BANK OF UGANDA

STATISTICS DEPARTMENT

BANK LENDING SURVEY FOR JULY TO SEPTEMBER 2012 (Q1)

EXECUTIVE SUMMARY

As part of its mission to foster price stability and a sound financial system, the Bank needs to understand trends and developments in credit conditions. This quarterly survey of banks is an input to this work.

KEY FINDINGS

The key findings from the survey are detailed below.

Credit Standards

Credit standards to both enterprises and households remained broadly unchanged over the period ended September 2012. However, on a net balance, there was a strong bias towards easing for the majority of the economic sectors with the exception of the Building, Mortgage, Construction and Real Estate sector which recorded a net tightening of credit standards. Recession in the sector and a decline in credit demand were noted as having adversely affected the performance and availability of loans in this sector.

Outlook on Demand for credit

Credit demand from both enterprises and households is expected to increase at a steadier pace than it did in the previous quarter. An increase in economic activities during the festive season was the major factor expected to lead to increased demand for credit over the period to end December 2012.

Outlook on Terms & Conditions

Price and non-price terms and conditions are expected to remain broadly unchanged, with a bias towards easing over the quarter to end December 2012.

Interest Rate Expectations

Lending rates are expected to decline over the quarter to end December 2012 owing to: the recent downward trend in inflation, the continued decline in the Central Bank Rate (CBR), a more favourable economic climate and the anticipation of easing liquidity as the festive season approaches.

OCCASIONAL QUESTIONS

The bank lending survey for the quarter ended September 2012 also covered a number of occasional questions on specific topics of interest:

Impact of Global financial markets on domestic lending

Global financial markets had some impact on the banks' willingness to lend over the quarter ended September 2012. However, looking forward to end December 2012, the majority of the banks anticipated that events in global financial markets would not have any impact on their willingness to lend.

Impact of the Central Bank Rate

Banks reported that the relatively slow decline in market lending rates, despite reductions in the CBR, had been on account of the fact that they were locked in high interest rate time deposit contracts and had also made expensive long term borrowings.

Slow growth in loan extensions over the first quarter of FY 2012/13

The survey indicated that the overall economic situation had remained tight over most of the first quarter of FY 2012/13 hence limiting the demand for credit.

1. Introduction to the lending survey

Objectives of the Survey

The lending survey is undertaken by the Statistics Department of the Bank of Uganda (BOU) to capture past and prospective developments in the credit market[1]. The survey is designed to complement existing data on credit and lending rates by providing supplementary information on supply and demand conditions in the credit markets and the lending policies of banks.

The main objectives of the survey are to:

i) Enhance BOU's understanding of the lending behaviour and loan financing conditions among the deposit-taking institutions; and

ii) Capture leading information on credit developments and bank lending in the Ugandan market during the reference period.

Methodology

Questionnaires were sent out to all of the 24 commercial banks in Uganda, yielding an overall response rate of 100 percent.

Questions

The questions in the lending survey questionnaire distinguish between two categories of loans namely: a) loans or credit lines to enterprises and b) loans to households and individuals. For each category, questions were posed on credit standards for approving loans; credit terms and conditions; as well as credit demand and its determinants.

Weighting

The results of the survey were weighted by the respondent institutions' market share in the credit market. This approach takes into account the varying sizes and participation of the different respondent institutions in the formal credit market. The weights used in the computation were derived by taking an average of each institution's market share over the three month period (July-September 2012), as represented by each bank's outstanding stock of loans to total outstanding loans of the commercial banking sub sector. (*Appendix 1*)

Summary of results

To calculate aggregate results, lenders who report that credit conditions have changed 'considerably' are summed together with those who report that conditions have changed 'somewhat'.

Analysis of results

The results are analyzed by calculating '*net percentage balances*'. Net percentage balances are calculated by taking the difference between the weighted balance of lenders reporting that, for example, demand was higher/lower or credit standards were tighter/looser. The net percentage balances are scaled to lie between ±100.

Positive balances indicate that lenders, on balance, reported/expected demand/credit availability to be higher than over the previous/current three-month period, or that the terms and conditions on which credit was provided became cheaper or looser respectively.

2. Survey Findings

2.1 Enterprises

2.1.1 Credit standards

Increased Credit availability to Enterprises in Q1

The majority of banks (51 percent) of the banks reported that their credit standards had remained broadly unchanged in the last three months to September 2012. The percentage of respondents that reported easing credit policy/standards for overall loans to enterprises, increased to 19 per cent compared to the previous quarter's 14 percent while there was a continued decline in the percentage of those that reported having tightened credit standards in September 2012. Overall, the net percentage of respondents reporting tightened credit standards decreased from 33 percent in the previous survey to 11 percent (*Figure 1 and Table)*.

[1] Although the survey is distributed to all supervised financial institutions, the survey report covers only the responses received from commercial banks.

The key factors highlighted as having attributed to the slowdown in tightening of credit standards to enterprises were: a) reduction in the Central Bank rate, b) identification of cheap sources of funding and c) improvement in the economic situation, over the quarter, which implied that banks were able to ease or maintain their credit policy unchanged. On the other hand, banks that reported a tightening in credit standards over the quarter cited that the recent liquidity challenges in the economy led to high default rates, hence there was need to tighten to reduce the banks' credit risk.

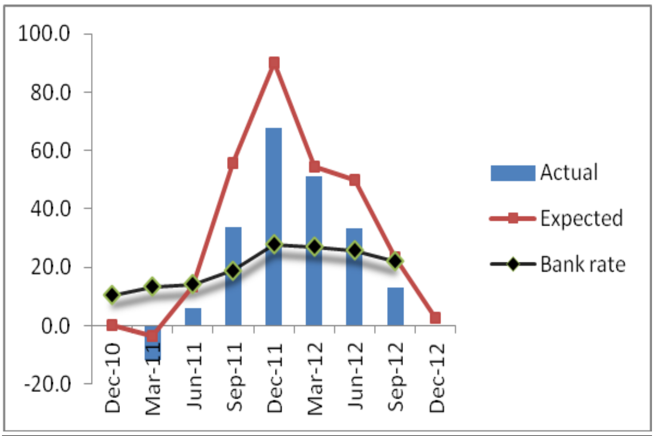
In line with the overall results above, credit standards to Small and Medium Enterprises (SMEs) continued to slacken on a net basis with the percentage of banks which reported a net tightening dropping from 32.7 percent in Q4 FY 2011/2012 to 29.1 percent in Q1 FY2012/2013 while, 57.4 percent of the banks reported that credit standards to large Enterprises remained broadly unchanged on a net basis in the quarter ended September 2012. (*See Table 1*)

In terms of duration, banks seem to be more focused on short term loans rather than long term loans as depicted by the slowdown in the pace of tightening for short term loans from 27.9 percent in Q4 FY 2011/2012 to 13.6 percent in Q1 FY2012/2013 percent while the pace of tightening for longer term loans increased from 33.8 percent in Q4 FY 2011/2012 to 45.5 percent in Q1 FY2012/2013.

Table 1: Credit Standards as applied to approval of loans to Enterprises

	Overall		Loans to SMEs		Large enterprises		Short-term Loans		Long-term Loans	
	Jun-12	Sep-12	Jun-12	Sep-12	Jun-12	Sep-12	Jun-12	Sep-12	Jun-12	Sep-12
Tightened	47	30	46.5	42.7	44.7	25.9	41.7	28.4	49.1	53.9
Unchanged	39	51	39.7	36.1	41.6	57.4	44.0	50.5	35.5	31.3
Eased	14	19	13.8	13.6	13.7	10.3	13.8	14.8	15.3	8.4
Net %	**33**	**11**	**32.7**	**29.1**	**31.0**	**15.6**	**27.9**	**13.6**	**33.8**	**45.5**

Figure 1: Credit policy to Enterprises



Notes:

(a) Net percentage balances are calculated by obtaining the difference between the percentages of lenders reporting that, a factor has tightened/increased and those reporting that it has eased/decreased. A negative balance indicates that more credit is available.

(b) The bar graphs show the net percentages over the previous three months. The line graph shows the expectation over the next three months.

(c)Expectations have been moved forward one quarter so that they can be compared with the actual outturn in the following quarter.

Credit Standards expected to Tighten on a net basis in Q2

Since December 2011, the expectation of net tightening of credit standards by lenders has been slowing down. Similarly for the quarter ending December 2012, the survey results for credit policy to enterprises point towards continued slowdown in net tightening of credit policy (*see figure 1 above and Table 2*). Most respondents reported a net easing for large enterprises and a slow-pace of net tightening for SMEs for the quarter ending December 2012 (*see Table 2*) which is indicative of an increase in the overall availability of credit to enterprises. Notably, credit standards for short-term loans are expected to be eased on a net basis while those for long term loans are expected to remain broadly unchanged with a slower pace of tightening in the period to end December 2012.

Key factors cited for the expectations included: a) expected easing on short term lending[2] so as to improve liquidity positions and b) banks'

[2] Banks noted that there is need to improve liquidity positions of their clients for them to meet short term obligations during the festive season.

expectations of the reduction in the Central Bank Rate (CBR).

On the other hand, banks that expected a tightening in credit standards cited the prevailing liquidity challenges in the economy which could lead to high default rates hence the need to tighten in order to reduce the banks' credit risks.

2.1.2 Credit Standards by Sector

Tightening of credit standards especially to the Building, mortgage but Easing to the other sectors in Q1

Banks were also asked to report on how credit policy had changed for the various sectors of the economy over the quarter ended September 2012. Lenders reported that they kept credit policy broadly unchanged with a bias towards net easing for the majority of the sectors. Notably, however, the Building, Mortgage, Construction and Real Estate sector had the highest percentage of respondents reporting a tightening of credit standards (about 47 percent) in the three months to September 2012 while the Agricultural sector had the highest percentage of respondents reporting an easing of credit standards (about 39 percent).

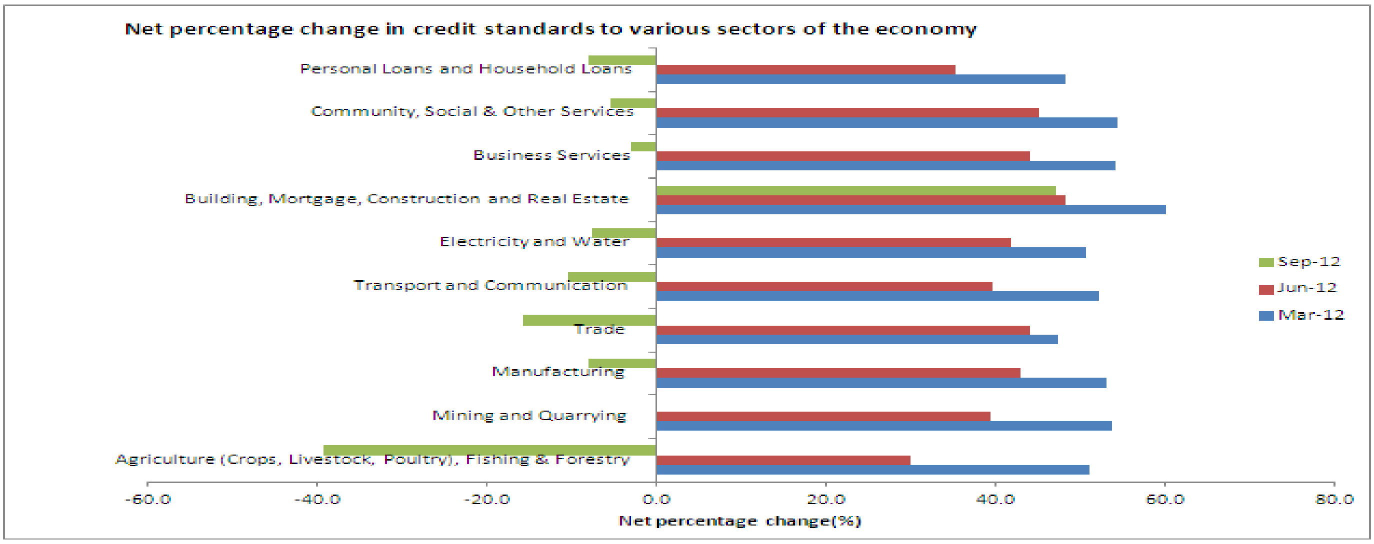
The key factors cited for the tightening of credit standards to the Building, Mortgage, Construction and Real Estate sector were: recession in the sector hence leading to tightening and also the demand for commercial rental space and residential homes has remained low leading to inadequate cash flows to support these facilities.

On the other hand, banks that reported an easing in credit policy to the agricultural sector cited the sector's potential growth and economic contribution to the economy and neighbouring economies as the key factors.

Table 2: Expectations for Credit Standards as applied to approval of loans to Enterprises

	Overall		Loans to SMEs		Large enterprises		Short-term Loans		Long-term Loans	
	Sep-12	**Dec-12**	**Sep-12**	**Dec-12**	**Sep-12**	**Dec-12**	**Sep-12**	**Dec-12**	**Sep-12**	**Dec-12**
Tighten	48	24.9	47.4	24.2	31.7	0.0	29.1	0.0	50.5	9.9
Unchanged	26	47	23.7	47.3	43.4	79.9	46.9	46.5	36.4	76.1
Ease	25	22.2	28.9	22.0	24.9	13.7	24.0	47.2	13.0	7.6
Net %	**23.0**	**2.7**	**18.5**	**2.2**	**6.8**	**-13.7**	**5.1**	**-47.2**	**37.5**	**2.3**

Figure 2: Changes in credit standards by economic sector



2.1.3 Expected Changes in Terms & Conditions for Credit to Enterprises

Price terms: ***Likely Chances of unchanged Margins for banks in Q2 of FY 2012/13***

In the quarter to December 2012, the majority of respondents (59 per cent) expect the margin on average loans to remain unchanged. About 23 per cent of respondents expect the margin to narrow (ease) while only about 6 per cent expect a wider (tighter) margin in the next quarter.

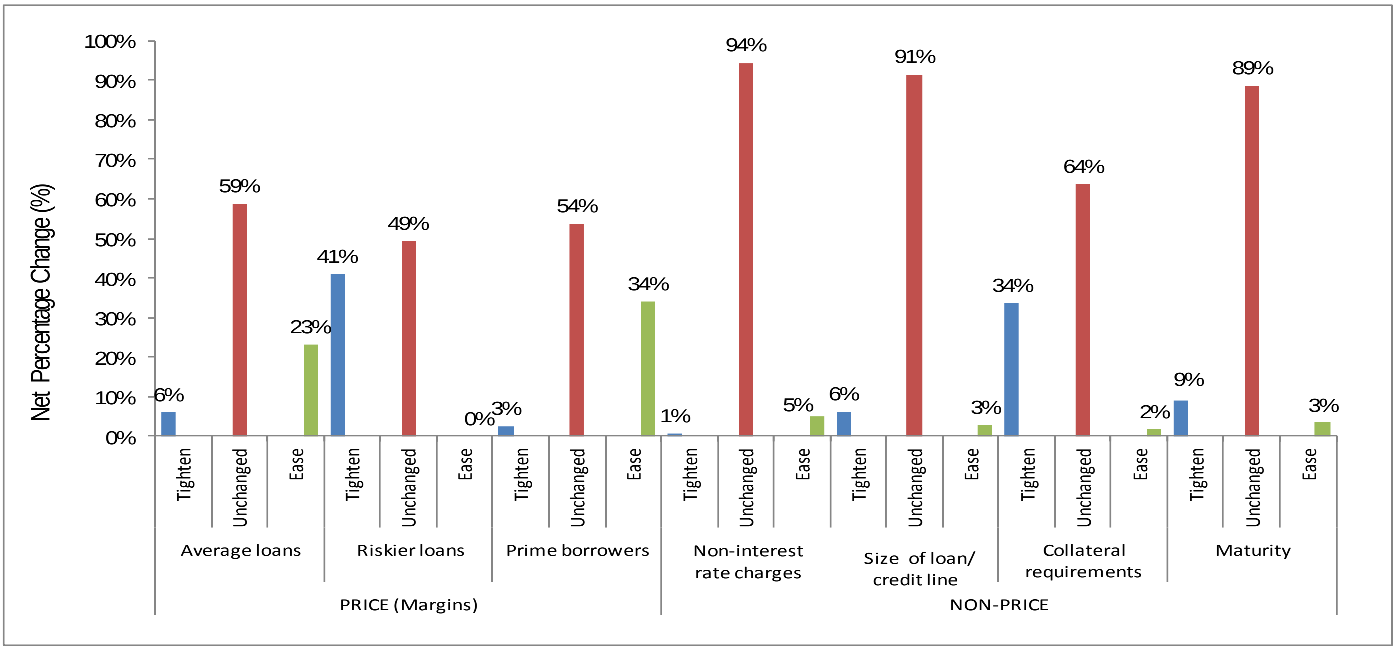
The margin on prime borrowers is also expected to follow a similar trend, with majority of respondents (about 54 percent) expecting the margin on prime lending to remain unchanged over the next quarter.

Non-Price terms: ***Expected to remain unchanged in Q2 of FY 2012/13***

Non-price terms and conditions are expected to remain largely unchanged with a bias towards tightening. Notably however, over 94 percent of all the surveyed banks expect non-interest rate charges such as fees and commissions to remain unchanged as it was in the previous survey results.

Figure 3 illustrates these expected changes in the terms and conditions for credit to enterprises.

Figure 3: Expected changes in terms & conditions for approving loans to enterprises



2.1.4 Demand for Credit

Looking ahead to the second quarter of FY 2012/13, the net demand for credit from enterprises is expected to increase as the percentage of banks anticipating an increase is much higher than those that expect a decrease. The overall percentage of banks expecting a rise in credit demand was about 86 per cent with no bank expecting a decline. Notably however, about 9 percent of respondents expect credit demand to remain broadly unchanged over the next quarter to end December 2012.

This is a reversal from the previous survey results where the majority of lenders (about 58 percent) expected credit demand from enterprise to remain unchanged with only 35 percent expecting an increase (See Table 3 below).

Table 3: Demand expectations for the next three months (Oct-Dec 2012)

	Overall		Loans to SMEs		Large enterprises		Short-term Loans		Long-term Loans	
	Sep-12	Dec-12	Sep-12	Dec-12	Sep-12	Dec-12	Sep-12	Dec-12	Sep-12	Dec-12
Decrease	6.1	0.0	0.5	0.0	5.6	0.0	6.6	0.0	36.2	0.7
Unchanged	57.9	8.9	28.8	8.7	56.0	37.0	56.1	8.2	37.0	51.0
Increase	35.0	86.1	70.2	81.1	37.9	52.7	36.8	81.5	26.3	38.1
Net %	**28.9**	**86.1**	**69.7**	**81.1**	**32.3**	**52.7**	**30.2**	**81.5**	**-9.9**	**37.4**

Some of the major reasons given for the outlook above were that:

a) Commercial banks expect the Central bank to maintain a downward trend in the Central Bank Rate which will translate into lower lending rates and consequently impact on credit demand by making it cheaper to borrow.

b) The increase in demand is attributed to the expected increase in economic activity in most sectors during the Christmas festive season which will translate into increased demand for credit by enterprises.

2.2 Households and Individuals

2.2.1 Credit standards

Unchanged credit standards to households in Q1

In the quarter ended-September 2012, the majority of lenders (about 68 per cent), reported that the overall availability of credit provided to households and individuals had remained broadly unchanged. Some of the major reasons cited by respondents for the maintenance of the credit standards included: tight monetary policy pursued by the Central Bank which led to increases in lending rates hence resulting into limited household capacities to service loans. Some pointed out that they are putting more emphasis on lending to the more productive sectors of the economy.

However, on a net basis, banks reported that there was a slower pace in tightening in the quarter ended September 2012.

In line with these conclusions, the number of personal & household loans approved by commercial banks increased in the quarter ended September 2012, from 11,641 applications in Q4 FY 2011/12 up to 17,108 applications in Q1 FY 2012/13; an increase of about 47% per cent.

Outlook: Net easing Anticipated in Q2

Commercial banks (about 76 percent) expect the overall availability of loans (to households and individuals) to remain unchanged in the quarter to end December 2012, with a strong bias towards easing as it was predicted in the previous survey.

2.2.2 Demand expectations for credit from Households

Increase in Credit Demand from households *expected in Q2*

In the quarter ending December 2012, a significant percentage of lenders (87 per cent) expect demand for credit by households to increase. There was no respondent who anticipated a decline in credit demand in the next quarter. The remaining 13 per cent expect credit demand from households to remain unchanged in the quarter to end December 2012.

Key factors cited for this expectation included: the anticipated decline in lending rates which will lower the cost of borrowing and the expected increase in borrowing of soft and short term loans for the festive season.

2.2.3 Outlook on Terms & Conditions for Credit to Households

The majority of lenders indicated that they expect to leave their overall terms and conditions for consumer credit unchanged over the next three months to December 2012. On a net basis, however, majority of the terms and conditions showed a bias towards tightening with the exception of the margins on average loans, margin on prime borrowers and non-interest rate charges which showed a net easing.

2. 3 Interest Rate Expectations for Quarter 2, FY 2012/13

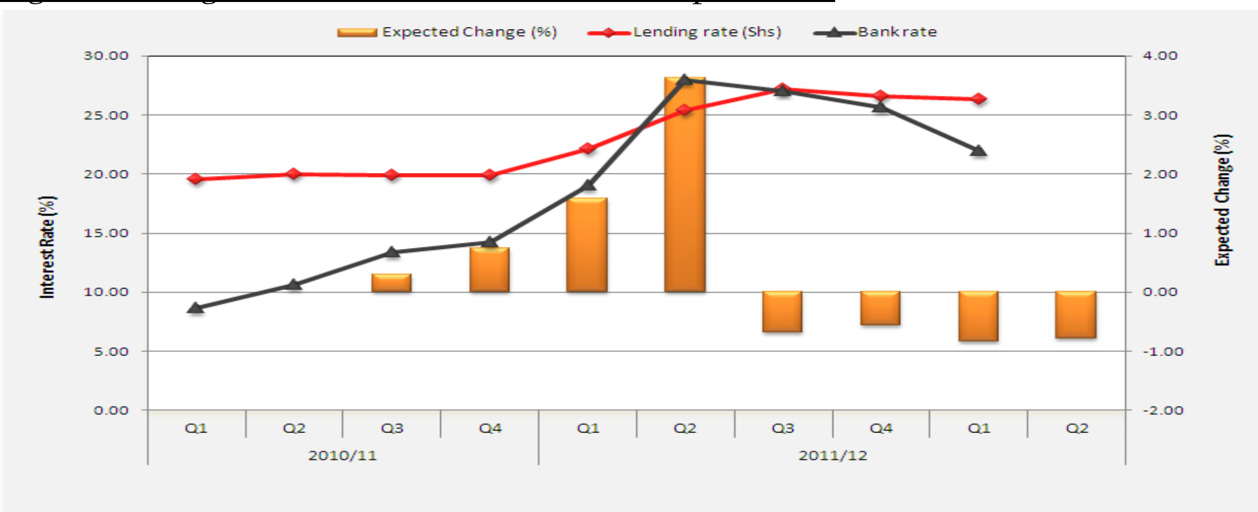
Interest rates expected to decline in Q2 FY 2012/13

Interest rate expectations were derived by asking commercial banks whether they were likely to charge higher or lower lending rates in the next three months, compared to the previous quarter's levels, and by how much. The results were also weighted by the respondent Institutions' market share in the credit market as shown in Appendix 2.

The average percentage, by which banks expect to reduce lending rates over the next quarter to December 2012, is 0.78 percentage points as shown in Figure 4 below. However, the average percentage decline in lending rates could have been higher if all the banks that reported a decline had indicated by how much they expect the rates to reduce. 14 out of the 24 banks reported their expected percentage reduction in lending rates over the next quarter as shown in Appendix 2.

The main reasons cited for the outlook above included: the anticipation of a continued downward trend in inflation to single digit levels, associated with the continued decline in the Central Bank Rate (CBR), a more favourable economic climate and the anticipation of easing liquidity as the festive season approaches.

Figure 4: Changes in interest rates vis-à-vis Net Expectations



Notes: The line graphs show actual interest rate outturns over the quarter. The bar graphs show the average percentage, by which lending rates were expected to increase over the next quarter following the survey. Expectations have been moved forward by one quarter so as to be comparable with the actual outturns.

4. Occasional Questions

The survey also included some occasional questions concerning aspects of bank's lending which are summarised below:

4.1 Impact of Global financial markets

The extent to which the events in the global financial markets have affected banks' willingness to lend over the past three months, and whether these events could constrain banks' willingness to lend over the next three months was investigated.

About 54 percent of the banks reported that events in the global financial markets had some impact on their willingness to lend over the quarter ended September 2012 while 43 percent of the banks reported that events in the global financial markets had no impact on their willingness to lend over the quarter ended September 2012.

On the other hand 60 percent of the banks expected no impact on lending by the events in the global financial markets compared to the 38 percent who expected some impact on lending from the events in the global financial markets in the quarter to end December 2012.

4.2 Impact of the Central Bank Rate

The factors that would explain the relatively slow decline in market lending rates, despite the Bank of Uganda reducing the policy rate-[the Central Bank Rate (CBR)] by five percentage points since June 2012 to fifteen percent in September was investigated.

Banks reported that the reduction in the central bank rate would not be translated into a reduction in interest rates immediately because they were locked in time deposit contracts at higher interest rates which were still running. Secondly, a number of banks noted that because they had borrowed some funds expensively and with long lags, the re-pricing of these expensive term deposits would take some time. Therefore the easing of interest rates would depend on the eventual maturity of these contracts.

4.3 Slow growth in loan extensions over the first quarter

The factors that would explain the relatively slow growth in loan extensions over the first quarter despite banks predicting higher credit demand and net easing of standards in the previous survey were investigated.

Banks noted that; the overall economic situation remained tight hence limiting liquidity in the market; most businesses were badly affected by the high lending rates; anticipation by most customers for a further reduction in interest rates hence limiting their demand for credit.

5. Conclusion

On the supply side: the bank lending survey for the first quarter of FY 2012/ 13 indicated that the majority of banks reported unchanged credit policy/standards regarding the overall availability of loans to all the borrowers.

However, on a net basis, banks indicated a marked slowdown in the tightening of credit standards. According to the banks, this stance was mainly driven by the reduction in the CBR over the period, identification of cheap sources of funding and improvement in the economic situation thus easing liquidity conditions.
Lenders that reported tighter credit conditions cited risk related factors including; the general drop in aggregate demand and challenges in overall market liquidity.

On the demand side: most lenders anticipate credit demand from both enterprises and households to increase, over the next three months to December 2012. The key factors given for these credit demand expectations were: the anticipated low inflation and the continuous downward trend in the CBR, a generally more favourable economic climate and seasonality factors such as the upcoming festive season.

Overall, the survey results indicate that in the quarter to December 2012, the banks expect higher credit demand coupled with a slowdown in the pace of tightening of credit policy; owing to seasonal factors, greater economic activity and the continued reduction in the Central Bank Rate.

APPENDIX 1: Credit Standards as applied to approval of loans to enterprises by NBFIs

	Overall		Loans to SMEs		Large enterprises		Short-term Loans		Long-term Loans	
	Jun-12	**Sep-12**	**Jun-12**	**Sep-12**	**Jun-12**	**Sep-12**	**Jun-12**	**Sep-12**	**Jun-12**	**Sep-12**
Tightened	21	56	21	56	21	56	21	33	21	33
Unchanged	45	44	45	44	45	38	45	67	45	67
Eased	0	0	2	0	0	0	0	0	0	0
Net %	**21**	**56**	**19**	**56**	**21**	**56**	**21**	**33**	**21**	**33**

APPENDIX 2: Expectations for Credit Standards as applied to approval of loans to enterprises by NBFIs

	Overall		Loans to SMEs		Large enterprises		Short-term Loans		Long-term Loans	
	Sep-12	**Dec-12**	**Sep-12**	**Dec-12**	**Sep-12**	**Dec-12**	**Sep-12**	**Dec-12**	**Sep-12**	**Dec-12**
Tightened	21	0	21	33	21	0	21	0	21	33
Unchanged	45	29	45	29	45	56	45	100	45	29
Eased	0	38	0	38	0	38	0	0	0	38
Net %	**21**	**-38**	**21**	**-4**	**21**	**-38**	**21**	**0**	**21**	**-4**

APPENDIX 3: Credit Demand expectations from enterprises (Oct-Dec 2012) by NBFIs

	Overall		Loans to SMEs		Large enterprises		Short-term Loans		Long-term Loans	
	Sep-12	**Dec-12**	**Sep-12**	**Dec-12**	**Sep-12**	**Dec-12**	**Sep-12**	**Dec-12**	**Sep-12**	**Dec-12**
Decrease	0	0	21	0	21	0	21	0	21	0
Unchanged	4	23	4	23	4	56	4	23	4	56
Increase	41	44	41	77	41	38	41	77	41	38
Net %	**-41**	**-44**	**-20**	**-77**	**-20**	**-38**	**-20**	**-77**	**-20**	**-38**

APPENDIX 4: Household and consumer credit standards-expectations (Oct-Dec 2012) by NBFIs

	Sep-12	**Dec-12**
Decrease	21.4	0.0
Unchanged	45.3	100.0
Increase	0.0	0.0
Net %	**-21.4**	**0.0**

APPENDIX 5: Household and consumer credit demand expectations (Oct-Dec 2012) by NBFIs

	Sep-12	**Dec-12**
Decrease	21.4	0.0
Unchanged	4.2	66.6
Increase	41.1	33.4
Net %	**19.7**	**33.4**

Appendix 6: Summary of Bank lending survey results

To calculate aggregate results, lenders who report that credit conditions have changed 'considerably' are summed together with those who report that conditions have changed 'somewhat'.
These scores are then weighted by lenders' market shares. The weights used in the computation were derived by taking an average of each institution's market share
over the three month period , as represented by each bank's outstanding stock of loans to total outstanding loans of the commercial banking sector.
The results are analysed by calculating 'net percentage balances' — the difference between the weighted balance of lenders reporting that, for example, demand was higher/lower or
credit standrads were tighter/looser. The net percentage balances are scaled to lie between ±100.
This annex reports the net percentage balance of respondents for each question in the lending survey questionnaire.

Positive balances indicate that lenders, on balance, reported/expected demand/credit availability/defaults to be higher than over
the previous/current three-month period, or that the terms and conditions on which credit was provided became cheaper or looser respectively.

		Net percentage balances [a]							
Period		2010/11			2011/12				2012/13
Part I: Enterprises		Q2*	Q3	Q4	Q1	Q2	Q3	Q4	Q1
How has your bank's credit policy as applied to the approval of loans or credit lines to enterprises changed?									
Overall	Past three months	-0.3	-11.7	5.9	33.7	67.6	51.3	33.1	11.1
	Next three months	-3.5	13.4	55.6	89.9	54.5	50.0	23.4	2.7
SMEs [b]	Past three months	25.8	-19.6	-16.8	42.2	38.0	58.7	32.7	29.1
	Next three months	-41.5	8.5	24.2	84.8	54.4	49.0	18.4	2.2
Large enterprises	Past three months	-6.4	-11.7	11.3	36.0	67.6	58.6	31.1	15.5
	Next three months	-7.4	18.5	61.2	61.3	50.7	74.6	6.8	-13.7
Short term loans	Past three months	28.5	-10.1	-22.1	24.7	55.1	46.4	27.9	13.6
	Next three months	-4.9	14.9	26.9	59.3	34.8	38.0	5.0	-47.2
Long term loans	Past three months	32.5	7.6	5.6	39.9	85.9	62.7	33.8	45.6
	Next three months	10.9	16.7	16.6	98.8	77.1	80.1	37.5	2.3
How has your institution's credit policy as applied to the approval of loans or credit lines to enterprises changed for the following sectors?									
Agriculture (Crops, Livestock, Poultry), Fishing & Forestry	Past three months	n/a**	n/a**	n/a**	25.1	60.3	51.0	29.9	-39.3
Mining and Quarrying	Past three months	n/a**	n/a**	n/a**	-2.1	2.9	53.8	39.5	0.0
Manufacturing	Past three months	n/a**	n/a**	n/a**	10.2	19.0	53.1	42.9	-8.0
Trade	Past three months	n/a**	n/a**	n/a**	39.7	27.5	47.4	44.0	-15.6
Transport and Communication	Past three months	n/a**	n/a**	n/a**	36.9	58.2	52.1	39.7	-10.5
Electricity and Water	Past three months	n/a**	n/a**	n/a**	7.3	6.5	50.6	41.8	-7.6
Building, Mortgage, Construction and Real Estate	Past three months	n/a**	n/a**	n/a**	67.0	57.5	60.2	48.2	47.2
Business Services	Past three months	n/a**	n/a**	n/a**	62.7	28.6	54.1	44.0	-2.9
Community, Social & Other Services	Past three months	n/a**	n/a**	n/a**	14.5	21.3	54.4	45.2	-5.4
Personal Loans and Household Loans	Past three months	n/a**	n/a**	n/a**	52.3	0.0	48.2	35.2	-8.1
How do you expect your institution's terms and conditions for approving loans or credit lines to enterprises to change?									
Margin on average loans	Next three months	14.1	33.9	40.9	98.9	21.0	35.0	-42.3	-17.2
Margin on riskier loans	Next three months	68.5	40.1	46.9	96.4	93.7	70.6	36.7	41.0
margin on prime borrowers	Next three months	-21.6	24.5	8.2	45.9	-2.0	1.1	-45.8	-31.4
Non-interest rate charges	Next three months	25.3	-1.1	11.7	18.0	-19.1	49.3	-0.5	-4.3
Size of the loan or credit line	Next three months	-24.7	-24.6	41.1	55.0	69.5	61.3	28.3	3.4
Collateral requirements	Next three months	36.3	3.1	53.1	51.7	71.9	31.5	38.1	31.9
Maturity	Next three months	-20.8	-5.7	30.4	48.9	20.4	24.3	29.9	5.6
Please indicate how you expect demand for loans or credit lines by enterprises to change at your institution?(apart from normal seasonal fluctuations)?									
Overall	Next three months	58.0	27.1	-18.1	-67.6	-77.9	-44.8	28.9	86.1
SMEs	Next three months	50.3	18.4	4.8	-62.0	-65.7	-11.0	69.6	81.1
Large enterprises	Next three months	11.7	23.7	-20.8	-40.0	-80.0	-45.7	32.3	52.7
Short term loans	Next three months	53.3	24.5	8.3	-10.4	-71.9	-9.8	30.2	81.5
Long term loans	Next three months	25.6	5.8	7.2	-69.7	-82.0	-57.9	-9.9	37.4

		Net percentage balances							
Period		2010/11			2011/12				2012/13
Part II: Households		Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
How have your bank's credit policy as applied to the approval of loans to households and non-enterprises changed?	Past three months	-49.6	-26.9	16.9	22.8	72.4	53.1	15.7	1.1
	Next three months	21.4	-14.6	52.0	88.3	81.2	9.2	-5.7	-12.9
Please indicate how you expect demand demand for loans to households (for purposes of consumer credit) to change?	Next three months	64.8	77.5	79.8	-40.8	-68.5	33.0	55.5	87.3
How do you expect your institution's terms and conditions for approving loans or credit lines to households to change?									
Margin on average loans	Next three months	15.0	16.5	52.8	91.7	0.7	39.5	-32.8	-25.1
Margin on riskier loans	Next three months	35.0	37.7	64.3	95.5	35.9	-10.1	13.1	36.3
Margin on prime borrowers	Next three months	0.0	0.0	0.0	0.0	-26.2	27.2	-44.3	-23.2
Non-interest rate charges	Next three months	23.9	2.6	9.5	23.2	-12.7	27.5	-5.7	-4.4
Size of the loan or credit line	Next three months	23.8	2.7	22.2	79.2	77.4	12.6	34.8	9.8
Collateral requirements	Next three months	28.5	5.6	40.8	87.3	-0.1	13.5	8.6	9.6
Maturity	Next three months	26.0	-12.4	3.3	42.1	11.9	-13.0	28.9	-1.1

		Net percentage balances							
Period		2010/11			2011/12				2012/13
Part III: Occassional Questions		Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
To what extent have the events in the global financial markets affected your bank's willingness to lend?	Past three months	0.0	0.0	0.0	12.3	-15.2	-9.2	-3.7	39.8
	Next three months	0.0	0.0	0.0	-46.8	-12.8	-8.4	-4.2	58.3
How do you expect the lending rates at your institution;									
To change?	Next three months	25.6	36.4	85.1	92.4	-31.1	-16.5	-66.8	-69.3
And by how much? [c]	Next three months	0.30	0.74	1.58	3.62	-0.68	-0.57	-0.83	-0.78

* The frequency of the lending survey was increased from bi annual to quarterly in the Q2 FY 2010/11 survey.
** Additional question not asked in survey.