

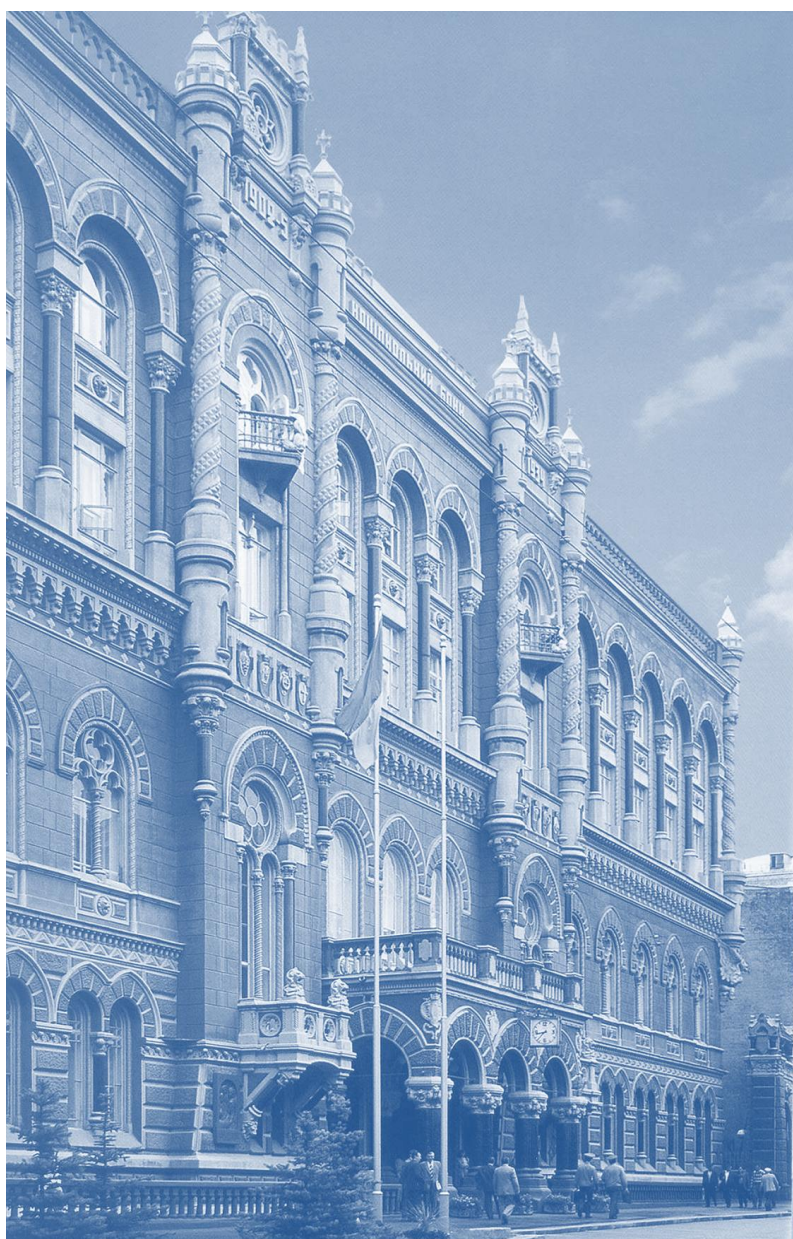
# Lending Survey



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**Q3 2016**

(July 2016)



## Lending Survey

Q3 2016 Issue 7 (19)

The Ukrainian Lending Survey is an analytical report based on a survey of banks performed by the National Bank of Ukraine on a quarterly basis. The objective of this survey is to enhance the understanding of the central bank and other banking sector stakeholders of credit conditions and trends. The survey provides general estimates and forecasts of changes in lending standards and conditions for the corporate sector and households, the demand for borrowing developments, etc.

This survey assesses the state of the credit market in Q2 2016, and gives respondents' expectations for Q3 2016. The credit managers of 66 banks were invited to participate in the survey. Survey answers were provided by 66 banks, or 100% of those contacted. These banks account for 96% of the banking system's total assets. The survey results reflect the assessments of respondents and are not the assessments or forecasts of the National Bank of Ukraine.

The analytical report, questionnaire data and additional information about the survey are available at the official website of the National Bank of Ukraine at [http://bank.gov.ua/control/uk/publish/category?cat\\_id=20231434](http://bank.gov.ua/control/uk/publish/category?cat_id=20231434).

The next Lending Survey on expectations of lending conditions for Q4 2016 shall be released in October 2016.

The report presents the results of lending survey in Q2 2016 and expectations of changes in Q3 2016. The respondents' responses are presented on a consolidated basis as a balance of responses. The balance of responses can be interpreted as the difference between the weighted percentage of respondents who reported an "increase" of a certain indicator, and those who reported a "decrease" of the indicator. The balance of responses can vary within the range of  $\pm 100$ . A positive balance indicates that, on the whole, respondents assess/expect the change of indicator towards to increase/strengthening compared with the previous quarter/ in the following quarter. For more detailed explanation of methodology please refer to the Annex to this report.

## Lending Survey

Q3 2016 Issue 7 (19)

### KEY INDICATORS FOR THE NEXT 12 MONTHS

- Over the next 12 months, banks expect corporate lending to decrease (balance of responses -4%) and retail lending to increase (balance of responses 6%).
- Expectations for improved quality of credit portfolios persist primarily in corporate segment, where sentiments have been optimistic for four consecutive quarters. As before, most banks expect deposit growth, especially in the corporate segment (68% of respondents, balance of responses 40%).

### LENDING CONDITIONS

- Banks reported that in Q2 2016 the standards of corporate lending became tougher compared with Q1 2016, and the most stringent standards were for loans to large enterprises and FX loans. The terms for loans to SMEs and hryvnia loans softened on.
- Collateral risk and exchange rate expectations were the key drivers behind the tightening of standards for corporate loans. Respondents mentioned the positive influence of liquidity and competition with other credit institutions on lending standards.
- Consumer lending standards continued to soften due to expectations for overall economic activity (although, similar expectations led to tightening of standards for corporate loans), increased competition, and easing of inflationary pressure. The standards for mortgage lending remained unchanged.
- Despite moderately tougher standards for corporate lending in Q2 2016, banks expect some loosening in Q3 2016, except for FX lending. Consumer lending standards are expected to soften further, while, according to banks' forecasts, standards for mortgage lending will not change.
- In Q2 2016, respondents reported a decline in the number of approvals in corporate sector application for loans to large enterprises and SMEs, for short-term loans, and FX loans. For the third running quarter, banks have been noting lower interest rates while pointing to tightened non-price conditions for corporate lending.

### DEMAND

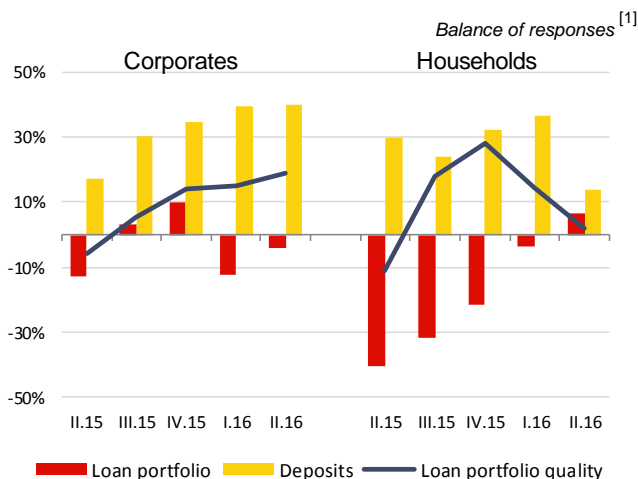
- In Q2 2016, aggregate corporate sector demand for loans grew: the share of responses affirming the demand growth expanded from 45% to 53% (balance of responses 11%). The main reasons remained the lower interest rates, a need for debt restructuring, and borrowers' demand for working capital. As in the previous period, demand for SME loans and hryvnia loans increased the most.
- In Q2 2016, households' demand for both consumer loans and mortgages increased further on due to lower interest rates and rising expenses on durable goods.
- In Q3 2016, banks expect higher demand for both corporate and retail loans. Growth is mainly expected in the short-term loans, corporate hryvnia loans, and consumer loans.

### RISKS

- In Q2 2016, credit risk rose (balance of responses 20%). Liquidity and interest rate risks slid down, as well as FX risk. For the next quarter, banks forecast growth of FX, credit, and operational risks (balances of responses 20%, 19%, and 17%, respectively).

## I. Expectations for the next 12 months: key indicators

**Figure 1.** Expected change in key bank indicators over next 12 months.

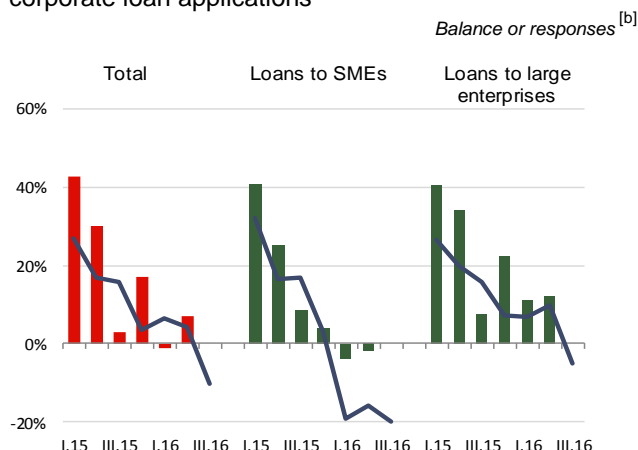


[1] A positive balance of responses indicates the expectations of growth for the respective indicator.

For the second quarter in a row, banks generally expect corporate lending to decrease. In Q2 2016, 62% of respondents expected corporate portfolios to augment, but, due to negative expectations of some large banks, the balance of responses was negative (-4%). Over the next 12 months, respondents expect growth in retail credit portfolios and improvements in their corporate loan portfolios (19%). Expectations for growth of corporate deposits are upbeat and continue to grow for the fifth quarter in a row, but respondents grew less optimistic about household deposits growth, with the balance of responses 14% versus 37% in the previous quarter (Figure 1).

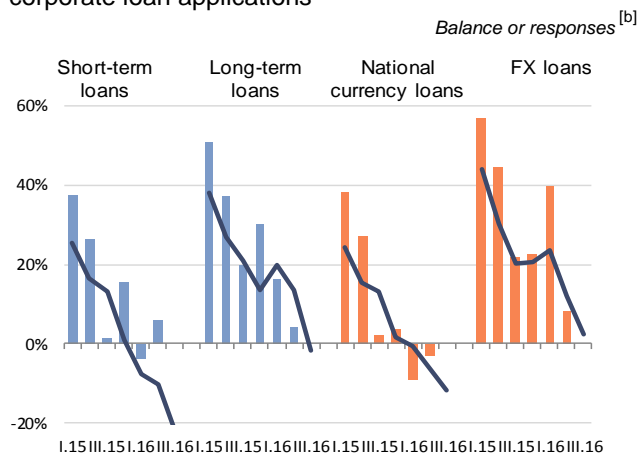
## II. Corporate Loans

**Figure 2.** Changes in standards of approval of corporate loan applications [a]



[a] Hereinafter the bars show the balance of responses for the previous quarter. The dark lines - the balance of responses of expectations for the next quarter.  
 [b] The positive balance of responses indicates tightening of the standards for loan application approval.

**Figure 3.** Change of standards for approval of corporate loan applications



[b] The positive balance of responses indicates tightening of the standards for loan application approval.

In Q2 2016, corporate lending standards became stricter in general (Figure 2). In particular, the standards for short-term loans, loans to large enterprises, and FX loans tightened. The terms for SME loans and hryvnia loans further softened, though insignificantly.

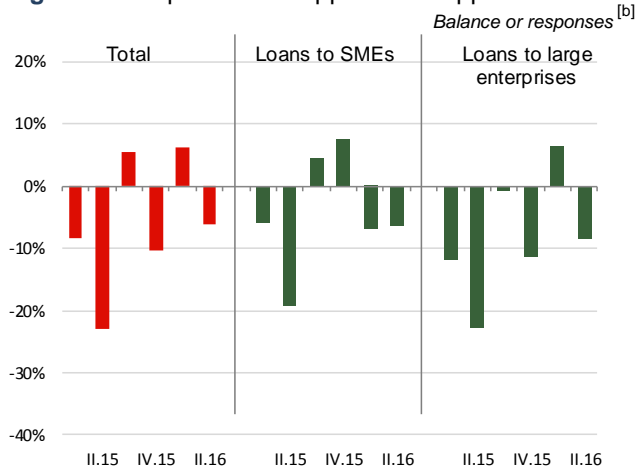
Despite moderate tightening of standards for corporate loans in Q2 2016, banks expect some softening for SME loans, short-term loans, and hryvnia loans in Q3 2016.

Collateral risk and exchange rate expectations were the key drivers behind tightening of lending standards. However, the impact of exchange rate expectations has reduced appreciably compared to the first quarter (balance of responses 11% versus 26%). Liquidity and competition were the factors that caused increased availability of loans (Detailed findings of the influence of specific factors are listed in Section III of the Annex hereto).

In Q2 2016, the approval rates for corporate loan applications on the whole decreased for all types of loans, except for hryvnia loans (Figures 4 and 5).

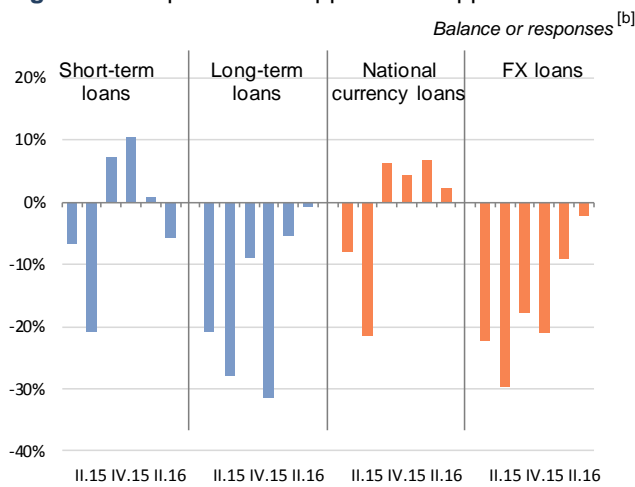
Banks reported tightening of all non-price lending conditions for the corporate sector, particularly on collateral eligibility requirements and loan agreements restrictions. For the third running quarter, banks have been recording the falling

**Figure 4. Corporate loan applications approval rate**



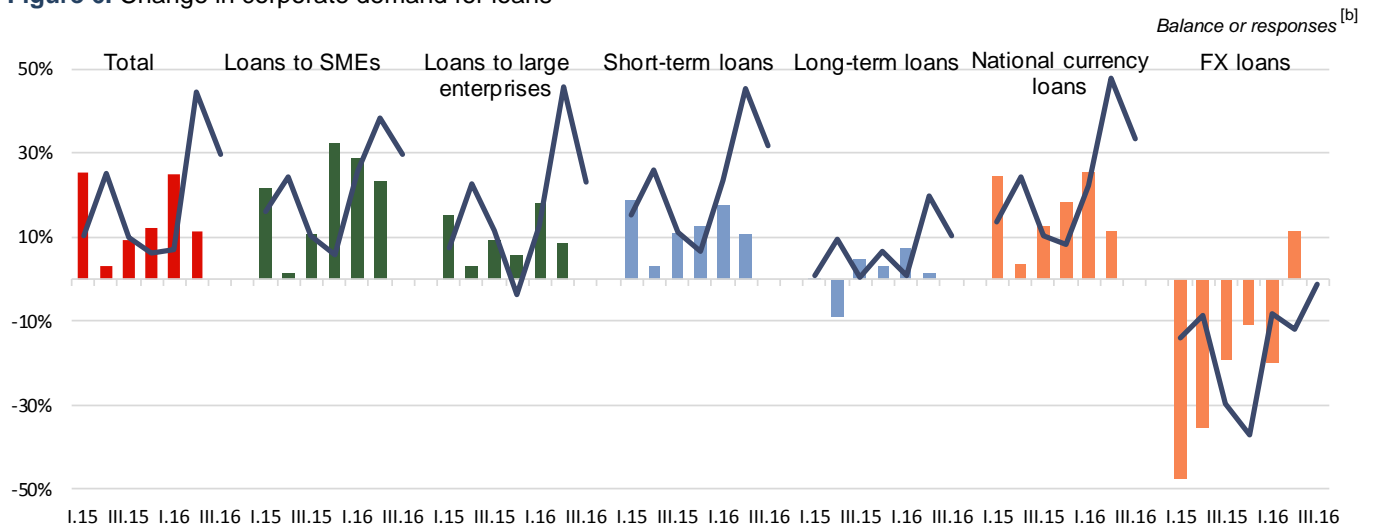
[b] A positive balance of responses indicates an increase in the loan application approval rate.

**Figure 5. Corporate loan applications approval rate**



[b] A positive balance of responses indicates an increase in the loan application approval rate.

**Figure 6. Change in corporate demand for loans**



[b] A positive balance of responses indicates an increase in demand.

interest rates (Section III of the Annex).

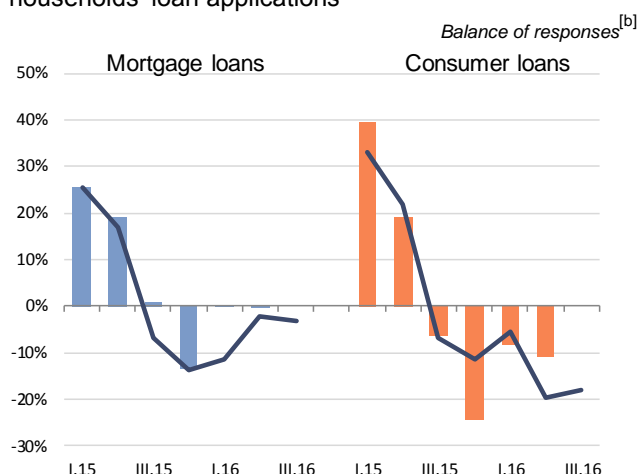
In Q2 2016, 53% of respondents reported increased demand for loans (versus 45% in Q1 2016). Demand for SME loans and hryvnia loans increased the most (Figure 6). Demand for FX loans increased for the first time since Q4 2013. The key drivers behind increased demand were lower interest rates, working capital needs, and the need for debt restructuring (Section III of the Annex hereto).

Optimistic prospects for increased demand of loans in the previous quarter turned into moderate growth expectations for all types of corporate loans – long-term loans, short-term loans, loans to large enterprises and to SMEs, and hryvnia loans. Banks still expect a slight fall in demand for FX loans, though these expectations are less pessimistic than in previous periods.



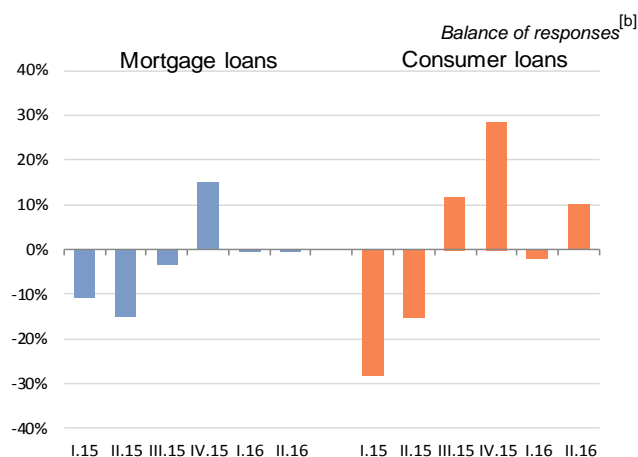
### III. Loans to households

**Figure 7.** Change in standards for approval of households' loan applications



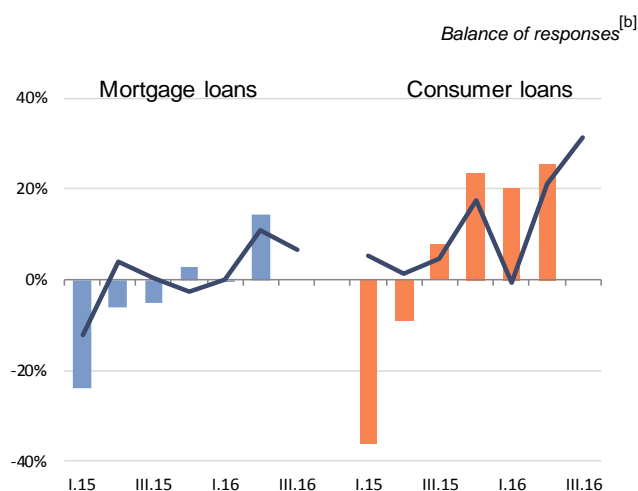
[b] A positive balance of responses indicates tightening of the standards for loan application approval.

**Figure 8.** Change in the number of approved household loan applications



[b] A positive balance of responses indicates an increase in the loan application approval rate.

**Figure 9.** Change in demand for household loans



[b] A positive balance of responses indicates an increase in demand for loans.

The standards for consumer lending eased in Q2 2016, as reported by 22% of banks-respondents, while 68% reported no changes in the standards (the balance of responses was -11%). Unlike consumer lending standards, mortgage lending actually remained unchanged (balance of responses - 1%). Banks project the persistence of this trend in Q3 2016 (Figure 7).

Consumer lending standards softened mainly due to economic activity expectations, increased competition, and improved solvency of consumers. As mortgage segment is stagnating, almost 100% of respondents reported no changes in the influence from factors (Section IV of the Annex).

In Q2 2016, 22% of respondents noticed a slight increase in the approval rate of consumer lending applications, while in mortgage lending the applications approval rate has not changed for two quarters running (Figure 8). The price conditions for mortgages loosened significantly, while consumer lending saw the major easing of non-price conditions, in particular, the loan maturity and amount.

According to banks' assessments, households' demand for loans went up, with balances of responses being 14% for mortgage lending and 26% for consumer lending. Higher demand for mortgages in Q2 2016 was largely due to lower interest rates. The increased demand for consumer lending reflected interest rate changes and a rise of expenses on durable goods (Figure 9 and Section IV of the Annex).

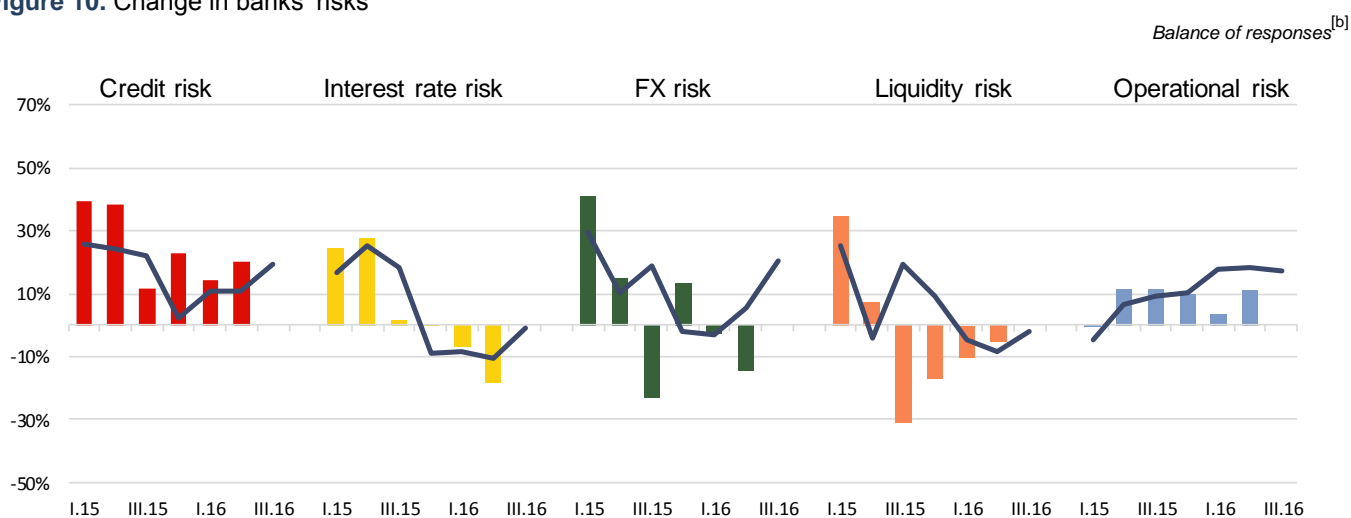
Banks expect an increase in demand for consumer loans in Q3 2016 (54% of banks, balance of responses 31%). Banks also expect a gradual revival of demand for mortgages, although less significant than for consumer loans (33% of banks, balance of responses 7%).

### IV. Risk assessment

In Q2 2016, the credit risk increased on (27% of respondents, balance of responses 20%). Liquidity and interest rate risks went down. Owing to stabilization of the hryvnia exchange rate, the FX risk decreased, although banks forecasted its rise previously. According to respondents, operational risk slightly rose.

Over the next quarter, banks project higher FX, credit, and operational risks (balances of responses 20%, 19%, and 17%, respectively) (Figure 10).

Figure 10. Change in banks' risks



[b] A positive balance of responses indicates an increase in risks.

## Questionnaire results

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 the responses are presented in 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:

- credit standards are the internal regulations and criteria governing the lending policies of a bank;
- credit conditions are the terms and conditions of a loan agreed to between the bank and the 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. For instance, 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 business entities/individuals 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. More details on the interpretation of the BR for each question are indicated in the respective notes to the figures.

For the questionnaire's data in Excel, please, refer to the official website of the National Bank of Ukraine at [http://bank.gov.ua/control/uk/publish/category?cat\\_id=20231434](http://bank.gov.ua/control/uk/publish/category?cat_id=20231434).

	Balance of responses											
	2013		2014			2015				2016		
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	
<b>I. Expectations for the next 12 months: key indicators</b>												
<b>How, in your opinion, will the following business entity indicators change in your bank over the next 12 months?</b>												
Credit Portfolio	—	—	—	—	—	-18.0	-12.9	3.2	9.7	-12.2	-4.2	
Deposits	—	—	—	—	—	7.0	17.2	30.4	34.9	39.3	40.2	
Loan Portfolio Quality	—	—	—	—	—	-9.2	-5.6	5.2	13.9	15.1	19.1	
<b>How, in your opinion, will the following indicators of households change in your bank over the next 12 months?</b>												
Credit Portfolio	—	—	—	—	—	-44,2	-40,3	-31,6	-21,5	-3.6	6.4	
Deposits	—	—	—	—	—	11,1	29,9	23,8	32,4	36.6	13.9	
Loan Portfolio Quality	—	—	—	—	—	-28,3	-11,0	18,1	28,4	14.4	1.8	
<b>II. Risk assessment</b>												
<b>How did the risks for your bank change within the past quarter?</b>												
Credit Risk	-3.1	37.6	37.9	37.6	37.0	39.5	38.5	11.4	23.0	14.5	20.0	
Interest Rate Risk	11.1	38.3	19.4	37.0	25.0	24.3	27.9	1.5	0.1	-7.1	-18.1	
FX Risk	14.1	64.3	44.4	60.5	46.0	41.2	15.0	-23.3	13.3	-2.8	-14.7	
Liquidity Risk	16.1	38.1	31.6	2.6	19.5	34.7	7.6	-30.9	-17.3	-10.4	-5.7	
Operational risk	-1.1	-2.3	20.1	21.7	2.3	-0.1	11.6	11.6	10.1	3.9	10.9	
<b>What changes do you expect in the risks for your bank over the next quarter?</b>												
Credit risk	2.5	19.6	22.8	27.9	25.9	24.4	22.3	2.2	10.9	10.9	19.4	
Interest rate risk	-5.0	15.6	13.5	8.0	16.9	25.1	18.5	-8.9	-8.4	-10.4	-1.0	
FX risk	5.7	42.3	-15.1	29.5	29.7	10.5	18.9	-2.0	-3.2	5.3	20.3	



	Balance of responses										
	2013		2014			2015			2016		
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Liquidity risk	-3.6	13.4	-6.1	27.1	25.1	-3.9	19.4	9.0	-4.9	-8.4	-1.9
Operational risk	-6.0	-6.8	-7.4	0.3	-4.5	6.6	9.2	10.3	18.0	18.1	17.0
<b>III. Corporate Loans</b>											
<b>How did the standards for approval of corporate loan applications change within the past quarter?</b>											
Total	11.3	50.0	56.0	47.1	47.3	42.7	30.2	3.1	16.9	-0.9	7.1
Loans to small and medium-sized enterprises	0.8	48.2	55.5	45.5	46.4	40.6	25.2	8.5	4.2	-3.9	-1.8
Loans to large enterprises	13.2	39.2	30.2	38.5	35.6	40.4	34.3	7.3	22.2	11.0	12.2
Short-term loans	4.6	45.3	33.5	41.6	43.3	37.4	26.4	1.3	15.5	-3.6	5.8
Long-term loans	18.1	51.8	41.2	42.7	38.9	50.8	37.2	19.7	30.1	16.5	4.1
Loans in domestic currency	5.4	43.7	37.9	41.7	44.0	38.4	27.2	2.2	3.8	-9.0	-2.9
Loans in foreign currency	17.0	52.8	47.0	51.7	52.0	56.8	44.3	21.9	22.5	39.6	8.1
<b>What was the impact of the factors listed below on changes in standards for approval of corporate loan applications within the past quarter?</b>											
<i>Bank's capitalization</i>	2.4	33.0	28.8	33.1	22.8	26.9	13.5	6.1	13.2	6.5	6.4
<i>Bank's liquidity position</i>	10.3	36.2	23.3	23.6	23.7	22.8	23.8	6.5	7.2	-7.1	-0.9
<i>Competition with other banks</i>	-6.5	1.5	-0.2	-10.5	-5.9	14.6	0.0	-5.5	-0.5	-10.9	-1.0
<i>Competition with non-banks</i>	0.0	8.6	0.7	3.2	3.8	3.6	0.2	0.9	2.1	-1.1	3.2
<i>Expectations of general economic activity</i>	22.9	62.1	59.3	53.6	49.4	48.9	45.1	33.1	35.5	3.8	9.9
<i>Inflation expectations</i>	12.9	52.2	41.0	47.6	38.1	34.9	36.2	35.3	48.6	20.8	7.9
<i>Exchange rate expectations</i>	22.1	65.8	62.6	64.8	53.1	45.9	46.6	38.7	41.7	26.9	11.1
<i>Expectations of industry or a specific enterprise development</i>	12.9	42.0	31.4	42.0	34.1	29.3	37.2	32.9	27.4	-7.6	7.7
<i>Collateral risk</i>	14.3	34.6	24.2	36.5	29.2	26.5	34.1	33.3	23.2	14.3	13.5
<b>What changes do you expect in the standards for approval of corporate loan applications over the next quarter?</b>											
Total	3.5	35.6	26.5	26.5	26.8	16.8	15.9	3.4	6.6	4.1	-10.4
Loans to small and medium-sized enterprises	-0.2	33.9	25.4	25.8	32.0	16.6	16.7	3.3	-19.3	-15.7	-19.8
Loans to large enterprises	4.4	37.4	26.3	30.5	26.5	19.8	15.8	7.3	6.7	9.9	-5.1
Short-term loans	2.2	31.0	24.5	19.6	25.4	16.4	13.2	1.0	-7.6	-10.3	-22.0
Long-term loans	12.0	46.2	34.7	31.0	38.2	27.0	21.1	13.6	20.0	13.6	-1.6
Loans in domestic currency	1.3	30.6	22.6	20.7	24.3	15.2	13.1	1.8	-0.7	-6.2	-11.8
Loans in foreign currency	8.7	53.9	28.3	31.8	44.0	30.2	20.1	20.6	23.6	12.1	2.3
<b>How did the level of approval of corporate loan applications change within the past quarter?</b>											
Total	-6.2	-33.5	-20.7	-29.5	-18.2	-8.4	-22.8	5.5	-10.3	6.3	-6.3
Loans to small and medium enterprises	-0.3	-31.5	-16.3	-20.9	-12.9	-5.8	-19.2	4.6	7.5	-6.8	-6.4
Loans to large enterprises	-2.9	-31.2	-20.0	-27.9	-18.3	-11.7	-22.6	-0.6	-11.3	6.6	-8.4
Short-term loans	-1.2	-22.0	-14.8	-21.3	-12.8	-6.7	-20.6	7.1	10.5	0.7	-5.6
Long-term loans	-7.7	-46.2	-32.7	-31.3	-27.4	-20.8	-28.0	-8.9	-31.4	-5.5	-0.7
Loans in domestic currency	-0.9	-23.4	-11.8	-16.9	-13.0	-8.0	-21.4	6.1	4.3	6.6	2.3
Loans in foreign currency	-11.3	-48.9	-25.9	-42.9	-26.1	-22.1	-29.6	-17.8	-20.9	-9.2	-2.2
<b>How did price and non-price conditions of approval of applications for loans to corporates change within the past quarter?</b>											
<i>Interest rates (increase - tighter conditions, decrease - softer conditions)</i>											
Total	26.7	39.4	29.2	31.7	30.6	58.7	43.3	10.5	-19.8	-25.7	-22.3
SMEs	18.9	41.2	30.9	30.9	30.2	60.1	39.4	10.0	-20.7	-19.1	-25.5
Large enterprises	25.4	39.1	28.5	30.9	30.8	59.8	42.8	11.1	-13.6	-30.9	-15.3
<i>Changes in non-interest rate payments</i>											
Total	3.6	15.6	12.0	9.1	16.8	11.6	6.7	1.5	2.0	4.6	2.9
SMEs	3.6	15.8	11.6	7.3	16.0	11.0	5.4	1.5	-3.9	3.7	3.2
Large enterprises	3.6	14.2	11.6	9.2	15.4	13.0	7.7	1.5	1.4	4.8	3.2
<i>Loan or facility amount</i>											
Total	6.5	32.8	29.7	44.0	39.7	45.6	27.8	16.4	13.8	3.1	1.1
SMEs	1.5	30.4	24.6	34.6	36.7	33.2	24.3	4.0	8.3	5.3	-1.8

	Balance of responses										
	2013		2014			2015				2016	
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Large enterprises	6.4	23.9	29.7	43.9	38.6	48.2	27.8	17.5	14.0	3.5	1.6
<i>Collateral eligibility requirements</i>											
Total	9.2	30.1	32.8	32.3	30.0	35.1	29.5	27.1	17.9	8.3	8.5
SMEs	12.2	30.0	32.1	26.2	27.9	36.1	25.6	26.5	17.0	18.9	9.9
Large enterprises	9.3	30.0	32.9	32.2	28.6	37.5	29.5	16.2	18.2	8.2	8.3
<i>Restrictions imposed by the loan agreement on the borrower</i>											
Total	15.0	27.4	30.6	25.3	29.6	18.2	26.6	13.1	15.7	15.3	9.4
SMEs	15.0	25.8	30.8	20.8	25.8	18.2	21.8	11.6	14.4	14.8	8.9
Large enterprises	15.8	27.4	30.8	27.1	26.8	22.1	26.4	13.1	15.8	15.3	9.5
<i>Loan maturity</i>											
Total	6.8	27.8	21.1	29.0	26.1	25.2	15.7	10.1	7.7	8.7	7.2
SMEs	7.9	23.9	16.0	22.4	21.6	24.1	13.8	10.1	7.8	8.9	3.5
Large enterprises	7.0	24.0	22.1	28.9	23.9	28.7	16.4	12.6	8.1	8.8	7.4
<b>How did the corporates' demand change within the past quarter, disregarding the seasonal changes?</b>											
Total	7.6	15.7	12.7	21.3	19.7	25.5	3.1	9.4	12.3	25.0	11.3
Loans to SMEs	11.6	15.1	10.4	18.8	23.5	21.5	1.6	10.7	32.4	28.7	23.3
Loans to large enterprises	15.4	11.7	14.7	14.8	19.2	14.9	2.9	9.3	5.7	18.1	8.6
Short-term loans	14.7	20.4	18.9	28.0	26.3	18.8	3.3	11.1	12.7	17.7	10.4
Long-term loans	-14.4	-4.2	9.3	-3.9	10.5	0.2	-8.6	4.7	3.2	7.2	1.5
Loans in domestic currency	3.1	22.7	18.0	23.6	25.9	24.4	3.7	12.5	18.4	25.5	11.3
Loans in foreign currency	11.3	-13.0	-15.2	-31.9	-36.3	-47.5	-35.4	-19.0	-10.7	-19.9	11.5
<b>What was the impact of factors listed below on changes in corporate demand for loans within the past quarter?</b>											
Interest rate changes	-16.1	-23.7	-20.4	-10.4	-11.9	-26.0	-32.4	-18.0	2.1	15.2	25.7
Capital needs	2.3	-29.6	-24.6	-18.7	-11.4	-11.1	-0.6	4.9	2.8	14.0	8.3
Working capital needs	5.2	-3.2	0.1	13.8	14.5	28.7	36.2	32.1	22.1	36.7	22.5
Debt restructuring	4.2	10.9	19.0	24.4	15.7	31.4	22.8	19.1	28.2	24.9	12.9
Internal financing	-0.3	-16.5	1.5	2.6	-8.8	4.4	8.1	9.6	4.1	2.3	4.1
Loans from other banks	-3.6	-8.7	3.9	5.7	-2.8	6.8	9.5	4.6	8.5	-6.0	-8.9
Asset sale	-2.3	-9.3	-11.3	-15.0	-13.1	2.0	-1.8	3.2	1.3	2.1	1.9
<b>How will the corporate demand for loans change over next quarter, disregarding the seasonal changes, in your opinion?</b>											
Total	24.7	11.8	16.3	8.2	10.3	25.3	9.9	6.0	7.1	44.4	29.9
Loans to SMEs	20.3	7.2	16.9	5.0	16.3	24.3	10.4	5.8	25.6	38.5	29.6
Loans to large enterprises	15.2	11.7	13.1	5.9	7.3	22.6	11.8	-3.8	12.9	45.6	23.2
Short-term loans	24.4	19.4	15.5	16.3	15.2	26.0	11.3	6.7	23.4	45.5	31.9
Long-term loans	5.4	-5.9	8.4	-4.5	0.8	9.5	0.6	6.7	0.9	20.0	10.2
Loans in domestic currency	26.5	16.7	13.4	14.1	13.7	24.2	10.4	8.5	22.1	48.0	33.4
Loans in foreign currency	-4.6	-17.8	-3.7	-29.5	-14.2	-8.7	-29.7	-36.9	-8.2	-11.9	-1.1
<b>IV. Loans to households</b>											
<b>How did the standards for approval of retail loan applications change within the past quarter?</b>											
Mortgage loans	-0.8	39.2	22.4	12.6	32.3	25.6	19.0	0.9	-13.4	0.2	-0.5
Consumer loans	-4.9	53.3	30.3	34.4	39.6	39.7	19.0	-6.4	-24.5	-8.1	-10.8
<b>What was the impact of the factors listed below on changes in standards for approval of retail loan applications within the past quarter?</b>											
Cost of resources and balance sheet restrictions	—	—	—	—	—	22.9	35.7	6.2	5.0	—	-7.4
Competition with other banks	—	—	—	—	—	-2.2	0.8	-2.2	-15.0	—	-9.8
Competition with non-banks	—	—	—	—	—	0.7	-3.5	0.0	-9.4	—	0.0
Expectations of general economic activity	—	—	—	—	—	41.8	36.0	16.3	-12.7	—	-13.7
Inflation dynamics expectations	—	—	—	—	—	46.2	37.1	19.5	-3.5	—	-6.7
FX rate expectations	—	—	—	—	—	44.0	29.7	13.7	-2.0	—	-3.3
Real estate market expectations	—	—	—	—	—	33.1	20.5	15.5	-10.1	—	-2.9
Consumer solvency expectations	—	—	—	—	—	48.7	46.3	24.8	-8.6	—	-8.1

	Balance of responses										
	2013		2014			2015				2016	
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Collateral risk						25.5	18.1	15.4	1.5	—	-2.7
<b>What changes do you expect in the standards for approval of retail loan applications over the next quarter?</b>											
Mortgage loans	8.7	19.5	8.6	14.6	25.4	17.1	-6.6	-13.9	-11.5	-2.2	-3.3
Consumer loans	-6.0	33.0	8.5	13.9	33.1	21.9	-6.7	-11.2	-5.6	-19.7	-18.1
<b>How did the level of approval of retail loan applications change within the past quarter?</b>											
Mortgage loans	-1.9	-35.1	-16.9	-5.6	-41.0	-10.8	-14.9	-3.3	15.0	-0.1	0.0
Consumer loans	-4.1	-59.2	-41.3	-22.3	-45.3	-28.2	-15.4	11.6	28.7	-2.0	10.2
<b>How did price and non-price conditions of approval of applications for loans to households change within the past quarter?</b>											
<i>Mortgage loans</i>											
Interest rates on loans	-1.0	25.8	16.7	9.5	9.0	19.5	38.0	12.2	-3.9	-2.5	-13.8
Collateral eligibility requirements	9.9	10.6	11.1	4.0	13.2	6.9	4.5	0.8	0.4	0.1	-0.5
Loan maturity	-3.2	2.5	3.4	3.5	0.8	1.7	8.9	0.4	0.5	0.1	0.1
Changes in non-interest rate payments	6.3	1.9	2.9	2.3	0.9	3.6	-1.3	0.0	0.0	0.0	0.0
Loan-to-value ratio	-1.3	7.5	6.1	6.3	12.5	6.0	2.4	0.4	0.2	0.4	-0.5
<i>Consumer loans</i>											
Interest rates on loans	-8.3	21.5	20.3	32.1	14.4	36.6	46.1	3.5	-15.7	-6.0	-6.3
Collateral eligibility requirements	0.6	4.5	5.6	4.5	15.5	6.9	5.1	-0.8	0.2	0.1	0.0
Loan maturity	-7.5	5.3	3.2	6.0	5.0	0.5	4.9	-0.1	-2.5	-2.7	-14.2
Changes in non-interest rate payments	2.4	3.9	6.1	6.1	13.1	10.0	11.1	6.0	-3.8	3.0	-2.9
Loan amount	-5.5	23.3	23.9	8.5	20.5	18.0	7.3	2.6	-11.3	-15.4	-15.6
<b>How did the households' demand change within the past quarter, disregarding the seasonal changes?</b>											
Mortgage loans	-5.4	-29.7	-31.3	-29.3	-34.3	-23.7	-6.1	-5.2	2.8	-0.4	14.3
Consumer loans	18.9	-6.8	-39.5	-17.8	-37.0	-36.1	-9.0	7.7	23.6	20.2	25.7
<b>What was the impact of the factors listed below on changes in households' demand for loans within the past quarter?</b>											
<i>Mortgage loans</i>											
Interest rate changes	0.3	-22.1	-26.4	-5.0	-11.5	-5.7	-15.8	-11.2	-9.7	0.0	11.2
Real Estate Market Outlook	-8.5	-15.1	-4.0	-39.8	-16.0	-11.1	-12.7	-4.2	0.4	0.0	0.5
Consumer confidence	-14.3	-24.1	-25.2	-38.1	-13.0	-38.4	-14.1	-10.0	-0.8	-13.0	0.4
Households savings	9.6	-13.4	-41.2	9.4	-2.5	-22.6	1.1	-10.0	-0.2	-12.5	-2.9
Loans from other banks	8.2	5.7	-0.8	-2.8	-2.7	-3.5	1.2	1.4	0.7	0.1	0.0
<i>Consumer loans</i>											
Interest rate changes	17.6	-18.8	-34.6	-8.9	-14.5	-28.6	-18.9	-7.9	2.7	-7.1	8.9
Consumer confidence	5.4	-22.8	-58.5	-28.8	-20.5	-19.1	-27.5	-4.5	8.1	12.2	8.7
Expenses on long-term use goods	8.9	-2.4	-12.6	-26.5	-19.1	6.8	-5.2	7.4	15.5	23.6	13.1
FX purchase	0.8	18.3	-18.5	-23.5	-4.9	5.9	1.1	4.4	7.8	10.9	8.4
Households savings	9.1	-3.1	-44.2	-25.2	-3.6	-26.0	-1.4	-10.1	2.8	3.6	3.7
Loans from other banks	-6.6	8.8	0.7	-7.9	1.5	-3.0	-1.0	-4.5	5.9	0.0	0.2
<b>How will the households' demand for loans change within the next quarter, disregarding the seasonal changes, in your opinion?</b>											
Mortgage loans	11.2	-23.0	12.9	-19.6	-12.1	4.1	0.3	-2.5	0.0	10.9	6.5
Consumer loans	21.4	-15.8	24.0	-3.3	5.4	1.3	4.5	17.5	-0.5	21.1	31.4