

The first quarter (Q1) of 2020 saw a reversal of earlier trends across many indicators. In particular, respondents sharply worsened their expectations for lending and funding growth. Banks reported a significant slowdown in inflows of retail and corporate funds, as well as in household lending. Moreover, corporate lending was on track to decline, according to banks' projections. Demand for loans shrank, especially in the consumer segment. Expectations as to how quality of loan portfolios would change sank to the lowest point since the survey started at the beginning of 2015.

Banks substantially raised their lending standards and plan to further tighten them. In the case of corporations, this was associated with negative exchange rate and inflation expectations as well as downbeat projections for economic activity. With respect to households, it had to do with expectations of worsened customer solvency. The loan approval rate also fell sharply. Banks tightened their collateral requirements, credit line terms and debt limits for corporations, and cut consumer loan limits for households. Financial institutions increased their assessment of risks across the board, with credit risk growing the most. Respondents expect a further increase in risks.

### Outlook for the next 12 months

In contrast to previous years, banks expect a slowdown in lending. Only 42%<sup>1</sup> of respondents expect their corporate loan portfolio to grow and 30% project retail loans to increase – half the levels in the previous quarter. On top of that, the balance of responses on corporate lending was negative and that on retail lending dropped to almost zero. Most banks expect quality of their corporate and retail portfolios to deteriorate sharply. This indicator became the worst since the survey began in Q1 2015. Banks are still projecting an increase in deposits, albeit at a much more modest rate than expected in the previous quarters. Moreover, a third of the surveyed banks expect outflows of household deposits and a quarter forecast corporate deposits will shrink. However, the balance of responses was positive in both cases on account of optimistic projections by large deposit holders.

### Demand

Corporate demand for loans decelerated markedly in Q1 2020. Long-term and foreign currency loans saw the sharpest drop in demand, whereas demand for short-term loans picked up modestly. Demand drivers changed substantially; in particular, the impact of interest rates decreased. At the same time, debt restructuring queries were at the highest level since Q3 2017. The latter factor, as well as the need to replenish inventories and working capital, were crucial drivers of loan demand from large companies. Meanwhile, SMEs showed a sharp decline in demand for working capital and capital investment loans. Banks projected demand for corporate loans, especially long-term and foreign currency loans, to fall in Q2.

According to respondents, household demand for consumer loans slumped. This was the steepest drop since 2015. Several major banks reported sharply lower demand for mortgages. However, this pattern was mainly attributable to large banks, while 38% of all respondents reported growth. Similarly, divergent estimates were also reported for the consumer lending segment. The decline in consumer lending was driven by lower spending on durable goods and on purchases of foreign currency. The drop in demand for mortgages was mainly a result of weaker consumer confidence and a decline in household savings. Banks expected a further significant reduction in household demand for both mortgage and consumer loans.

A total of 78% of the surveyed banks assessed businesses' debt burden as moderate. For large companies, this indicator trended lower for the third consecutive quarter. Respondents noted a substantial easing of the household debt burden. Large banks were more optimistic about this indicator with respect to both corporations and households.

### Lending Conditions

In Q1, half of the surveyed banks tightened their corporate lending standards. The strictest requirements were for loans to large companies and foreign currency loans.

Inflation, exchange rate and general economic expectations had the greatest impact on the tightening of lending standards. In particular, exchange rate expectations were the most critical factor for SMEs, while lending to large companies was primarily influenced by growth prospects for the concerned company or the underlying industry.

<sup>1</sup>Here and below, responses were not weighted: one bank equals one vote.

The latest survey recorded a sharply lower rate of approval of corporate loan applications. The lowest approval rates were for loans to large companies, foreign currency and long-term loans. Large companies were largely restricted by tighter loan or credit line limits and SMEs by collateral requirements. At the same time, 48% of respondents pointed to a significant improvement in pricing conditions for approved applications.

Mortgage and consumer lending standards were tightened in Q1. The main reasons for that were inflation risks and expected deterioration in broader economic activity and customer solvency. Stricter requirements for mortgage borrowers were also underpinned by cost of resources, balance sheet restrictions, and exchange rate expectations. It should be noted that large banks were more conservative in their assessments.

Respondents plan to further tighten lending standards.

In Q1, the rate of approval of household loan applications also dropped. However, large banks reported lower mortgage interest rates. In the consumer lending segment, 33% of respondents limited loan amounts, which had an adverse effect on the loan application approval rate in this segment.

### **Risks**

In Q1, all risk levels soared. More specifically, credit risk rose the most (the balance of responses increased to 55.6%) and liquidity risk the least (an increase to 36.7%). Expectations for risks to materialize also deteriorated across the board, to the worst level since Q2 2014. Banks expect the largest increase in credit risk and a smaller rise in currency and interest rate risks in the next quarter.

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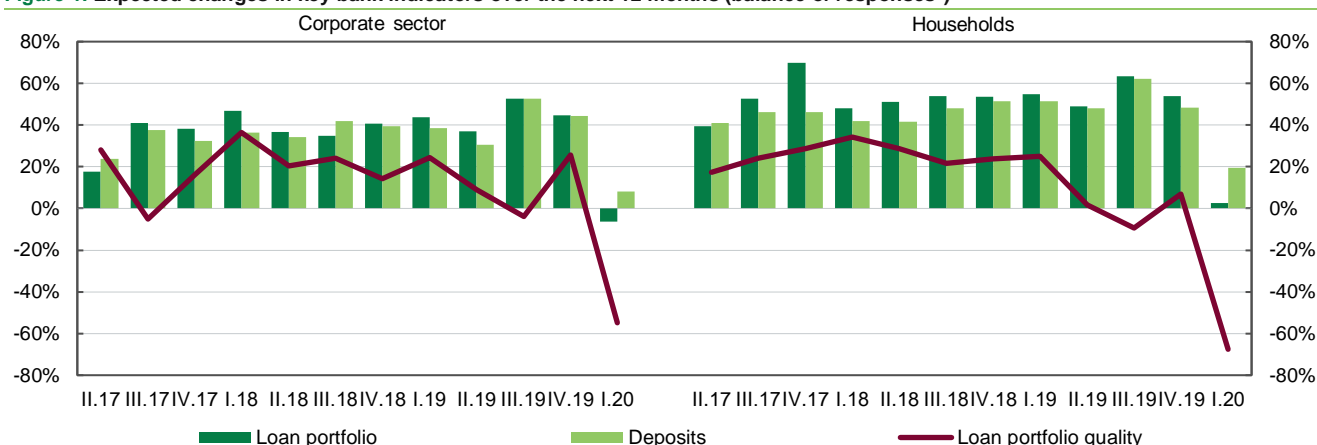
## **Information about the survey**

The Ukrainian Bank Lending Survey is an analytical report based on a quarterly survey of banks by the National Bank of Ukraine. The survey aims to promote better understanding by the NBU and other banking sector stakeholders of lending market conditions and trends. It provides aggregated assessments and projections of changes in lending standards and conditions for the corporate sector and households, developments in lending demand, etc.

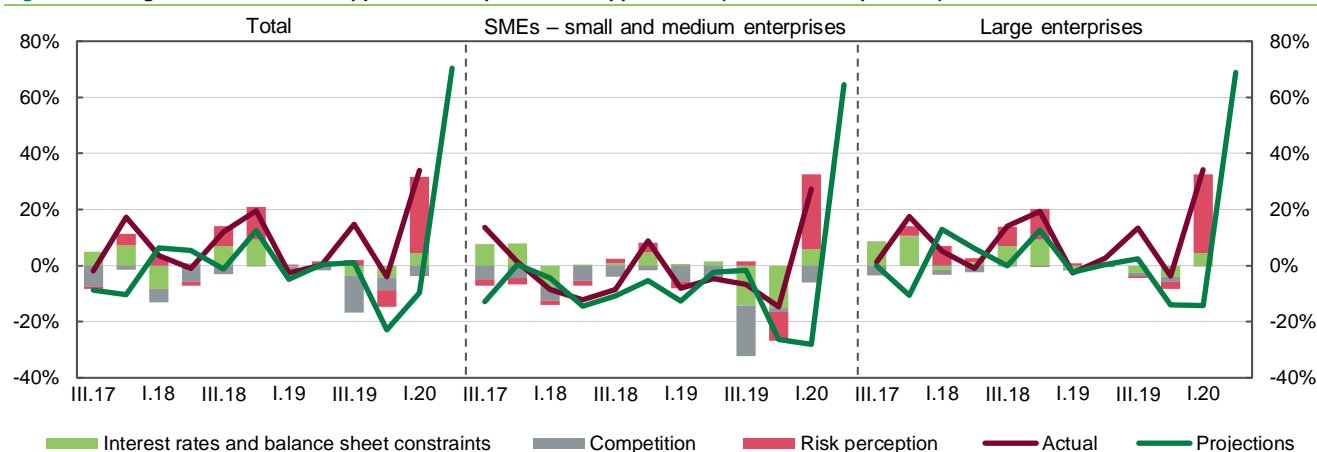
This survey offers an assessment of the state of the credit market in Q1 2020 and expectations for Q2 2020. The credit

managers of 24 banks were surveyed between 19 March and 09 April 2020. All respondents provided answers. The respondents' share in total assets of the banking system amounts to 91%. The survey's results reflect the views of respondents and do not necessarily reflect assessments or projections made by the National Bank of Ukraine.

The next Bank Lending Survey on expected lending conditions in Q3 2020 will be published in July 2020.

**Figure 1. Expected changes in key bank indicators over the next 12 months (balance of responses\*)**

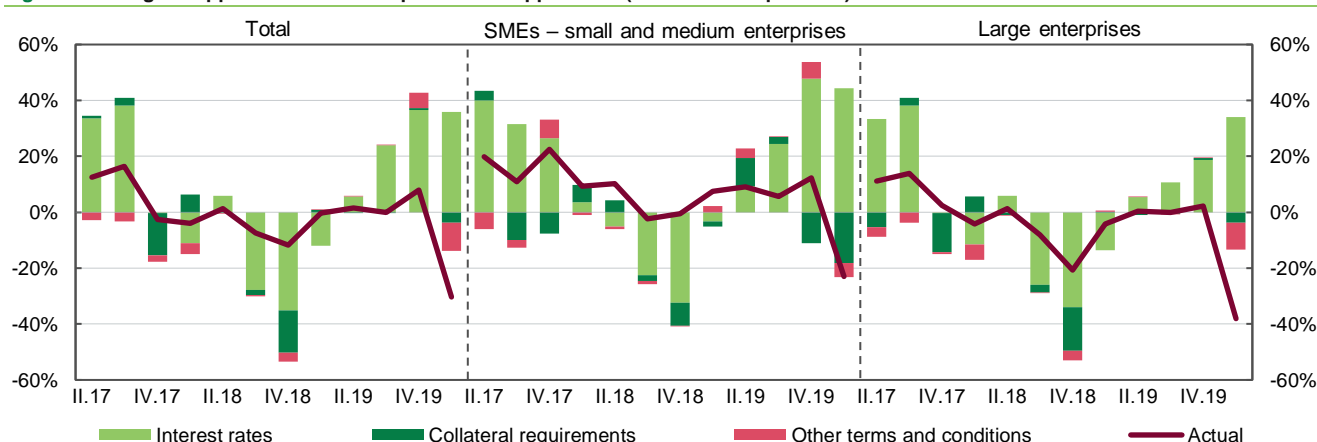
\* A positive balance of responses indicates expectations of growth for the respective indicator.

**Figure 2. Changes in standards for approval of corporate loan applications (balance of responses\*)**

Note: The lines represent actual values and projections, with the factors that prompted the change in the indicator shown in the columns (overall reading of the indicator may differ from the total of individual factors).

Interest rates and balance sheet constraints are the mean of the bank's capitalization and the bank's liquidity position; Competition is the mean of competition with other banks and competition with non-banks; Risk perception is the mean of such factors, as expectations of overall economic activity, expectations of the development of industry or an enterprise, inflation expectations, exchange rate expectations, and collateral risk.

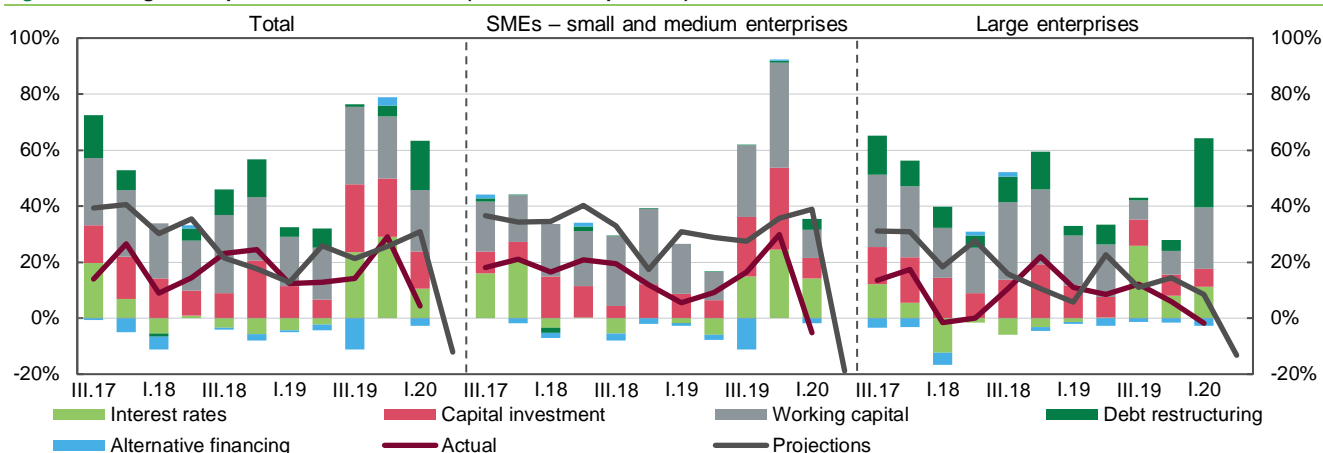
\* A positive balance indicates a tightening of standards for approval of loan applications.

**Figure 3. Change in approval rates for corporate loan application (balance of responses\*)**

Note: The line represents actual values and projections, with the factors that prompted the change in the indicator shown in the columns (overall reading of the indicator may differ from the total of individual factors).

Interest rates mean the interest rates; Collateral requirements mean the collateral requirements; Other terms and conditions are mean of the following factors: change in non-interest payments, volume of a loan or a line of credit, loan agreement-related restrictions for borrowers, and loan term.

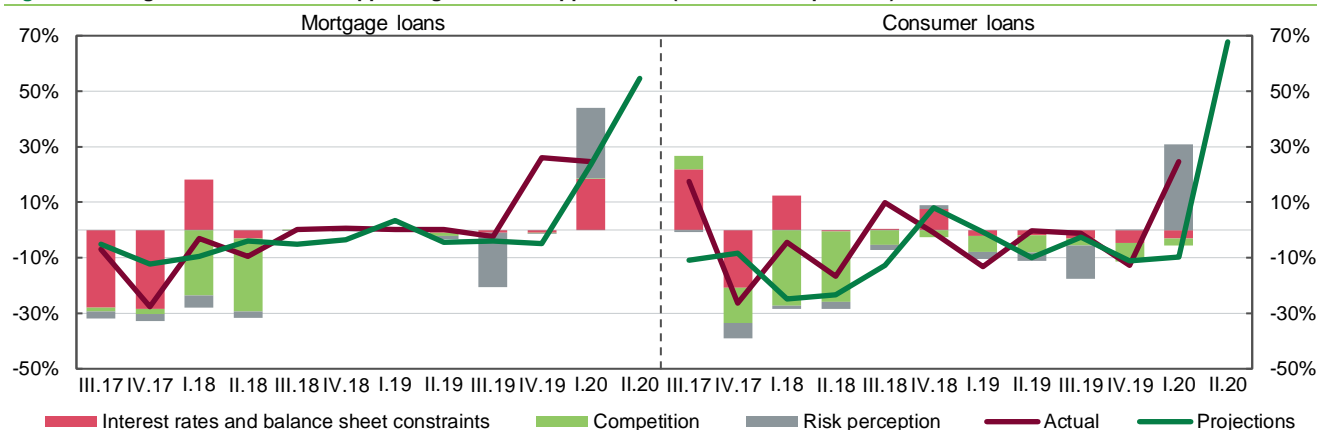
\* A positive balance of responses indicates an increase in the approval rate for loan applications.

**Figure 4. Change in corporate demand for loans (balance of responses\*)**

Note: The lines represent actual values and projections, with the factors that prompted the change in the indicator shown in the columns (overall reading of the indicator may differ from the total of individual factors).

Interest rates mean the change in interest rates; Capital investment means the need for capital investment; Working capital means the need for working capital; Debt restructuring means the debt restructuring; Alternative financing is the mean of the following factors: internal financing, loans from other banks, and asset sales.

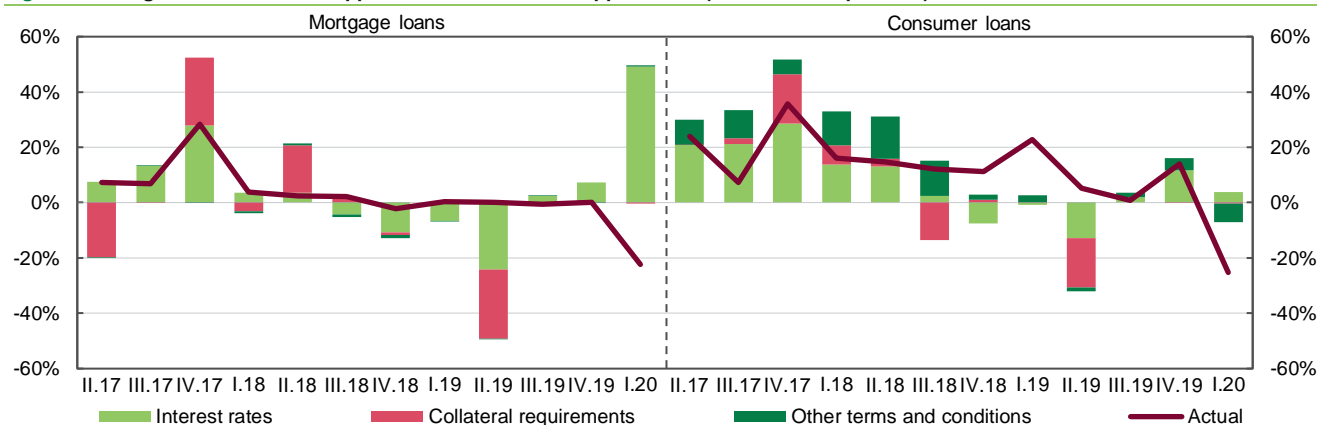
\* A positive balance of responses indicates an increase in demand.

**Figure 5. Changes in the criteria for approving retail loan applications (balance of responses\*)**

Note: The lines represent actual values and projections, with the factors that prompted the change in the indicator shown in the columns (overall reading of the indicator may differ from the total of individual factors).

Interest rates and balance sheet constraints mean the interest rates and balance sheet constraints factor; Competition is the mean of the competition with other banks and competition with non-banks factors; Risk perception is the mean of the following factors: expectations of overall economic activity, inflation expectations, exchange rate expectations and expectations on the real estate market (for mortgages); expectations of borrower solvency, and collateral risk (for consumer loans).

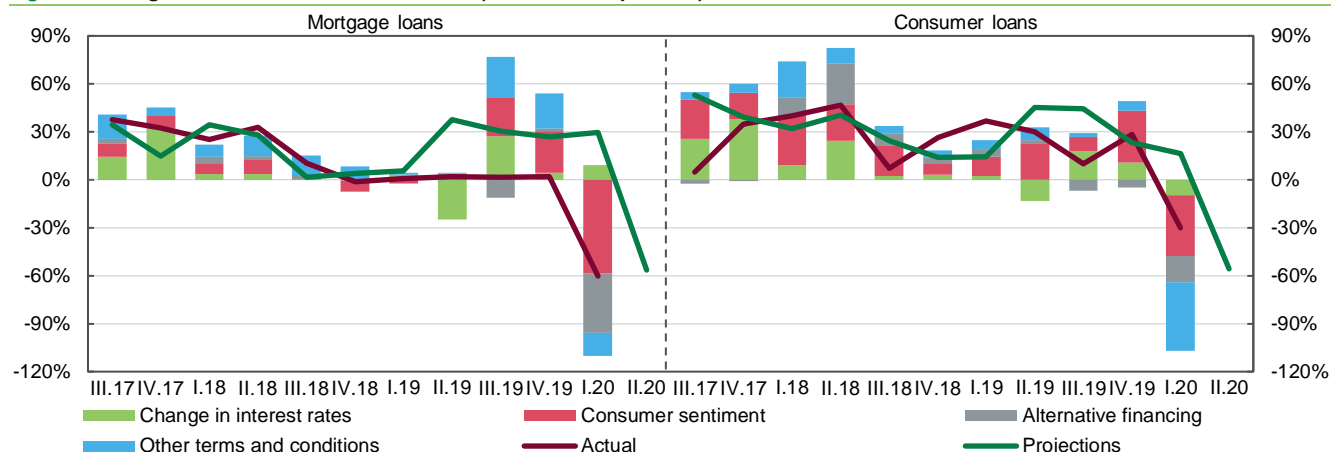
\* A positive balance indicates a tightening of standards for approval of loan applications.

**Figure 6. Change in the number of approved household loan applications (balance of responses\*)**

Note: The line represents actual values and projections, with the factors that prompted the change in the indicator shown in the columns (overall reading of the indicator may differ from the total of individual factors).

Interest rates mean the loan rates factor; Collateral requirements mean the collateral requirements factor; Other terms and conditions are defined as the mean of the following factors: loan term, change in non-interest payments, and the loan-to-value ratio (LTV) (for mortgages) and loan size (for consumer loans).

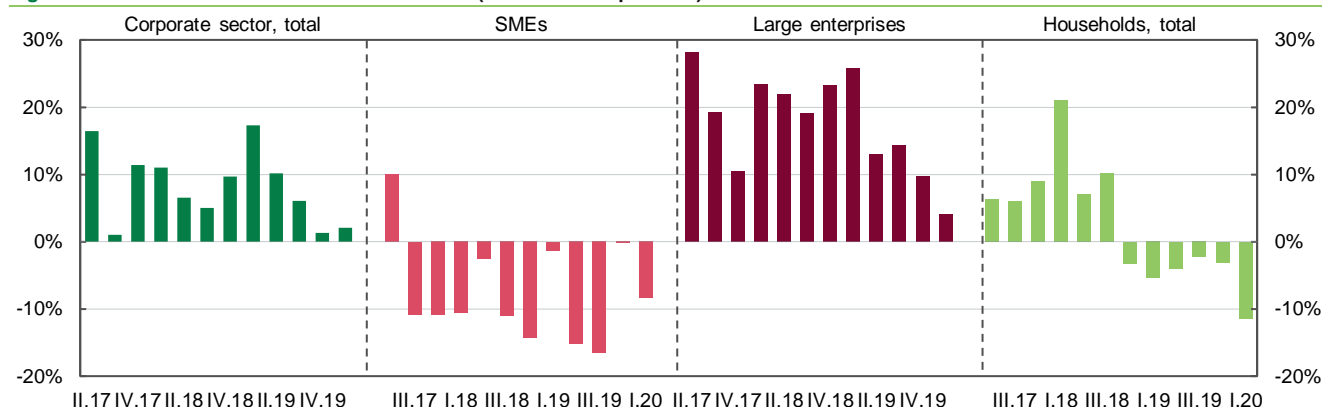
\* A positive balance of responses indicates an increase in the number of approved loan applications.

**Figure 7. Change in household demand for loans (balance of responses\*)**

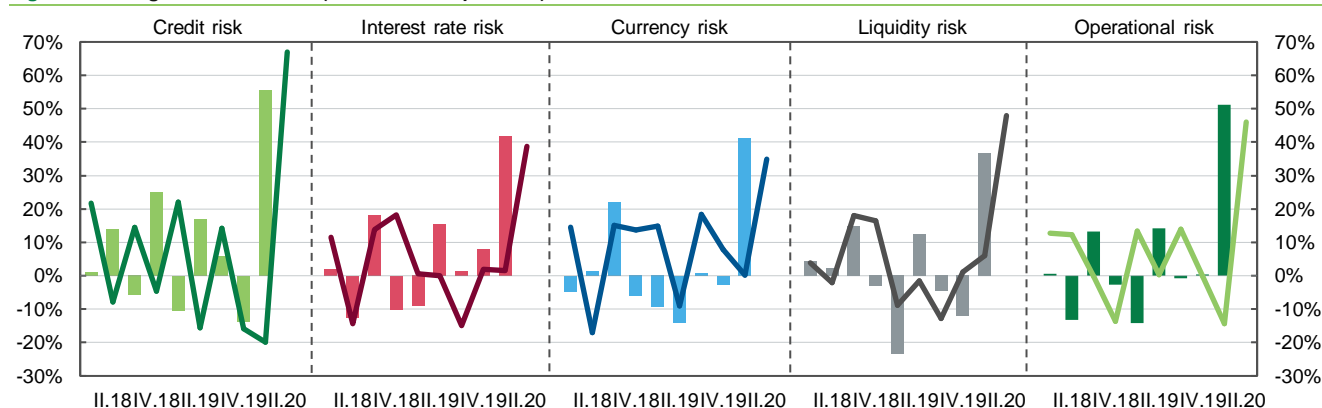
Note: The lines represent actual values and projections, with the factors that prompted the change in the indicator shown in the columns (overall reading of the indicator may differ from the total of individual factors).

*Change in interest rates* means the change in interest rates factor; *Consumer sentiment* means the consumer sentiment factor; *Alternative financing* is the non-weighted mean of the households' savings and loans from other banks factors; *Other terms and conditions* (for mortgage loans) mean the development prospects of the real estate market factor; other terms and conditions (for consumer loans) are defined as the non-weighted mean of the following factors: spending on durable goods and purchase of foreign currency.

\* A positive balance of responses indicates an increase in demand.

**Figure 8. Assessment of the current debt burden (balance of responses\*)**

\* Higher values for the balance of responses correlate with higher debt loads. A positive value indicates a high debt load, while a negative value indicates a lower debt load.

**Figure 9. Change in banks' risks (balance of responses\*)**

The columns represent quarterly data, with the lines showing expectations for the next quarter.

\* A positive balance of responses indicates an increase in risks.

## Annex: Survey Findings

Each respondent bank was represented by a credit manager who filled out an electronic questionnaire. The questionnaire included three types of questions:

- questions with open responses (without multiple choice);
- multiple choice questions;
- multiple choice questions where responses are presented on an ordinal scale.

For questions where responses were on an ordinal scale (e.g., from “significantly increased” to “significantly decreased”), the indicator “balance of responses” was calculated (BR). For the purposes of the survey, the terms used shall have the following meaning:

- lending standards are the internal regulations and criteria governing the lending policies of a bank;
- lending conditions are the lending terms and conditions agreed on between a bank and a borrower.

The questionnaire covers changes in the past three months and expected changes over the next three months (i.e. for the quarter following the reporting quarter).

To calculate aggregated results for all banks, each response is assigned a score based on the respondent’s answers and

their weight in the total sample. The scores are presented on a range from -1 to 1 depending on the direction of indicator change. Responses indicating a significant change of the indicator are assigned a higher score than responses reflecting an insignificant change. The response “grew considerably” will have a score of 1, and the response “grew slightly” – a score of 0.5. Each score is weighted on the share of the respective respondent in the total sample depending on its share in assets or its loan portfolio of corporate sector/households of this sample. The summary score for all banks is the BR that can also be interpreted as the difference between the weighted share of respondents reporting an “increase” of a certain index, and the weighted share of respondents reporting a “decrease” of the index. The BR can vary within the range of  $\pm 100$ . A positive balance indicates that respondents generally assess/expect a change in the index (of the standards of loan applications approval/loan applications approval rate/demand for loans/risks, etc.) towards an increase/strengthening compared with the previous quarter/next quarter. Detailed information about how to interpret the balance of responses to each question is provided in the notes to the relevant Figures.

**Table 1. Survey Findings**

Баланс відповідей	2017			2018				2019				2020
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
1	2	3	4	5	6	7	8	9	10	11	12	13
<b>I. Expectations for the next 12 months</b>												
<b>How, in your opinion, will the following corporate readings change at your bank over the next 12 months?</b>												
Loan portfolio	17.6	41.1	38.2	46.8	36.7	34.8	40.7	43.6	36.9	52.6	44.7	-6.3
Deposits	23.8	37.7	32.3	36.3	34.4	41.9	39.4	38.5	30.6	52.7	44.2	8.1
Loan Portfolio Quality	28.2	-5.1	16.0	36.4	20.5	24.2	14.4	24.3	9.1	-3.9	25.6	-54.7
<b>How, in your opinion, will the following retail readings change at your bank over the next 12 months?</b>												
Loan portfolio	39.4	52.7	70.0	48.1	51.2	54.0	53.5	54.8	49.0	63.5	53.7	2.6
Deposits	41.0	46.1	46.2	42.0	41.5	48.1	51.4	51.4	47.9	62.1	48.4	19.4
Loan Portfolio Quality	17.5	24.1	28.7	34.3	28.6	21.8	23.7	25.0	1.5	-9.3	6.9	-67.5
<b>II. Risk assessment</b>												
<b>How did the risks for your banks change within the last quarter?</b>												
Credit risk	24.0	12.2	42.2	1.0	13.9	-5.8	24.9	-10.4	17.0	5.9	-13.7	55.6
Interest rate risk	-12.0	-27.8	-10.5	1.9	-12.5	18.1	-10.1	-9.0	15.3	1.4	7.8	41.8
Currency risk	-15.2	20.5	12.1	-4.6	1.3	22.0	-6.1	-9.4	-14.0	0.9	-2.6	41.1
Liquidity risk	2.8	-23.1	8.6	4.3	2.3	14.8	-3.0	-23.5	12.4	-4.6	-12.0	36.7
Operational risk	33.5	3.6	13.0	0.6	-13.2	13.2	-2.6	-14.1	14.1	-0.8	0.4	51.2
<b>What changes do you expect in the risks for your bank over the next quarter?</b>												
Credit risk	11.3	24.5	21.7	-7.9	14.5	-4.6	22.0	-15.6	14.2	-15.9	-19.9	67.0
Interest rate risk	-11.6	-14.3	11.6	-14.3	13.8	18.1	0.6	0.0	-14.9	1.9	1.5	38.7
Currency risk	-9.3	23.9	14.5	-17.0	15.1	13.7	14.9	-9.0	18.4	7.8	0.2	34.9
Liquidity risk	-2.0	-2.8	3.9	-2.1	18.0	16.4	-8.8	-1.5	-12.8	1.1	6.0	47.9
Operational risk	28.9	12.9	12.7	12.3	-0.2	-13.6	13.4	0.3	13.9	-0.1	-14.4	46.0
<b>III. Corporate Loans</b>												
<b>How did the standards for approval of corporate loan applications change within the last quarter?</b>												
Total	-2.2	-1.9	17.4	3.7	-1.1	12.1	19.4	-2.6	0.3	14.8	-4.0	34.0
Loans to SMEs	-5.1	13.5	1.4	-8.6	-12.2	-8.5	8.9	-8.1	-4.7	-6.7	-14.7	27.3
Loans to large enterprises	1.9	1.2	17.5	5.3	-1.0	14.2	19.4	-2.7	2.6	13.3	-3.8	34.2
Short-term loans	-3.9	-2.6	16.8	-2.1	-3.1	3.1	12.4	-5.2	-2.2	0.4	2.7	34.3
Long-term loans	6.1	11.6	20.2	4.9	1.2	12.5	20.5	-2.5	0.5	12.3	-2.5	36.3



1	2	3	4	5	6	7	8	9	10	11	12	13
Loans in domestic currency	-3.8	-2.6	16.7	-3.0	0.3	6.0	18.2	-3.9	-2.9	11.8	-11.0	24.5
Loans in foreign currency	6.8	13.3	20.7	-0.7	-0.7	6.6	16.1	0.7	3.0	4.3	-0.8	38.5
<b>What was the impact of the factors listed below on changes in standards for approval of corporate loan applications within the last quarter?</b>												
Bank's capitalization	12.4	11.6	12.4	-7.1	1.1	0.8	12.8	0.1	0.1	-2.7	-2.7	7.1
Bank's liquidity position	-0.4	-1.6	1.9	-9.3	0.4	13.1	5.7	-1.3	0.4	-4.5	-5.5	1.9
Competition with other banks	-17.9	-15.3	-3.1	-10.3	-11.9	-6.5	-0.8	-1.8	-3.1	-13.1	-9.3	-7.3
Competition with non-bank institutions	0.0	0.4	0.4	0.4	0.4	0.4	0.0	0.0	-0.1	-13.2	0.1	0.0
Expectations of general economic activity	-13.3	1.5	4.9	-5.3	-0.2	1.8	15.5	0.3	2.8	-3.5	-9.3	24.6
Inflation expectations	-1.2	-0.9	6.6	8.9	-1.3	4.8	9.3	0.5	0.4	0.4	-9.7	28.2
Exchange rate expectations	8.4	4.8	9.7	11.0	1.9	13.4	16.7	1.9	2.2	1.2	-8.8	40.2
Expectations of industry or a specific enterprise development	-12.4	-6.6	3.3	0.6	-9.2	7.0	2.9	-0.7	-1.0	-2.1	-2.3	32.5
Collateral risk	-3.1	-3.0	-3.3	0.9	2.0	8.2	13.4	0.3	2.2	13.8	-0.5	10.4
<b>What changes do you expect in the standards for approval of corporate loan applications over the next quarter?</b>												
Total	-8.8	-10.4	6.4	5.3	-1.3	12.5	-5.0	0.4	1.1	-23.0	-9.7	70.4
Loans to SMEs	-12.9	0.4	-4.4	-14.4	-10.9	-5.2	-12.7	-2.4	-1.6	-26.4	-28.1	64.5
Loans to large enterprises	-0.1	-10.7	12.9	6.1	-0.1	12.6	-2.3	0.4	2.5	-13.9	-14.2	68.9
Short-term loans	-4.4	-16.4	3.5	-13.5	-3.2	8.0	-8.6	-3.2	-2.4	-21.3	-24.3	61.0
Long-term loans	-6.0	-9.3	15.3	8.2	2.9	16.0	1.9	0.8	1.6	-14.3	0.6	73.4
Loans in domestic currency	-9.1	-15.0	4.7	-12.1	-2.1	13.1	0.3	-3.1	-3.3	-21.4	-24.3	59.8
Loans in foreign currency	1.8	-1.7	16.0	7.9	2.6	7.4	-2.7	3.9	4.9	-1.1	-2.1	72.3
<b>How did the approval rate of corporate loan applications change within the past quarter?</b>												
Total	12.6	16.4	-2.5	-4.1	1.3	-7.3	-11.7	-0.3	1.6	0.0	8.0	-30.3
Loans to SMEs	19.9	10.9	22.5	9.4	10.3	-2.5	-0.5	7.4	9.1	5.7	12.4	-23.0
Loans to large enterprises	11.3	13.9	2.3	-4.3	1.2	-8.1	-20.6	-4.2	0.4	0.0	2.1	-38.1
Short-term loans	13.3	17.3	-1.6	2.8	2.7	-11.0	-6.4	3.8	3.0	-1.6	7.8	-21.8
Long-term loans	9.8	7.2	-6.0	1.1	-0.7	-11.7	-19.9	-2.8	1.6	-0.8	0.3	-41.4
Loans in domestic currency	18.5	17.4	3.9	3.3	2.3	-13.8	-5.8	2.5	2.9	-0.1	7.9	-23.3
Loans in foreign currency	2.3	0.6	-6.2	1.2	1.2	-4.5	-15.4	-2.7	0.2	-1.6	0.2	-41.4
<b>How did price and non-price terms of corporate loans change within the past quarter?</b>												
Total												
Interest rates (increase – stricter conditions)	-33.6	-38.3	0.4	11.1	-6.0	27.7	35.2	11.9	-5.6	-23.9	-36.5	-35.8
Changes in non-interest rate	-1.4	-7.1	0.1	-0.1	0.0	0.4	0.0	0.2	0.0	-0.3	-0.1	2.7
Loan or facility amount	-3.3	-0.1	5.2	4.1	-2.4	-1.0	1.6	-3.7	-2.1	-1.3	-8.6	28.9
Collateral eligibility requirements	-1.0	-2.7	15.1	-6.4	0.3	2.0	15.0	-0.9	0.0	0.4	-0.8	3.8
Restrictions imposed by the loan agreement on the borrower	23.7	19.4	3.1	12.0	3.5	1.0	10.2	2.0	1.0	0.2	0.2	5.3
Loan maturity	-8.1	0.9	0.8	-0.6	0.2	0.9	1.4	1.4	-0.1	0.0	-13.6	3.2
Small- and medium-sized enterprises (SMEs)												
Interest rates (increase – stricter conditions)	-39.9	-31.6	-26.6	-3.5	5.1	22.6	32.4	3.4	-9.3	-24.5	-47.8	-44.4
Changes in non-interest rate	5.3	-1.1	-6.5	-2.4	0.0	0.5	0.0	0.2	-0.1	-0.3	-0.2	3.2
Loan or facility amount	3.0	0.0	-18.9	-5.1	0.0	7.9	0.2	-2.5	-7.8	-1.4	-8.4	20.1
Collateral eligibility requirements	-3.6	9.9	7.6	-6.4	-4.2	2.0	8.1	1.7	-10.1	-2.4	11.2	18.2
Restrictions imposed by the loan agreement on the borrower	17.7	11.3	5.2	12.1	3.6	-4.6	0.8	0.9	1.0	0.2	0.2	-3.3
Loan maturity	-1.9	0.9	-5.7	-0.6	0.1	0.6	0.1	-7.1	-7.0	0.0	-15.5	0.0
Large enterprises												
Interest rates (increase – stricter conditions)	-33.4	-38.2	0.3	11.5	-5.9	26.0	33.9	13.6	-5.5	-10.7	-18.7	-34.0
Changes in non-interest rate	-1.4	-7.1	0.1	0.0	0.0	0.5	0.0	0.2	0.0	-0.1	-0.2	2.7
Loan or facility amount	-3.0	-0.1	5.3	4.2	-2.5	-1.0	1.6	-3.7	-1.6	0.1	-1.0	27.4
Collateral eligibility requirements	5.4	-2.9	13.9	-5.7	1.0	2.6	15.8	-0.2	1.0	0.5	-0.6	3.8
Restrictions imposed by the loan agreement on the borrower	24.1	19.4	3.1	18.7	3.5	1.0	10.3	2.0	1.2	0.2	0.2	5.3
Loan maturity	-6.3	2.4	-5.6	-0.6	0.2	0.9	1.4	0.2	0.1	0.0	-0.1	3.2
<b>How the corporate sector's demand changed within the last quarter, disregarding the seasonal changes?</b>												
Total	22.4	13.9	26.6	9.0	14.5	23.1	24.4	12.3	12.8	14.3	29.1	4.3
Loans to SMEs	25.1	18.2	21.2	16.5	20.8	19.4	11.9	5.5	9.2	16.5	29.8	-5.2
Loans to large enterprises	14.4	13.5	17.4	-1.5	0.1	10.4	22.0	11.0	8.5	12.2	6.0	-1.8
Short-term loans	22.4	14.9	24.4	4.5	16.4	23.3	23.1	10.3	10.7	20.8	23.1	6.8

1	2	3	4	5	6	7	8	9	10	11	12	13
Long-term loans	12.8	10.8	20.5	12.7	9.7	10.3	22.4	12.7	9.6	14.9	22.8	-7.7
Loans in domestic currency	22.4	13.9	26.2	5.5	11.8	23.9	23.3	10.6	13.4	17.8	28.3	3.4
Loans in foreign currency	1.4	2.4	12.8	7.0	8.4	7.8	3.6	8.0	7.2	6.8	7.1	-16.7

**What was the impact of the factors listed below on changes in corporate demand for loans within the last quarter?**

Interest rates	21.1	19.7	6.8	-5.5	0.8	-3.4	-5.7	-4.4	-2.3	23.5	29.0	10.6
Capital investment needs	20.6	13.4	15.1	14.2	9.0	8.8	20.6	11.5	6.7	24.2	20.8	13.2
Working capital needs	23.8	24.2	23.8	19.7	17.8	27.9	22.7	17.6	18.4	27.7	22.2	21.9
Debt restructuring	20.6	15.2	7.2	-1.2	4.3	9.2	13.6	3.5	6.9	0.9	3.9	17.7
Internal financing	8.2	-4.4	-5.6	-2.9	9.1	5.4	-1.1	1.0	-2.0	-15.3	11.3	-3.6
Loans from other banks	-10.0	2.2	-9.7	-10.9	-5.5	-7.5	-5.8	-5.4	-4.2	-18.0	-2.4	-4.8
Assets sale	1.5	0.0	0.0	0.0	0.0	0.0	0.0	2.7	0.0	0.0	0.0	0.0

**How will the corporate demand for loans change over the next quarter, disregarding the seasonal changes, in your opinion?**

Total	39.3	40.6	30.2	35.5	21.5	17.6	12.9	25.8	21.3	25.7	31.0	-12.0
Loans to SMEs	36.7	34.2	34.5	40.3	33.0	17.3	31.0	28.9	27.4	35.6	38.9	-18.8
Loans to large enterprises	31.0	30.9	18.4	27.6	15.9	10.5	5.8	22.6	11.0	14.3	8.5	-13.3
Short-term loans	41.7	41.8	26.4	37.4	21.7	18.1	17.3	30.6	23.6	29.1	33.2	-12.5
Long-term loans	34.0	27.6	20.1	25.6	6.5	7.4	9.4	20.0	13.7	13.4	23.9	-21.6
Loans in domestic currency	41.1	39.4	33.1	37.5	21.7	18.1	17.2	24.3	18.8	37.9	28.6	-12.8
Loans in foreign currency	16.2	19.1	-2.2	14.8	4.1	1.8	6.5	-2.2	14.3	6.0	9.8	-40.4

**How do you assess corporates' leverage in the past quarter?**

Total	16.5	1.0	11.4	11.0	6.6	5.0	9.7	17.3	10.2	6.0	1.3	2.0
SMEs	10.0	-10.8	-10.9	-10.6	-2.5	-11.1	-14.4	-1.3	-15.3	-16.6	-0.2	-8.4
Large enterprises	28.1	19.2	10.5	23.5	21.9	19.2	23.3	25.8	13.1	14.3	9.7	4.1

**IV. Loans to households****How did the standards for approval of retail loan applications changed within the last quarter?**

Mortgages	-6.7	-6.9	-27.6	-3.1	-9.5	0.1	0.6	0.3	0.1	-2.4	26.0	24.7
Consumer loans	-13.5	17.6	-26.4	-4.4	-16.6	9.8	-1.1	-13.1	-0.2	-1.3	-12.8	24.6

**What was the impact of the factors listed below on changes in standards for approval of retail loan applications within the last quarter?**

Cost of funding and balance sheet restrictions	-4.2	-22.5	-19.5	-1.5	-0.8	0.0	5.8	-2.4	-2.6	-3.8	-5.2	13.6
Competition with other banks	-10.3	-15.5	-17.3	-33.4	-22.0	-10.5	-3.8	-7.5	-12.0	-2.2	-13.1	-5.4
Competition with non-bank institutions	-3.7	-4.0	-4.1	-18.0	0.3	0.0	-1.2	-4.0	-0.1	-2.7	-1.5	0.0
Expectations of general economic activity	-4.7	-12.2	-13.1	-14.7	-7.5	-5.4	8.5	-7.1	-5.1	-22.0	-3.9	46.2
Inflation expectations	-1.9	-6.0	-3.9	-8.6	-2.0	-1.6	-0.1	0.0	0.1	-17.2	-2.8	32.6
Exchange rate expectations	0.4	-6.0	-2.0	0.1	0.7	1.1	1.4	0.0	0.1	-0.1	-1.5	33.3
Real estate market expectations	-4.0	-1.9	0.0	-4.5	-1.9	-0.2	-0.1	0.0	-1.8	-17.5	-0.2	0.4
Borrowers' solvency expectations	-7.8	-2.9	-14.1	6.4	2.1	-4.4	-3.0	-4.9	-9.5	-23.9	-6.5	64.5

**What changes do you expect in the standards for approval of retail loan applications over the next quarter?**

Mortgages	-5.2	-12.3	-9.5	-4.0	-5.1	-3.4	3.4	-4.4	-4.0	-5.0	23.8	54.7
Consumer loans	-10.8	-8.3	-24.9	-23.3	-12.8	8.0	-0.6	-9.9	-2.6	-11.1	-9.8	67.8

**How did the rate of approval of retail loan applications change within the past quarter?**

Mortgages	7.3	6.8	28.4	3.8	2.5	2.2	-2.3	0.4	0.0	-0.7	0.1	-22.4
Consumer loans	23.9	7.3	35.7	16.1	14.7	12.2	11.3	22.9	5.2	0.7	13.9	-25.2

**How did price and non-price terms of retail loan change within the past quarter?**

Mortgages												
Interest rates on loans	-7.5	-13.4	-28.0	-3.5	-3.5	4.3	10.7	6.6	24.1	-2.5	-7.2	-49.2
Collateral eligibility requirements	19.8	0.1	-24.4	3.2	-17.2	-1.8	1.0	0.0	25.1	0.0	0.0	0.4
Loan maturity	0.0	-0.1	0.4	0.3	0.0	0.0	-0.3	0.0	0.0	0.0	0.0	0.4
Changes in non-interest rate	0.0	0.0	0.0	2.2	0.0	3.1	3.2	0.0	0.2	0.0	0.0	-1.8
Loan-to-value ratio (LTV)	0.2	0.1	0.0	-0.3	-1.7	-0.6	1.0	0.0	0.1	-0.4	0.0	0.4
Consumer loans												
Interest rates on loans	-20.9	-21.1	-28.5	-13.7	-13.2	-2.3	7.6	0.8	12.8	-2.1	-11.7	-3.8
Collateral eligibility requirements	-0.1	-2.2	-17.9	-6.9	-2.8	13.5	-1.0	0.0	17.8	0.0	0.0	0.3
Loan maturity	-7.7	-3.1	-3.5	-12.5	-8.3	-32.8	-1.6	-2.9	-4.3	-2.2	-3.1	0.3
Changes in non-interest rate	-1.1	-5.4	-3.7	-5.2	-1.5	-9.7	1.0	-0.9	-1.3	-1.6	-0.5	-1.7
Loan amount	-18.3	-22.4	-9.1	-19.5	-35.9	3.8	-4.8	-3.8	9.8	-0.9	-9.6	21.7

**How did the households' demand for loans change in the past quarter (not seasonally adjusted)?**

Mortgages	42.8	37.4	32.4	25.2	32.7	10.5	-1.2	0.6	1.9	1.6	2.0	-60.2
Consumer loans	45.7	4.6	35.0	40.1	46.7	7.4	26.6	36.8	30.0	10.0	28.5	-30.1



	1	2	3	4	5	6	7	8	9	10	11	12	13
<b>What was the impact of the factors listed below on changes in households' demand for loans in the past quarter?</b>													
Mortgages													
Interest rates		10.5	14.3	32.1	3.6	3.7	0.3	-0.5	3.3	-25.0	27.2	4.5	9.2
Real estate market outlook		15.2	15.4	5.1	7.4	12.9	12.7	8.6	1.0	0.6	25.1	22.0	-14.1
Consumer confidence		8.9	8.4	7.8	6.8	8.8	0.1	-6.5	-2.1	2.3	24.4	26.0	-58.6
Households savings		7.6	3.2	3.6	6.9	7.0	3.9	6.8	4.4	3.7	2.7	3.0	-56.2
Loans from other banks		0.9	2.7	-3.4	1.3	-2.4	0.0	-8.0	-5.0	-0.4	-24.9	0.1	-18.3
Consumer loans													
Interest rates		24.9	25.8	38.1	9.3	24.3	2.3	3.4	2.3	-13.1	18.1	11.0	-9.6
Consumer confidence		27.2	24.3	16.2	31.0	22.7	19.4	7.2	12.2	22.3	8.7	32.4	-38.0
Spending on durable goods		17.5	10.5	12.1	31.6	14.1	9.6	5.9	8.2	12.3	3.0	9.2	-42.8
FX purchase		9.2	-0.9	-0.9	13.4	5.0	0.5	3.4	2.4	3.6	2.0	2.1	-42.9
Households savings		5.8	4.6	-0.3	32.1	22.4	1.9	5.8	6.3	3.9	2.7	3.2	-37.1
Loans from other banks		-1.6	-9.2	-1.4	-9.4	29.1	12.0	0.8	3.4	0.7	-16.6	-13.2	4.5
<b>How will the households' demand for loans change over the next quarter (not seasonally adjusted), in your opinion?</b>													
Mortgages		34.6	14.9	34.3	27.9	1.6	4.0	5.8	37.7	30.2	26.7	29.7	-56.5
Consumer loans		52.9	39.3	32.0	40.3	24.2	14.0	14.3	45.4	44.3	23.3	16.2	-55.6
<b>How do you assess debt burden on households in the past quarter?</b>													
Total		6.3	6.0	9.0	21.1	7.0	10.2	-3.2	-5.4	-4.0	-2.3	-3.1	-11.4