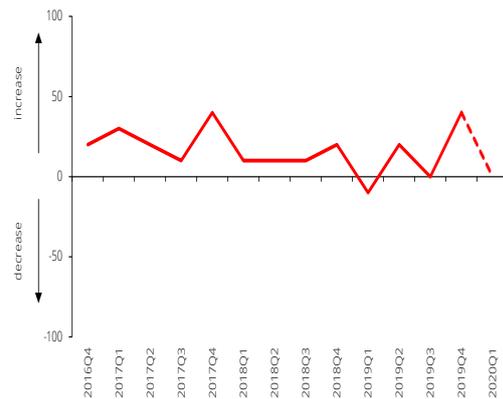
Households - House purchase



Households - Consumer credit and other lending



Households - Consumer credit and other lending



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

Box • Banks' self-assessment of the impact of their NPL ratios on their lending policies and respective transmission mechanisms

Non-performing assets in the balance sheet of banks may affect their lending policies to enterprises and households and may impair the transmission of monetary policy. The strategies put forward in the action plans of national and European authorities to tackle non-performing loans (NPL) in the euro-area banking system and the more favorable economic and financing conditions contributed to a steady reduction of the stock of NPL in the Portuguese banking system since mid-2016.¹ Nevertheless, the stock of NPL in the Portuguese banking system remains high when compared with other European countries.

The Bank Lending Survey (BLS) questionnaire includes a bi-annual *ad hoc* question on the impact of the banks' NPL ratios on changes in their lending policies since the second quarter of 2018.² In particular, banks report the impact of the NPL ratio on the change of credit standards and terms and conditions they apply on new loans to enterprises and households. The banks also report the mechanisms through which the NPL ratio affects changes in their lending policies. These mechanisms can be summarized in two main groups: (i) the bank's cost of funds and balance-sheet constraints; and (ii) the bank's perception of risk regarding the economic situation and outlook and the risk tolerance. Banks are asked about the impact over the past six months and the expected impact for the next six months.

The Portuguese banks participating in the survey reported that the NPL ratio has had virtually no impact on their lending policies in the second half of 2019 (Chart C.1). This neutral impact applies to both new loans to enterprises and households. These results tally with the substantial reduction in the stock of NPL of the Portuguese banking sector from mid-2016 onwards.³ Likewise, euro area banks indicated that their lending policies were broadly unaffected by their NPL ratios. Importantly, in general, both the Portuguese and the euro area banks participating in the survey have been reporting smaller impacts than in previous semesters.

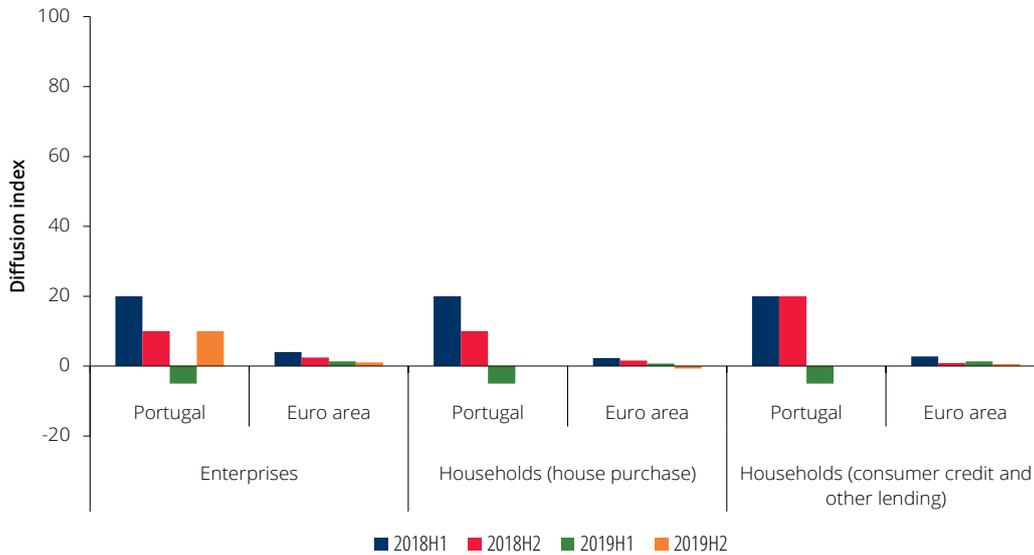
The analysis of the contribution of the factors through which the banks' NPL ratios affect their lending policies shows that in the second semester of 2019 the costs related to their capital position, the pressure related to supervisory or regulatory requirements, their access to market financing, risk perception, and tolerance of risk in their balance-sheets were the main tightening mechanisms for Portuguese surveyed banks (Chart C.2). Importantly, in general, the contribution of these factors to the tightening of the banks' lending policies were lower than those reported in previous semesters. Euro area banks indicated that over the past six months the risk tolerance in their balance sheets contributed to a slightly tightening of their lending policies to enterprises and households, even though they reported a virtually neutral global impact of their NPL ratios on their lending policies.

1. In September 2019, the NPL ratio in the Portuguese banking system stood at 7.7%, 10.2 p.p. lower than in June 2016.

2. The NPL ratio is defined as the stock of gross non-performing loans on a bank's balance sheet as a percentage of the gross carrying amount of loans.

3. In a backward-looking question, included in the July 2018 BLS, on the impact of the NPL ratio for the period between 2014 and 2017, banks reported tighter lending policies applied to firms and households (Box 4 "Bank lending survey: the impact of banks' NPL ratios on their lending policies and respective transmission mechanisms", Economic Bulletin of October 2018).

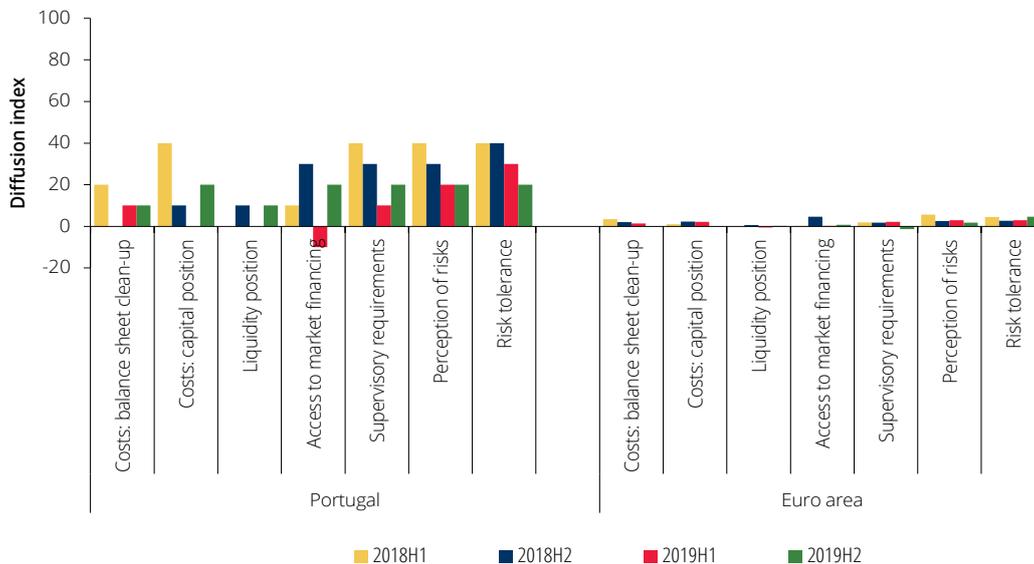
Chart C.1 • Impact of banks' NPL ratios on changes in their lending policies – over the past six months



Sources: European Central Bank (Banco de Portugal calculations).

Notes: The diffusion index of the banks' lending policies is the average diffusion index of banks' credit standards and credit terms and conditions. Changes in credit standards and/or terms and conditions can be caused by changes in the NPL ratio or by changes in regulation or in the bank's assessment of the level of the NPL ratio, even if the NPL ratio has remained unchanged. The diffusion index ranges between -100 and 100 and zero corresponds to "no impact". Positive (negative) values indicate that the NPL ratio contributed to a tightening (easing) of the bank's lending policy. The diffusion index for the euro area is weighted by the share of each country in the total loan outstanding amounts of the euro area aggregate.

Chart C.2 • Contribution of factors through which the NPL ratios affect banks' lending policies to enterprises and households



Sources: European Central Bank (Banco de Portugal calculations).

Notes: The diffusion index ranges between -100 and 100 and zero corresponds to "no impact". Positive (negative) values indicate that the factor contributed to a tightening (easing) of the bank's lending policy. The diffusion index for the euro area is weighted by the share of each country in the total loan outstanding amounts of the euro area aggregate. "Costs: balance sheet clean-up" refers to costs related to balance sheet clean-up operations, namely costs due to the need for additional provisions and/or write-offs exceeding the previous stock of provisions; "Costs: capital position" refers to costs related to bank's capital position; "Supervisory requirements" refers to the pressure related to supervisory or regulatory requirements and may include expectations of or uncertainty about future supervisory or regulatory requirements; and "Perception of risks" refers to bank's perception of risk regarding the general economic situation and outlook, borrowers' creditworthiness and of the risk related to collateral demanded.

Annex¹

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

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

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

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

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

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

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

I • Loans or credit lines to enterprises

1 • Enterprises - Credit standards

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

| | Overall | Loans to small and medium-sized enterprises | Loans to large enterprises | Short-term loans | Long-term loans |
|------------------------------|---------|---|----------------------------|------------------|-----------------|
| Tightened considerably | | | | | |
| Tightened somewhat | | | | | |
| Remained basically unchanged | 5 | 5 | 5 | 5 | 5 |
| Eased somewhat | | | | | |
| Eased considerably | | | | | |
| N/A* | | | | | |
| Diffusion Index % | Jan.20 | 0 | 0 | 0 | 0 |
| | Oct.19 | 0 | 0 | 0 | 0 |

*N/A = not applicable

2 • Enterprises - Credit standards - Factors

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

- = contributed considerably to tightening of credit standards
- = contributed somewhat to tightening of credit standards
- ° = 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 | Jan.20 | Oct.19 |
| a) Cost of funds and balance sheet constraints | | | | | | | | |
| Costs related to your bank's capital position | | | 5 | | | | 0 | 0 |
| Your bank's ability to access market financing (e.g. money or bond market financing, incl. true-sale securitisation) | | | 5 | | | | 0 | 0 |
| Your bank's liquidity position | | | 5 | | | | 0 | 0 |
| b) Pressure from competition | | | | | | | | |
| Competition from other banks | | | 5 | | | | 0 | 0 |
| Competition from non-banks | | | 5 | | | | 0 | 0 |
| Competition from market financing | | | 5 | | | | 0 | 0 |
| c) Perception of risk | | | | | | | | |
| General economic situation and outlook | | | 5 | | | | 0 | 0 |
| Industry or firm-specific situation and outlook/borrower's creditworthiness | | | 5 | | | | 0 | 0 |
| Risk related to the collateral demanded | | | 5 | | | | 0 | 0 |
| d) Your bank's risk tolerance | | | | | | | | |
| Your bank's risk tolerance | | | 5 | | | | 0 | 0 |

| | Impact on your bank's credit standards for loans to small and medium-sized enterprises | | | | | | Diffusion index % | |
|--|--|---|---|---|----|-----|-------------------|--------|
| | -- | - | o | + | ++ | N/A | Jan.20 | Oct.19 |
| a) Cost of funds and balance sheet constraints | | | | | | | | |
| Costs related to your bank's capital position | | | 5 | | | | 0 | 0 |
| Your bank's ability to access market financing (e.g. money or bond market financing, incl. true-sale securitisation) | | | 5 | | | | 0 | 0 |
| Your bank's liquidity position | | | 5 | | | | 0 | -10 |
| b) Pressure from competition | | | | | | | | |
| Competition from other banks | | | 5 | | | | 0 | 0 |
| Competition from non-banks | | | 5 | | | | 0 | 0 |
| Competition from market financing | | | 5 | | | | 0 | 0 |
| c) Perception of risk | | | | | | | | |
| General economic situation and outlook | | | 5 | | | | 0 | 0 |
| Industry or firm-specific situation and outlook/borrower's creditworthiness | | | 5 | | | | 0 | 0 |
| Risk related to the collateral demanded | | | 5 | | | | 0 | 0 |
| d) Your bank's risk tolerance | | | | | | | | |
| Your bank's risk tolerance | | | 5 | | | | 0 | 0 |

| | Impact on your bank's credit standards for loans to large enterprises | | | | | | Diffusion index % | |
|--|---|---|---|---|----|-----|-------------------|--------|
| | -- | - | o | + | ++ | N/A | Jan.20 | Oct.19 |
| a) Cost of funds and balance sheet constraints | | | | | | | | |
| Costs related to your bank's capital position | | | 5 | | | | 0 | 0 |
| Your bank's ability to access market financing (e.g. money or bond market financing, incl. true-sale securitisation) | | | 5 | | | | 0 | 0 |
| Your bank's liquidity position | | | 5 | | | | 0 | 0 |
| b) Pressure from competition | | | | | | | | |
| Competition from other banks | | | 5 | | | | 0 | 0 |
| Competition from non-banks | | | 5 | | | | 0 | 0 |
| Competition from market financing | | | 5 | | | | 0 | 0 |
| c) Perception of risk | | | | | | | | |
| General economic situation and outlook | | | 5 | | | | 0 | 0 |
| Industry or firm-specific situation and outlook/borrower's creditworthiness | | | 5 | | | | 0 | 0 |
| Risk related to the collateral demanded | | | 5 | | | | 0 | 0 |
| d) Your bank's risk tolerance | | | | | | | | |
| Your bank's risk tolerance | | | 5 | | | | 0 | 0 |

3 • Enterprises - Terms and conditions

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

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

| | Overall | | | | | | Diffusion index % | |
|---|---------|---|---|---|----|-----|-------------------|--------|
| | -- | - | ° | + | ++ | N/A | Jan.20 | Oct.19 |
| a) Overall terms and conditions | | | | | | | | |
| Overall terms and conditions | | 1 | 4 | | | | 10 | 0 |
| b) Margins (i.e. the spread over a relevant market reference rate) (wider spread = tightened, narrower spread = eased) | | | | | | | | |
| Your bank's loan margin on average loans | | | 5 | | | | 0 | -10 |
| Your bank's loan margin on riskier loans | | | 5 | | | | 0 | 0 |
| c) Other conditions and terms | | | | | | | | |
| Non-interest rate charges | | 1 | 4 | | | | 10 | -10 |
| Size of the loan or credit line | | | 5 | | | | 0 | 0 |
| Collateral requirements | | | 5 | | | | 0 | 0 |
| Loan covenants | | | 5 | | | | 0 | 0 |
| Maturity | | | 5 | | | | 0 | 0 |

| | Loans to small and medium-sized enterprises | | | | | | Diffusion index % | |
|---|---|---|---|---|----|-----|-------------------|--------|
| | -- | - | ° | + | ++ | N/A | Jan.20 | Oct.19 |
| a) Overall terms and conditions | | | | | | | | |
| Overall terms and conditions | | 1 | 4 | | | | 10 | 0 |
| b) Margins (i.e. the spread over a relevant market reference rate) (wider spread = tightened, narrower spread = eased) | | | | | | | | |
| Your bank's loan margin on average loans | | | 5 | | | | 0 | -10 |
| Your bank's loan margin on riskier loans | | | 5 | | | | 0 | 0 |
| c) Other conditions and terms | | | | | | | | |
| Non-interest rate charges | | 1 | 4 | | | | 10 | -10 |
| Size of the loan or credit line | | | 5 | | | | 0 | 0 |
| Collateral requirements | | | 5 | | | | 0 | 0 |
| Loan covenants | | | 5 | | | | 0 | 0 |
| Maturity | | | 5 | | | | 0 | 0 |

| | Loans to large enterprises | | | | | | Diffusion index % | |
|--|----------------------------|---|---|---|----|-----|-------------------|--------|
| | -- | - | o | + | ++ | N/A | Jan.20 | Oct.19 |
| a) Overall terms and conditions | | | | | | | | |
| Overall terms and conditions | | | 5 | | | | 0 | 0 |
| b) Margins (i.e. the spread over a relevant market reference rate) (wider spread = tightened, narrower spread = eased) | | | | | | | | |
| Your bank's loan margin on average loans | | | 5 | | | | 0 | -10 |
| Your bank's loan margin on riskier loans | | | 5 | | | | 0 | 0 |
| c) Other conditions and terms | | | | | | | | |
| Non-interest rate charges | | | 5 | | | | 0 | -10 |
| Size of the loan or credit line | | | 5 | | | | 0 | 0 |
| Collateral requirements | | | 5 | | | | 0 | 0 |
| Loan covenants | | | 5 | | | | 0 | 0 |
| Maturity | | | 5 | | | | 0 | 0 |

4 • Enterprises - Terms and conditions - Factors

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

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

| | Overall impact on your bank's credit terms and conditions | | | | | | Diffusion index % | |
|---|---|---|---|---|----|-----|-------------------|--------|
| | -- | - | o | + | ++ | N/A | Jan.20 | Oct.19 |
| 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 |
| c) Perception of risk | | | | | | | | |
| Perception of risk | | | 5 | | | | 0 | 0 |
| d) Your bank's risk tolerance | | | | | | | | |
| Your bank's risk tolerance | | | 5 | | | | 0 | 0 |
| e) Other factors* | | | | | | | | |
| | | | 1 | | | | | |

| | Impact on your bank's margin on average loans | | | | | | Diffusion index % | |
|---|---|---|---|---|----|-----|-------------------|--------|
| | -- | - | o | + | ++ | N/A | Jan.20 | Oct.19 |
| 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 | -20 |
| c) Perception of risk | | | | | | | | |
| Perception of risk | | | 5 | | | | 0 | 0 |
| d) Your bank's risk tolerance | | | | | | | | |
| Your bank's risk tolerance | | | 5 | | | | 0 | 0 |
| e) Other factors* | | | 1 | | | | | |

| | Impact on your bank's margin on riskier loans | | | | | | Diffusion index % | |
|---|---|---|---|---|----|-----|-------------------|--------|
| | -- | - | o | + | ++ | N/A | Jan.20 | Oct.19 |
| 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 |
| c) Perception of risk | | | | | | | | |
| Perception of risk | | | 5 | | | | 0 | 0 |
| d) Your bank's risk tolerance | | | | | | | | |
| Your bank's risk tolerance | | | 5 | | | | 0 | 0 |
| e) Other factors* | | | 1 | | | | | |

*A bank may choose the option "Other factors" when it considers that there is a relevant factor in addition to the ones that are specified in the question. In this case the diffusion index cannot be calculated.

5 • Enterprises - Rejected applications

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

| | Share of rejected applications | |
|----------------------------|--------------------------------|---|
| Decrease considerably | | |
| Decrease somewhat | | |
| Remain basically unchanged | | 5 |
| Increase somewhat | | |
| Increase considerably | | |
| N/A* | | |
| Diffusion Index % | Jan.20 | 0 |
| | Oct.19 | 0 |

*N/A = not applicable

6 • Enterprises - Demand

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

| | | Overall | Loans to small and medium-sized enterprises | Loans to large enterprises | Short-term loans | Long-term loans |
|----------------------------|--------|---------|---|----------------------------|------------------|-----------------|
| Decreased considerably | | | | | | |
| Decreased somewhat | | 1 | 1 | 1 | 1 | 1 |
| Remain basically unchanged | | 4 | 4 | 4 | 4 | 4 |
| Increased somewhat | | | | | | |
| Increased considerably | | | | | | |
| N/A* | | | | | | |
| Diffusion Index % | Jan.20 | -10 | -10 | -10 | -10 | -10 |
| | Oct.19 | 0 | -10 | 0 | 0 | -10 |

*N/A = not applicable

7 Enterprises - Demand - Factors

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

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

| | | -- | - | ° | + | ++ | NA | Diffusion index % | |
|---|--|----|---|---|---|----|----|-------------------|--------|
| | | | | | | | | Jan.20 | Oct.19 |
| a) Financing needs/underlying drivers on purpose of loan demands | | | | | | | | | |
| Fixed investment | | | 1 | 4 | | | | -10 | 0 |
| Inventories and working capital | | | 1 | 4 | | | | -10 | 0 |
| Mergers/acquisitions and corporate restructuring | | | | 5 | | | | 0 | 0 |
| General level of interest rates | | | | 5 | | | | 0 | 0 |
| Debt refinancing/restructuring and renegotiation (when leading to an increase or prolongation of the amount borrowed) | | | | 5 | | | | 0 | 0 |
| b) Use of alternative finance | | | | | | | | | |
| Internal financing | | | 1 | 4 | | | | -10 | 0 |
| Loans from other banks | | | 1 | 4 | | | | -10 | 0 |
| Loans from non-banks | | | | 5 | | | | 0 | 0 |
| Issuance/redemption of debt securities | | | | 5 | | | | 0 | 0 |
| Issuance/redemption of equity | | | | 5 | | | | 0 | 0 |

8 • Enterprises - Credit standards - Outlook

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

| | | Overall | Loans to small and medium-sized enterprises | Loans to large enterprises | Short-term loans | Long-term loans |
|------------------------------|--------|---------|---|----------------------------|------------------|-----------------|
| Tightened considerably | | | | | | |
| Tightened somewhat | | | | | | |
| Remained basically unchanged | | 5 | 5 | 5 | 5 | 5 |
| Eased somewhat | | | | | | |
| Eased considerably | | | | | | |
| N/A* | | | | | | |
| Diffusion Index % | Jan.20 | 0 | 0 | 0 | 0 | 0 |
| | Oct.19 | 0 | 0 | 0 | 0 | 0 |

*N/A = not applicable

9 • Enterprises - Demand - Outlook

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

| | | Overall | Loans to small and medium-sized enterprises | Loans to large enterprises | Short-term loans | Long-term loans |
|----------------------------|--------|---------|---|----------------------------|------------------|-----------------|
| Decrease considerably | | | | | | |
| Decrease somewhat | | | | | | |
| Remain basically unchanged | | 5 | 5 | 5 | 5 | 5 |
| Increase somewhat | | | | | | |
| Increase considerably | | | | | | |
| N/A* | | | | | | |
| Diffusion Index % | Jan.20 | 0 | 0 | 0 | 0 | 0 |
| | Oct.19 | 0 | 0 | 0 | 0 | 0 |

*N/A = not applicable

II • Loans to households

10 • Households - Credit standards

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

| | | Loans for house purchase | Consumer credit and other lending |
|------------------------------|--------|--------------------------|-----------------------------------|
| Tightened considerably | | | |
| Tightened somewhat | | 1 | |
| Remained basically unchanged | | 4 | 5 |
| Eased somewhat | | | |
| Eased considerably | | | |
| N/A* | | | |
| Diffusion Index % | Jan.20 | 10 | 0 |
| | Oct.19 | 0 | 0 |

*N/A = not applicable

11 • Loans for house purchase - Credit standards - Factors

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

- = contributed considerably to tightening of credit standards
- = contributed somewhat to tightening of credit standards
- ° = 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 % | |
|---|----|---|---|---|----|-----|-------------------|--------|
| | | | | | | | Jan.20 | Oct.19 |
| a) Cost of funds and balance sheet constraints | | | | | | | | |
| Cost of funds and balance sheet constraints | | | 5 | | | | 0 | 0 |
| b) Pressure from competition | | | | | | | | |
| Competition from other banks | | | 5 | | | | 0 | 0 |
| Competition from non-banks | | | 5 | | | | 0 | 0 |
| c) Perception of risk | | | | | | | | |
| General economic situation and outlook | | | 5 | | | | 0 | 0 |
| Housing market prospects, including expected house price developments | | | 5 | | | | 0 | 0 |
| Borrower's creditworthiness | | | 5 | | | | 0 | 0 |
| d) Your bank's risk tolerance | | | | | | | | |
| Your bank's risk tolerance | | 1 | 4 | | | | 10 | 0 |
| e) Other factors* | | | | | | | | |
| | | | 1 | | | | | |

*A bank may choose the option "Other factors" when it considers that there is a relevant factor in addition to the ones that are specified in the question. In this case the diffusion index cannot be calculated.

12 • Loans for house purchase - Terms and conditions

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

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

| | -- | - | ° | + | ++ | N/A | Diffusion index % | |
|--|----|---|---|---|----|-----|-------------------|--------|
| | | | | | | | Jan.20 | Oct.19 |
| a) Overall terms and conditions | | | | | | | | |
| Overall terms and conditions | | 1 | 4 | | | | 10 | 0 |
| b) Margins (i.e. the spread over a relevant market reference rate) (wider spread = tightened, narrower spread = eased) | | | | | | | | |
| Your bank's loan margin on average loans | | | 4 | 1 | | | -10 | -10 |
| Your bank's loan margin on riskier loans | | 1 | 4 | | | | 10 | 0 |
| c) Other terms and conditions | | | | | | | | |
| Collateral requirements | | | 5 | | | | 0 | 0 |
| "Loan-to-value" ratio | | 1 | 4 | | | | 10 | 0 |
| Other loan size limits | | | 5 | | | | 0 | 0 |
| Maturity | | | 5 | | | | 0 | 0 |
| Non-interest rate charges | | | 5 | | | | 0 | 0 |

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

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

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

| | Overall impact on your bank's credit terms and conditions | | | | | | Diffusion index % | |
|---|---|---|---|---|----|-----|-------------------|--------|
| | -- | - | ° | + | ++ | N/A | Jan.20 | Oct.19 |
| a) Cost of funds and balance sheet constraints | | | | | | | | |
| Cost of funds and balance sheet constraints | | | 5 | | | | 0 | 0 |
| b) Pressure from competition | | | | | | | | |
| Pressure from competition | | | 4 | 1 | | | -10 | -10 |
| c) Perception of risk | | | | | | | | |
| Perception of risk | | 1 | 4 | | | | 10 | 0 |
| d) Your bank's risk tolerance | | | | | | | | |
| Your bank's risk tolerance | | 1 | 4 | | | | 10 | 0 |
| e) Other factors* | | | | | | | | |
| | | | 1 | | | | | |

| | Impact on your bank's margin on average loans | | | | | | Diffusion index % | |
|---|---|---|---|---|----|-----|-------------------|--------|
| | -- | - | o | + | ++ | N/A | Jan.20 | Oct.19 |
| 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 | | | 3 | 2 | | | -20 | -10 |
| c) Perception of risk | | | | | | | | |
| Perception of risk | | | 5 | | | | 0 | 0 |
| d) Your bank's risk tolerance | | | | | | | | |
| Your bank's risk tolerance | | | 5 | | | | 0 | 0 |
| e) Other factors* | | | | | | | | |
| | | | 1 | | | | | |

| | Impact on your bank's margin on riskier loans | | | | | | Diffusion index % | |
|---|---|---|---|---|----|-----|-------------------|--------|
| | -- | - | o | + | ++ | N/A | Jan.20 | Oct.19 |
| a) Cost of funds and balance sheet constraints | | | | | | | | |
| Cost of funds and balance sheet constraints | | | 5 | | | | 0 | 0 |
| b) Pressure from competition | | | | | | | | |
| Pressure from competition | | 1 | 4 | | | | 10 | 0 |
| c) Perception of risk | | | | | | | | |
| Perception of risk | | | 5 | | | | 0 | 0 |
| d) Your bank's risk tolerance | | | | | | | | |
| Your bank's risk tolerance | | | 5 | | | | 0 | 0 |
| e) Other factors* | | | | | | | | |
| | | | 1 | | | | | |

*A bank may choose the option "Other factors" when it considers that there is a relevant factor in addition to the ones that are specified in the question. In this case the diffusion index cannot be calculated.

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

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

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

| | | | | | | | Diffusion index % | |
|---|----|---|---|---|----|-----|-------------------|--------|
| | -- | - | o | + | ++ | N/A | Jan.20 | Oct.19 |
| a) Cost of funds and balance sheet constraints | | | | | | | | |
| Cost of funds and balance sheet constraints | | | 5 | | | | 0 | 0 |
| b) Pressure from competition | | | | | | | | |
| Competition from other banks | | | 5 | | | | 0 | 0 |
| Competition from non-banks | | | 5 | | | | 0 | 0 |
| c) Perception of risk | | | | | | | | |
| General economic situation and outlook | | | 5 | | | | 0 | 0 |
| Creditworthiness of consumers | | | 5 | | | | 0 | 0 |
| Risk on the collateral demanded | | | 5 | | | | 0 | 0 |
| d) Your bank's risk tolerance | | | | | | | | |
| Your bank's risk tolerance | | 1 | 4 | | | | 10 | 0 |

15 • Consumer credit and other lending - Terms and conditions

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

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

| | -- | - | ° | + | ++ | N/A | Diffusion index % | |
|--|----|---|---|---|----|-----|-------------------|--------|
| | | | | | | | Jan.20 | Oct.19 |
| a) Overall terms and conditions | | | | | | | | |
| Overall terms and conditions | | 1 | 4 | | | | 10 | 0 |
| b) Margins (i.e. the spread over a relevant market reference rate) (wider spread = tightened, narrower spread = eased) | | | | | | | | |
| Your bank's loan margin on average loans | | | 5 | | | | 0 | 0 |
| Your bank's loan margin on riskier loans | | | 5 | | | | 0 | 0 |
| c) Other terms and conditions | | | | | | | | |
| Collateral requirements | | 1 | 4 | | | | 10 | 0 |
| Size of the loan | | | 5 | | | | 0 | 0 |
| Maturity | | | 5 | | | | 0 | 0 |
| Non-interest rate charges | | | 5 | | | | 0 | 0 |
| d) Other factors* | | | | | | | | |
| | | | 1 | | | | | |

*A bank may choose the option "Other factors" when it considers that there is a relevant factor in addition to the ones that are specified in the question. In this case the diffusion index cannot be calculated.

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

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

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

| | Overall impact on your bank's credit terms and conditions | | | | | | Diffusion index % | |
|---|---|---|---|---|----|-----|-------------------|--------|
| | -- | - | ° | + | ++ | N/A | Jan.20 | Oct.19 |
| a) Cost of funds and balance sheet constraints | | | | | | | | |
| Cost of funds and balance sheet constraints | | | 5 | | | | 0 | 0 |
| b) Pressure from competition | | | | | | | | |
| Pressure from competition | | | 5 | | | | 0 | 0 |
| c) Perception of risk | | | | | | | | |
| Perception of risk | | | 5 | | | | 0 | 0 |
| d) Your bank's risk tolerance | | | | | | | | |
| Your bank's risk tolerance | | 1 | 4 | | | | 10 | 0 |
| e) Other factors* | | | | | | | | |
| | | | 1 | | | | | |

| | Impact on your bank's margin on average loans | | | | | | Diffusion index % | |
|---|---|---|---|---|----|-----|-------------------|--------|
| | -- | - | ° | + | ++ | N/A | Jan.20 | Oct.19 |
| a) Cost of funds and balance sheet constraints | | | | | | | | |
| Cost of funds and balance sheet constraints | | | 5 | | | | 0 | 0 |
| b) Pressure from competition | | | | | | | | |
| Pressure from competition | | | 5 | | | | 0 | 0 |
| c) Perception of risk | | | | | | | | |
| Perception of risk | | | 5 | | | | 0 | 0 |
| d) Your bank's risk tolerance | | | | | | | | |
| Your bank's risk tolerance | | | 5 | | | | 0 | 0 |
| e) Other factors* | | | | | | | | |
| | | | 1 | | | | | |

| | Impact on your bank's margin on riskier loans | | | | | | Diffusion index % | |
|---|---|---|---|---|----|-----|-------------------|--------|
| | -- | - | ° | + | ++ | N/A | Jan.20 | Oct.19 |
| a) Cost of funds and balance sheet constraints | | | | | | | | |
| Cost of funds and balance sheet constraints | | | 5 | | | | 0 | 0 |
| b) Pressure from competition | | | | | | | | |
| Pressure from competition | | | 5 | | | | 0 | 0 |
| c) Perception of risk | | | | | | | | |
| Perception of risk | | | 5 | | | | 0 | 0 |
| d) Your bank's risk tolerance | | | | | | | | |
| Your bank's risk tolerance | | | 5 | | | | 0 | 0 |
| e) Other factors* | | | | | | | | |
| | | | 1 | | | | | |

*A bank may choose the option "Other factors" when it considers that there is a relevant factor in addition to the ones that are specified in the question. In this case the diffusion index cannot be calculated.

17 • Households - Rejected applications

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

| | Share of rejected applications | |
|------------------------------|--------------------------------|-----------------------------------|
| | Loans for house purchase | Consumer credit and other lending |
| Decreased considerably | | |
| Decreased somewhat | | |
| Remained basically unchanged | 4 | 4 |
| Increased somewhat | 1 | 1 |
| Increased considerably | | |
| N/A* | | |
| Diffusion Index % | Jan.20 | 10 |
| | Oct.19 | -10 |

*N/A = not applicable

18 • Households - Demand

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

| | Loans for house purchase | Consumer credit and other lending |
|------------------------------|--------------------------|-----------------------------------|
| | Decreased considerably | |
| Decreased somewhat | 1 | |
| Remained basically unchanged | 2 | 2 |
| Increased somewhat | 1 | 2 |
| Increased considerably | 1 | 1 |
| N/A* | | |
| Diffusion Index % | Jan.20 | 20 |
| | Oct.19 | 20 |

*N/A = not applicable

19 • Loans for house purchase - Demand - Factors

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

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

| | -- | - | ° | + | ++ | N/A | Diffusion index % | |
|--|----|---|---|---|----|-----|-------------------|--------|
| | | | | | | | Jan.20 | Oct.19 |
| a) Financing needs/underlying drivers or purpose of loan demand | | | | | | | | |
| Housing market prospects, including expected house price developments | | 1 | 4 | | | | -10 | 10 |
| Consumer confidence | | | 4 | 1 | | | 10 | 0 |
| General level of interest rates | | | 3 | 2 | | | 20 | 20 |
| Debt refinancing/restructuring and renegotiation (when leading to an increase or prolongation of the amount borrowed) | | | 5 | | | | 0 | 0 |
| Regulatory and fiscal regime of housing markets | | | 5 | | | | 0 | 0 |
| b) Use of alternative sources for housing finance (substitution effects) | | | | | | | | |
| Internal finance of house purchase out of savings/down payment (<i>i.e.</i> share financed via the household's own funds) | | 1 | 4 | | | | -10 | 0 |
| Loans from other banks | | | 5 | | | | 0 | 0 |
| Other sources of external finance | | | 5 | | | | 0 | 0 |

20 • Consumer credit and other lending - Demand - Factors

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

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

| | -- | - | ° | + | ++ | N/A | Diffusion index % | |
|--|----|---|---|---|----|-----|-------------------|--------|
| | | | | | | | Jan.20 | Oct.19 |
| a) Financing needs/underlying drivers or purpose of loan demand | | | | | | | | |
| Spending on durable consumer goods, such as cars, furniture, etc. | | | 4 | 1 | | | 10 | 0 |
| Consumer confidence | | | 3 | 2 | | | 20 | 10 |
| General level of interest rates | | | 3 | 2 | | | 20 | 10 |
| Consumption expenditure financed through real-estate guaranteed loans ("mortgage equity withdrawal") | | | 5 | | | | 0 | 0 |
| b) Use of alternative finance | | | | | | | | |
| Internal finance out of savings | | | 5 | | | | 0 | 0 |
| Loans from other banks | | | 5 | | | | 0 | 0 |
| Other sources of external finance | | | 5 | | | | 0 | 0 |

21 • Households - Credit standards - Outlook

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

| | | Loans for house purchase | Consumer credit and other lending |
|----------------------------|--------|--------------------------|-----------------------------------|
| Tighten considerably | | | |
| Tighten somewhat | | | |
| Remain basically unchanged | | 5 | 5 |
| Ease somewhat | | | |
| Ease considerably | | | |
| N/A* | | | |
| Diffusion Index % | Jan.20 | 0 | 0 |
| | Oct.19 | 0 | 0 |

*N/A = not applicable

22 • Households - Demand - Outlook

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

| | | Loans for house purchase | Consumer credit and other lending |
|----------------------------|--------|--------------------------|-----------------------------------|
| Decrease considerably | | | |
| Decrease somewhat | | | |
| Remain basically unchanged | | 5 | 5 |
| Increase somewhat | | | |
| Increase considerably | | | |
| N/A* | | | |
| Diffusion Index % | Jan.20 | 0 | 0 |
| | Oct.19 | 0 | 20 |

*N/A = not applicable

23 • Ad hoc question on retail and wholesale funding

As a result of the situation in financial markets⁽¹⁾, has your market access changed when tapping your usual sources of wholesale and retail funding and/or has your ability to transfer risk changed over the past three months, or are you expecting this access/activity to change over the next three months? Please rate each factor using the following scale:

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

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

(1) Please also take into account any effect of state guarantees *vis-à-vis* 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.

24 • Ad hoc question on the impact of new regulatory or supervisory requirements relating to capital, leverage, liquidity or provisioning on the bank's financial situation

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

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

* Please consider 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) Please select "N/A" (not applicable) only if you do not have any business in or exposure to this category.

25 • Ad hoc question on the impact of new regulatory or supervisory requirements relating to capital, leverage, liquidity or provisioning on the bank's lending policy

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
- ° = 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 | -- | | | |
| | - | | | |
| | ° | 5 | 5 | 5 |
| | + | | | |
| | ++ | | | |
| | N/A ⁽¹⁾ | | | |
| Over the next six months | -- | | | |
| | - | | | 1 |
| | ° | 5 | 5 | 4 |
| | + | | | |
| | ++ | | | |
| | N/A ⁽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 | -- | | | |
| | - | | | |
| | ° | 5 | 5 | 5 |
| | + | | | |
| | ++ | | | |
| | NA ⁽¹⁾ | | | |
| Over the next six months | -- | | | |
| | - | 1 | 1 | 1 |
| | ° | 4 | 4 | 4 |
| | + | | | |
| | ++ | | | |
| | NA ⁽¹⁾ | | | |

* Please consider regulatory or supervisory actions that have recently been approved/implemented or that are expected to be approved/implemented in the near future.

(1) Please select "N/A" (not applicable) only if you do not have any business in or exposure to the respective lending category.

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

Please indicate the impact of your bank's non-performing loan (NPL) ratio⁽¹⁾ on your lending policy. In addition, please indicate the contribution of each factor through which the NPL ratio has affected or will affect your bank's lending policy.

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

| | Over the past six months | | | | | N/A ⁽²⁾ |
|---|--------------------------|---|---|---|----|--------------------|
| | -- | - | o | + | ++ | |
| Impact of NPL ratio on the change in your bank's credit standards | | | | | | |
| Loans and credit lines to enterprises | | 1 | 4 | | | |
| Loans to households for house purchase | | 1 | 3 | 1 | | |
| Consumer credit and other lending to households | | 1 | 3 | 1 | | |
| Impact of NPL ratio on the change in your bank's credit terms and conditions | | | | | | |
| Loans and credit lines to enterprises | | 1 | 4 | | | |
| Loans to households for house purchase | | 1 | 3 | 1 | | |
| Consumer credit and other lending to households | | 1 | 3 | 1 | | |
| Contribution of factors through which the NPL ratio affects your bank's policy on lending to enterprises and households (change in your bank's credit standards and credit terms and conditions) | | | | | | |
| Contribution of your bank's cost of funds and balance sheet constraints to the NPL-related impact on your bank's lending policy | | | | | | |
| Costs related to your bank's capital position | | 2 | 3 | | | |
| Costs related to your bank's balance sheet clean-up operations ⁽³⁾ | | 1 | 4 | | | |
| Pressure related to supervisory or regulatory requirements ⁽⁴⁾ | | 2 | 3 | | | |
| Your bank's access to market financing | | 2 | 3 | | | |
| Your bank's liquidity position | | 1 | 4 | | | |
| Contribution of your bank's perception of risk and risk tolerance to the NPL-related impact on your bank's lending policy | | | | | | |
| Your bank's perception of risk ⁽⁵⁾ | | 2 | 3 | | | |
| Your bank's risk tolerance | | 2 | 3 | | | |

| | Over the next six months | | | | | N/A ⁽²⁾ |
|---|--------------------------|---|---|---|----|--------------------|
| | -- | - | o | + | ++ | |
| Impact of NPL ratio on your bank's credit standards | | | | | | |
| Loans and credit lines to enterprises | | 1 | 4 | | | |
| Loans to households for house purchase | | 1 | 3 | 1 | | |
| Consumer credit and other lending to households | | 1 | 3 | 1 | | |
| Impact of NPL ratio on your bank's credit terms and conditions | | | | | | |
| Loans and credit lines to enterprises | | 1 | 4 | | | |
| Loans to households for house purchase | | 1 | 3 | 1 | | |
| Consumer credit and other lending to households | | 1 | 3 | 1 | | |
| Contribution of factors through which the NPL ratio affects your bank's policy on lending to enterprises and households (credit standards and credit terms and conditions) | | | | | | |
| Contribution of your bank's cost of funds and balance sheet constraints to the NPL-related impact on your bank's lending policy | | | | | | |
| Costs related to your bank's capital position | | 2 | 3 | | | |
| Costs related to your bank's balance sheet clean-up operations ⁽³⁾ | | 1 | 4 | | | |
| Pressure related to supervisory or regulatory requirements ⁽⁴⁾ | | 2 | 3 | | | |
| Your bank's access to market financing | | 2 | 3 | | | |
| Your bank's liquidity position | | 1 | 4 | | | |
| Contribution of your bank's perception of risk and risk tolerance to the NPL-related impact on your bank's lending policy | | | | | | |
| Your bank's perception of risk ⁽⁵⁾ | | 2 | 3 | | | |
| Your bank's risk tolerance | | 2 | 3 | | | |

1) The NPL ratio is defined as the stock of gross non-performing loans on your bank's balance sheet as a percentage of the gross carrying amount of loans. Changes in credit standards and/or terms and conditions can be caused by changes in the NPL ratio or by changes in regulation or in the bank's assessment of the level of the NPL ratio, even if the NPL ratio has remained unchanged.

(2) Please select "N/A" (not applicable) only if you do not have any business in or exposure to the respective lending category (as regards credit standards), if you have not granted any new loans in the respective lending category during the period specified (as regards credit terms and conditions), or if you do not have any non-performing loans.

(3) This may include costs due to the need for additional provisions and/or write-offs exceeding the previous stock of provisions.

(4) This may include expectations of or uncertainty about future supervisory or regulatory requirements.

(5) Your bank's perception of risk regarding the general economic situation and outlook, borrowers' creditworthiness and of the risk related to collateral demanded.

27 • Ad hoc question on the Eurosystem's third targeted longer-term refinancing operations (TLTRO III) – Participation in the TLTRO III operations and reasons to participate

(i) Did your bank participate in the most recent and next to last TLTRO III operations? And does your bank intend to participate in future TLTRO III operations?

| | Yes | No | Currently undecided |
|--|-----|----|---------------------|
| In the most recent TLTRO III operation (December 2019) | 2 | 3 | - |
| In the next to last TLTRO III operation (September 2019) | 1 | 4 | - |
| In future TLTRO III operations | 3 | 1 | 1 |

(ii) Please rate the reasons for your bank's participation in each operation. And what will be the reasons in the future?

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

+ = has contributed somewhat to participation / will contribute somewhat to participation

+ + = has contributed considerably to participation / will contribute considerably to participation

N/A = not applicable

| | In the most recent TLTRO III operation | | | |
|---|---|---|-----|--------------------|
| | ° | + | + + | N/A ⁽¹⁾ |
| Your bank's reasons for participation | | | | |
| Attractive TLTRO conditions (profitability motive) | 1 | 1 | | 3 |
| To reduce current and/or prevent future funding difficulties (precautionary motive) | 1 | 1 | | 3 |
| To enhance the fulfilment of regulatory or supervisory requirements | 1 | | 1 | 3 |
| | In the next to last TLTRO III operation | | | |
| | ° | + | + + | N/A ⁽¹⁾ |
| Your bank's reasons for participation | | | | |
| Attractive TLTRO conditions (profitability motive) | 1 | | | 4 |
| To reduce current and/or prevent future funding difficulties (precautionary motive) | 1 | | | 4 |
| To enhance the fulfilment of regulatory or supervisory requirements | 1 | | | 4 |
| | In future TLTRO III operations | | | |
| | ° | + | + + | N/A ⁽²⁾ |
| Your bank's reasons for participation | | | | |
| Attractive TLTRO conditions (profitability motive) | 1 | 2 | 1 | 1 |
| To reduce current and/or prevent future funding difficulties (precautionary motive) | 3 | 1 | | 1 |
| To enhance the fulfilment of regulatory or supervisory requirements | 3 | | 1 | 1 |

(1) Please select "N/A" (not applicable) only if you did not participate in the respective past TLTRO III operation.

(2) Please select "N/A" (not applicable) only if you have decided not to participate in any of the future TLTRO III operations.

28 • Ad hoc question on the Eurosystem's third targeted longer-term refinancing operations (TLTRO III) – Purposes of use of funds

Please indicate why your bank has used the TLTRO III liquidity over the past six months. And what will be the likely reasons for using it over the next six months?

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

+ = has contributed somewhat to this purpose / will contribute somewhat to this purpose

++ = has contributed considerably to this purpose / will contribute considerably to this purpose

N/A = not applicable

| | Over the past six months | | | |
|---|--------------------------|---|----|--------------------|
| | ° | + | ++ | N/A ⁽¹⁾ |
| For refinancing | | | | |
| As a substitute for deposit shortfalls | 3 | | | 2 |
| As a substitute for maturing debt securities | 3 | | | 2 |
| As a substitute for interbank lending | 2 | 1 | | 2 |
| As a substitute for TLTRO II funding | 2 | 1 | | 2 |
| As a substitute for other Eurosystem liquidity operations ⁽³⁾ | 3 | | | 2 |
| For granting loans, purchasing financial assets or holding liquidity | | | | |
| For granting loans to the non-financial private sector | 2 | 1 | | 2 |
| For purchasing domestic sovereign bonds | 3 | | | 2 |
| For purchasing other financial assets ⁽⁴⁾ | 3 | | | 2 |
| For holding liquidity with the Eurosystem | 2 | 1 | | 2 |

| | Over the next six months | | | |
|---|--------------------------|---|----|--------------------|
| | ° | + | ++ | N/A ⁽²⁾ |
| For refinancing | | | | |
| As a substitute for deposit shortfalls | 3 | 1 | | 1 |
| As a substitute for maturing debt securities | 3 | 1 | | 1 |
| As a substitute for interbank lending | 3 | 1 | | 1 |
| As a substitute for TLTRO II funding | | 1 | 3 | 1 |
| As a substitute for other Eurosystem liquidity operations ⁽³⁾ | 3 | 1 | | 1 |
| For granting loans, purchasing financial assets or holding liquidity | | | | |
| For granting loans to the non-financial private sector | | 3 | 1 | 1 |
| For purchasing domestic sovereign bonds | 4 | | | 1 |
| For purchasing other financial assets ⁽⁴⁾ | 4 | | | 1 |
| For holding liquidity with the Eurosystem | 3 | 1 | | 1 |

(1) Please select "N/A" (not applicable) only if you did not participate in any of the past TLTRO III operations or if you do not have any business in or exposure to this category.

(2) Please select "N/A" (not applicable) only if you have decided not to participate in any of the future TLTRO III operations or if you do not have any business in or exposure to this category.

(3) This excludes the replacement of the TLTRO II 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.

29 • Ad hoc question on the Eurosystem's third targeted longer-term refinancing operations (TLTRO III) – Impact on the bank's financial situation and on the respective lending policy and lending volumes

Over the past six months, how have the Eurosystem's TLTRO III operations affected (either directly or indirectly) your bank's financial situation, lending policy and lending volumes? And what will be the impact over the next six months?

- = has contributed considerably to a deterioration, tightening or decrease / will contribute considerably to a deterioration, tightening or decrease
- = has contributed somewhat to a deterioration, tightening or decrease / will contribute somewhat to a deterioration, tightening or decrease
- ° = has had basically no impact / will have basically no impact
- + = has contributed somewhat to this purpose / will contribute somewhat to this purpose
- ++ = has contributed considerably to this purpose / will contribute considerably to this purpose
- N/A = not applicable

| | Over the past six months | | | | | |
|--|--------------------------|---|---|---|----|--------------------|
| | -- | - | ° | + | ++ | N/A ⁽¹⁾ |
| Impact on your bank's financial situation | | | | | | |
| Your bank's overall liquidity position | | | 4 | | | 1 |
| Your bank's overall market financing conditions | | | 3 | 1 | | 1 |
| Your bank's overall profitability | | | 4 | | | 1 |
| Your bank's ability to fulfil regulatory or supervisory requirements | | | 4 | | | 1 |
| Impact on your bank's credit standards | | | | | | |
| For loans to enterprises | | | 4 | | | 1 |
| For loans to households for house purchase | | | 4 | | | 1 |
| For consumer credit and other lending to households | | | 4 | | | 1 |
| Impact on your bank's terms and conditions | | | | | | |
| For loans to enterprises | | | 4 | | | 1 |
| For loans to households for house purchase | | | 4 | | | 1 |
| For consumer credit and other lending to households | | | 4 | | | 1 |
| Impact on your bank's lending volumes | | | | | | |
| For loans to enterprises | | | 3 | 1 | | 1 |
| For loans to households for house purchase | | | 3 | 1 | | 1 |
| For consumer credit and other lending to households | | | 3 | 1 | | 1 |
| | Over the next six months | | | | | |
| | -- | - | ° | + | ++ | N/A ⁽¹⁾ |
| Impact on your bank's financial situation | | | | | | |
| Your bank's overall liquidity position | | | 4 | 1 | | |
| Your bank's overall market financing conditions | | | 4 | 1 | | |
| Your bank's overall profitability | | | 2 | 3 | | |
| Your bank's ability to fulfil regulatory or supervisory requirements | | | 4 | | 1 | |
| Impact on your bank's credit standards | | | | | | |
| For loans to enterprises | | | 4 | 1 | | |
| For loans to households for house purchase | | | 4 | 1 | | |
| For consumer credit and other lending to households | | | 4 | 1 | | |
| Impact on your bank's terms and conditions | | | | | | |
| For loans to enterprises | | | 4 | 1 | | |
| For loans to households for house purchase | | | 4 | 1 | | |
| For consumer credit and other lending to households | | | 4 | 1 | | |
| Impact on your bank's lending volumes | | | | | | |
| For loans to enterprises | | | 2 | 3 | | |
| For loans to households for house purchase | | | 3 | 2 | | |
| For consumer credit and other lending to households | | | 3 | 2 | | |

(1) Please select "N/A" (not applicable) only if you do not have any business in or exposure to the respective category.