



BANK LENDING SURVEY | Results for Portugal | October 2014

I. Overall assessment

According to the results of the survey conducted in October to the five banking groups included in the Portuguese sample, credit standards and conditions as well as terms applied on loans or credit lines to enterprises and households have not changed significantly during the third quarter of 2014. In the segments of enterprises and households for house purchases there continues to be reported lower spreads on average risk loans and basically unchanged spreads on riskier loans. In the fourth quarter of 2014, the survey anticipates broadly unchanged credit standards on loans to the non-financial private sector, although some banks foresee a slight easing of credit standards applied to the approval of short-term loans to enterprises.

The survey results point to a stabilization in demand of loans during the third quarter. There was however a slight increase in the demand of short-term loans by enterprises. For the fourth quarter, banks foresee an increase in the loan demand by enterprises, which should be concentrated on small and medium enterprises (SMEs) and short-term loans. In the segment of households, banks do not expect significant changes in the demand of loans for house purchase but it is expected a slight increase in demand for consumption and other purposes.

II. Presentation of the results

Supply

In the third quarter of 2014, most banks reported broadly unchanged credit standards both to SME and to large firms. An institution reported tighter credit standards, which was more pronounced in the case of loans to large corporations and in

the case of long-term loans. Competition from banks was reported by four banks as a factor leading to an easing of the credit policy. One institution considered that the cost of capital, the ability to access market financing and its liquidity position contributed considerably to the tightening of its credit standards. Both to SME and large corporations, the majority of banks reported lower spreads on average risk loans and some banks reported an increase in the size of the loans or credit lines. For the SME and, to a lesser extent, for large corporations some institutions reported a decline in non-interest rate charges and an increase in the maturities.

In the segment of loans to households, both for house purchase and for consumption and other purposes, all banks reported basically unchanged credit standards. Nevertheless, according to one institution the cost of funds and balance sheet constraints contributed somewhat to a tightening of the credit standards. On the other hand, two banks considered that the competition from other banks contributed somewhat to an easing of credit standards applied on loans to house purchase. In this credit segment, three institutions reported a decline in the spread applied to the average loan. Other bank's conditions and terms for approving credit to households remained unchanged.

For the fourth 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. This is particularly visible in the case of households, for which all banks anticipate a stabilization of the credit standards. In the segment of short-term loans to corporations, two banks foresee a slight easing of

the credit standards.

Demand

In the third quarter of 2014, on average, the demand for loans or credit lines by enterprises remained broadly unchanged. Two banks reported a slight increase in the demand for short-term loans and one bank reported an increase in the demand for loans by SME. Among the factors contributing positively to demand was the decline in loans from other banks, reported by three banks, as well as the increase in financing needs for inventories and working capital, for mergers / acquisitions and corporate restructuring and for debt restructuring, reported by two banks.

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. In both credit segments, one institution reported a slight decline in demand and one institution reported a slight increase. Regarding the factors, two institutions considered that the improvement in consumer confidence contributed to an increase in the demand for loans for house purchase and for consumption and other purposes.

For the fourth quarter of 2014, three banks foresee a slight increase of the loan demand by enterprises, while the remaining two banks do not foresee changes in the demand. The increase in demand is expected to be determined by loans to SME and short-term loans. For households, three banks anticipate demand will remain basically unchanged. In the case of loans for house purchase, one institution foresees a decline in demand while another one foresees an increase. In the segment of loans for consumption and other purposes, two institutions expected a slight increase in demand.

III. *Ad-hoc* questions

The Bank Lending Survey includes some *ad-hoc* questions aimed at assessing the impact of specific events on the conditions of bank lending to companies and individuals. The survey

conducted in October 2014, includes five questions of this kind.

The first question assessed the impact of the situation in financial markets on banks' access to funding and their ability to transfer risk. The majority of banks reported an improvement in the short-term retail funding and considered that the access to the remaining sources of funding has not changed significantly. One institution reported however a deterioration in the access to all sources of funding. For the fourth quarter 2014, the majority of banks foresee an improvement in the access to medium to long term debt securities markets and stabilization in the access to the remaining funding sources. One institution anticipates a deterioration of all funding sources, with the exception of the securitisation of corporate loans. There are some individual replies pointing to a slight improvement in the access to retail funding, to short-term money market, to securitisation of corporate loans and to the repo market.

The second question aims to assess the impact of developments in the sovereign debt market on banks' funding conditions, credit standards and lending margins, during the last three months. According to the results, the evolution of sovereign debt market had no significant impacts. Only one institution reported that the developments in the sovereign debt market contributed somewhat to an easing of funding conditions.

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

The first question assess the reasons behind the decision of banks to participate or to not participate in the initial TLTRO of September 2014, in the initial TLTRO of December 2014 and in the additional TLTROs in 2015 and 2016. Two banks participated in the initial TLTRO of September 2014. One of them considered the main reason behind the participation was the attractive TLTRO conditions, while the other one pointed out a precautionary motive (to reduce current and / or prevent future funding

difficulties). Among the three banks not participating in this operation, two of them considered the conditions were not attractive, when compared to the remaining Eurosystem refinancing operations, and the third one reported concerns about insufficient loan demand. In the initial TLTRO of December 2014, three banks intend to participate because of the attractiveness of TLTRO conditions. One bank does not intend to participate because it has already exceeded the initial allowance in the September operation and another bank is currently undecided about the participation. Regarding the additional TLTROs in 2015 and 2016, two banks intend to participate because of precautionary reasons and the remaining three banks are currently undecided about participation.

The second question aims to identify the uses for funds obtained from the TLTROs. All banks considered funds obtained from the initial TLTROs of September and December 2014 will be used for substituting other Eurosystem liquidity operations. Additionally, three banks considered the funds obtained with these operations will be used for granting loans to enterprises. Regarding the additional TLTROs in 2015 and 2016, four banks consider the funds will be used for substituting other Eurosystem liquidity operations and all banks reported they will be used for granting loans to enterprises. Some banks also replied the funds from 2015-16 operations will be used for substituting maturing debt, deposit shortfalls and interbank lending as well as for granting loans to households, especially consumer credit and other lending, and for purchasing domestic sovereign bonds.

The last question evaluates the impact of the TLTROs on the banks financial situation and on their lending behaviour. The majority of banks considered the 2014 operations have basically no impact on their financial situation. The 2015-16 TLTROs might contribute to improve profitability according to three banks, and to improve the liquidity position and the market financing conditions according to two banks. Regarding the impact on credit standards and terms and

conditions applied to loans, the majority of banks considered these operations contribute to a decline in the restrictiveness on loans to enterprises, while only a minority of banks foresees the same impact for loans to households.

Methodological note

The following tables include the results for Portugal of the Bank Lending Survey (BLS) conducted in October 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.

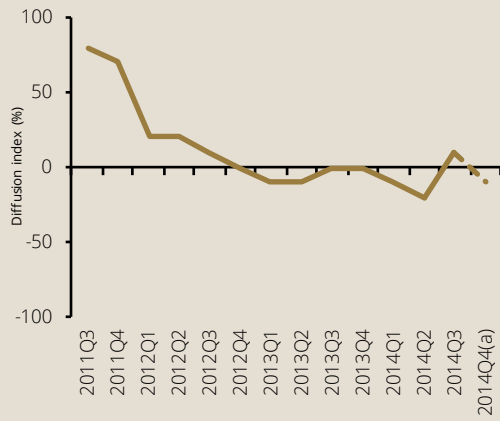
The results of the survey are as follows:

- The number of banks choosing each option;
- The diffusion index of the options chosen by the banks, calculated using a scale (from -100 to 100) to aggregate individual replies, according to which 0 corresponds to "remained basically unchanged". For questions concerning supply, values of less than 0 mean a loosening of the criteria or the impact of factors in the sense of lower restrictiveness. The -50 figure corresponds to a "slight" change (the closer the diffusion index is to 0, the slighter

it will be the change) while -100 stands for a considerable change in the sense of lower restrictiveness. In turn, values exceeding 0 indicates an increase in restrictiveness or in the impact of factors supporting it. The 50 figure corresponds to a "slight" change while 100 stands for a considerable increase in restrictiveness. In the questions about demand, the same scale applies, with negative figures standing for decreases in demand and positive figures signaling the opposite evolution (or the impact of factors affecting it).

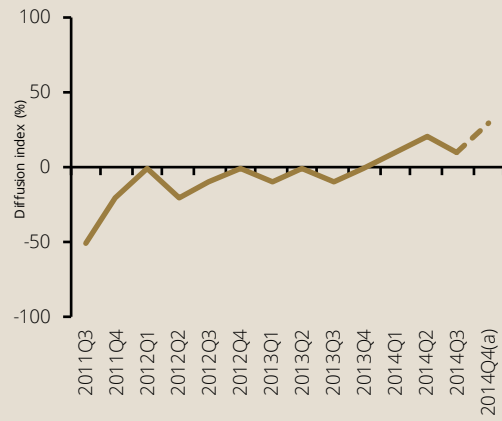
Credit supply

Enterprises (overall)

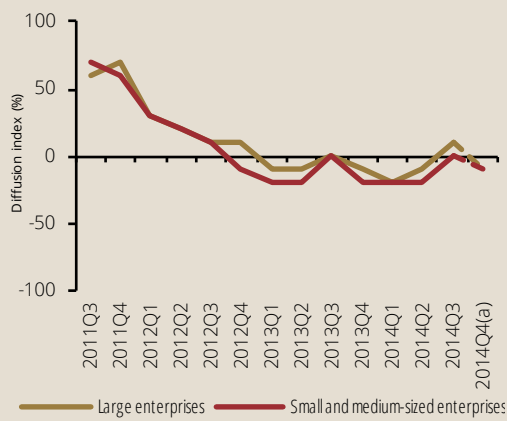


Credit demand

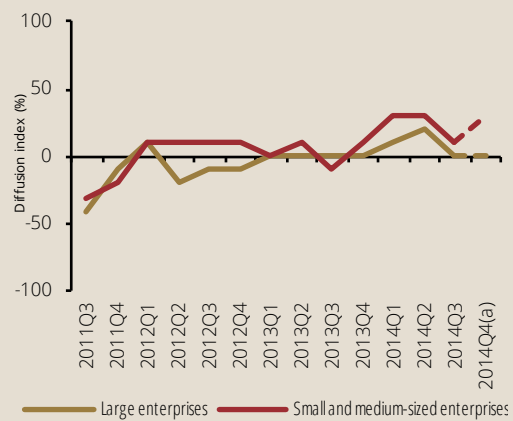
Enterprises (overall)



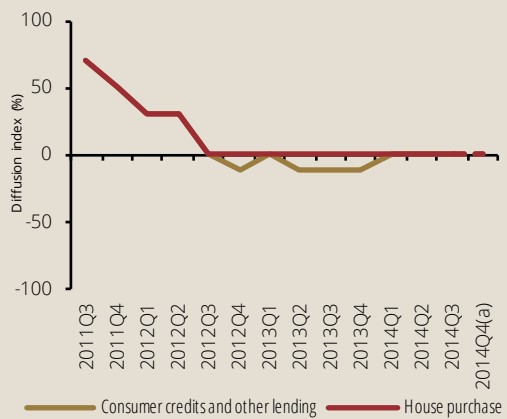
Enterprises



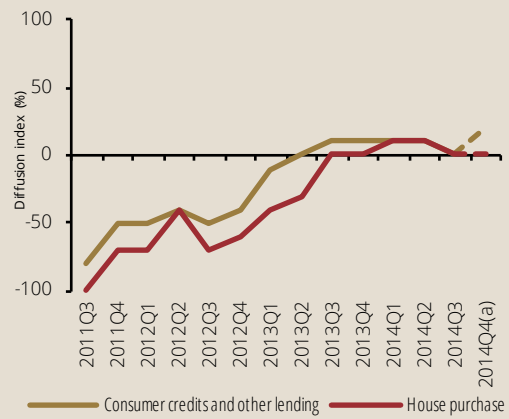
Enterprises



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			1		1	
Tightened somewhat	1	1		1		
Remained basically unchanged	4	3	3	3	4	
Eased somewhat		1	1	1		
Eased considerably						
Diffusion index %	Oct.14	10	0	10	0	20
	Jul.14	-20	-20	-10	-20	-10

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

(to be continued)

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

(to be continued)

	Loans to large enterprises					Diffusion index %		
	--	-	o	+	++	NA	Oct.14	Jul.14
a) Cost of funds and balance sheet constraints								
Costs related to your bank's capital position ⁽¹⁾	1		3	1			10	0
Your bank's ability to access market financing (e.g. money or bond market financing, incl. true-sale securitisation ⁽²⁾)	1		3	1			10	0
Your bank's liquidity position	1		3	1			10	-10
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		-20	-10
c) Perception of risk								
Expectations regarding general economic activity			4	1			-10	-20
Industry or firm-specific outlook			5				0	-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						Diffusion index %	
	--	-	°	+	++	NA	Oct.14	Jul.14
a) Price								
Your bank's margin on average loans (wider margin = tightened, narrower margin = eased)			1	4			-40	-40
Your bank's margin on riskier loans		1	3	1			0	-10
b) Other conditions and terms								
Non-interest rate charges			4	1			-10	-10
Size of the loan or credit line			3	2			-20	-40
Collateral requirements			5				0	-10
Loan covenants			5				0	-10
Maturity			5				0	-30

(to be continued)

	Loans to small and medium-sized enterprises						Diffusion index %	
	--	-	°	+	++	NA	Oct.14	Jul.14
a) Price								
Your bank's margin on average loans (wider margin = tightened, narrower margin = eased)			1	3	1		-50	-40
Your bank's margin on riskier loans		1	3		1		-10	-20
b) Other conditions and terms								
Non-interest rate charges			2	3			-30	-10
Size of the loan or credit line			3	1	1		-30	-40
Collateral requirements			4		1		-20	-20
Loan covenants			4		1		-20	-20
Maturity			3	1	1		-30	-40

(to be continued)

	Loans to large enterprises						Diffusion index %	
	--	-	o	+	++	NA	Oct.14	Jul.14
a) Price								
Your bank's margin on average loans (wider margin = tightened, narrower margin = eased)			1	3	1		-50	-50
Your bank's margin on riskier loans		1	3	1			0	-10
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	-10
Loan covenants			4	1			-10	-10
Maturity			3	2			-20	-30

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	4	4	5	3	5	
Increased somewhat	1	1		2		
Increased considerably						
Diffusion index %	Oct.14	10	10	0	20	0
	Jul.14	20	30	20	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
- o = contributed to basically unchanged demand
- + = contributed somewhat to higher demand
- ++ = contributed considerably to higher demand

NA= Not Applicable

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

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

		Overall	Loans to small and medium-sized enterprises	Loans to large enterprises	Short-term loans	Long-term loans
Tighten considerably						
Tighten somewhat						1
Remain basically unchanged		4	4	4	3	4
Ease somewhat		1	1	1	2	
Ease considerably						
Diffusion index %	Oct.14	-10	-10	-10	-20	10
	Jul.14	0	0	-10	-10	0

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		2	2	5	2	5
Increase somewhat		3	3		3	
Increase considerably						
Diffusion index %	Oct.14	30	30	0	30	0
	Jul.14	10	10	10	10	0

II • Loans to households

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

	Loans for house purchase	Consumer credit and other lending
Tightened considerably		
Tightened somewhat		
Remained basically unchanged	5	5
Eased somewhat		
Eased considerably		
Diffusion index %	Oct.14	0
	Jul.14	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 %	
							Oct.14	Jul.14
a) Cost of funds and balance sheet constraints		1	4				10	-10
b) Pressure from competition								
Competition from other banks			3	2			-20	0
Competition from non-banks			5				0	0
c) Perception of risk								
Expectations regarding general economic activity			5				0	-20
Housing market prospects			4	1			-10	-10

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

- = tightened considerably
- = tightened somewhat
- ° = remained basically unchanged
- + = eased somewhat
- ++ = eased considerably
- NA = Not Applicable

	--	-	°	+	++	NA	Diffusion index %	
							Oct.14	Jul.14
a) Price								
Your bank's margin on average loans (wider margin = tightened, narrower margin = eased)			2	3			-30	-20
Your bank's margin on riskier loans			5				0	0
b) Other conditions and terms								
Collateral requirements			5				0	0
"Loan-to-value" ratio			5				0	0
Maturity			5				0	0
Non-interest rate charges			5				0	0

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

- = contributed considerably to tightening of credit standards
- = contributed somewhat to tightening of credit standards
- o = contributed to basically unchanged credit standards
- + = contributed somewhat to easing of credit standards
- ++ = contributed considerably to easing of credit standards
- NA = Not Applicable

	--	-	o	+	++	NA	Diffusion index %	
							Oct.14	Jul.14
a) Cost of funds and balance sheet constraints		1	4				10	-10
b) Pressure from competition								
Competition from other banks			5				0	-10
Competition from non-banks			5				0	0
c) Perception of risk								
Expectations regarding general economic activity			4	1			-10	-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
- o = remained basically unchanged
- + = eased somewhat
- ++ = eased considerably
- NA = Not Applicable

	--	-	o	+	++	NA	Diffusion index %	
							Oct.14	Jul.14
a) Price								
Your bank's margin on average loans (wider margin = tightened, narrower margin = eased)			4	1			-10	-10
Your bank's margin on riskier loans			5				0	0
b) Other conditions and terms								
Collateral requirements			5				0	0
Maturity			5				0	0
Non-interest rate charges			5				0	-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	1		1	
Remained basically unchanged	3		3	
Increased somewhat	1		1	
Increased considerably				
Diffusion index %	Oct.14	0	0	
	Jul.14	10	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 %	
							Oct.14	Jul.14
a) Financing needs								
Housing market prospects			4	1			10	0
Consumer confidence			3	2			20	20
Non-housing related consumption expenditure			5				0	0
b) Use of alternative finance								
Household savings			5				0	0
Loans from other banks			5				0	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 %	
							Oct.14	Jul.14
a) Financing needs								
Spending on durable consumer goods (such as cars, furniture, etc.)			4	1			10	20
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	5
Ease somewhat			
Ease considerably			
Diffusion index %	Oct.14	0	0
	Jul.14	0	-10

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		1	
Remain basically unchanged		3	3
Increase somewhat		1	2
Increase considerably			
Diffusion index %	Oct.14	0	20
	Jul.14	0	10

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

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

Ad-hoc question on impact of sovereign debt crisis

2. Given the tensions 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

o = 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 credit standards																			
	Impact on your bank's funding conditions					Loans or credit lines to enterprises					Loans to households for consumer credit and other lending									
	--	-	o	+	++	--	-	o	+	++	--	-	o	+	++					
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					3					3					3		

(to be continued)

	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				
	--	-	o	+	++	--	-	o	+	++	--	-	o	+	++
a) Direct exposure to sovereign debt			5					5					5		
b) Value of sovereign collateral available for wholesale market transactions ⁽²⁾			5					5					5		
c) Other effects ⁽³⁾			3					3					3		

(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.

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

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

3. Did your bank participate in the initial TLTRO of September 2014? Does your bank intend to participate in the initial TLTRO of December 2014? And does your bank intend to participate in the additional TLTROs to be conducted between 2015 and 2016?

Please explain the reasons behind your decisions.

Participation

	Yes	No	Currently undecided about participation
In the initial TLTRO of September 2014	2	3	
In the initial TLTRO of December 2014	3	1	1
In the additional TLTROS in 2015 and 2016	2		3

(to be continued)

Reasons

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

	Attractive TLTRO conditions (profitability motive)	Precautionary motive (to reduce current and / or prevent future funding difficulties)	To enhance the fulfilment of regulatory liquidity requirements ⁽¹⁾	Other reason which applies most
In the initial TLTRO of September 2014	1	1		
In the initial TLTRO of December 2014	3	1		
In the additional TLTROS in 2015 and 2016		3		

(to be continued)

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

	No funding constraints	Concerns about insufficient loan demand ⁽²⁾	Capital constraints	Collateral constraints	Concerns about market stigma	Other reason which applies most ⁽³⁾
In the initial TLTRO of September 2014		1				2
In the initial TLTRO of December 2014						1
In the additional TLTROS in 2015 and 2016						

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

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

(3) Such as for instance legal constraints related to state aid rules, perception of TLTRO conditions as not sufficiently attractive, etc.

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

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

(1) Please use the category "NA" only if you did not participate in the initial September 2014 TLTRO and have decided not to participate in the initial December 2014 TLTRO.

(2) Please use the category "NA" only if you have decided not to participate in the additional TLTROs.

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

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

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

Financial situation of your bank

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

(to be continued)

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

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

(1) Please use the category "NA" only if you did not participate in the initial September 2014 TLTRO and have decided not to participate in the initial December 2014 TLTRO.

(2) Please use the category "NA" only if you have decided not to participate in the additional TLTROs.

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