



Bank Lending Survey | Results for Portugal | July 2014

I. Overall assessment

According to the results of the survey conducted in July to the five banking groups included in the Portuguese sample, both credit standards and conditions and terms applied on loans or credit lines to enterprises became, on average, less restrictive during the second quarter of 2014. In the households segment, there was a relatively stability. For the next three months, credit standards applied on loans to the non-financial private sector should remain broadly unchanged.

In the period under analysis, the survey results also point to an increase in demand of loans or credit lines by enterprises, particularly in the segment of small and medium-sized enterprises (SME). In turn, the demand for loans by households remained roughly stable for most of the surveyed institutions. For the third quarter, in general, banks do not foresee significant changes in loans demand both by firms and households.

II. Presentation of the results

Supply

In the second quarter of 2014, the credit standards applied to the approval of loans or credit lines to enterprises eased somewhat for two of the participating banks, and remained unchanged for the other surveyed banks. The reduction in the restrictiveness of credit standards was more noticeable in loans to SME and short-term loans. Competition from banks and a more favourable assessment of perceived risks (mainly related with general economic activity, but also with some industry or firm-specific) were the main factors leading to

the adoption of a less restrictive credit policy. In general, conditions and terms applied on loans or credit lines to enterprises eased. In particular, and widespread across SME and large firms, there was a reduction in spreads applied on average risk loans, and increases in the maturity and size of loans.

In the segment of households, both for house purchase and for consumption and other purposes, banks did not report changes in the credit standards. Nevertheless, some factors have contributed to an easing of those criteria, in particular a more favourable risk assessment. Regarding conditions and terms in this segment, they remained relatively unchanged. Nonetheless, some institutions reported some adjustments, towards a lower restrictiveness, in particular a narrowing of spreads applied on average risk loans for house purchase.

For the third quarter of 2014, in general terms, banks expect the maintenance of credit standards applied on the approval of loans to the non-financial private sector. However, in the segment of loans to households for consumptions and other purposes, one bank foresees an easing of the respective criteria.

Demand

In the second quarter of 2014, on average, the demand for loans or credit lines by enterprises recorded an increase, mainly in the segment of SME. Among the factors underlying this path, it is worth mentioning the increase in financing needs for inventories and working capital, as well as debt restructuring.

In the same period, the demand for loans by households for house purchase and for consumption and other purposes remained unchanged for most of the inquired institutions.

Only one bank reported a slight increase in each segment. Despite this stability, some institutions identified an improvement in consumer confidence and the evolution of spending on durable goods (in the segment of loans for consumption and other purposes) as factors with a positive impact on loans demand.

For the third quarter of 2014, in general, the reporting banks do not foresee changes in the demand for loans both by firms and households. However, one institution forecasts a slight increase in the segment of enterprises, and other foresees an increase in the demand in the segment of loans for consumption and other purposes.

III. *Ad-hoc* questions

In line with the previous surveys, the survey conducted in July included some *ad-hoc* questions that intend to assess the impact of some specific and/or isolated events on banks' funding conditions and credit standards. In particular, this survey included four questions.

The first question assessed the impact of the situation in financial markets on banks' access to funding and their ability to transfer risk. According to the surveyed banks, on average, there was a deterioration on long-term retail funding, while there was an improvement in access to medium to long term debt securities market, during the second quarter. Regarding the remaining funding sources, banks did not report sizeable changes, even though one bank pointed to a slight improvement in accessing the securitization market, and other institution reported a similar trend in the repo market.

For the third quarter of 2014, the surveyed banks foresee, on average, a slight improvement in the access to the very short-term money market and market of debt securities with longer maturities. For retail financing, banks expect, on average, the opposite path, *i.e.* a deterioration. For the other funding markets, most institutions do not forecast changes. However, there are some individual replies pointing to a slight improvement in the

securitization of corporate loans, and the repo market, as well as some expectations of a slight deterioration in access to the money market and debt securities market, both short-term.

The following two *ad-hoc* questions, semi-annual questions, assessed the impact of the new capital requirements set by the European Union (CRR/CRD IV) and/or other regulatory capital specific to each country. These questions address the extent to which the new regulatory capital requirements affected the credit policy of banks in the euro area, due to its potential impact on the management of risk weighted assets and capital funding, credit standards and bank lending margins.

Against this background, the survey results point to a reduction in the risk weighted assets during the past six month, and it is expected that this path will continue during the current semester. Regarding the own funds, the results are mixed: two institutions reported an increase, while two institutions pointed to a significant decrease. For the next six month, two banks anticipate a slight decrease in own funds, while the remaining surveyed institutions do not foresee changes.

In general, credit standards applied on approval of loans to the non-financial private sector were not affected by changes in the regulatory framework. However, one bank reported some adjustments in the credit criteria, namely a loosening for SME and a tightening for large firms. For the next six months, this path should remain. Regarding spreads, most of the participating banks did not report changes, even though there were some adjustments, in a heterogeneous way across institutions. For the second half of the year, in general, banks don't forecast significant changes.

The last *ad-hoc* question aimed to evaluate the impact of developments in the sovereign debt market on banks' financing conditions, credit standards and spreads, during the last three months. According to the results, there was no effect either on banks' funding conditions or credit standards applied on the approval of loans. Only one institution reported an

improvement in the respective funding conditions due to the developments in the sovereign debt market. As far as spreads are concerned, two institutions reported some impact on spreads applied on loans to firms, towards a reduction of restrictiveness.



Methodological note

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

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

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

The results of the survey are as follows:

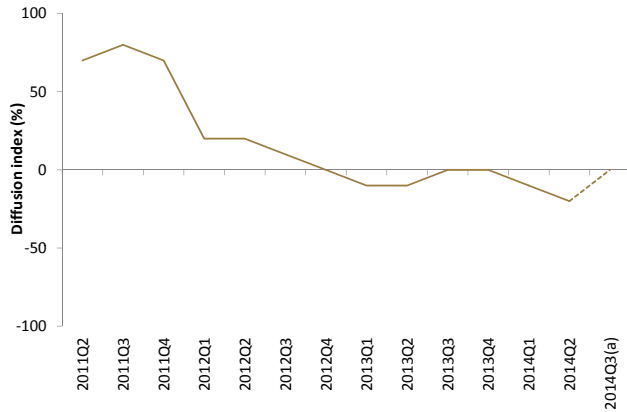
- The number of banks choosing each option;
- The diffusion index of the options chosen by the banks, calculated using a scale (from -1 to 1) to aggregate individual replies, according to which 0 corresponds to "remained basically unchanged". For questions concerning supply, values of less than 0 mean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

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

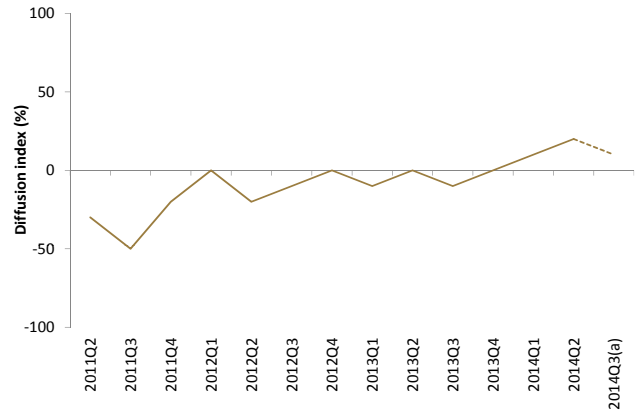
Credit supply

Credit demand

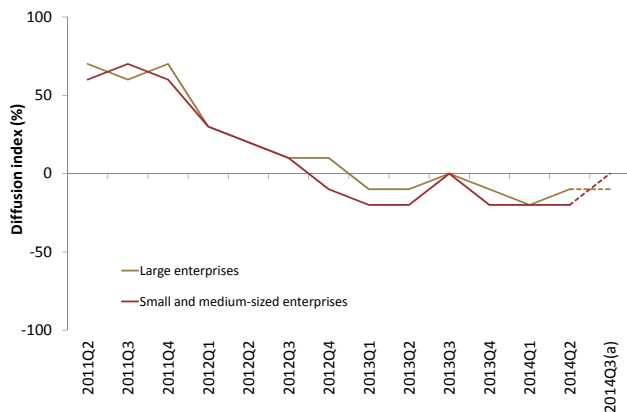
Enterprises (overall)



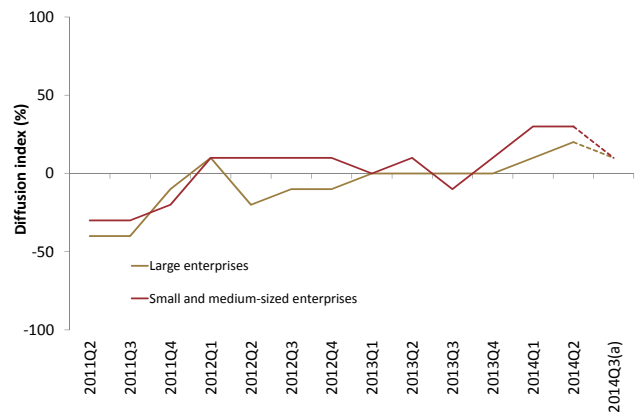
Enterprises (overall)



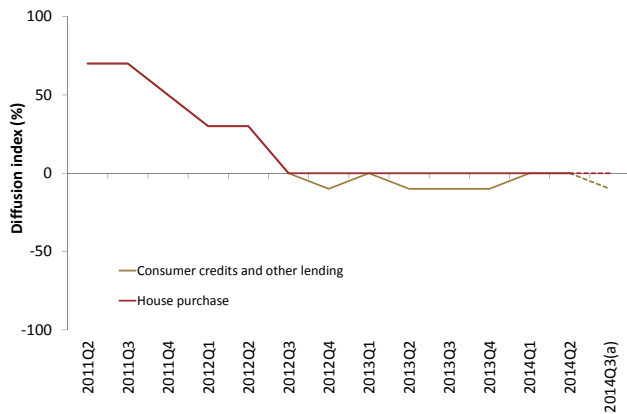
Enterprises



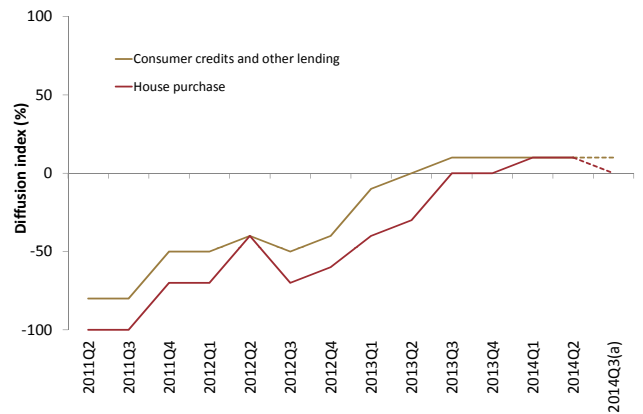
Enterprises



Households



Households



Note: (a) Bank's expectations.

I • Loans or credit lines to enterprises

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

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

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

-- = contributed considerably to tightening of credit standards

- = contributed somewhat to tightening of credit standards

° = contributed to basically unchanged credit standards

+ = contributed somewhat to easing of credit standards

++ = contributed considerably to easing of credit standards

NA = not applicable

Overall	--	-	°	+	++	NA	Diffusion index %	
							Jul.14	Apr.14
A) Cost of funds and balance sheet constraints								
Costs related to your bank's capital position ⁽¹⁾			5				0	0
Your bank's ability to access market financing (e.g. money or bond market financing, including true-sale securitisation) ⁽²⁾			5				0	0
Your bank's liquidity position			4	1			-10	0
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	-20
Industry or firm-specific outlook			4	1			-10	-20
Risk on the collateral demanded			5				0	0

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

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

(to be continued)

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

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

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

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

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

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

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

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

Overall	--	-	°	+	++	NA	Diffusion index %	
							Jul.14	Apr.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			4	1			-10	0
B) Other conditions and terms								
Non-interest rate charges			4	1			-10	-10
Size of the loan or credit line			1	4			-40	-20
Collateral requirements			4	1			-10	0
Loan covenants			4	1			-10	0
Maturity			2	3			-30	-10

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

(to be continued)

Loans to large enterprises	--	-	°	+	++	NA	Diffusion index %	
							Jul.14	Apr.14
A) Price								
Your bank's margin on average loans (wider margin = tightened, narrower margin = eased)			1	3	1		-50	-30
Your bank's margin on riskier loans			4	1			-10	0
B) Other conditions and terms								
Non-interest rate charges			4	1			-10	-10
Size of the loan or credit line			3	2			-20	-20
Collateral requirements			4	1			-10	0
Loan covenants			4	1			-10	0
Maturity			2	3			-30	-10

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

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

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

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

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

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

	Overall	Loans to small and medium-sized enterprises	Loans to large enterprises	Short-term loans	Long-term loans	
Tighten considerably						
Tighten somewhat						
Remain basically unchanged	5	5	4	4	5	
Ease somewhat			1	1		
Ease considerably						
Diffusion index %	Jul.14	0	0	-10	-10	0
	Apr.14	0	-10	-20	-10	-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					
Remain basically unchanged	4	4	4	4	5
Increase somewhat	1	1	1	1	
Increase considerably					
Diffusion index %					
Jul.14	10	10	10	10	0
Apr.14	30	40	30	40	30

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 %		
Jul.14	0	0
Apr.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

° = contributed to basically unchanged credit standards

+ = contributed somewhat to easing of credit standards

++ = contributed considerably to easing of credit standards

NA = not applicable

	--	-	°	+	++	NA	Diffusion index %	
							Jul.14	Apr.14
A) Cost of funds and balance sheet constraints			4	1			-10	0
B) Pressure from competition								
Competition from other banks			5				0	0
Competition from non-banks			5				0	0
C) Perception of risk								
Expectations regarding general economic activity			3	2			-20	-10
Housing market prospects			4	1			-10	0

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

-- = tightened considerably

- = tightened somewhat

° = remained basically unchanged

+ = eased somewhat

++ = eased considerably

NA = not applicable

	--	-	°	+	++	NA	Diffusion index %	
							Jul.14	Apr.14
A) Price								
Your bank's margin on average loans (wider margin = tightened, narrower margin = eased)			3	2			-20	-10
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
- ° = contributed to basically unchanged credit standards
- + = contributed somewhat to easing of credit standards
- ++ = contributed considerably to easing of credit standards
- NA = not applicable

	--	-	°	+	++	NA	Diffusion index %	
							Jul.14	Apr.14
A) Cost of funds and balance sheet constraints			4	1			-10	0
B) Pressure from competition								
Competition from other banks			4	1			-10	0
Competition from non-banks			5				0	0
C) Perception of risk								
Expectations regarding general economic activity			3	2			-20	-20
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
- ° = remained basically unchanged
- + = eased somewhat
- ++ = eased considerably
- NA = not applicable

	--	-	°	+	++	NA	Diffusion index %	
							Jul.14	Apr.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			4	1			-10	-10

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

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

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

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

	--	-	°	+	++	NA	Diffusion index %	
							Jul.14	Apr.14
A) Financing needs								
Housing market prospects			5				0	0
Consumer confidence			3	2			20	10
Non-housing related consumption expenditure			5				0	0
B) Use of alternative finance								
Household savings			5				0	0
Loans from other banks			4	1			10	10
Other sources of finance			5				0	0

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

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

	--	-	°	+	++	NA	Diffusion index %	
							Jul.14	Apr.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			5				0	0
B) Use of alternative finance								
Household savings			5				0	0
Loans from other banks			5				0	0
Other sources of finance			5				0	0

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

	Loans for house purchase	Consumer credit and other lending
Tighten considerably		
Tighten somewhat		
Remain basically unchanged	5	4
Ease somewhat		1
Ease considerably		
Diffusion index %	Jul.14	-10
	Apr.14	-20

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	5	4
Increase somewhat		1
Increase considerably		
Diffusion index %	Jul.14	10
	Apr.14	20

Ad-hoc questions

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

-- = deteriorated considerably/will deteriorate considerably

- = deteriorated somewhat/will deteriorate somewhat

° = remained unchanged/will remain unchanged

+ = eased somewhat/will ease somewhat

++ = eased considerably/will ease considerably

NA = not applicable

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

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

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

(3) Usually involves on-balance sheet funding.

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

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

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 requirements^(*), have impacted, or will impact, on your lending policies (via the actions taken to adjust your bank's capital position and the potential impact on funding conditions).

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

- 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

NA = not applicable

	Over the past six months						Over the next six months					
	--	-	°	+	++	NA	--	-	°	+	++	NA
Risk-weighted assets		2	3					2	3			
Of which: Average loans		3	2					3	2			
Riskier loans		3	2					3	2			
Capital		2		1	2			2	3			
Of which: Retained earnings				4	1				4	1		
Capital issuance ⁽¹⁾		1		3		1		1	3	1		
Impact on your bank's funding conditions				4	1			1	3	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 that will result 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) 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

° = 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		Loans to households	
		Small and medium-sized enterprises	Large enterprises	For house purchase	Consumer credit and other lending
Over the past six months	--				
	-		1		
	°	4	4	5	5
	+	1			
	++				
Over the next six months	--				
	-		1		
	°	4	4	5	5
	+	1			
	++				

b) Credit margins

		Loans and credit lines		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
	°	4	4	4	4
	+	1	1		
	++				
Over the next six months	--				
	-				
	°	4	4	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 that will result 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.*

Ad-hoc question on impact of sovereign debt crisis

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

-- = contributed considerably to a deterioration in my bank's funding conditions/contributed considerably to a tightening of credit standards / contributed considerably to a widening of lending margins

- = contributed somewhat to a deterioration in my bank's funding conditions/contributed somewhat to a tightening of credit standards / contributed somewhat to a widening of lending margins

° = had no effect on my bank's funding conditions/had no effect on my bank's credit standards / had no effect on my bank's lending margins

+ = contributed somewhat to an easing in my bank's funding conditions/contributed somewhat to an easing of credit standards / contributed somewhat to a narrowing of lending margins

++ = contributed considerably to an easing in my bank's funding conditions/contributed considerably to an easing of credit standards / contributed considerably to a narrowing of lending margins

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

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

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

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

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