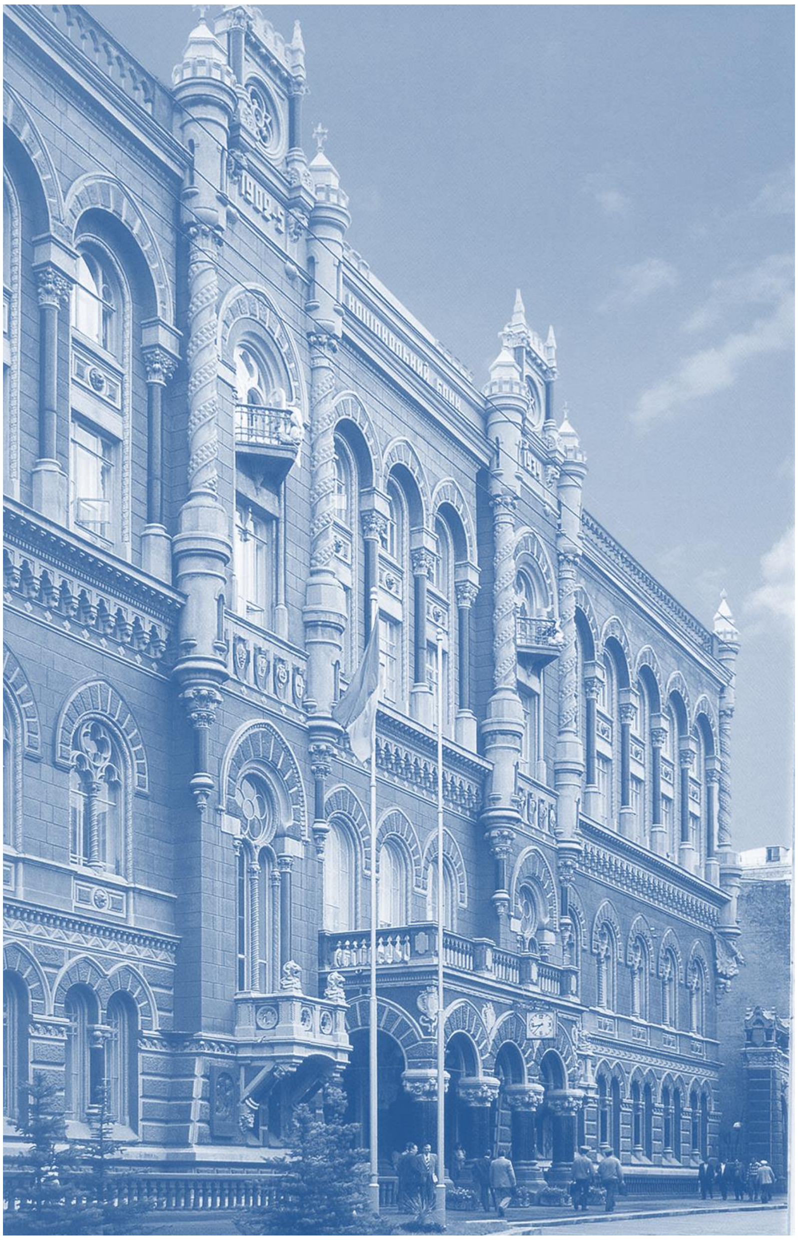
Lending Survey

NATIONAL
BANK
OF UKRAINE

Q4 2016

(October 2016)



Lending Survey

Q4 2016 Issue 8 (20)

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 Q3 2016, and gives respondents' expectations for Q4 2016. The credit managers of 66 banks were invited to participate in the survey. Survey answers were provided by 66 banks, 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.

The next Lending Survey on expectations of lending conditions for Q1 2017 shall be released in January 2016.

The report presents the results of lending survey in Q3 2016 and expected changes in Q4 2016. The respondents' replies 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 ± 100. A positive balance indicates that, overall, 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.

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KEY INDICATORS FOR THE NEXT 12 MONTHS

- Mainly positive changes in banks' performance indicators are expected over the next 12 months. In Q3, 72% of respondents expected improvements in their corporate loan portfolios and 24% of respondents expected retail loan portfolios to improve. Some 63% of banks project a pickup in lending to households. Most of the respondents expect growth in loans to the corporate sector. However, due to negative expectations of some large banks, which make a big weight in the sample, the overall balance of responses was negative (-3%). Banks' expectations for deposit growth remain upbeat.

LENDING CONDITIONS

- Standards for corporate sector lending did not change according to most of the respondents (69% of responses). Standards did not ease, as was expected by banks in the past quarter. Instead, standards under certain types of loans, particularly short-term loans, FX loans, and loans to large enterprises, became more rigid. The terms of loans to SMEs, however, continued to soften. In Q4, banks expect some loosening of terms for SME lending, namely hryvnia and short-term loans.
- Consumer lending standards softened further due to increased competition among banks and the revival of economic activity. Standards for mortgages have not changed. Consumer lending standards are expected to soften in Q4, while standards for mortgage lending may become tougher.
- In Q3, respondents reported an increase in the number of approvals of corporate sector loan applications, except for long-term loans and loans to large enterprises. For the fourth quarter in a row, banks have recorded a decline in interest rates, while pointing to tightening of collateral eligibility requirements and loan agreement restrictions.
- Banks' approvals of both consumer and mortgage loan applications are on the rise. The increase in approvals of households' mortgage applications resulted mostly from softer requirements to collateral value. Consumer lending grew on the back of non-price conditions, namely the terms of granting loans and their amounts.

DEMAND

- 44% of banks surveyed (balance of responses 23%) reported growth in the corporate sector's demand for loans. Major growth drivers remained the same, including lower interest rates, a need for debt restructuring, and borrowers' needs for working capital. The highest growth in demand was for short-term and hryvnia loans. Households' demand increased for both consumer loans and mortgages due to lower interest rates and stronger consumer confidence.
- In Q4 2016, banks expect higher demand for both corporate and retail loans. Growth is mainly expected in the short-term loan, corporate hryvnia loan, and consumer loan sectors.
- Banks point to high leverage of large enterprises (balance of responses 26%) and relatively low leverage of SMEs (-4%). Households' leverage was moderate, according to 73% of respondents.

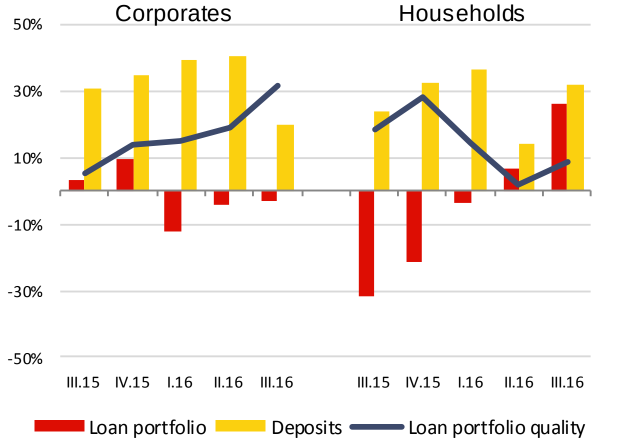
RISKS

- In Q3 2016, liquidity, interest rate, and FX risks slid down, although in the previous quarter banks expected that the latter would increase. Credit risk did not change (balance of responses 2%). However, most banks noted higher operational risk. Moderate increases in credit, operational, and FX risks are expected by the end of the year.

I. Expectations for the next 12 months: key indicators

Figure 1. Expectations of changes in key bank indicators over next 12 months.

Balance of responses [1]



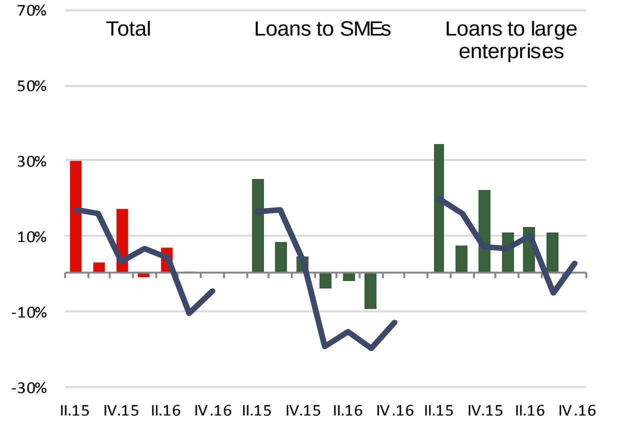
[1] A positive balance of responses indicates the expectations of growth for the respective indicator.

In Q3, banks' expectations remained generally optimistic. Over the next 12 months, respondents expect improvements in corporate loan portfolios (balance of responses 32%), as well as retail loan portfolios (8%). Expectations for growth of corporate deposits are upbeat, although the balance of responses has decreased to 20% from 40% in the previous quarter. Some major banks forecast some reduction in loan portfolios, therefore, the balance of responses has remained negative (-3%). (Figure 1). Expectations for growth in retail deposits and loans improved to 32% and 26%, respectively.

II. Corporate Loans

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

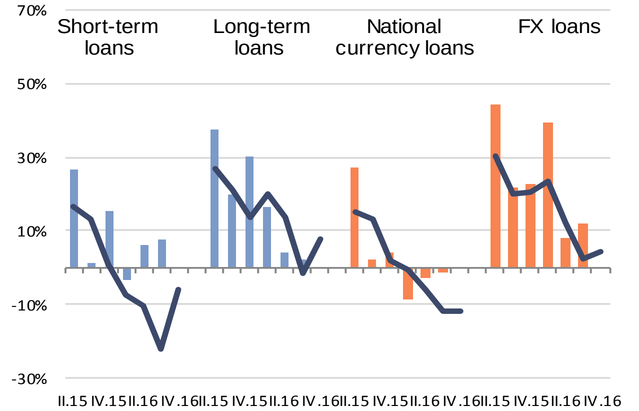
Balance or responses [b]



[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

Balance or responses [b]



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

In Q3, banks did not report any changes in corporate sector lending standards despite the previous quarter's expectations of some softening (Figure 2). Long-term and hryvnia lending standards have remained unchanged. Standards for loans to large enterprises, as well as short-term and FX loans, continued to toughen. The terms for loans to SMEs have softened on for the third consecutive quarter (balance of responses -10%).

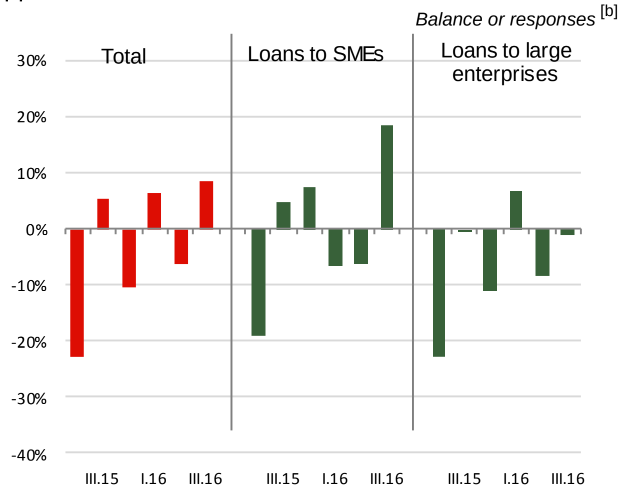
As before, banks expect easing of lending standards in Q4, especially for loans to SMEs, hryvnia loans, and short-term loans (balances of responses -13%, - 12% and - 6%, respectively) (Figure 3).

For the third quarter in a row, additional liquidity and stronger competition among banks have had a positive effect on internal regulations and criteria used by banks in their credit policies (details about influences of specific factors are set forth in Section III of the Annex hereto).

In Q3 2016, banks reported a slight increase in approvals of applications for loans to SMEs, mainly for hryvnia and short-term loans (Figures 4, 5).

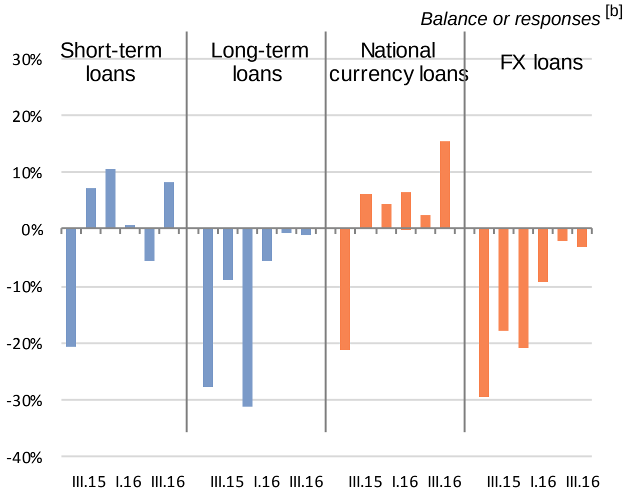
In Q3, banks also noted higher demand for loans compared to the previous quarter (balance of responses 23% versus 11%). Higher demand was reported for all types of loans, except for FX loans.

Figure 4. Change in corporate loan applications approval rate



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

Figure 5. Change in corporate loan applications approval rate



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

The highest growth in demand was for short-term and hryvnia loans (Figure 6).

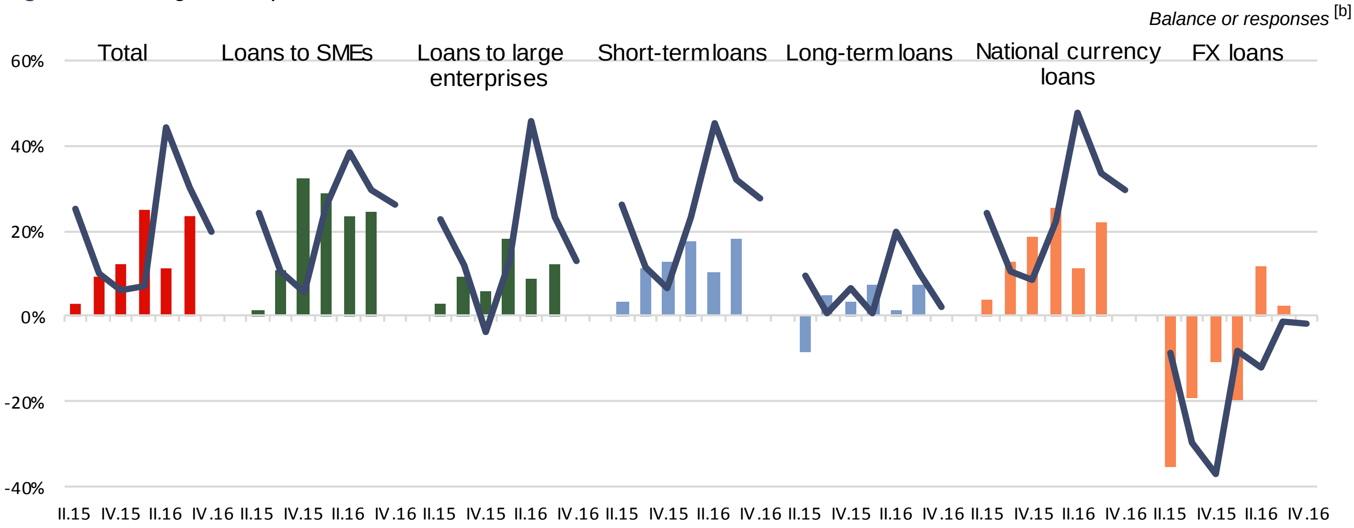
For the fourth quarter in a row, banks have recorded a decline in interest rates. Among the key drivers of the upward demand trajectory were lower rates, working capital needs, and the need for debt restructuring (Section III of the Annex to the Survey).

Among the main factors restraining active growth of loan portfolios are banks' internal regulations, such as collateral requirements, loan agreement restrictions, and loan maturities (Section III of the Annex to the Survey).

Banks forecast that Q3 trends will continue over the next three months, anticipating higher demand for all types of loans except for FX loans.

The questionnaires, which were sent to the banks in Q3, were supplemented with a question about banks' assessments of the debt burden. Banks indicated a higher-than-average level of debt burden in the corporate sector (balance of responses 14%). Respondents indicated high leverage of large enterprises (26%). For the SME sector, the leverage was low (-4%).

Figure 6. Change in corporate demand for loans



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

III. Loans to households

For the fifth consecutive quarter, banks noted an easing of consumer lending standards (balance of responses -17%). Mortgage lending remained unchanged. Banks project that consumer lending standards will soften in Q4 2016. Mortgage lending standards are expected to tighten because of conservative approaches of some large banks (Figure 7).

Increased competition and economic activity expectations resulted in softer consumer lending standards (Section IV of the Annex hereto).

In Q3 2016, respondents reported an increase in the number of approvals of applications for consumer loans and mortgages, balance of responses 19% and 14%, respectively (Figure 8). Interest rates continued to decrease in the mortgage segment amid easing of non-price conditions in consumer lending, namely, terms of loans and their amounts.

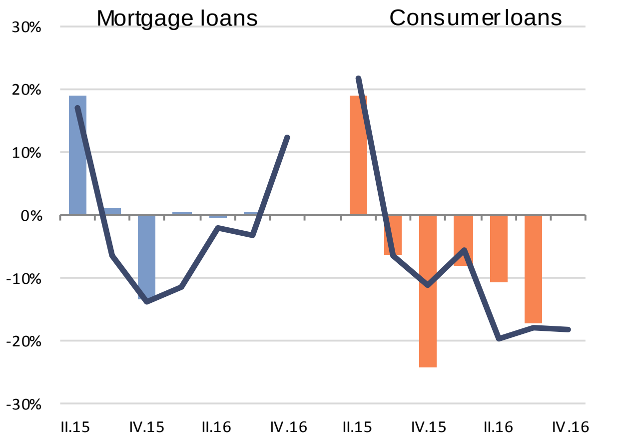
According to banks' assessments, households' demand for loans continued to go up, with balances of responses being 17% for mortgage lending and 15% for consumer lending. The development of the real estate market has led to increased competition among banks, which in turn resulted in higher demand for mortgage loans on the back of falling interest rates (this factor did not have a significant impact on demand in the past five quarters). Higher demand for consumer lending was stimulated mainly by consumer confidence and changes in interest rates (Figure 9 and Section IV of the Annex).

For the third running quarter, banks expected higher growth of demand for consumer loans than for mortgages, balance of responses 25% versus 4%.

The questionnaires, which were sent to banks, were supplemented with a question about banks' assessment of the leverage. In Q3, households' leverage was moderate according to 73% of respondents.

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

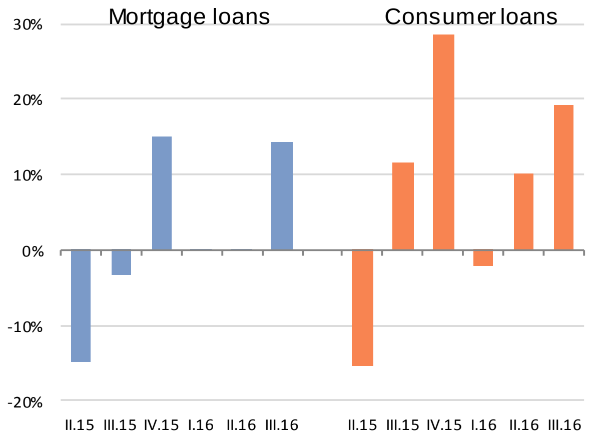
Balance of responses[b]



[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

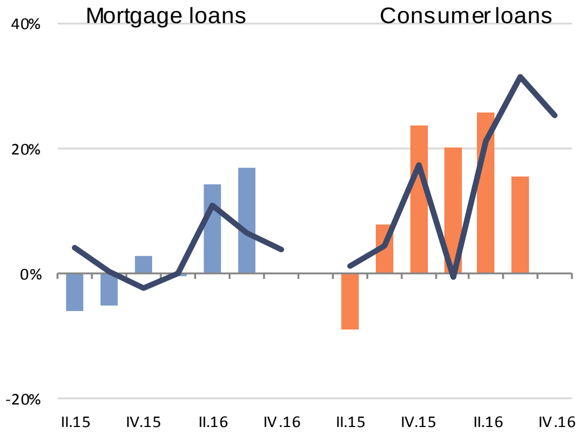
Balance of responses[b]



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

Figure 9. Change in demand for household loans

Balance of responses[b]



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

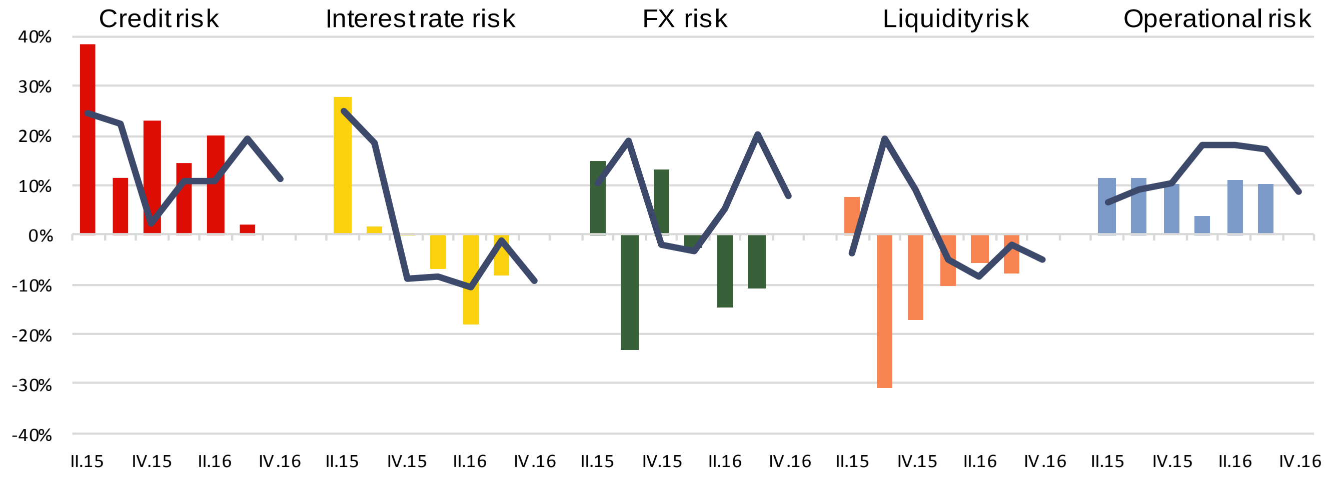
IV. Risk assessment

Credit risk did not actually change in Q3 according to banks' assessments (balance of responses 2%) despite last quarter's projections about its worsening. Liquidity and interest rate risks slid further down. FX risk decreased further owing to the absence of significant hryvnia exchange rate fluctuations, although banks previously forecasted its rise. Respondents pointed to an increase in operational risk.

Banks project higher credit, operational, and FX risks for the next quarter, but to a lesser extent than in the previous quarter. Interest rate and liquidity risks declined further (Figure 10).

Figure 10. Change in banks' risks

Balance of responses[b]



[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 in 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 ± 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.

	Balance of responses											
	2013	**2014**				**2015**				**2016**		
	Q4	**Q1**	**Q2**	**Q3**	**Q4**	**Q1**	**Q2**	**Q3**	**Q4**	**Q1**	**Q2**	**Q3**
I. Expectations for the next 12 months: key indicators												
How, in your opinion, will the following business entity indicators change in your bank over the next 12 months?												
Credit Portfolio	—	—	—	—	—	-18.0	-12.9	3.2	9.7	-12.2	-4.2	-3.0
Deposits	—	—	—	—	—	7.0	17.2	30.4	34.9	39.3	40.2	19.8
Loan Portfolio Quality	—	—	—	—	—	-9.2	-5.6	5.2	13.9	15.1	19.1	31.6
How, in your opinion, will the following indicators of households change in your bank over the next 12 months?												
Credit Portfolio	—	—	—	—	—	-44,2	-40,3	-31,6	-21,5	-3.6	6.4	26.3
Deposits	—	—	—	—	—	11,1	29,9	23,8	32,4	36.6	13.9	31.7
Loan Portfolio Quality	—	—	—	—	—	-28,3	-11,0	18,1	28,4	14.4	1.8	8.8
II. Risk assessment												
How did the risks for your bank change within the past quarter?												
Credit Risk	-3.1	37.6	37.9	37.6	37.0	39.5	38.5	11.4	23.0	14.5	20.0	2.2
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	-8.3
FX Risk	14.1	64.3	44.4	60.5	46.0	41.2	15.0	-23.3	13.3	-2.8	-14.7	-10.7
Liquidity Risk	16.1	38.1	31.6	2.6	19.5	34.7	7.6	-30.9	-17.3	-10.4	-5.7	-8.0
Operational risk	-1.1	-2.3	20.1	21.7	2.3	-0.1	11.6	11.6	10.1	3.9	10.9	10.2
What changes do you expect in the risks for your bank over the next quarter?												
Credit risk	2.5	19.6	22.8	27.9	25.9	24.4	22.3	2.2	10.9	10.9	19.4	11.3
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	-9.3
FX risk	5.7	42.3	-15.1	29.5	29.7	10.5	18.9	-2.0	-3.2	5.3	20.3	7.7
Liquidity risk	-3.6	13.4	-6.1	27.1	25.1	-3.9	19.4	9.0	-4.9	-8.4	-1.9	-4.9
Operational risk	-6.0	-6.8	-7.4	0.3	-4.5	6.6	9.2	10.3	18.0	18.1	17.0	8.7
III. Corporate Loans												
How did the standards for approval of corporate loan applications change within the past quarter?												
Total	11.3	50.0	56.0	47.1	47.3	42.7	30.2	3.1	16.9	-0.9	7.1	0.0
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	-9.5
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	10.7
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	7.4
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	2.0
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	-1.3
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	12.0
What was the impact of the factors listed below on changes in standards for approval of corporate loan applications within the past quarter?												
Bank's capitalization	2.4	33.0	28.8	33.1	22.8	26.9	13.5	6.1	13.2	6.5	6.4	1.6
Bank's liquidity position	10.3	36.2	23.3	23.6	23.7	22.8	23.8	6.5	7.2	-7.1	-0.9	-8.4
Competition with other banks	-6.5	1.5	-0.2	-10.5	-5.9	14.6	0.0	-5.5	-0.5	-10.9	-1.0	-10.1
Competition with non-banks	0.0	8.6	0.7	3.2	3.8	3.6	0.2	0.9	2.1	-1.1	3.2	0.0
Expectations of general economic activity	22.9	62.1	59.3	53.6	49.4	48.9	45.1	33.1	35.5	3.8	9.9	0.1
Inflation expectations	12.9	52.2	41.0	47.6	38.1	34.9	36.2	35.3	48.6	20.8	7.9	2.7

	Balance of responses											
	2013	2014				2015				2016		
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Exchange rate expectations	22.1	65.8	62.6	64.8	53.1	45.9	46.6	38.7	41.7	26.9	11.1	4.4
Expectations of industry or a specific enterprise development	12.9	42.0	31.4	42.0	34.1	29.3	37.2	32.9	27.4	-7.6	7.7	2.5
Collateral risk	14.3	34.6	24.2	36.5	29.2	26.5	34.1	33.3	23.2	14.3	13.5	5.9
What changes do you expect in the standards for approval of corporate loan applications over the next quarter?												
Total	3.5	35.6	26.5	26.5	26.8	16.8	15.9	3.4	6.6	4.1	-10.4	-4.5
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	-13.2
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	2.5
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	-5.9
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	7.6
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	-12.2
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	4.4
How did the level of approval of corporate loan applications change within the past quarter?												
Total	-6.2	-33.5	-20.7	-29.5	-18.2	-8.4	-22.8	5.5	-10.3	6.3	-6.3	8.3
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	18.5
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	-1.2
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	8.3
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	-1.0
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	15.6
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	-3.1
How did price and non-price conditions of approval of applications for loans to corporates change within the past quarter?												
Interest rates (increase - tighter conditions, decrease - softer conditions)												
Total	26.7	39.4	29.2	31.7	30.6	58.7	43.3	10.5	-19.8	-25.7	-22.3	-31.7
SMEs	18.9	41.2	30.9	30.9	30.2	60.1	39.4	10.0	-20.7	-19.1	-25.5	-18.3
Large enterprises	25.4	39.1	28.5	30.9	30.8	59.8	42.8	11.1	-13.6	-30.9	-15.3	-31.6
Changes in non-interest rate payments												
Total	3.6	15.6	12.0	9.1	16.8	11.6	6.7	1.5	2.0	4.6	2.9	7.7
SMEs	3.6	15.8	11.6	7.3	16.0	11.0	5.4	1.5	-3.9	3.7	3.2	7.8
Large enterprises	3.6	14.2	11.6	9.2	15.4	13.0	7.7	1.5	1.4	4.8	3.2	1.5
Loan or facility amount												
Total	6.5	32.8	29.7	44.0	39.7	45.6	27.8	16.4	13.8	3.1	1.1	0.3
SMEs	1.5	30.4	24.6	34.6	36.7	33.2	24.3	4.0	8.3	5.3	-1.8	-3.7
Large enterprises	6.4	23.9	29.7	43.9	38.6	48.2	27.8	17.5	14.0	3.5	1.6	0.3
Collateral eligibility requirements												
Total	9.2	30.1	32.8	32.3	30.0	35.1	29.5	27.1	17.9	8.3	8.5	16.0
SMEs	12.2	30.0	32.1	26.2	27.9	36.1	25.6	26.5	17.0	18.9	9.9	5.4
Large enterprises	9.3	30.0	32.9	32.2	28.6	37.5	29.5	16.2	18.2	8.2	8.3	25.8
Restrictions imposed by the loan agreement on the borrower												
Total	15.0	27.4	30.6	25.3	29.6	18.2	26.6	13.1	15.7	15.3	9.4	13.3
SMEs	15.0	25.8	30.8	20.8	25.8	18.2	21.8	11.6	14.4	14.8	8.9	9.6
Large enterprises	15.8	27.4	30.8	27.1	26.8	22.1	26.4	13.1	15.8	15.3	9.5	13.3
Loan maturity												
Total	6.8	27.8	21.1	29.0	26.1	25.2	15.7	10.1	7.7	8.7	7.2	7.0
SMEs	7.9	23.9	16.0	22.4	21.6	24.1	13.8	10.1	7.8	8.9	3.5	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	9.2
How did the corporates' demand change within the past quarter, disregarding the seasonal changes?												
Total	7.6	15.7	12.7	21.3	19.7	25.5	3.1	9.4	12.3	25.0	11.3	23.3

	Balance of responses											
	2013	2014				2015				2016		
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
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	24.4
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	12.2
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	18.2
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	7.2
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	22.2
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	2.3
What was the impact of factors listed below on changes in corporate demand for loans within the past quarter?												
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	18.0
Capital needs	2.3	-29.6	-24.6	-18.7	-11.4	-11.1	-0.6	4.9	2.8	14.0	8.3	5.9
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	25.6
Debt restructuring	4.2	10.9	19.0	24.4	15.7	31.4	22.8	19.1	28.2	24.9	12.9	20.3
Internal financing	-0.3	-16.5	1.5	2.6	-8.8	4.4	8.1	9.6	4.1	2.3	4.1	6.6
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	-7.5
Asset sale	-2.3	-9.3	-11.3	-15.0	-13.1	2.0	-1.8	3.2	1.3	2.1	1.9	1.7
How will the corporate demand for loans change over next quarter, disregarding the seasonal changes, in your opinion?												
Total	24.7	11.8	16.3	8.2	10.3	25.3	9.9	6.0	7.1	44.4	29.9	20.0
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	26.3
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	13.1
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	27.6
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	2.0
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	29.8
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	-1.8
How do you assess corporates' leverage in the past quarter?												
Total	—	—	—	—	—	—	—	—	—	—	—	13.5
SMEs	—	—	—	—	—	—	—	—	—	—	—	-4.1
Large enterprises	—	—	—	—	—	—	—	—	—	—	—	25.7
IV. Loans to households												
How did the standards for approval of retail loan applications change within the past quarter?												
Mortgage loans	-0.8	39.2	22.4	12.6	32.3	25.6	19.0	0.9	-13.4	0.2	-0.5	0.1
Consumer loans	-4.9	53.3	30.3	34.4	39.6	39.7	19.0	-6.4	-24.5	-8.1	-10.8	-17.4
What was the impact of the factors listed below on changes in standards for approval of retail loan applications within the past quarter?												
Cost of resources and balance sheet restrictions	—	—	—	—	—	22.9	35.7	6.2	5.0	—	-7.4	-8.2
Competition with other banks	—	—	—	—	—	-2.2	0.8	-2.2	-15.0	—	-9.8	-19.9
Competition with non-banks	—	—	—	—	—	0.7	-3.5	0.0	-9.4	—	0.0	0.0
Expectations of general economic activity	—	—	—	—	—	41.8	36.0	16.3	-12.7	—	-13.7	-17.4
Inflation dynamics expectations	—	—	—	—	—	46.2	37.1	19.5	-3.5	—	-6.7	-8.2
FX rate expectations	—	—	—	—	—	44.0	29.7	13.7	-2.0	—	-3.3	-5.0
Real estate market expectations	—	—	—	—	—	33.1	20.5	15.5	-10.1	—	-2.9	-2.5
Consumer solvency expectations	—	—	—	—	—	48.7	46.3	24.8	-8.6	—	-8.1	-9.5
Collateral risk						25.5	18.1	15.4	1.5	—	-2.7	-8.2
What changes do you expect in the standards for approval of retail loan applications over the next quarter?												
Mortgage loans	8.7	19.5	8.6	14.6	25.4	17.1	-6.6	-13.9	-11.5	-2.2	-3.3	12.3
Consumer loans	-6.0	33.0	8.5	13.9	33.1	21.9	-6.7	-11.2	-5.6	-19.7	-18.1	-18.3
How did the level of approval of retail loan applications change within the past quarter?												
Mortgage loans	-1.9	-35.1	-16.9	-5.6	-41.0	-10.8	-14.9	-3.3	15.0	-0.1	0.0	14.4

	Balance of responses											
	2013	2014				2015				2016		
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Consumer loans	-4.1	-59.2	-41.3	-22.3	-45.3	-28.2	-15.4	11.6	28.7	-2.0	10.2	19.3
How did price and non-price conditions of approval of applications for retail loans change within the past quarter?												
Mortgage loans												
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	-2.6
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	0.0
Loan maturity	-3.2	2.5	3.4	3.5	0.8	1.7	8.9	0.4	0.5	0.1	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	-0.1
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	-4.1
Consumer loans												
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	-4.7
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	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	-9.7
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	0.8
Loan amount	-5.5	23.3	23.9	8.5	20.5	18.0	7.3	2.6	-11.3	-15.4	-15.6	-24.3
How did the households' demand change within the past quarter, disregarding the seasonal changes?												
Mortgage loans	-5.4	-29.7	-31.3	-29.3	-34.3	-23.7	-6.1	-5.2	2.8	-0.4	14.3	16.9
Consumer loans	18.9	-6.8	-39.5	-17.8	-37.0	-36.1	-9.0	7.7	23.6	20.2	25.7	15.3
What was the impact of the factors listed below on changes in households' demand for loans within the past quarter?												
Mortgage loans												
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	2.8
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	2.7
Consumer confidence	-14.3	-24.1	-25.2	-38.1	-13.0	-38.4	-14.1	-10.0	-0.8	-13.0	0.4	2.7
Households savings	9.6	-13.4	-41.2	9.4	-2.5	-22.6	1.1	-10.0	-0.2	-12.5	-2.9	0.1
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	2.5
Consumer loans												
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	5.0
Consumer confidence	5.4	-22.8	-58.5	-28.8	-20.5	-19.1	-27.5	-4.5	8.1	12.2	8.7	13.8
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	1.5
FX purchase	0.8	18.3	-18.5	-23.5	-4.9	5.9	1.1	4.4	7.8	10.9	8.4	3.3
Households savings	9.1	-3.1	-44.2	-25.2	-3.6	-26.0	-1.4	-10.1	2.8	3.6	3.7	1.5
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	1.1
How will the households' demand for loans change within the next quarter, disregarding the seasonal changes, in your opinion?												
Mortgage loans	11.2	-23.0	12.9	-19.6	-12.1	4.1	0.3	-2.5	0.0	10.9	6.5	3.9
Consumer loans	21.4	-15.8	24.0	-3.3	5.4	1.3	4.5	17.5	-0.5	21.1	31.4	25.4
How do you assess household leverage in the past quarter?												
Total	—	—	—	—	—	—	—	—	—	—	—	2.9