

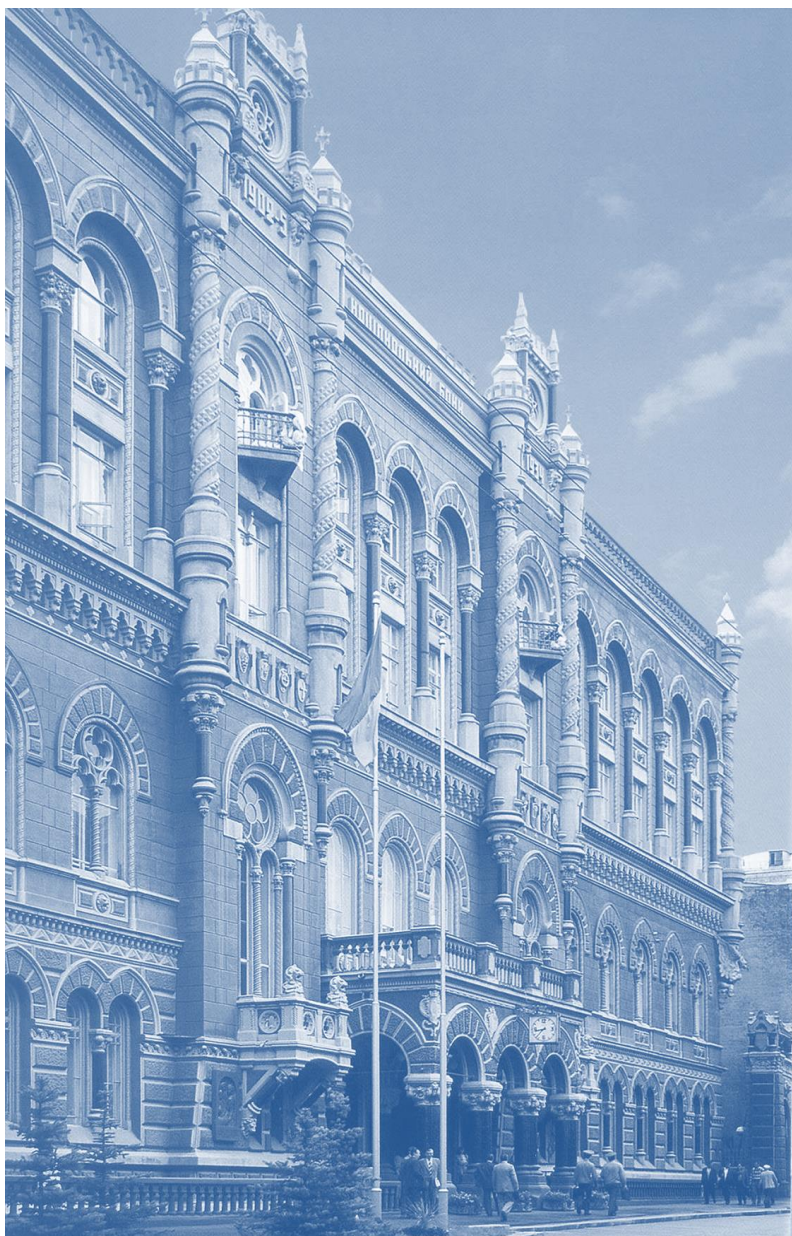
# Lending Survey



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**Q1 2017**

**(January 2017)**



## Lending Survey

Q1 2017 Issue 9 (21)

Ukrainian Lending Survey is an analytical report on the survey of banks compiled by the National Bank of Ukraine on a quarterly basis. The survey's objective is to promote better understanding of credit conditions and trends by the central bank and other banking sector stakeholders. 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 Q4 2016, and gives respondents' expectations for Q1 2017. The credit managers of 65 banks were invited to participate in the survey between 21 December 2016 and 16 January 2017. Survey answers were provided by 64 banks, or 98% of those contacted. These banks account for 99% 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 Q2 2017 shall be released in April 2017.

The report presents the results of lending survey in Q4 2016 and expected changes in Q1 2017. 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  $\pm 100$ . 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

- In Q4, banks were optimistic about changes in key indicators of banking sector over the next 12 months. For the first time since the end of 2015 respondents expected corporate loans growth. This was reported by 71% of the respondents, the balance of responses being 21%. Quality of corporate and retail loan portfolios should improve according to 49% and 63% of respondents, respectively; the balances of responses - 18% and 32%. Banks expected no significant changes in retail loan portfolio. Around 80% of respondents anticipated further deposit inflow, primarily from corporations.

### LENDING CONDITIONS

- In Q4, lending standards remained unchanged according to 93% of respondents. The expected easing of standards for short-term and hryvnia loans to SMEs did not materialize. Standards for long-term loans, FX loans and loans to large enterprises toughened. Banks expected the conditions for corporate lending to be further softened in Q1 2017, even in the segment of FX loans.
- Standards for mortgage lending were considerably eased for the first time since the end of 2015. Conditions for consumer lending have been gradually softened for a year and a half. Higher competition among banks and decrease in cost of deposits had a positive impact on retail lending standards. In Q1 2017, further easing of consumer and mortgage lending is expected.
- Respondents noted that corporate loan applications received gradually more approvals, although excluding long-term and FX loans. During 2016, banks observed a drop in interest rates, but noted tightening of collateral eligibility requirements, and loan amount and maturity restrictions.
- The application approval rate for mortgages increased considerably primarily due to the drop in interest rates. Non-price conditions, particularly loan amount and maturity, remained the drivers in consumer lending.

### DEMAND

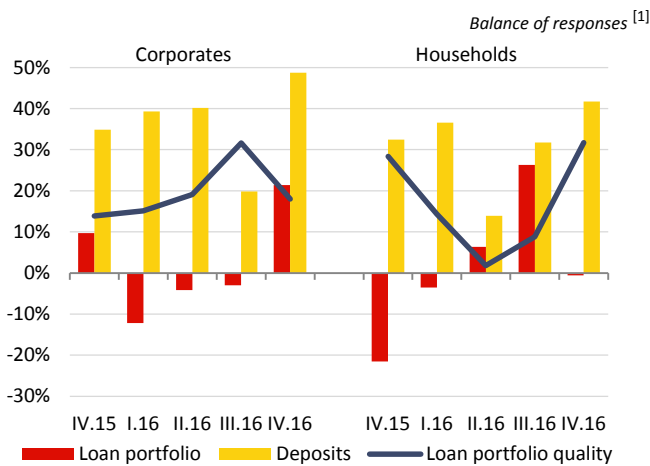
- Demand for corporate loans continued to grow according to 34% of the surveyed banks. The key growth drivers remained the same: lower interest rates, need for working capital and debt restructuring. Short-term loans saw the highest growth in demand. The demand for consumer and mortgage loans increased, primarily, due to lower interest rates, stronger consumer confidence, and increased household savings.
- Banks expect higher loan demand from both corporates and households in Q1 2017. Increase of demand for FX loans is not expected.
- Banks point to high leverage of large enterprises (balance of responses 23%) and a relatively low leverage of SMEs (-2%). Debt burden on households is moderate according to 81% of respondents.

### RISKS

- Banks reported an increase in risks in Q4. Respondents estimated their credit and FX risks to be the most considerable. Traditionally, banks believe their operational risk to be high. Considerable increase in credit and operational risks was expected over the next period, whereas banks expected their FX and interest rate risks to decrease.

I. Expectations for the next 12 months: key indicators

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

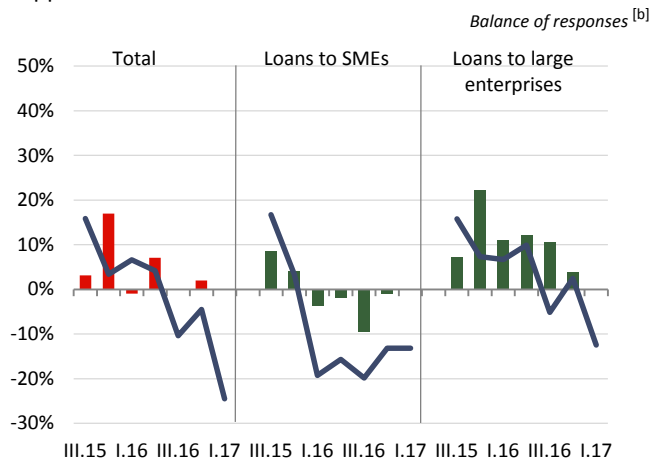


[1] A positive balance of responses indicates the expectations of growth for the respective indicator.

In Q4, 71% of respondents expected recovery in corporate lending over the next 12 months. The balance of responses was 21%, positive for the first time in the last 4 quarters due to optimistic expectations of some large banks. Improvement of quality of both corporate and retail loan portfolios is projected by 49% and 63% of respondents, respectively (balances of responses 18% and 32%). Expectations for growth of corporate deposits increased significantly, to 49% from 20% in the previous quarter. Banks do not expect changes in lending to households, but 80% of respondents expect that retail deposits will continue to grow, the balance of responses of 42% (Figure 1).

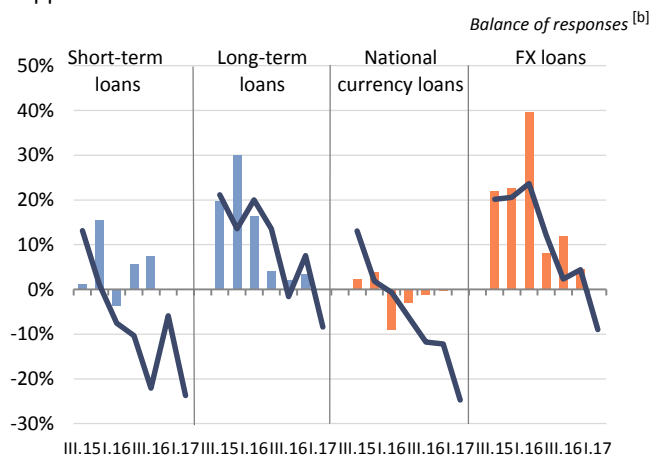
II. Corporate Loans

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



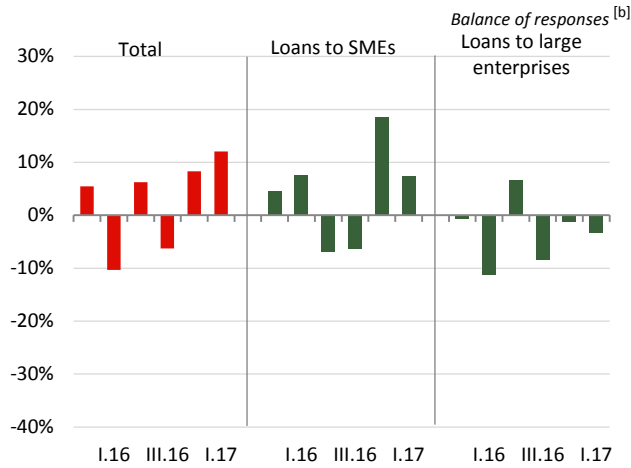
[b] The positive balance of responses indicates tightening of the standards for loan application approval.

Banks forecast easing of corporate lending standards for the third consecutive quarter. In Q4, such expectations increased considerably for all types of loans (Figures 2 and 3). For the first time since the end of 2013, banks expect easing of lending standards for FX loans.

The same expectations of banks from the previous quarters have not materialized: respondents continued to report no changes in lending standards in general. The lending standards for short-term loans, hryvnia loans and loans to SMEs remained the same. The lending conditions for large enterprises, as well as long-term loans and FX loans conditions, became tougher. Stronger competition among banks and economic growth expectations were the main factors affecting internal regulations and criteria guiding credit policies of banks (details about influences of specific factors are set forth in Section III of the Annex hereto).

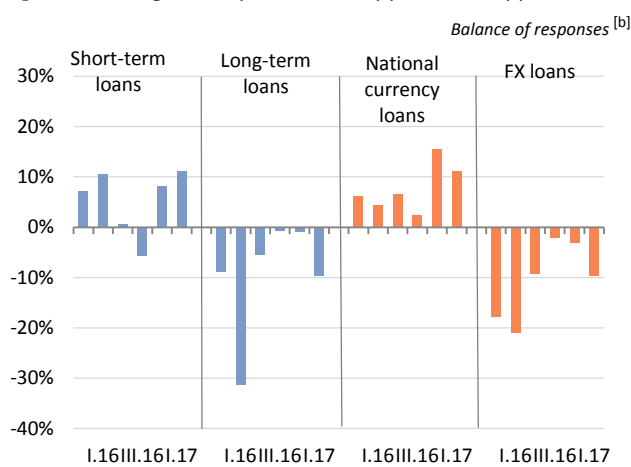
Banks indicated that in Q4 2016 there were more approved applications for hryvnia loans, short-term loans and loans to SMEs (Figures 4 and 5).

Figure 4. Change in corporate loan applications approval rate



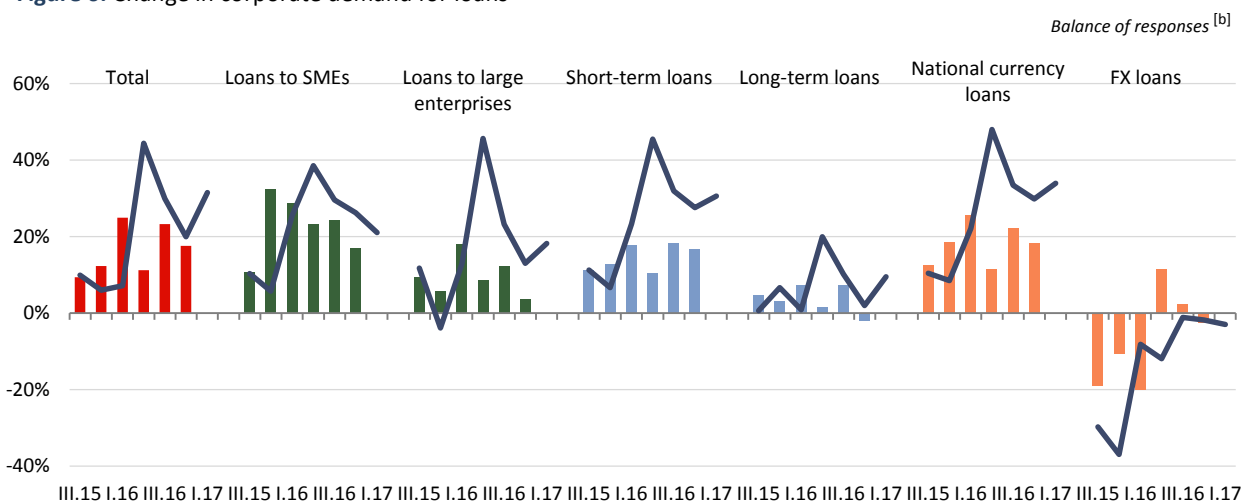
[b] A positive balance of responses indicates an increase in the approval rate for loan applications.

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.

Figure 6. Change in corporate demand for loans



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

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

In Q4, the banks reported weaker growth in demand for corporate loans as compared to the previous quarter (balance of responses 18% vs. 23%). Demand increased for all types of loans, except for long-term and FX loans (Figure 6).

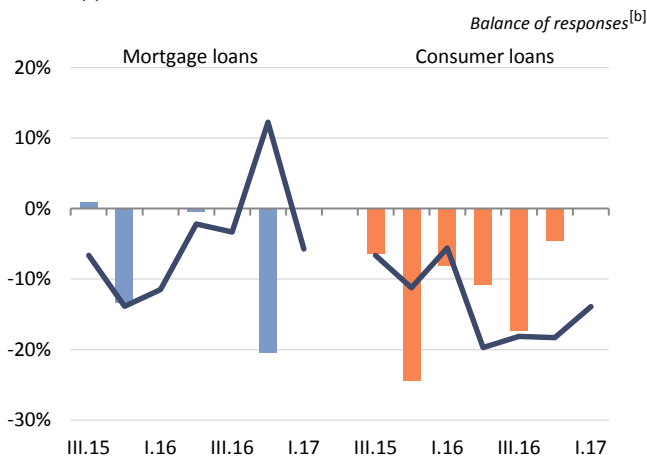
Working capital needs and lower interest rates were the main factors of growth in demand for loans throughout 2016 (Section III of the Annex to the Survey).

Banks forecast higher demand for all types of loans except for FX loans over the next three months.

Respondents also indicated a slight increase of leverage of the corporate sector in Q4 (balance of responses increased to 16% from 14% over the quarter). Leverage of large enterprises remained high (balance of responses 23%). Leverage in the SME sector remained low (-2%).

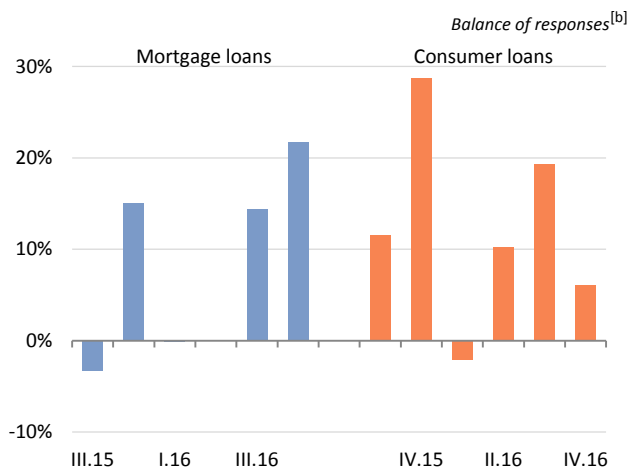
III. Loans to households

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



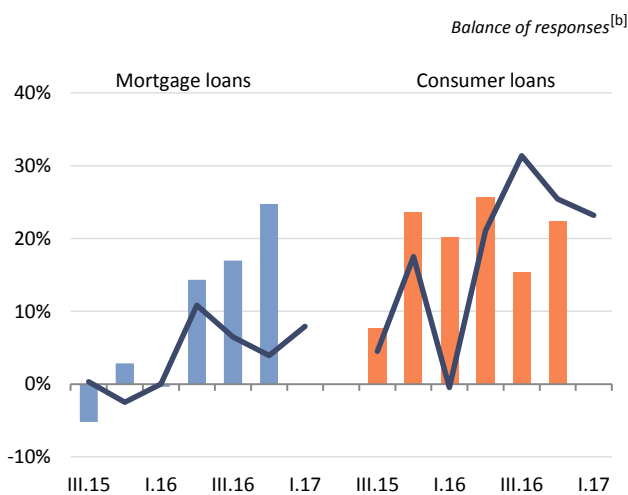
[b] A positive balance of responses indicates tightening of the standards for loan application approval.

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



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

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



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

In Q4, consumer lending standards eased (balance -5%). This trend has held for eighteen months. In mortgage lending the standards softened significantly (-21%) after staying flat during the first three quarters of 2016. Banks forecast further easing of standards for consumer loans and mortgages in Q1 2017 (Figure 7).

Easing for retail lending standards was mostly due to increased competition and reduced cost of funding (Section IV of the Annex to the Survey).

Respondents indicated that in Q4 there were more approved applications for mortgages and consumer loans (balance of responses 22% and 6% respectively, Figure 8). Loans to households continued to fall in price. In consumer lending, non-price conditions softened, namely the maturities and amounts of loans.

Households' demand for loans continued to go up, with balances of responses being 25% for mortgage lending and 22% for consumer lending. Lower rates was the main factor behind the increase in demand for mortgages. Consumer confidence, rising household savings and increase of spending on durable goods were the main drivers of increased demand for consumer loans (Figure 9 and Section IV of the Annex to the Survey).

In Q1 2017, banks expect higher rates of growth of demand for consumer loans than for mortgages, balance of responses 23% versus 8%.

According to the banks in Q4 debt burden of households did not change compared to the previous quarter and stayed at an average level, 81% of the responses.

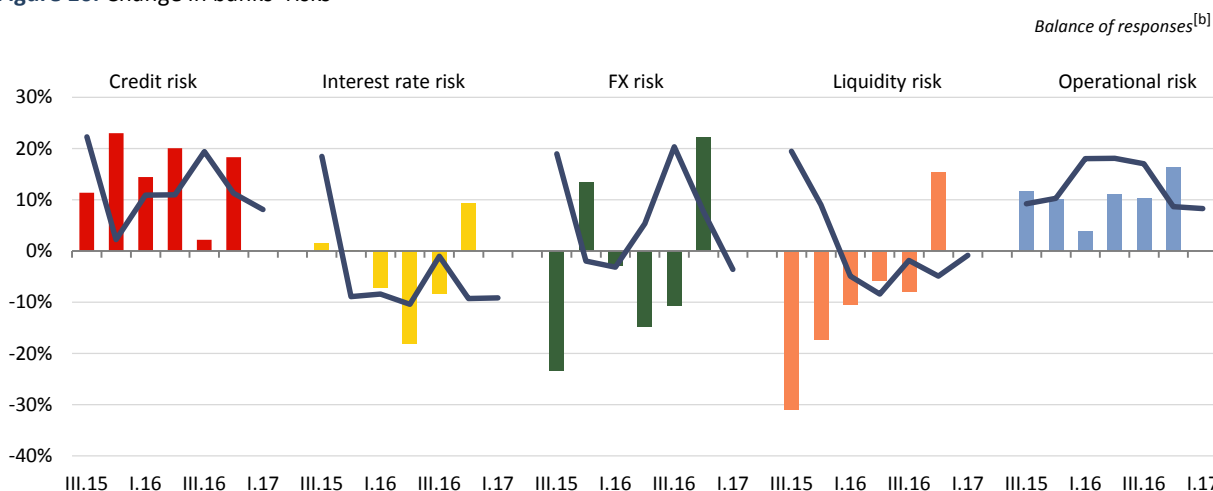
IV. Risk assessment

In Q4, respondent banks reported increase in risks. Largely this was the result of reassessment of risks by some large banks that were more optimistic in the first three quarters of 2016.

For the first time in eighteen months, the liquidity risk increased (balance of responses 15%). A significant increase in credit risk was reported by 19% of respondents. Despite expectations of interest rate risk reduction in Q4, 23% of banks reported an increase. Due to hryvnia exchange rate fluctuations at the time of the Survey the FX risk increased the most, according to banks (balance of responses 22%). Operational risk increased slightly.

Over the next quarter, banks still expect the credit and operational risks to increase. Banks project a decrease in interest and currency risks in Q1 2017, despite the growth of these risks in Q4. Banks forecast the liquidity risk to remain at the same level (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 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  $\pm 100$ . 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	Q3	Q4
<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	-3.0	21.4
Deposits	—	—	—	—	—	7.0	17.2	30.4	34.9	39.3	40.2	19.8	48.8
Loan Portfolio Quality	—	—	—	—	—	-9.2	-5.6	5.2	13.9	15.1	19.1	31.6	18.0
<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	26.3	-0.6
Deposits	—	—	—	—	—	11.1	29.9	23.8	32.4	36.6	13.9	31.7	41.7
Loan Portfolio Quality	—	—	—	—	—	-28.3	-11.0	18.1	28.4	14.4	1.8	8.8	31.7
<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	2.2	18.3
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	9.2
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	22.2
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	15.2
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	16.3
<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	11.3	8.1
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	-9.1
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	-3.6
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	-0.8



	Balance of responses												
	2013		2014			2015				2016			
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
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	8.3
<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	0.0	2.0
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	-1.1
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	3.9
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	-0.1
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	3.5
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	-0.4
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	4.5
<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	1.6	0.3
<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	-8.4	-1.0
<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	-10.1	-12.6
<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	0.0	0.0
<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	0.1	-4.6
<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	2.7	-1.0
<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	4.4	6.1
<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	2.5	-8.0
<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	5.9	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	-4.5	-24.5
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	-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	-12.5
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	-23.7
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	-8.4
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	-24.7
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	-9.0
<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	8.3	12.1
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	7.3
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	-3.3
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	11.3
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	-9.7
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	15.6	11.2
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	-9.7
<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	-31.7	-16.7
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	-13.2
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	-17.7
<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	7.7	-1.4
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	-1.4
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	0.3
<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	0.3	6.8
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	-3.0

	Balance of responses												
	2013		2014			2015				2016			
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
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	7.0
<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	16.0	11.7
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	4.4
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	11.6
<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	13.3	17.3
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	15.9
Large enterprises	15.8	27.4	30.8	27.1	26.8	22.1	26.4	13.1	15.8	15.3	9.5	13.3	17.2
<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	7.0	6.9
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	3.6
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	6.9
<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	23.3	17.6
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	16.9
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	3.7
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	16.7
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	-1.8
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	18.3
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	2.3	-2.6
<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	18.0	14.9
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	8.9
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	17.1
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	16.3
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	8.9
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	1.1
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	1.8
<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	20.0	31.6
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	21.0
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	18.2
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	27.6	30.6
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	9.5
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	33.9
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	-3.0
<b>How do you assess corporates' leverage in the past quarter?</b>													
Total	—	—	—	—	—	—	—	—	—	—	—	13.5	15.5
SMEs	—	—	—	—	—	—	—	—	—	—	—	-4.1	-2.1
Large enterprises	—	—	—	—	—	—	—	—	—	—	—	25.7	22.5
<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	0.1	-20.5
Consumer loans	-4.9	53.3	30.3	34.4	39.6	39.7	19.0	-6.4	-24.5	-8.1	-10.8	-17.4	-4.6
<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	-8.2	-4.4
Competition with other banks	—	—	—	—	—	-2.2	0.8	-2.2	-15.0	—	-9.8	-19.9	-29.1
Competition with non-banks	—	—	—	—	—	0.7	-3.5	0.0	-9.4	—	0.0	0.0	-4.9

	Balance of responses												
	2013		2014			2015				2016			
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Expectations of general economic activity	—	—	—	—	—	41.8	36.0	16.3	-12.7	—	-13.7	-17.4	-1.2
Inflation dynamics expectations	—	—	—	—	—	46.2	37.1	19.5	-3.5	—	-6.7	-8.2	2.2
FX rate expectations	—	—	—	—	—	44.0	29.7	13.7	-2.0	—	-3.3	-5.0	2.8
Real estate market expectations	—	—	—	—	—	33.1	20.5	15.5	-10.1	—	-2.9	-2.5	0.1
Consumer solvency expectations	—	—	—	—	—	48.7	46.3	24.8	-8.6	—	-8.1	-9.5	-3.0
Collateral risk						25.5	18.1	15.4	1.5	—	-2.7	-8.2	-4.4
<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	12.3	-5.7
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	-13.9
<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	14.4	21.7
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	6.0
<b>How did price and non-price conditions of approval of applications for retail loans 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	-2.6	-24.8
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	0.0	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	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	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	-4.1	0.0
<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	-4.7	-12.8
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	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	-14.0
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	-3.1
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	-11.4
<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	16.9	24.7
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	22.4
<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	2.8	24.8
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	3.0
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	2.8
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	3.1
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	0.4
<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	5.0	9.0
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	19.1
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	12.9
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	-2.5
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	18.9
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	2.5
<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	3.9	7.9
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	23.2
<b>How do you assess household leverage in the past quarter?</b>													
Total	—	—	—	—	—	—	—	—	—	—	—	2.9	0.1