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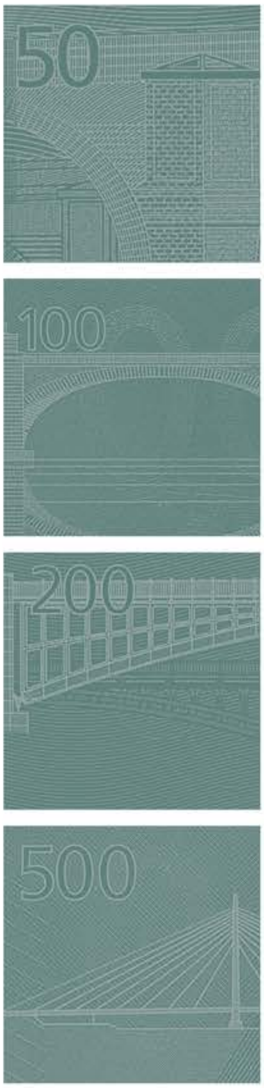

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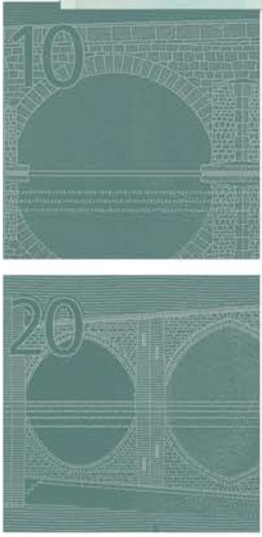

THE EURO AREA BANK LENDING SURVEY

1ST QUARTER OF 2013

APRIL 2013

Address
Kaiserstrasse 29, 60311 Frankfurt am Main, Germany

Postal address
Postfach 16 03 19, 60066 Frankfurt am Main, Germany

Telephone
+49 69 1344 0

Internet
http://www.ecb.europa.eu

Fax
+49 69 1344 6000

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The results reported in the April 2013 bank lending survey (BLS) relate to changes during the first quarter of 2013 and expectations of changes in the second quarter of 2013. The survey was conducted between 20 March and 4 April 2013. With 135 banks participating in the survey, the response rate reached 100%.

Two ad-hoc questions were included in the questionnaire for the April 2013 survey round. The first addressed the impact of the financial crisis on access to retail and wholesale funding. The second concerned the impact of the sovereign debt crisis on banks' funding conditions, credit standards and credit margins.

1 OVERVIEW OF THE RESULTS

According to the April 2013 BLS, the net tightening of credit standards by euro area banks for loans to enterprises declined in the first quarter of 2013 (to 7%, compared with 13% in the fourth quarter of 2012). The level of net tightening of credit standards for loans to enterprises in the first quarter of 2013 currently stands below its historical average calculated over the period since the start of the survey in 2003. The net tightening in the first quarter of 2013 decreased – albeit to a lesser extent – for loans to households for house purchase (to 14%, from 18% in the fourth quarter of 2012) remaining, however, slightly above its historical average, and for consumer credit (to 7%, from 9% in the fourth quarter of 2012), with net tightening at its historical average. The decline in the net tightening of credit standards for both non-financial corporations and households in the first quarter of 2013 reflected somewhat reduced contributions from banks' risk perceptions as well as from cost of funds and balance sheet constraints. This notwithstanding, borrowers' risk and macroeconomic uncertainty remain the main concerns of euro area banks in setting their lending policies.

The decline observed in the net tightening of credit standards to enterprises in the first quarter of 2013 was also reflected in a lower net percentage of banks indicating a tightening of terms and conditions. At the same time, the net percentage of banks reporting a widening of margins on riskier loans in the first quarter of 2013 was the highest across all terms and conditions. By contrast, for housing loans, the net percentage of banks reporting a widening of margins declined only in the case of average loans, while it increased in the case of margins on riskier loans.

Looking ahead to the second quarter of 2013, euro area banks expect a stable net tightening in credit standards on loans to non-financial corporations (NFCs) (7%) and a further decrease for loans to households (10% for housing loans and 3% for consumer credit).

Turning to loan demand developments, euro area banks reported a broadly unchanged net decline in the demand for loans to enterprises in the first quarter of 2013 (-24%, from -26% in the fourth quarter of 2012). This reported net decline in loan demand remains substantially stronger than its historical average calculated over the period since the start of the survey. As in the previous quarter, according to the reporting banks, the fall in demand in the first quarter of 2013 was driven mainly by the substantial negative impact of fixed investment on the financing needs of firms. With regard to housing loans and consumer credit, in the first quarter of 2013 banks indicated a substantial acceleration in the fall of demand (-26%, from -11% in the fourth quarter of 2012 for housing loans, and -25%, from -14% in the fourth quarter of 2012 for consumer credit) which means that net fall in demand is now back to negative levels similar to those reported in previous quarters in 2012. Compared to historical averages, the net decline in loan demand was substantially more pronounced both for housing loans and consumer credit. Looking ahead, for the second quarter of 2013 banks expect a less negative net decline in demand for all categories of loans.

The April 2013 BLS round included two ad hoc questions. In response to the first, which addressed banks' access to retail and wholesale funding in the first quarter of 2013, banks reported a further improvement across all funding categories, albeit to a more limited extent than in the previous survey. In the second quarter of 2013, euro area banks expect only marginal improvements in funding conditions for most market segments and some deterioration for securitisations. In response to the second ad hoc question, which concerned the impact of the sovereign debt crisis, banks indicated that the impact on bank's funding conditions had continued to abate significantly in the first quarter of 2013.

Box 1
GENERAL NOTES

The bank lending survey is addressed to senior loan officers of a representative sample of euro area banks.[1] Its main purpose is to enhance the understanding of bank lending behaviour in the euro area.[2]

The questions distinguish between three categories of loan: loans or credit lines to enterprises; loans to households for house purchase; and consumer credit and other lending to households. For all three categories, questions are asked on credit standards for approving loans; credit terms and conditions; and credit demand and the factors affecting it.

The survey questions are phrased in terms of changes over the past three months (in this case in the first quarter of 2013) or expectations of changes over the next three months (i.e. in the second quarter of 2013).

The responses to questions related to credit standards are analysed in this report by focusing on the difference ("net percentage") between the share of banks reporting that credit standards have been tightened and the share of banks reporting that they have been eased. A positive net percentage indicates that a larger proportion of banks have tightened credit standards ("net tightening"), whereas a negative net percentage indicates that a larger proportion of banks have eased credit standards ("net easing"). Likewise, the term "net demand" refers to the difference between the share of banks reporting an increase in loan demand and the share of banks reporting a decline. Net demand will therefore be positive if a larger proportion of banks has reported an increase in loan demand, whereas negative net demand indicates that a larger proportion of banks has reported a decline in loan demand.

In order to describe the developments of survey replies over time, the report refers to changes in the "net tightening" or "net easing" of credit standards from one survey round to another. For example, a lower net percentage of banks tightening their credit standards between two survey waves would be referred to as a "decline in net tightening". Similarly, higher net percentages of banks indicating a decline in loan demand between two survey waves would be referred to as a "more pronounced net decline in demand".

In addition, an alternative measure of the responses to questions related to changes in credit standards and net demand is included. This measure is the weighted difference ("diffusion index") between the share of banks reporting that credit standards have been tightened and the share of banks reporting that they have been eased. Likewise, regarding the demand for loans, the diffusion index refers to the weighted difference between the share of banks reporting an increase in loan demand and the share of banks reporting a decline. The diffusion index is constructed in the following way: lenders who have answered "considerably" are given a weight twice as high (score of 1) as lenders having answered "somewhat" (score of 0.5). The

[1] The sample group of banks participating in the survey comprises 135 banks, representing all of the euro area countries, and takes into account the characteristics of their respective national banking structures. Since the banks in the sample group differ considerably in size, the survey results are weighted according to the national shares in total outstanding euro area lending to euro area residents.

[2] For more detailed information on the bank lending survey, see the ECB press release of 21 November 2002 entitled "Bank lending survey for the euro area", the article entitled "A bank lending survey for the euro area" in the April 2003 issue of the ECB's Monthly Bulletin and J. Berg et al. (2005), "The bank lending survey for the euro area", ECB Occasional Paper No 23.

interpretation of the diffusion indices follows the same logic as the interpretation of net percentages.

Detailed tables and charts on the responses are provided in Annex 1 for the individual questions and in Annex 2 for the ad hoc questions.

A copy of the questionnaire can be found at
http://www.ecb.europa.eu/stats/money/surveys/lend/html/index.en.html.

2 DEVELOPMENTS IN CREDIT STANDARDS AND NET DEMAND FOR LOANS IN THE EURO AREA

2.1 ENTERPRISES

2.1.1 NET TIGHTENING OF CREDIT STANDARDS FOR LOANS TO ENTERPRISES DECLINED IN THE FIRST QUARTER OF 2013

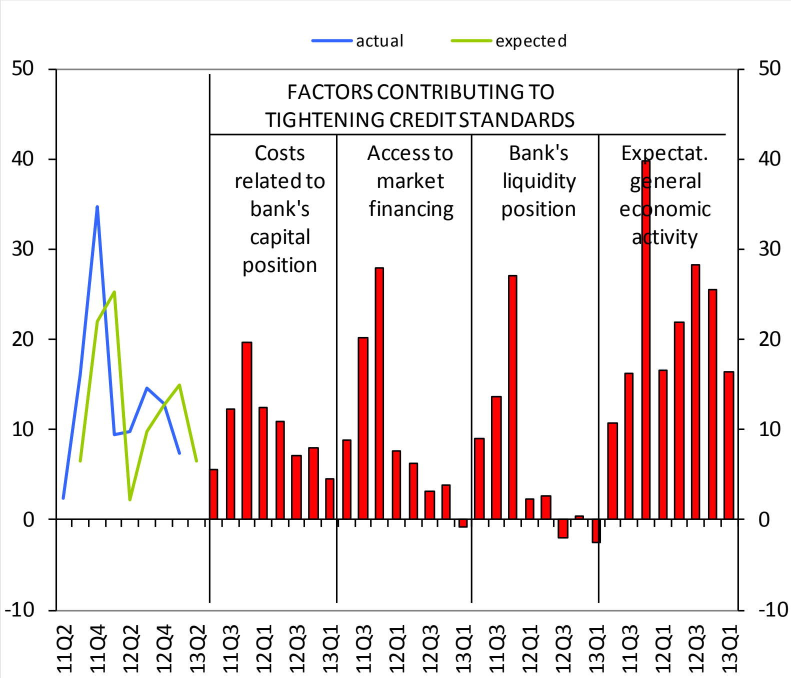
According to the April 2013 BLS, the net percentage of banks tightening their credit standards on loans to enterprises declined in the first quarter of 2013 in the euro area to 7%, compared with 13% in the previous survey round (see Chart 1). The level of net tightening of credit standards for loans to enterprises in the first quarter of 2013 currently stands below its historical average since the start of the survey in 2003. At the time of the previous survey round, banks participating in the survey expected a considerably higher degree of net tightening in credit standards for the first quarter of 2013 (15%).

Concerning developments by firm size, in the first quarter of 2013 the overall net tightening of credit standards appears to have been applied slightly more to small and medium-sized enterprises (SMEs) than to large firms. More specifically, the decline in net tightening of credit standards for loans to SMEs reported in the first quarter of 2013 (to 7%, from 12% in the fourth quarter of 2012) was less pronounced than for large enterprises (4%, from 15%). Compared with the previous survey round, the net tightening of credit standards declined for both short-term loans (5%, from 10% in the fourth quarter of 2012) and long-term loans (11%, from 15%).

Chart 1

CHANGES IN CREDIT STANDARDS APPLIED TO THE APPROVAL OF LOANS OR CREDIT LINES TO ENTERPRISES

(net percentages of banks contributing to tightening credit standards)



Notes: "Actual" values are changes that have occurred, while "expected" values are changes anticipated by banks. Net percentages are defined as the difference between the sum of the percentages of banks responding "tightened considerably" and "tightened somewhat" and the sum of the percentages of banks responding "eased somewhat" and "eased considerably". The net percentages for responses to questions related to the factors are defined as the difference between the percentage of banks reporting that the given factor contributed to a tightening and the percentage reporting that it contributed to an easing.

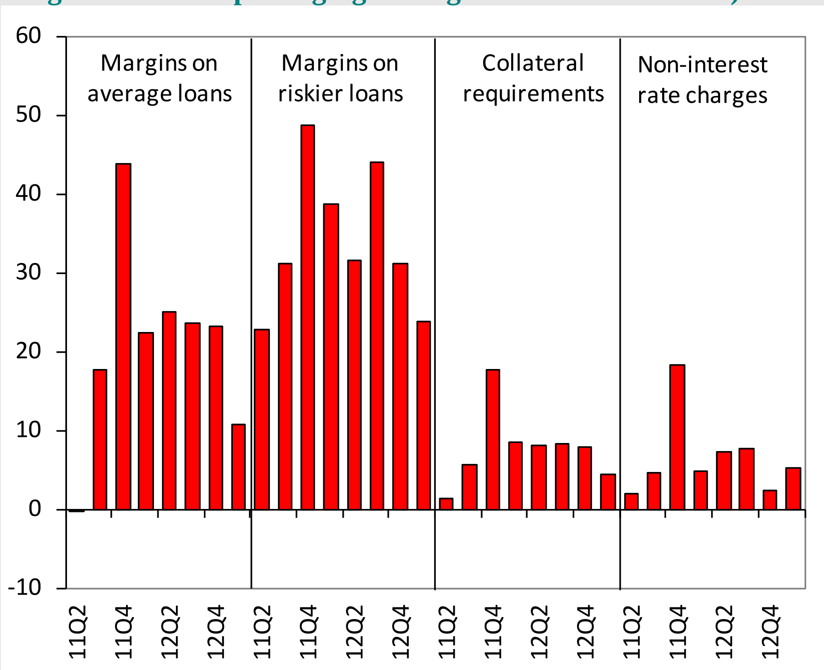
Turning to factors explaining developments in credit standards, the net percentage of euro area banks reporting that cost of funds and balance sheet constraints contributed to a tightening of credit standards on loans to enterprises moderately declined in the first quarter of 2013 (0%, from 4% in the fourth quarter of 2012; see Chart 1). More specifically, the contribution of banks' capital positions to the net tightening declined (5%, from 8% in the fourth quarter of 2012) indicating some ongoing need for banks' balance sheet adjustments. The contribution of both banks' access to market funding (-1%, from 4% in the fourth quarter of 2012) and banks' liquidity position (-3%, from 0% in the fourth quarter of 2012) had a marginally easing, rather than tightening, impact on credit standards. Hence, the further moderation in the contribution to the net tightening of credit standards to enterprises of supply-side factors at the aggregate euro area level reflects the further improvements in financing conditions for euro area banks as also indicated in the respective ad hoc question (for further details see section 3.1.1).

The impact of risk perceptions on the net tightening of credit standards to enterprises also declined in the first quarter of 2013 (see Chart 1), although it is still the main concern of euro area banks in setting their lending policies. This decline reflected lower contributions of expectations regarding general economic activity (16%, after 26% in the fourth quarter of 2012) and industry specific risks (20%, after 28% in the fourth quarter of 2012). The net tightening impact of collateral risk remained broadly stable at 8%, from 9% in the fourth quarter of 2012.

Chart 2

CHANGES IN TERMS AND CONDITIONS FOR APPROVING LOANS OR CREDIT LINES TO ENTERPRISES

(net percentages of banks reporting tightening terms and conditions)



Note: See the notes to Chart 1.

The decline observed in the net tightening of credit standards to enterprises in the first quarter of 2013 was also reflected in a reduced widening of margins both on average and riskier loans as well as in a slower pace of tightening of other credit terms and conditions for euro area aggregates (see Chart 2). Specifically, in the first quarter of 2013 the widening of margins decreased on average loans (to 11%, from 23% in the fourth quarter of 2012) and riskier loans (to 24%, from 31% in the fourth quarter of 2012). Although the net percentage of banks reporting a widening of margins on riskier loans in the first quarter of 2013 was the highest across all terms and conditions, it was below the historical average recorded since the start of the survey. Likewise, banks reported a decline in the tightening impact of restrictions on the size of loans (to 2%, from 11% in the fourth quarter of 2012) and of collateral requirements (to 4%, from 8% in the fourth quarter of 2012). By contrast, the tightening contribution of non-interest rate charges increased slightly (to 5%, from 2% in the fourth quarter of 2012).

Looking ahead to the second quarter of 2013, on balance, euro area banks expect a stable net tightening of credit standards for loans to enterprises (7%) compared with the previous quarter (see Chart 1). The net tightening of credit standards is expected to remain broadly unchanged for loans to SMEs (6%, compared with 7% in the first quarter of 2013) and to somewhat increase for loans to large firms (to 9%, compared with 4% in the first quarter of 2013). In the case of short-term loans, the net tightening of credit standards is expected to remain broadly stable in the second quarter of 2013 (to 4%, from 5% in the first quarter of 2013), while it is expected to increase somewhat for long-term loans (to 10%, from 11% in the first quarter of 2013).

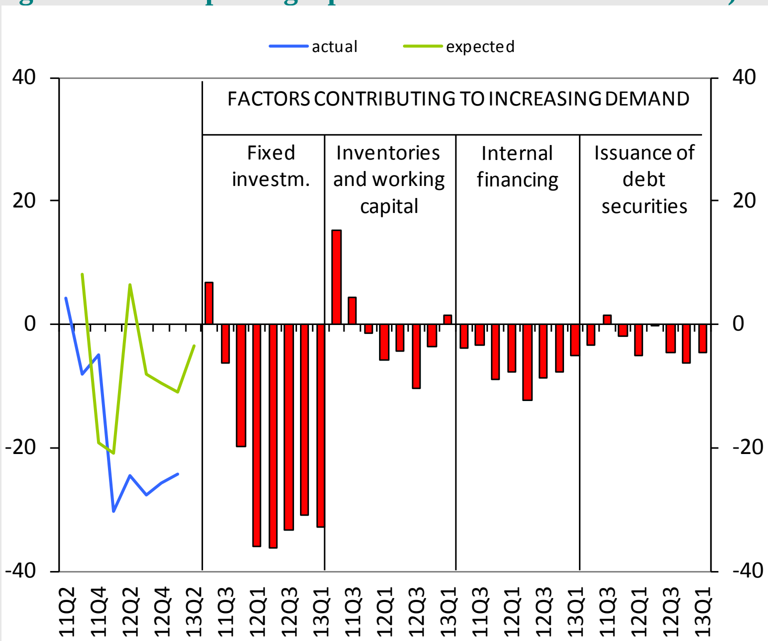
2.1.2 BROADLY STABLE NET DECLINE IN DEMAND FOR LOANS TO ENTERPRISES

As in the previous quarter, euro area banks continued to report a broadly stable but pronounced net decline in the demand for loans to enterprises in the first quarter of 2013 (-24%, from -26% in the fourth quarter of 2012; see Chart 3). This reported net decline in loan demand remains substantially stronger than its historical average since the start of the survey. For the second quarter of 2013, euro area banks expect a substantially less negative net decline in demand for loans to enterprises (-4% on balance). As in the previous quarters, according to the reporting banks, the net fall in demand for loans to enterprises was mainly driven by the substantial negative impact of fixed investment on firms' financing needs (-33% in the first quarter of 2013, from -31% in the fourth quarter of 2012). Mergers and acquisitions (-10%, from -15% in the fourth quarter of 2012) and inventories and working capital (1%, from -5% in the fourth quarter of 2012) continued to contribute less to the net decline in demand for loans to enterprises. The use of other external sources of finance had a mixed impact on the net decline in demand for corporate loans. On balance, euro area banks reported a broadly unchanged contribution to the net decline in demand stemming from the issuance of debt securities (-4%, from -6% in the fourth quarter of 2012) and issuance of equity (-1%, from 1% in the fourth quarter of 2012). As in the previous survey rounds, NFCs' internal sources of financing contributed slightly less negatively to the demand for loans (-5%, from -8% in the fourth quarter of 2012). By contrast, loans from non-banks contributed marginally positively to the net demand for loans (1%, from -3% in the fourth quarter of 2012).

Chart 3

CHANGES IN DEMAND FOR LOANS OR CREDIT LINES TO ENTERPRISES

(net percentages of banks reporting a positive contribution to demand)



Notes: "Actual" values are changes that have occurred, while "expected" values are changes anticipated by banks. Net percentages for the questions on demand for loans are defined as the difference between the sum of the percentages of banks responding "increased considerably" and "increased somewhat" and the sum of the percentages of banks responding "decreased somewhat" and "decreased considerably". The net percentages for responses to questions related to each factor are defined as the difference between the percentage of banks reporting that the given factor contributed to increasing demand and the percentage reporting that it contributed to decreasing demand.

2.2 HOUSEHOLDS

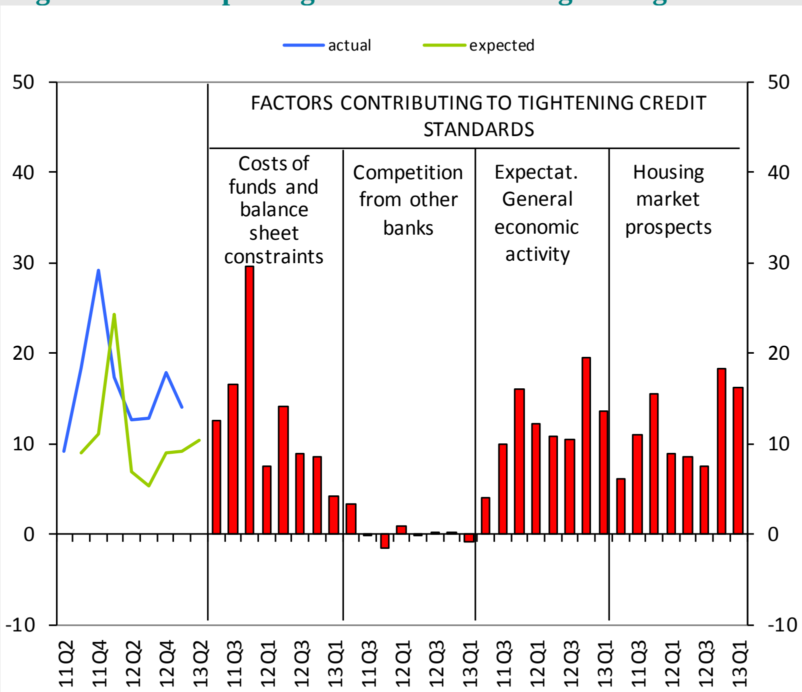
2.2.1 SLIGHT DECLINE IN NET TIGHTENING OF CREDIT STANDARDS ON HOUSING LOANS INCREASED IN THE FIRST QUARTER OF 2013

In the first quarter of 2013, the net tightening of credit standards on loans to households for house purchase declined slightly (to 14%, from 18% in the fourth quarter of 2012; see Chart 4) remaining slightly above its historical average. This net tightening of credit standards was higher than expected by the reporting banks at the time of the previous survey round (9%). As with loans to non-financial corporations, pressures from cost of funds and balance sheet constraints on credit standards applied to housing loans declined in the first quarter of 2013 (to 4%, from 9% in the fourth quarter of 2012). At the same time, compared with the previous survey round, the net tightening impact of banks' risk perceptions on credit standards also decreased in the first quarter of 2013. For the general economic outlook, the tightening impact declined to 14%, from 20% in the fourth quarter of 2012; while for housing market prospects it remained broadly unchanged (to 16%, from 18% in the fourth quarter of 2012). Competitive pressures were reported to have remained broadly neutral.

Chart 4

CHANGES IN CREDIT STANDARDS APPLIED TO THE APPROVAL OF LOANS TO HOUSEHOLDS FOR HOUSE PURCHASE

(net percentages of banks reporting a contribution to tightening credit standards)



Note: See the notes to Chart 1.

The terms and conditions applied to housing loans overall tightened less across most price and non-price categories in the first quarter of 2013. The net percentage of banks reporting a widening of margins on loans declined for both average loans (-1% in net terms, from 8% in the fourth quarter of 2012) and riskier loans (10% in net terms, from 24% in the fourth quarter of 2012). Responses regarding non-price categories pointed to a slight moderation in the net tightening contribution of collateral requirements (5% in net terms, from 8% in the fourth quarter of 2012), maturity of loans and non-interest rate charges (6% in net terms, from 9% in the fourth quarter of 2012), while indicating an increase in the case of loan-to-value ratios (8% in net terms, from 4% in the fourth quarter of 2012).

Looking ahead, euro area banks – in net terms – expect a lower net tightening of credit standards on loans to households for house purchase in the second quarter of 2013 (10%).

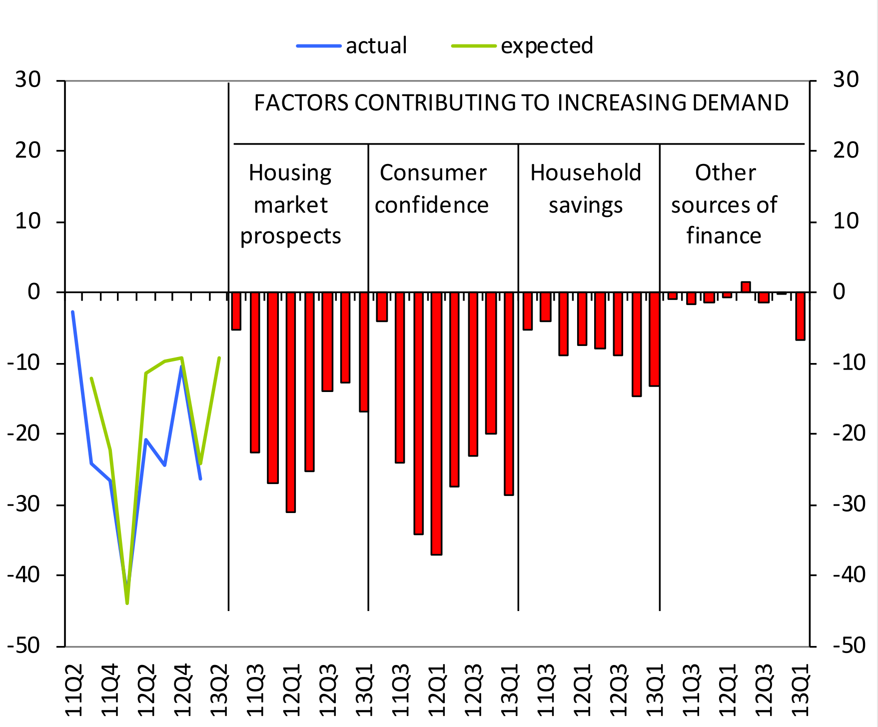
2.2.2 NET DEMAND FOR HOUSING LOANS CONTRACTED AT A HIGHER PACE

Demand for housing loans continued to decline, on balance, in the first quarter of 2013, though at a more accelerated pace than in the previous survey round (-26%, from -11% in the fourth quarter of 2012; see Chart 5). The net percentage of banks reporting a decline in demand for housing loans was substantially more pronounced than the historical average recorded since the beginning of the survey in 2013.

Chart 5

CHANGES IN DEMAND FOR LOANS TO HOUSEHOLDS FOR HOUSE PURCHASE

(net percentages of banks reporting a positive contribution to demand)



Note: See the notes to Chart 3.

Regarding the underlying factors, the contribution to the net decline in demand increased slightly for housing market prospects (to -17%, from -13% in the fourth quarter of 2012), for consumer confidence (to -29%, from -20% in the fourth quarter of 2012) and, particularly, for non-housing related consumption (to -19%, from 10% in the fourth quarter of 2012). By contrast, the contribution to the net decline in demand of the use of household savings as an alternative source of finance remained broadly unchanged (at -13%, compared with -15% in the fourth quarter of 2012).

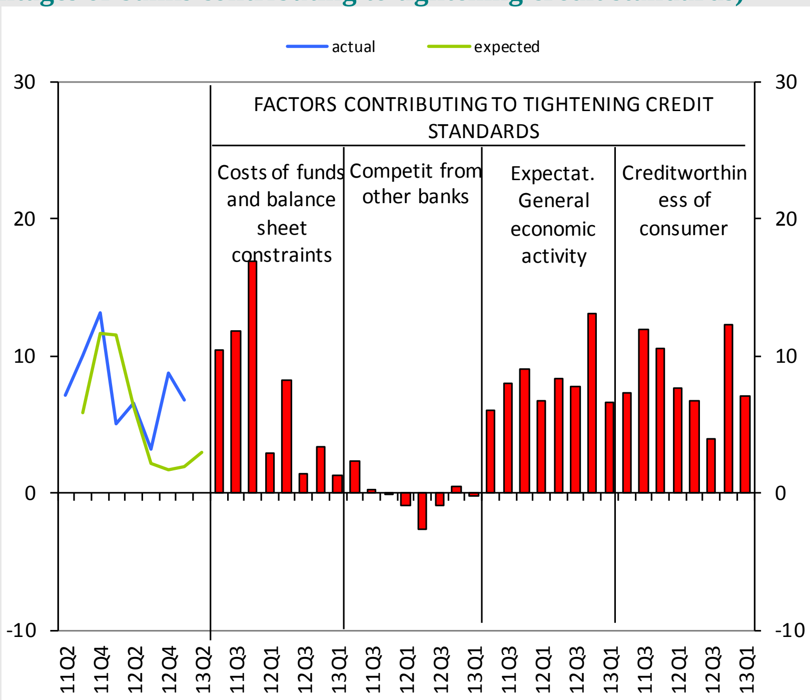
Looking ahead, for the second quarter of 2013 euro area banks expect a considerably less negative net decline in demand for housing loans (-9% on balance).

2.2.3 INCREASE IN THE NET TIGHTENING OF CREDIT STANDARDS FOR CONSUMER LOANS BROADLY STABLE

Chart 6

CHANGES IN CREDIT STANDARDS APPLIED TO THE APPROVAL OF CONSUMER CREDIT AND OTHER LENDING TO HOUSEHOLDS

(net percentages of banks contributing to tightening credit standards)



Note: See the notes to Chart 1.

The net tightening of credit standards for consumer credit reported by euro area banks remained broadly stable, at 7% in the first quarter of 2013, compared with 9% in the fourth quarter of 2012 (see Chart 6) with net tightening at its historical average. Similar to loans to enterprises and housing loans, pressures emerging from cost of funds and balance sheet constraints on credit standards receded in the first quarter of 2013, albeit only very marginally (1%, from 3% in the fourth quarter of 2012). At the same time, the net percentage of banks reporting that expectations regarding the economic outlook and the creditworthiness of loan applicants affected credit standards for consumer credit declined in the first quarter of 2013 (to 7%, from 13% in the fourth quarter of 2012 in the case of expectations regarding the economic outlook, and to 7%, from 12% in the fourth quarter of 2012 in the case of the creditworthiness of loan applicants). With respect to the terms and conditions applied to consumer credit, the net percentage of banks reporting a widening of margins considerably declined with respect to both riskier loans (4%, from 17% in the fourth quarter of 2012) and average loans (-2%, from 12% in the fourth quarter of 2012) in fact indicating a marginal narrowing of margins. In addition, the net tightening of non-price terms and conditions on consumer credit remained broadly unchanged.

Looking ahead, euro area banks expect a lower net tightening of credit standards on consumer credit in the second quarter of 2013 (3%).

2.2.4 ACCELERATED DECLINE IN NET DEMAND FOR CONSUMER CREDIT

The banks participating in the survey reported that net demand for consumer credit declined at an accelerated pace in the first quarter of 2013 (to -25%, compared with -14% in the fourth quarter of 2012). Similar to housing loans, the net percentage of banks reporting a decline in loan demand was substantially more pronounced than the historical average recorded since the beginning of the survey in 2013. According to the participating euro area banks, the net decline in demand was driven mainly by less household spending on durable goods (-27%, from -17% in the fourth quarter of 2012) and a decrease in consumer confidence (-25%, from -22% in the fourth quarter of 2012).

Looking ahead, euro area banks expect a moderation in the net decline of demand for consumer credit (to 7%) in the second quarter of 2013.

3 AD HOC QUESTIONS

3.1.1 FURTHER, ALBEIT LESS PRONOUNCED, IMPROVEMENTS IN ACCESS TO RETAIL AND WHOLESALE FUNDING

As in previous survey rounds, the April 2013 survey questionnaire included a question aimed at assessing the extent to which financial market tensions affected banks' access to retail and wholesale funding.[3]

In the first quarter of 2013, euro area banks reported a further, albeit less pronounced, improvement in their access to retail and wholesale funding across all funding categories compared to the previous quarter (see Chart 7). In particular, they reported a broadly stable net easing in their access to retail funding (at -8%, compared with -9% in the fourth quarter of 2012) and to money markets (at -6%, from -7%) while the net easing in access declined for debt securities (to -16%, from -23% in the fourth quarter of 2012) and for securitisation (to -9%, from -13%). The overall improvement in banks' access to retail and wholesale markets was – except for the case of debt securities – somewhat weaker than expected at the time of the previous survey round.

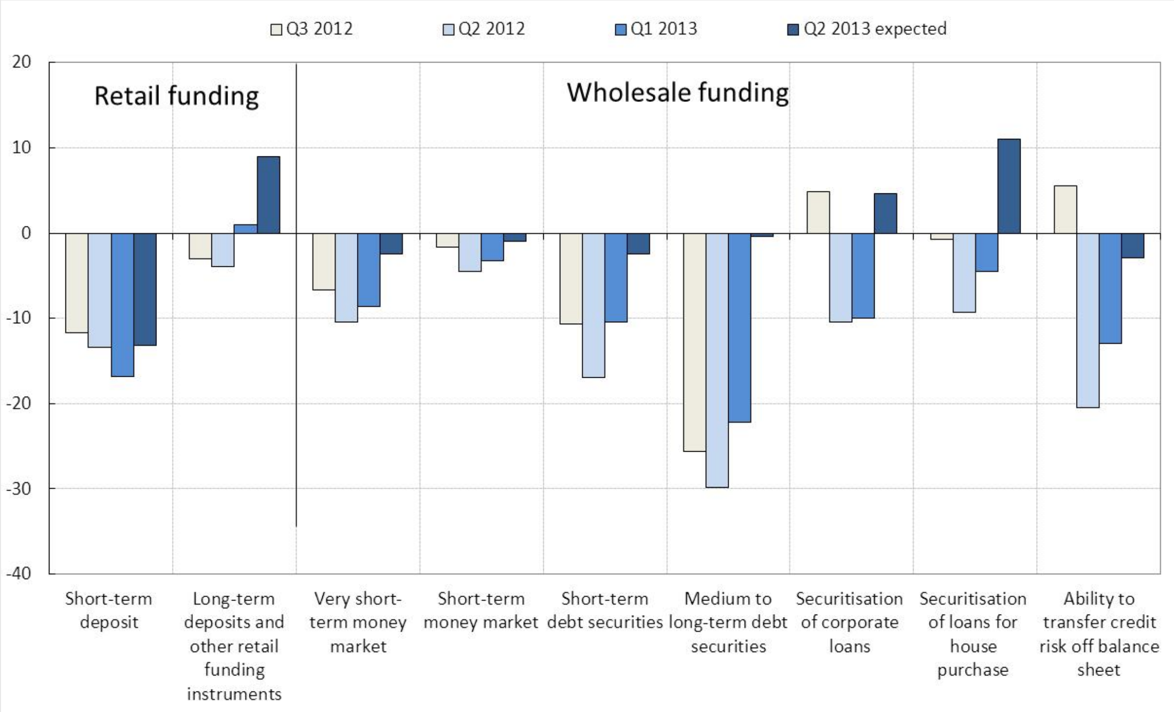
Looking ahead, for the second quarter of 2013 banks expect improvements in funding conditions to moderate further to almost unchanged conditions for most funding segments except for securitisation, where a slight deterioration was indicated. On balance, banks in the euro area continue to expect a marginal net easing in market access to retail funding, money markets and debt securities and a slight deterioration for securitisation. At the same time, the outlook remains mixed across countries and market segments.

[3] The results shown are calculated as a percentage of the number of banks which did not reply "not applicable".

Chart 7

BANKS' ASSESSMENT OF FUNDING CONDITIONS AND THE ABILITY TO TRANSFER CREDIT RISK OFF BALANCE SHEET

(net percentages of banks reporting deteriorated market access)



Note: The net percentages are defined as the difference between the sum of the percentages for "deteriorated considerably" and "deteriorated somewhat" and the sum of the percentages for "eased somewhat" and "eased considerably".

3.1.2 THE IMPACT OF SOVEREIGN DEBT TENSIONS ON BANKS' FUNDING CONDITIONS AND CREDIT STANDARDS CONTINUED TO ABATE IN THE FIRST QUARTER OF 2013

As in the previous survey round, the April 2013 survey questionnaire included a question which addressed the specific impact of the sovereign debt crisis on banks' funding conditions, lending policies and credit margins over the past three months. In principle, bank funding conditions can be primarily affected through two direct channels. First, *direct exposure to sovereign debt* may weaken banks' balance sheets, increase their riskiness as counterparties and, in turn, make funding more costly and more difficult to obtain. Second, higher sovereign debt risk reduces the *value of sovereign collateral* that banks can use to raise wholesale funding. Beyond this, *other effects* may link sovereign market tensions to bank funding conditions. Notably, the weaker financial positions of governments have lowered the funding benefits that banks derive from implicit or explicit government guarantees. Financial contagion from sovereign to sovereign or from sovereign to banks may also be at play.

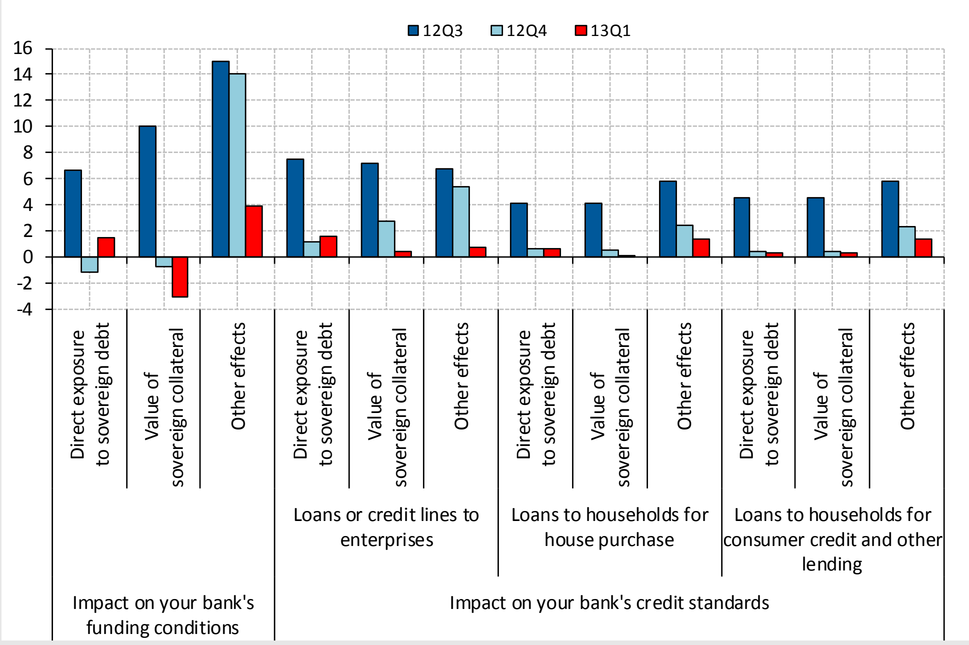
Despite some renewed, albeit contained, sovereign tensions, replies to the April 2013 survey indicated that the impact of sovereign debt tensions on banks' funding conditions in some segments marginally abated in the first quarter of 2013 (see Chart 8, upper panel). On balance, about 1% and 4% of euro area banks, respectively, reported that their direct exposure to sovereign debt and "Other effects", which may include financial contagion, contributed to an unchanged or a marginal tightening in funding conditions (from a net easing impact of -1% and a net tightening impact of 14%, respectively, in the previous quarter). By contrast, the value of sovereign collateral contributed to a marginal net easing (-3%, from -1% in the fourth quarter of 2012). These results suggest that banks' funding conditions were broadly resilient to the recent shocks affecting sovereign markets.

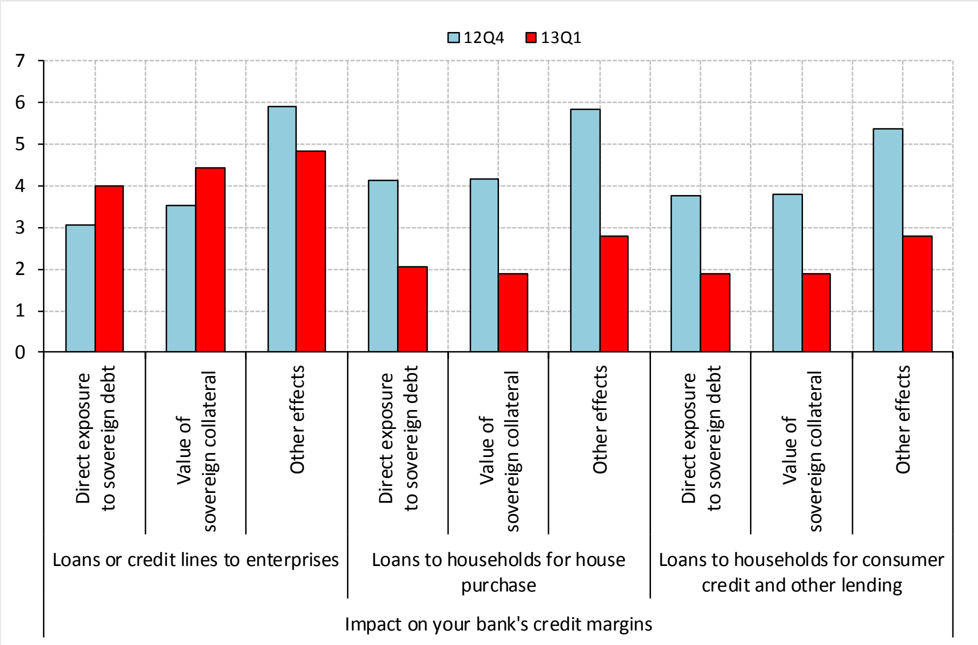
Compared with the previous quarter, the impact of the sovereign debt crisis on banks' credit standards further receded at the euro area level in the first quarter of 2013 (see Chart 8, upper panel). The moderation was widespread across lending categories and channels of transmission, though particularly notable for corporate loans and only marginal in the case of loans to households. At the same time, banks reported that the impact of the sovereign debt crisis on their credit margins had declined marginally for loans to households but increased for loans to enterprises (see Chart 8, lower panel). All in all, the moderation in the impact of the crisis on credit standards is broadly consistent with the impact of the cost of funds and balance sheet constraints on banks' credit standards for loans to enterprises and households.

Chart 8

IMPACT OF THE SOVEREIGN DEBT CRISIS ON BANKS' FUNDING CONDITIONS, CREDIT STANDARDS AND LENDING MARGINS

(net percentages of banks reporting an impact on funding conditions, the tightening of credit standards or widening lending margins)





Note: The net percentages are defined as the difference between the sum of the percentages for "contributed to a deterioration of funding conditions/tightening of credit standards/widening of credit margins considerably" and "somewhat" and the sum of the percentages for "contributed to an easing of funding conditions/easing of credit standards/narrowing of lending margins somewhat" and "considerably".

ANNEX 1: RESULTS FOR THE INDIVIDUAL QUESTIONS

I. LOANS OR CREDIT LINES TO ENTERPRISES

1. Over the past three months, how have your bank's credit standards as applied to the approval of loans or credit lines to enterprises changed? *(in percentages, unless otherwise stated)*

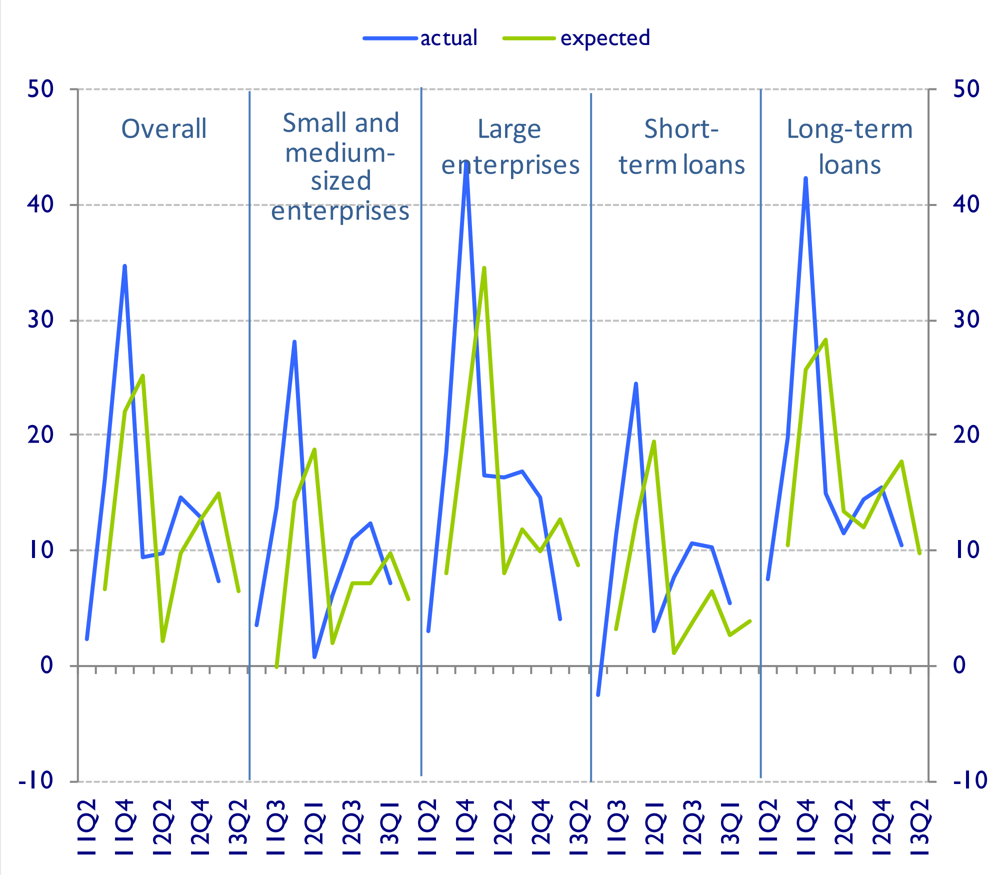
	Overall		Loans to small and medium-sized enterprises		Loans to large enterprises		Short-term loans		Long-term loans	
	Jan 13	Apr 13	Jan 13	Apr 13	Jan 13	Apr 13	Jan 13	Apr 13	Jan 13	Apr 13
Tightened considerably	0	1	2	2	0	4	0	1	0	2
Tightened somewhat	14	10	12	10	15	4	11	8	16	11
Remained basically unchanged	86	86	85	85	84	88	89	89	83	85
Eased somewhat	1	4	1	4	1	4	1	3	1	2
Eased considerably	0	0	0	0	0	0	0	0	0	0
Total	*100*	*100*	*100*	*100*	*100*	*100*	*100*	*100*	*100*	*100*
Net percentage	***13***	***7***	***12***	***7***	***15***	***4***	***10***	***5***	***15***	***11***
Diffusion index	***7***	***4***	***7***	***4***	***7***	***4***	***5***	***3***	***8***	***6***
Mean	*2.87*	*2.92*	*2.86*	*2.91*	*2.85*	*2.92*	*2.90*	*2.94*	*2.85*	*2.88*
Number of banks responding	***126***	***128***	***123***	***124***	***122***	***123***	***126***	***128***	***125***	***128***

Notes: The net percentage is defined as the difference between the sum of the percentages for "tightened considerably" and "tightened somewhat", and the sum of the percentages for "eased somewhat" and "eased considerably". The diffusion index is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered "considerably" a weight twice as high (score of 1) as lenders having answered "somewhat" (score of 0.5). The mean is calculated by attributing the values 1 to 5 to the first possible answer and consequently for the others.

Chart 1

CHANGES IN CREDIT STANDARDS APPLIED TO THE APPROVAL OF LOANS OR CREDIT LINES TO ENTERPRISES

(net percentages of banks contributing to tightening standards)



2. Over the past three months, how have the following factors affected your bank's credit standards as applied to the approval of loans or credit lines to enterprises? *(in percentages, unless otherwise stated)*

	--	-	°	+	++	NA	NetP Jan 13	NetP Apr 13	DI Jan 13	DI Apr 13	Mean Jan 13	Mean Apr 13
A) Cost of funds and balance sheet constraints												
Costs related to your bank's capital position	1	5	86	1	0	8	8	5	6	3	2.88	2.94
Your bank's ability to access market financing	0	1	86	2	0	10	4	-1	2	0	2.96	3.01
Your bank's liquidity position	1	4	81	7	0	8	0	-3	1	-1	2.99	3.03
B) Pressure from competition												
Competition from other banks	0	1	86	4	0	9	1	-3	0	-1	2.99	3.03
Competition from non-banks	0	1	88	1	0	11	0	-1	0	0	3.00	3.01
Competition from market financing	0	1	86	3	0	11	0	-3	0	-1	3.00	3.04
C) Perception of risk												
Expectations regarding general economic activity	1	16	74	1	0	8	26	16	13	9	2.73	2.80
Industry or firm-specific outlook	1	19	72	1	0	7	28	20	14	10	2.70	2.77
Risk on collateral demanded	0	8	85	0	0	7	9	8	4	4	2.91	2.91

SMALL AND MEDIUM-SIZED ENTERPRISES

	--	-	°	+	++	NA	NetP Jan 13	NetP Apr 13	DI Jan 13	DI Apr 13	Mean Jan 13	Mean Apr 13
A) Cost of funds and balance sheet constraints												
Costs related to your bank's capital position	1	4	81	1	0	13	4	4	3	3	2.94	2.93
Your bank's ability to access market financing	0	3	81	1	0	15	0	2	0	1	3.00	2.97
Your bank's liquidity position	0	5	78	5	0	13	1	0	0	0	2.99	3.00
B) Pressure from competition												
Competition from other banks	0	2	81	4	0	13	-1	-1	0	-1	3.01	3.02
Competition from non-banks	0	2	84	0	0	14	0	2	0	1	3.00	2.98
Competition from market financing	0	2	84	0	0	14	0	2	0	1	3.00	2.98
C) Perception of risk												
Expectations regarding general economic activity	1	15	73	1	0	11	21	15	11	8	2.76	2.80
Industry or firm-specific outlook	2	18	69	1	0	11	23	19	12	10	2.74	2.75
Risk on collateral demanded	1	9	80	0	0	11	7	9	4	5	2.92	2.88

LARGE ENTERPRISES

	--	-	°	+	++	NA	NetP Jan 13	NetP Apr 13	DI Jan 13	DI Apr 13	Mean Jan 13	Mean Apr 13
A) Cost of funds and balance sheet constraints												
Costs related to your bank's capital position	2	3	82	0	0	13	12	5	7	3	2.84	2.92
Your bank's ability to access market financing	0	2	80	2	0	16	2	-1	1	0	2.97	3.00
Your bank's liquidity position	1	4	75	8	0	13	-2	-3	-1	-1	3.02	3.03
B) Pressure from competition												
Competition from other banks	0	0	80	6	0	14	0	-6	0	-3	3.00	3.07
Competition from non-banks	0	0	83	2	0	16	0	-2	0	-1	3.00	3.02
Competition from market financing	0	0	82	2	0	16	-1	-2	0	-1	3.01	3.03
C) Perception of risk												
Expectations regarding general economic activity	1	11	75	1	0	12	19	11	10	6	2.78	2.87
Industry or firm-specific outlook	1	13	73	1	0	12	26	13	13	7	2.69	2.85
Risk on collateral demanded	1	5	82	0	0	12	9	6	5	3	2.90	2.94

NA = not available; NetP = net percentage; DI = diffusion index.
Notes: The net percentage is defined as the difference between the sum of banks responding "- -" (contributed considerably to tightening) and "-" (contributed somewhat to tightening), and the sum of banks responding "+" (contributed somewhat to easing) and "+ +" (contributed considerably to easing). "°" means "contributed to basically unchanged credit standards". The diffusion index is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered

"considerably" a weight twice as high (score of 1) as lenders having answered "somewhat" (score of 0.5). The mean is calculated by attributing the values 1 to 5 to the first possible answer and consequently for the others.

Chart 2a

FACTORS AFFECTING CREDIT STANDARDS APPLIED TO THE APPROVAL OF LOANS OR CREDIT LINES TO ENTERPRISES

(net percentages of banks contributing to tightening standards)

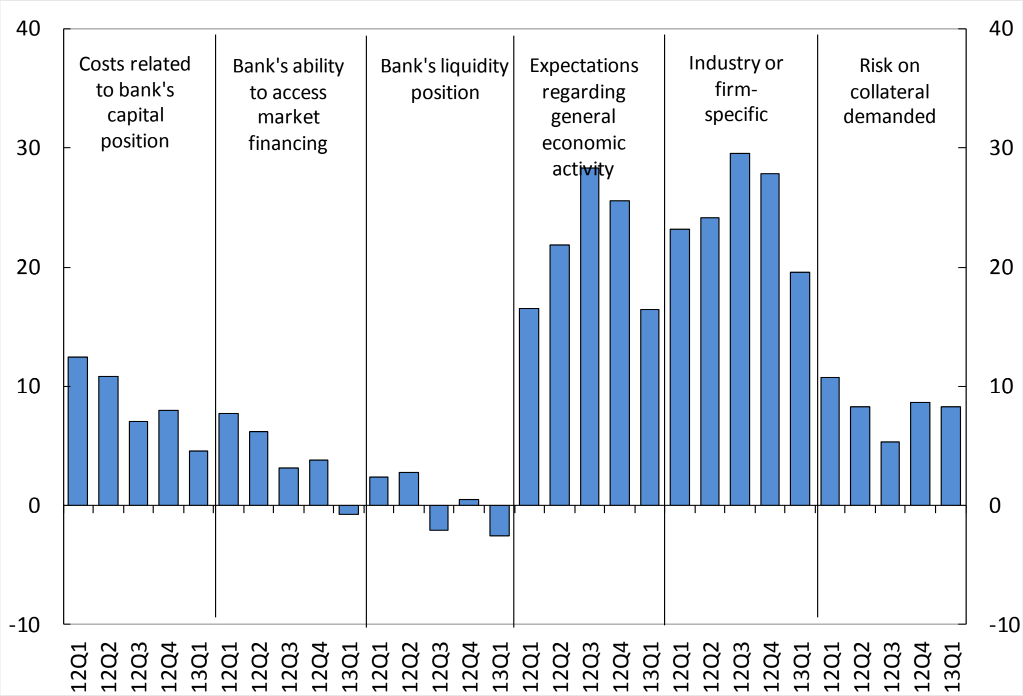
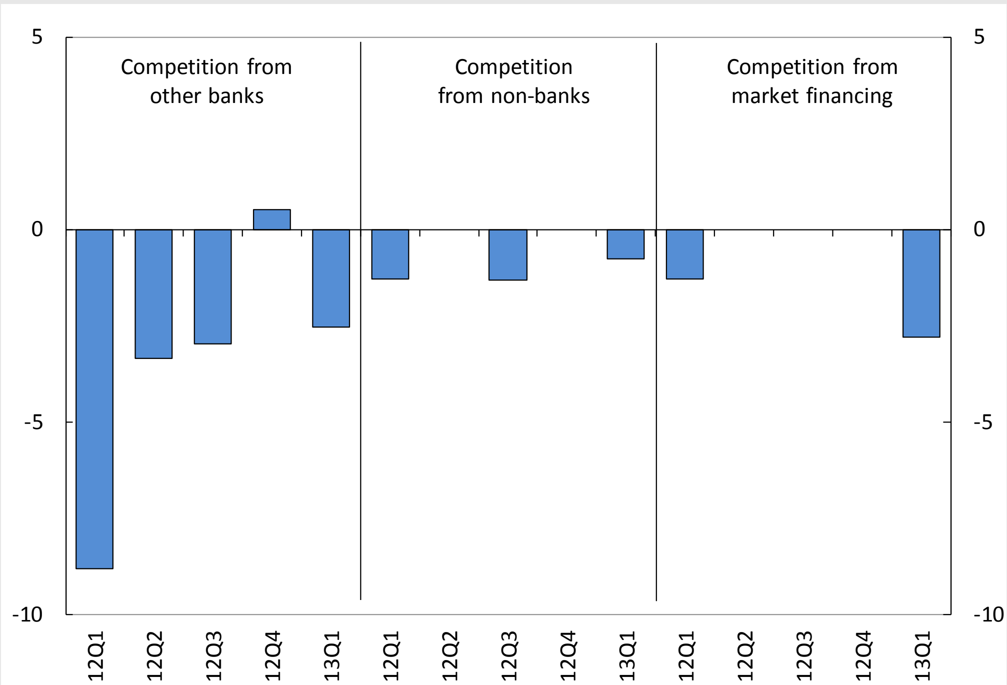


Chart 2b



3. Over the past three months, how have your bank's conditions and terms for approving loans or credit lines to enterprises changed? *(in percentages, unless otherwise stated)*

	--	-	°	+	++	NA	NetP		DI		Mean	
							Jan 13	Apr 13	Jan 13	Apr 13	Jan 13	Apr 13
A) Price												
Your bank's margin on average loans	0	17	71	6	0	7	23	11	12	5	2.76	2.89
Your bank's margin on riskier loans	0	27	61	4	0	8	31	24	18	12	2.63	2.75
B) Other conditions and terms												
Non-interest rate charges	0	6	87	1	0	7	2	5	1	3	2.99	2.95
Size of the loan or credit line	0	4	87	2	0	7	11	2	6	1	2.88	2.98
Collateral requirements	1	5	86	1	0	7	8	4	4	2	2.91	2.95
Loan covenants	0	6	85	1	0	7	4	5	2	3	2.96	2.94
Maturity	1	3	89	1	0	7	8	3	4	2	2.91	2.97

SMALL AND MEDIUM-SIZED ENTERPRISES

	--	-	°	+	++	NA	NetP		DI		Mean	
							Jan 13	Apr 13	Jan 13	Apr 13	Jan 13	Apr 13
A) Price												
Your bank's margin on average loans	0	18	65	7	0	11	19	11	10	6	2.79	2.87
Your bank's margin on riskier loans	1	25	58	4	0	11	32	22	17	12	2.63	2.74
B) Other conditions and terms												
Non-interest rate charges	0	5	83	2	0	11	2	3	1	1	2.99	2.98
Size of the loan or credit line	0	4	82	3	0	11	9	2	4	1	2.91	2.98
Collateral requirements	0	8	79	2	0	11	9	6	5	3	2.90	2.94
Loan covenants	0	3	84	2	0	11	4	1	2	1	2.96	2.99
Maturity	0	4	84	2	0	11	9	2	4	1	2.90	2.99

LARGE ENTERPRISES

	--	-	°	+	++	NA	NetP		DI		Mean	
							Jan 13	Apr 13	Jan 13	Apr 13	Jan 13	Apr 13
A) Price												
Your bank's margin on average loans	0	14	65	7	0	14	17	7	10	3	2.78	2.93
Your bank's margin on riskier loans	0	23	57	6	0	14	25	17	16	9	2.64	2.80
B) Other conditions and terms												
Non-interest rate charges	0	4	81	1	0	14	3	3	2	2	2.96	2.97
Size of the loan or credit line	0	4	79	3	0	14	14	1	8	0	2.83	2.99
Collateral requirements	1	4	78	2	0	15	10	3	5	2	2.89	2.96
Loan covenants	0	6	76	4	0	14	4	3	2	1	2.95	2.96
Maturity	1	4	80	3	0	14	12	1	6	1	2.86	2.98

NA = not available; NetP = net percentage; DI = diffusion index.

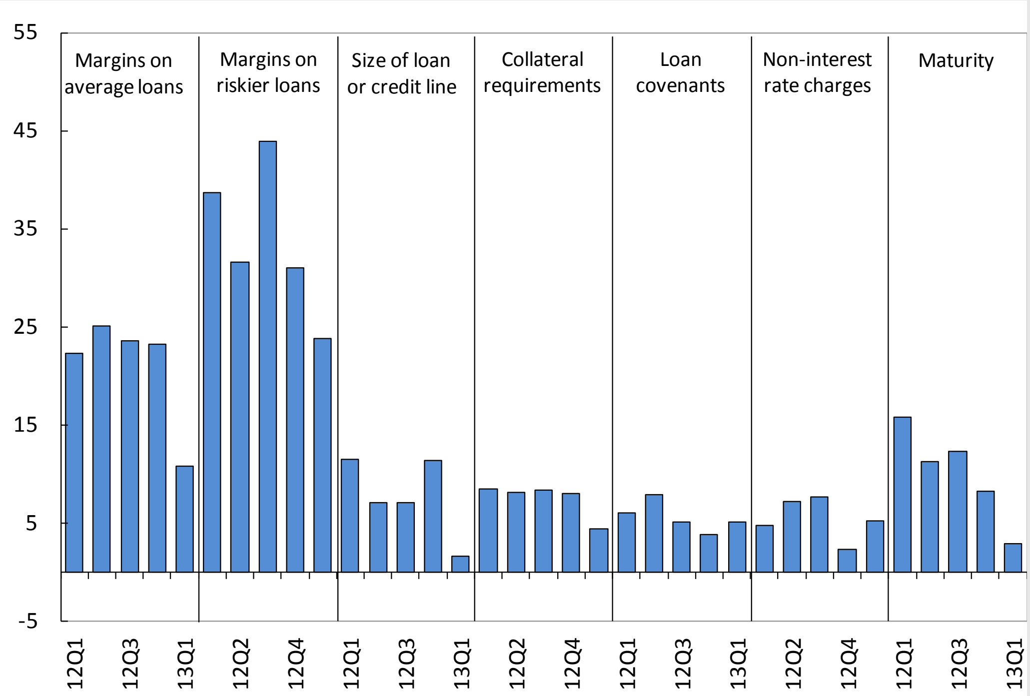
Notes: The net percentage is defined as the difference between the sum of banks responding "- -" (contributed considerably to tightening) and "-" (contributed somewhat to tightening), and the sum of banks responding "+" (contributed somewhat to easing) and "+ +" (contributed considerably to easing). "°" means "contributed to basically unchanged credit standards". The diffusion index is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered "considerably" a weight twice as high (score of 1) as lenders having answered "somewhat" (score of 0.5). The mean is calculated by attributing the values 1 to 5 to the first possible answer and consequently for the others.

Chart 3

CHANGES IN TERMS AND CONDITIONS FOR APPROVING LOANS OR CREDIT LINES TO ENTERPRISES

(net percentages of banks reporting tightening terms and conditions)

OVERALL



4. Over the past three months, how has the demand for loans or credit lines to enterprises changed at your bank, apart from normal seasonal fluctuations? *(in percentages, unless otherwise stated)*

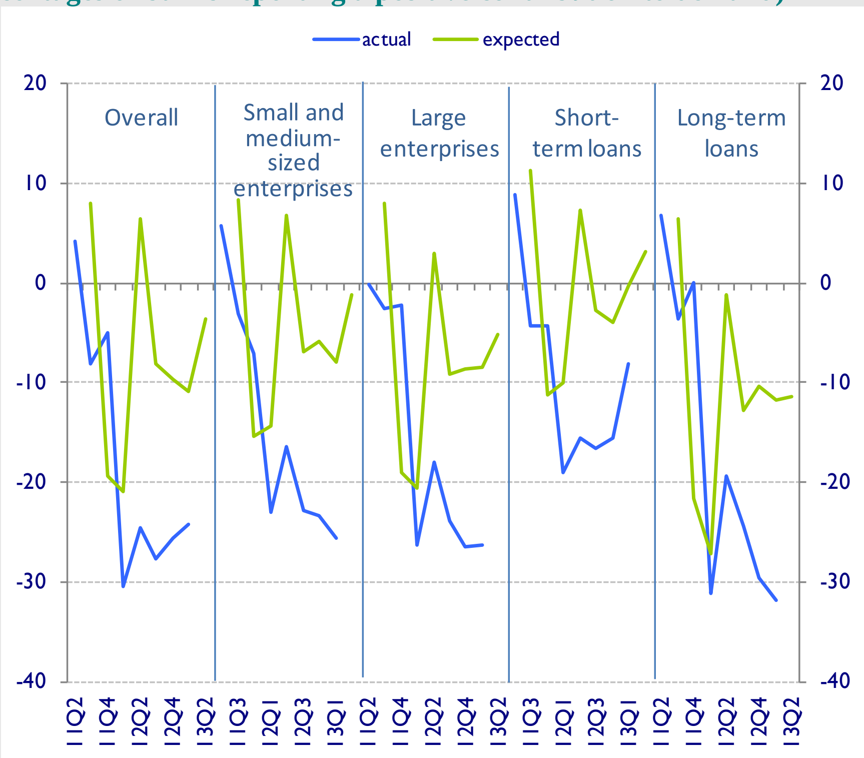
	Overall		Loans to small and medium-sized enterprises		Loans to large enterprises		Short-term loans		Long-term loans	
	Jan 13	Apr 13	Jan 13	Apr 13	Jan 13	Apr 13	Jan 13	Apr 13	Jan 13	Apr 13
Decreased considerably	0	1	0	1	4	1	0	1	1	1
Decreased somewhat	31	30	30	33	27	30	23	17	34	37
Remained basically unchanged	63	64	64	60	64	65	69	74	60	57
Increased somewhat	5	6	6	7	5	4	8	9	5	5
Increased considerably	1	0	1	0	0	0	0	0	1	0
Total	*100*	*100*	*100*	*100*	*100*	*100*	*100*	*100*	*100*	*100*
Net percentage	***-26***	***-24***	***-23***	***-26***	***-27***	***-26***	***-16***	***-8***	***-30***	***-32***
Diffusion index	***-13***	***-12***	***-11***	***-13***	***-15***	***-13***	***-8***	***-4***	***-15***	***-16***
Mean	*2.75*	*2.75*	*2.77*	*2.74*	*2.70*	*2.73*	*2.84*	*2.91*	*2.70*	*2.68*
Number of banks responding	***125***	***128***	***122***	***124***	***121***	***123***	***125***	***128***	***124***	***128***

Notes: The net percentage is defined as the difference between the sum of the percentages for "tightened considerably" and "tightened somewhat", and the sum of the percentages for "eased somewhat" and "eased considerably". The diffusion index is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered "considerably" a weight twice as high (score of 1) as lenders having answered "somewhat" (score of 0.5). The mean is calculated by attributing the values 1 to 5 to the first possible answer and consequently for the others.

Chart 4

CHANGES IN DEMAND FOR LOANS OR CREDIT LINES TO ENTERPRISES

(net percentages of banks reporting a positive contribution to demand)



5. Over the past three months, how have the following factors affected the demand for <u>loans or credit lines to enterprises</u>? *(in percentages, unless otherwise stated)*

	--	-	°	+	++	NA	NetP		DI		Mean	
							Jan 13	Apr 13	Jan 13	Apr 13	Jan 13	Apr 13
A) Financing needs												
Fixed investment	1	34	56	2	0	7	-31	-33	-16	-17	2.66	2.64
Inventories and working capital	0	11	68	12	0	9	-4	1	-2	1	2.96	3.02
Mergers/acquisitions and corporate restructuring	1	12	70	3	0	14	-15	-10	-8	-5	2.84	2.88
Debt restructuring	0	2	77	13	1	7	15	12	8	6	3.16	3.14
B) Use of alternative finance												
Internal financing	0	6	87	1	0	7	-8	-5	-4	-3	2.92	2.95
Loans from other banks	0	2	89	2	0	7	-3	0	-2	0	2.97	3.00
Loans from non-banks	0	0	89	1	0	10	-3	1	-1	1	2.97	3.02
Issuance of debt securities	0	8	76	4	0	13	-6	-5	-3	-2	2.92	2.95
Issuance of equity	0	1	82	0	0	16	1	-1	1	-1	3.01	2.98

NA = not available; NetP = net percentage; DI = diffusion index.

Notes: The net percentage is defined as the difference between the sum of banks responding "- -" (contributed considerably to tightening) and "-" (contributed somewhat to tightening), and the sum of banks responding "+" (contributed somewhat to easing) and "+ +" (contributed considerably to easing). "°" means "contributed to basically unchanged credit standards". The diffusion index is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered "considerably" a weight twice as high (score of 1) as lenders having answered "somewhat" (score of 0.5). The mean is calculated by attributing the values 1 to 5 to the first possible answer and consequently for the others.

Chart 5a

FACTORS AFFECTING DEMAND FOR LOANS AND CREDIT LINES TO ENTERPRISES

(net percentages of banks reporting a positive contribution to demand)

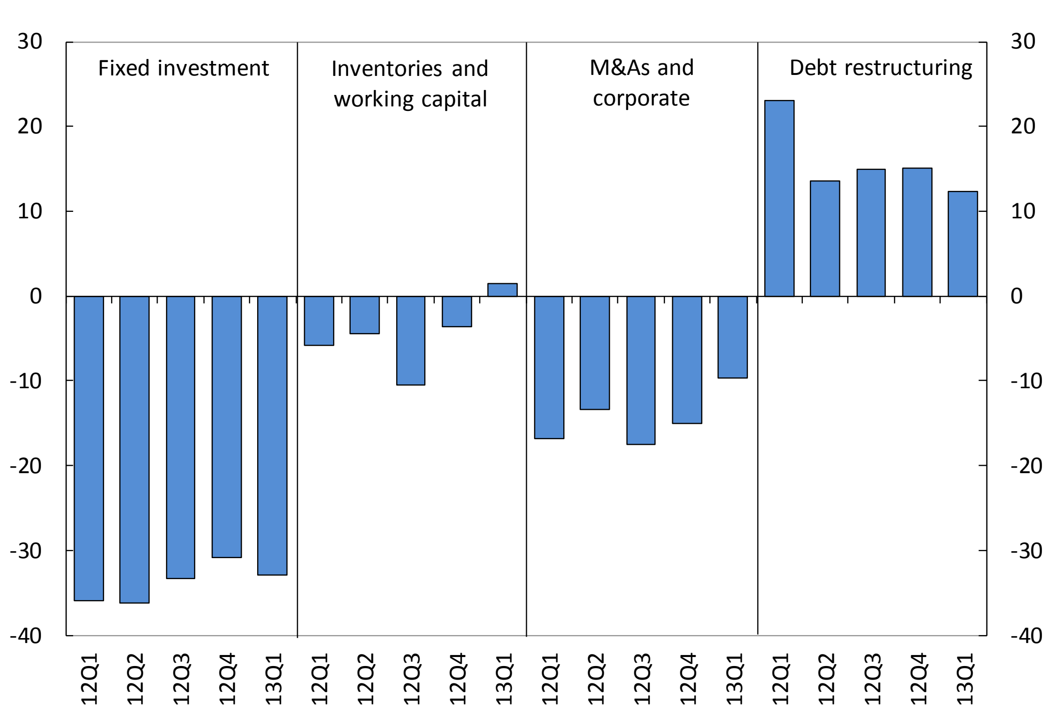
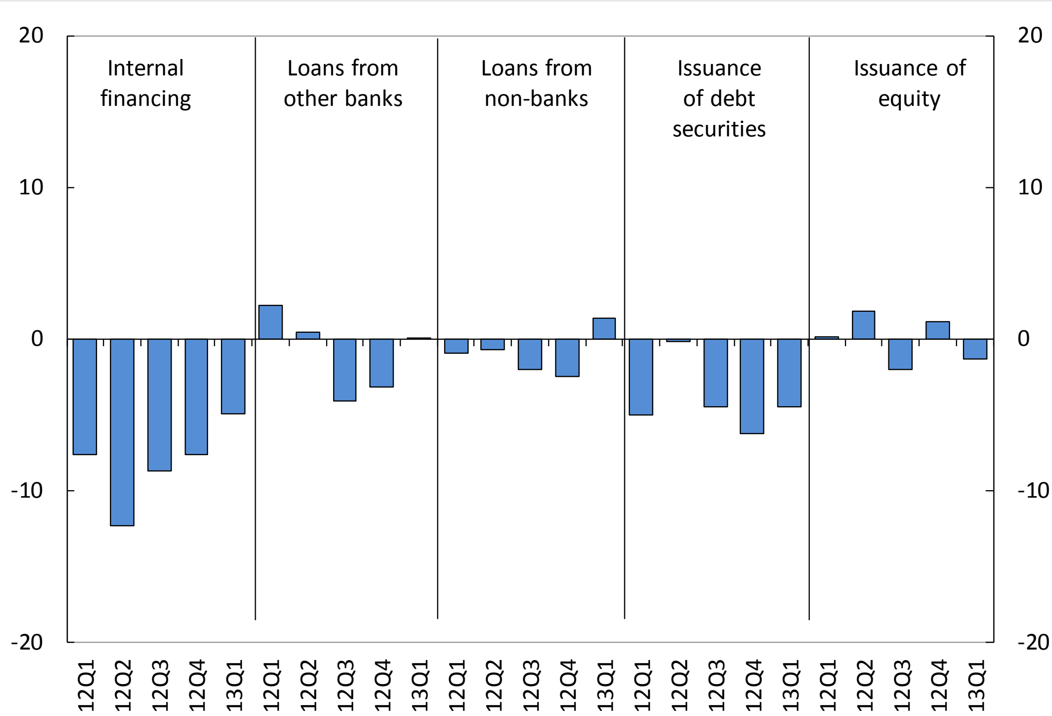


Chart 5b

FACTORS AFFECTING DEMAND FOR LOANS AND CREDIT LINES TO ENTERPRISES

(net percentages of banks reporting a positive contribution to demand)



6. Please indicate how you expect your bank's credit standards as applied to the approval of loans or credit lines to enterprises to change over the next three months. *(in percentages, unless otherwise stated)*

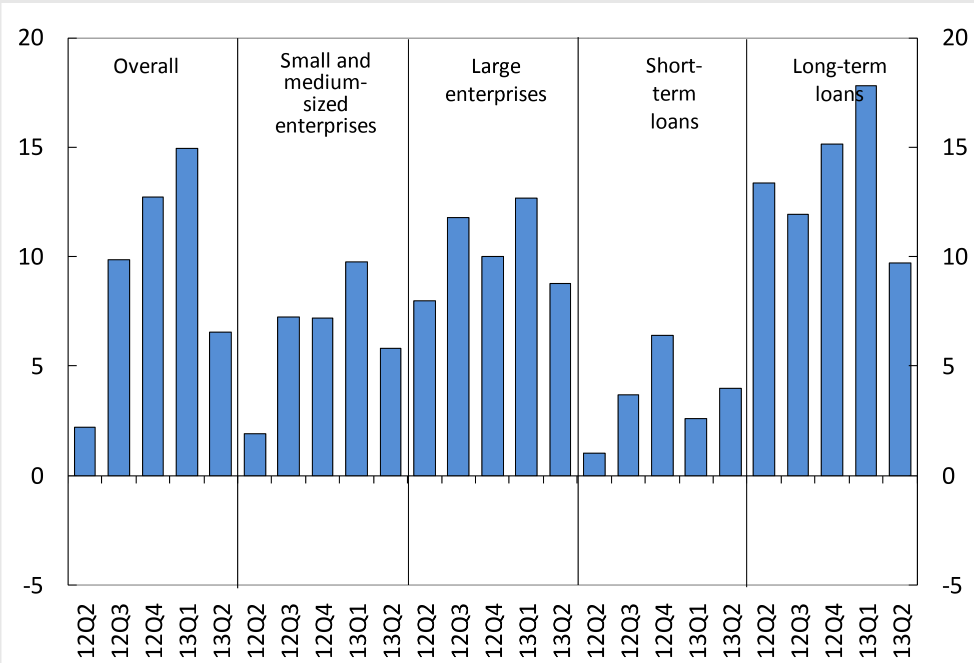
	Overall		Loans to small and medium-sized enterprises		Loans to large enterprises		Short-term loans		Long-term loans	
	Jan 13	Apr 13	Jan 13	Apr 13	Jan 13	Apr 13	Jan 13	Apr 13	Jan 13	Apr 13
Tighten considerably	1	3	2	3	0	2	0	1	0	1
Tighten somewhat	15	7	11	9	14	9	5	6	19	11
Remain basically unchanged	82	87	85	81	84	88	92	90	79	86
Ease somewhat	2	3	3	6	2	2	3	3	2	2
Ease considerably	0	0	0	0	0	0	0	0	0	0
Total	*100*	*100*	*100*	*100*	*100*	*100*	*100*	*100*	*100*	*100*
Net percentage	***15***	***7***	***10***	***6***	***13***	***9***	***3***	***4***	***18***	***10***
Diffusion index	***8***	***5***	***6***	***4***	***6***	***5***	***1***	***3***	***9***	***6***
Mean	*2.84*	*2.91*	*2.89*	*2.91*	*2.87*	*2.90*	*2.97*	*2.95*	*2.82*	*2.89*
Number of banks responding	***125***	***127***	***121***	***123***	***122***	***122***	***125***	***127***	***124***	***127***

Notes: The net percentage is defined as the difference between the sum of the percentages for "tightened considerably" and "tightened somewhat", and the sum of the percentages for "eased somewhat" and "eased considerably". The diffusion index is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered "considerably" a weight twice as high (score of 1) as lenders having answered "somewhat" (score of 0.5). The mean is calculated by attributing the values 1 to 5 to the first possible answer and consequently for the others.

Chart 6

EXPECTED CREDIT STANDARDS FOR THE APPROVAL OF LOANS OR CREDIT LINES TO ENTERPRISES

(net percentages of banks contributing to tightening standards)



7. Please indicate how you expect demand for loans or credit lines to enterprises to change at your bank over the next three months (apart from normal seasonal fluctuations). *(in percentages, unless otherwise stated)*

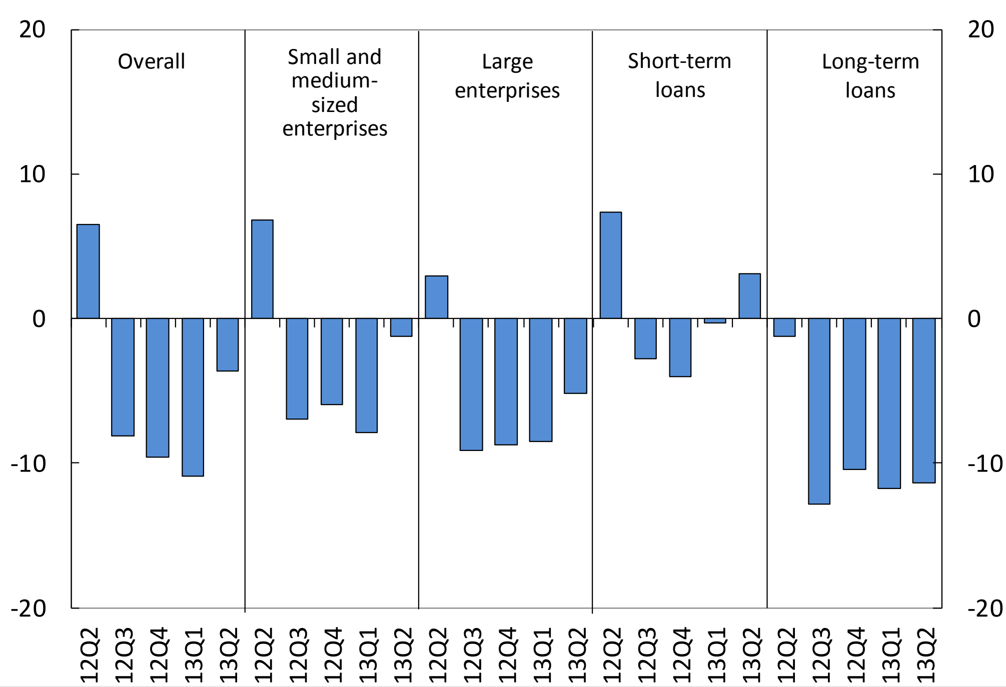
	Overall		Loans to small and medium-sized enterprises		Loans to large enterprises		Short-term loans		Long-term loans	
	Jan 13	Apr 13	Jan 13	Apr 13	Jan 13	Apr 13	Jan 13	Apr 13	Jan 13	Apr 13
Decrease considerably	0	1	0	1	2	0	0	0	1	0
Decrease somewhat	17	14	15	13	11	15	13	12	19	19
Remain basically unchanged	78	73	78	73	83	75	75	74	72	74
Increase somewhat	6	12	6	13	4	10	13	15	6	8
Increase considerably	0	0	1	0	0	0	0	0	2	0
Total	*100*	*100*	*100*	*100*	*100*	*100*	*100*	*100*	*100*	*100*
Net percentage	***-11***	***-4***	***-8***	***-1***	***-9***	***-5***	***0***	***3***	***-12***	***-11***
Diffusion index	***-6***	***-2***	***-4***	***-1***	***-5***	***-3***	***0***	***2***	***-5***	***-6***
Mean	*2.89*	*2.95*	*2.93*	*2.97*	*2.90*	*2.95*	*3.00*	*3.03*	*2.90*	*2.89*
Number of banks responding	***125***	***127***	***121***	***123***	***121***	***122***	***125***	***127***	***124***	***127***

Notes: The net percentage is defined as the difference between the sum of the percentages for "tightened considerably" and "tightened somewhat", and the sum of the percentages for "eased somewhat" and "eased considerably". The diffusion index is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered "considerably" a weight twice as high (score of 1) as lenders having answered "somewhat" (score of 0.5). The mean is calculated by attributing the values 1 to 5 to the first possible answer and consequently for the others.

Chart 7

EXPECTED DEMAND FOR LOANS AND CREDIT LINES TO ENTERPRISES

(net percentages of banks reporting a positive contribution to demand)



II. LOANS TO HOUSEHOLDS

8. Over the past three months, how have your bank's credit standards as applied to the approval of loans to households changed? *(in percentages, unless otherwise stated)*

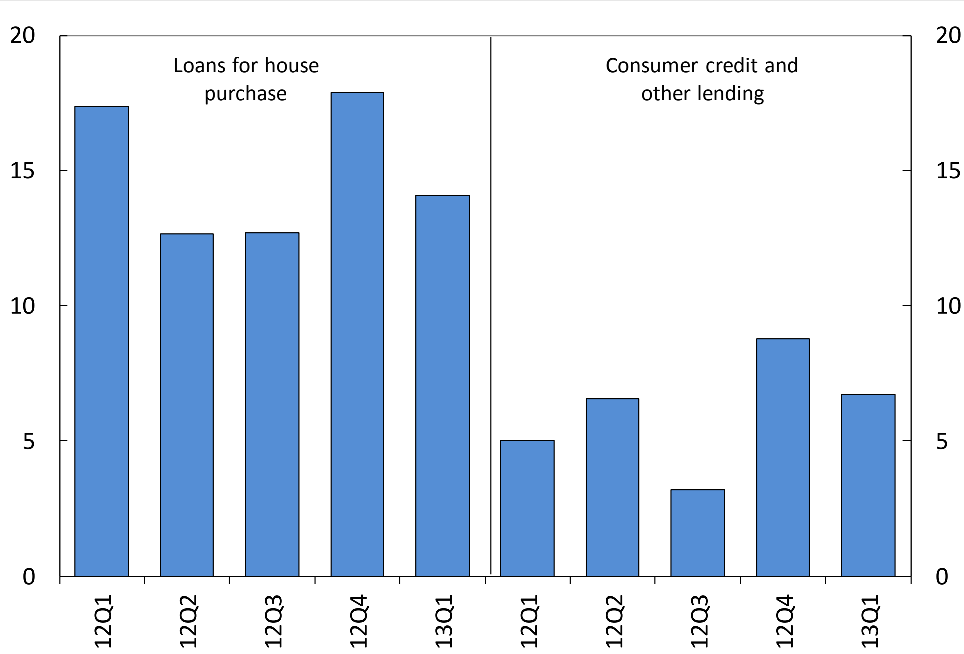
	Loans for house purchase		Consumer credit and other lending	
	Jan 13	Apr 13	Jan 13	Apr 13
Tightened considerably	0	2	0	0
Tightened somewhat	18	15	11	8
Remained basically unchanged	81	82	86	91
Eased somewhat	1	2	3	1
Eased considerably	0	0	0	0
Total	*100*	*100*	*100*	*100*
Net percentage	***18***	***14***	***9***	***7***
Diffusion index	***9***	***8***	***4***	***4***
Mean	*2.82*	*2.84*	*2.91*	*2.93*
Number of banks responding	***120***	***122***	***122***	***125***

Notes: The net percentage is defined as the difference between the sum of the percentages for "tightened considerably" and "tightened somewhat", and the sum of the percentages for "eased somewhat" and "eased considerably". The diffusion index is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered "considerably" a weight twice as high (score of 1) as lenders having answered "somewhat" (score of 0.5). The mean is calculated by attributing the values 1 to 5 to the first possible answer and consequently for the others.

Chart 8

CREDIT STANDARDS APPLIED TO THE APPROVAL OF LOANS TO HOUSEHOLDS

(net percentages of banks reporting tightening credit standards)



9. Over the past three months, how have the following factors affected your bank's credit standards as applied to the approval of loans to households for house purchase? *(in percentages, unless otherwise stated)*

	--	-	°	+	++	NA	NetP		DI		Mean	
							Jan 13	Apr 13	Jan 13	Apr 13	Jan 13	Apr 13
A) Cost of funds and balance sheet constraints	0	5	81	1	0	13	9	4	5	2	2.90	2.95
B) Pressure from competition												
Competition from other banks	0	1	84	2	0	12	0	-1	0	-1	3.00	3.01
Competition from non-banks	0	1	85	1	0	13	2	1	1	0	2.97	2.99
C) Perception of risk												
Expectations regarding general economic activity	0	14	75	0	0	11	20	14	10	7	2.78	2.84
Housing market prospects	1	16	70	1	0	13	18	16	10	9	2.78	2.80

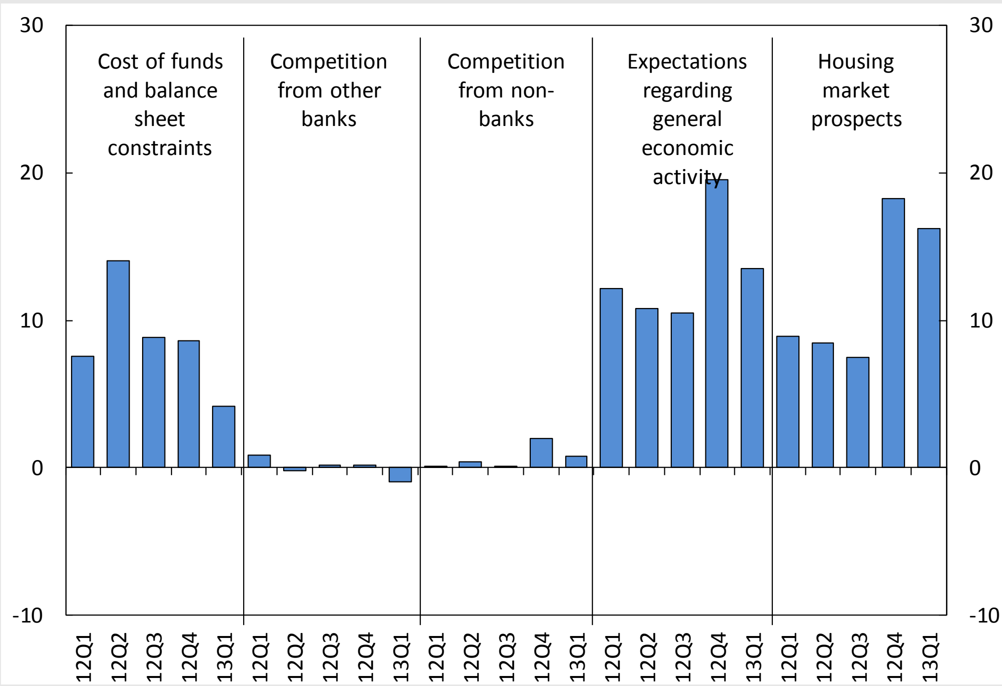
NA = not available; NetP = net percentage; DI = diffusion index.

Notes: The net percentage is defined as the difference between the sum of banks responding "- -" (contributed considerably to tightening) and "-" (contributed somewhat to tightening), and the sum of banks responding "+" (contributed somewhat to easing) and "+ +" (contributed considerably to easing). "°" means "contributed to basically unchanged credit standards". The diffusion index is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered "considerably" a weight twice as high (score of 1) as lenders having answered "somewhat" (score of 0.5). The mean is calculated by attributing the values 1 to 5 to the first possible answer and consequently for the others.

Chart 9

FACTORS AFFECTING CREDIT STANDARDS APPLIED TO THE APPROVAL OF LOANS TO HOUSEHOLDS

(net percentages of banks contributing to tightening credit standards)



10. Over the past three months, how have your bank's conditions and terms for approving <u>loans to households for house purchase</u> changed? *(in percentages, unless otherwise stated)*

	--	-	°	+	++	NA	NetP		DI		Mean	
							Jan 13	Apr 13	Jan 13	Apr 13	Jan 13	Apr 13
A) Price												
Your bank's margin on average loans	0	7	74	8	0	12	8	-1	4	0	2.92	3.01
Your bank's margin on riskier loans	0	13	70	4	0	13	24	10	13	5	2.72	2.89
B) Other conditions and terms												
Collateral requirements	0	5	84	0	0	12	8	5	4	2	2.91	2.94
Loan-to-value ratio	1	7	79	1	0	12	4	8	2	4	2.95	2.89
Maturity	0	6	82	0	0	12	9	6	4	3	2.90	2.93
Non-interest rate charges	0	3	84	1	0	12	3	2	1	1	2.97	2.99

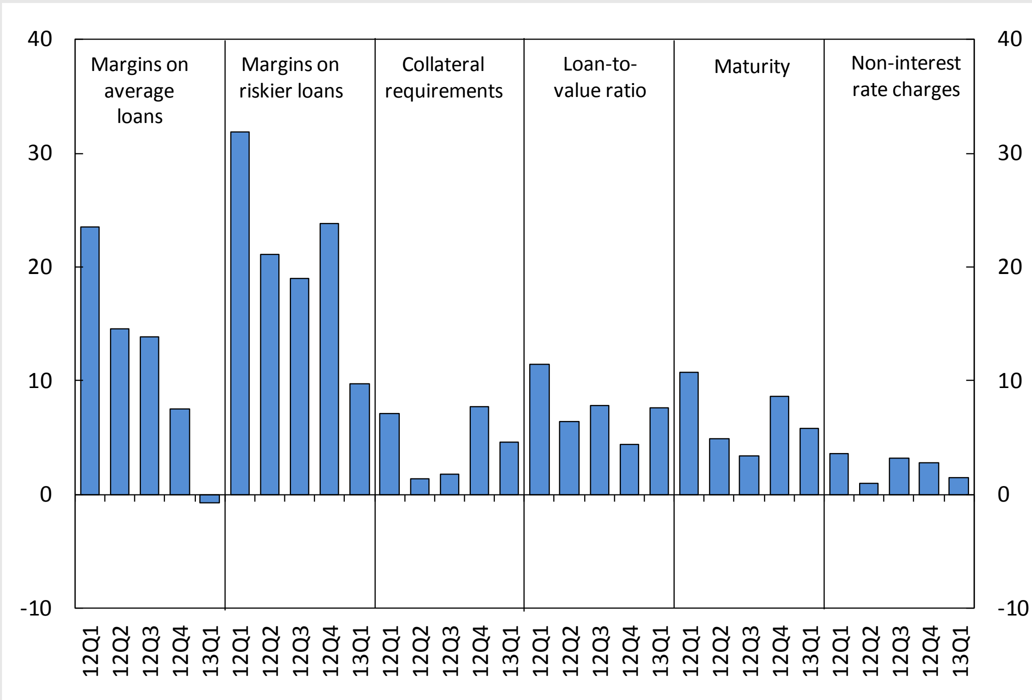
NA = not available; NetP = net percentage; DI = diffusion index.

Notes: The net percentage is defined as the difference between the sum of banks responding "- -" (contributed considerably to tightening) and "-" (contributed somewhat to tightening), and the sum of banks responding "+" (contributed somewhat to easing) and "+ +" (contributed considerably to easing). "°" means "contributed to basically unchanged credit standards". The diffusion index is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered "considerably" a weight twice as high (score of 1) as lenders having answered "somewhat" (score of 0.5). The mean is calculated by attributing the values 1 to 5 to the first possible answer and consequently for the others.

Chart 10

CHANGES IN TERMS AND CONDITIONS FOR APPROVING LOANS TO HOUSEHOLDS FOR HOUSE PURCHASE

(net percentages of banks reporting tightening terms and conditions)



11. Over the past three months, how have the following factors affected your bank's credit standards as applied to the approval of consumer credit and other lending to households (as described in question 8)? *(in percentages, unless otherwise stated)*

	--	-	°	+	++	NA	NetP		DI		Mean	
							Jan 13	Apr 13	Jan 13	Apr 13	Jan 13	Apr 13
A) Cost of funds and balance sheet constraints	0	1	89	0	0	9	3	1	2	1	2.97	2.99
B) Pressure from competition												
Competition from other banks	0	0	91	0	0	9	0	0	0	0	2.99	3.00
Competition from non-banks	0	0	89	0	0	11	0	0	0	0	3.00	3.00
C) Perception of risk												
Expectations regarding general economic activity	0	7	85	0	0	8	13	7	7	3	2.86	2.93
Creditworthiness of consumers	0	7	84	0	0	10	12	7	6	4	2.87	2.93
Risk on collateral demanded	0	4	86	0	0	11	5	4	2	2	2.95	2.96

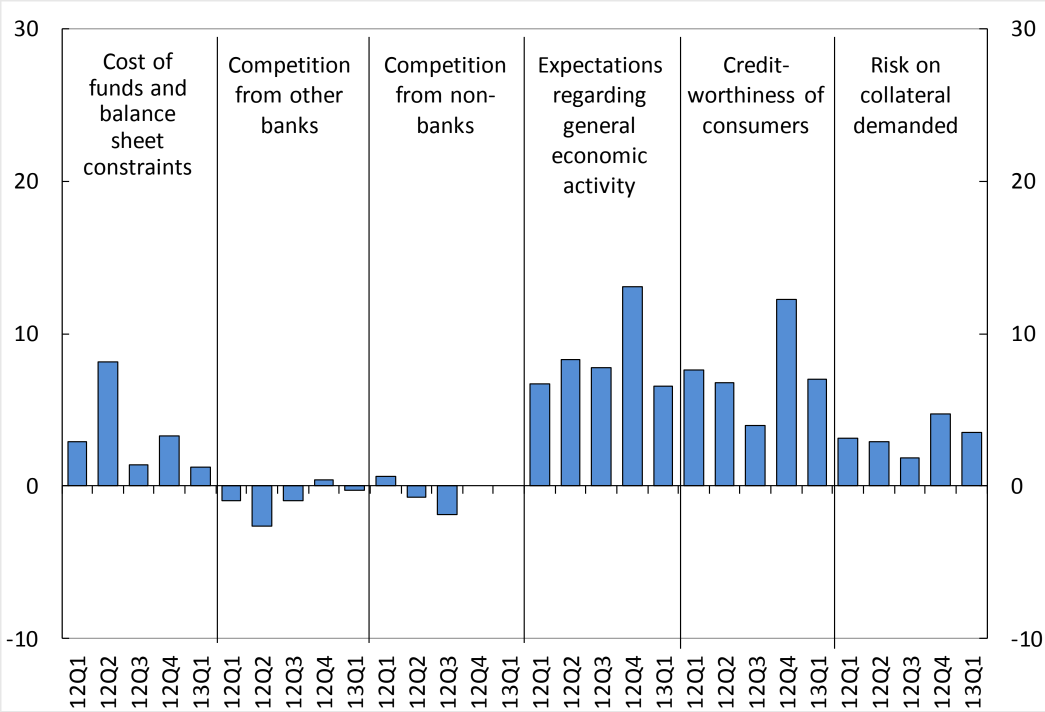
NA = not available; NetP = net percentage; DI = diffusion index.

Notes: The net percentage is defined as the difference between the sum of banks responding "- -" (contributed considerably to tightening) and "-" (contributed somewhat to tightening), and the sum of banks responding "+" (contributed somewhat to easing) and "+ +" (contributed considerably to easing). "°" means "contributed to basically unchanged credit standards". The diffusion index is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered "considerably" a weight twice as high (score of 1) as lenders having answered "somewhat" (score of 0.5). The mean is calculated by attributing the values 1 to 5 to the first possible answer and consequently for the others.

Chart 11

FACTORS AFFECTING CREDIT STANDARDS APPLIED TO THE APPROVAL OF CONSUMER CREDIT AND OTHER LENDING TO HOUSEHOLDS

(net percentages of banks contributing to tightening credit standards)



12. Over the past three months, how have your bank's conditions and terms for approving consumer credit and other lending to households changed? *(in percentages, unless otherwise stated)*

	--	-	°	+	++	NA	NetP		DI		Mean	
							Jan 13	Apr 13	Jan 13	Apr 13	Jan 13	Apr 13
A) Price												
Your bank's margin on average loans	0	3	83	6	0	8	12	-2	6	-1	2.87	3.03
Your bank's margin on riskier loans	0	7	82	3	0	8	17	4	9	2	2.80	2.96
B) Other conditions and terms												
Collateral requirements	0	1	89	1	0	10	4	0	2	0	2.96	3.00
Maturity	0	1	90	0	0	8	0	1	0	1	2.99	2.98
Non-interest rate charges	0	3	87	2	1	8	2	0	1	0	2.98	3.01

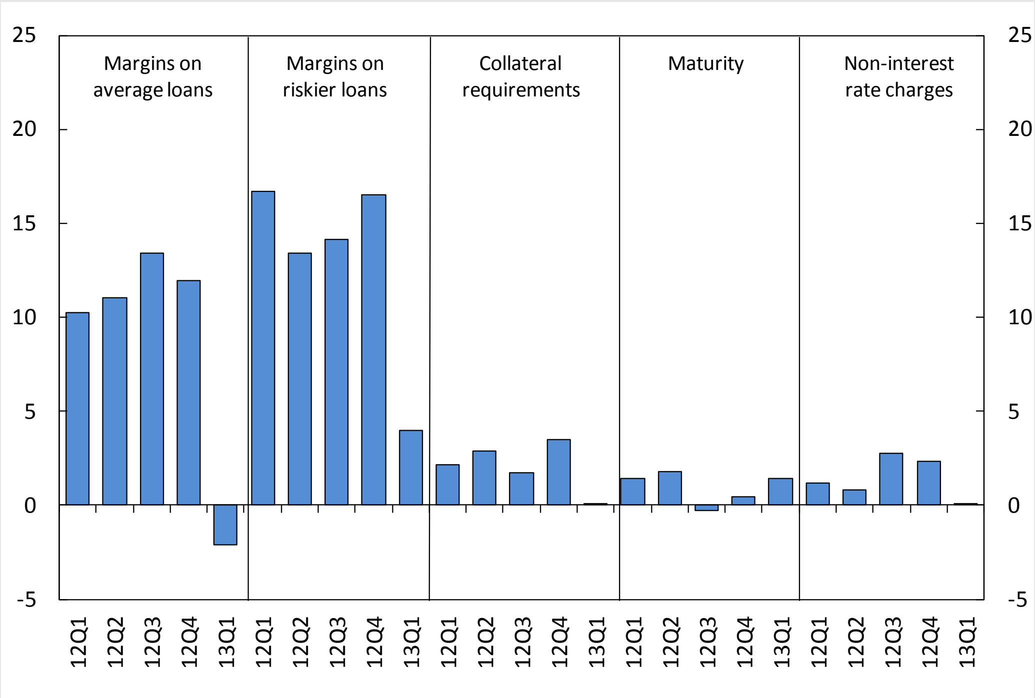
NA = not available; NetP = net percentage; DI = diffusion index.

Notes: The net percentage is defined as the difference between the sum of banks responding "- -" (contributed considerably to tightening) and "-" (contributed somewhat to tightening), and the sum of banks responding "+" (contributed somewhat to easing) and "+ +" (contributed considerably to easing). "°" means "contributed to basically unchanged credit standards". The diffusion index is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered "considerably" a weight twice as high (score of 1) as lenders having answered "somewhat" (score of 0.5). The mean is calculated by attributing the values 1 to 5 to the first possible answer and consequently for the others.

Chart 12

CHANGES IN TERMS AND CONDITIONS FOR APPROVING CONSUMER CREDIT AND OTHER LOANS TO HOUSEHOLDS

(net percentages of banks reporting tightening terms and conditions)



13. Over the past three months, how has the demand for loans to households changed at your bank, apart from normal seasonal fluctuations? *(in percentages, unless otherwise stated)*

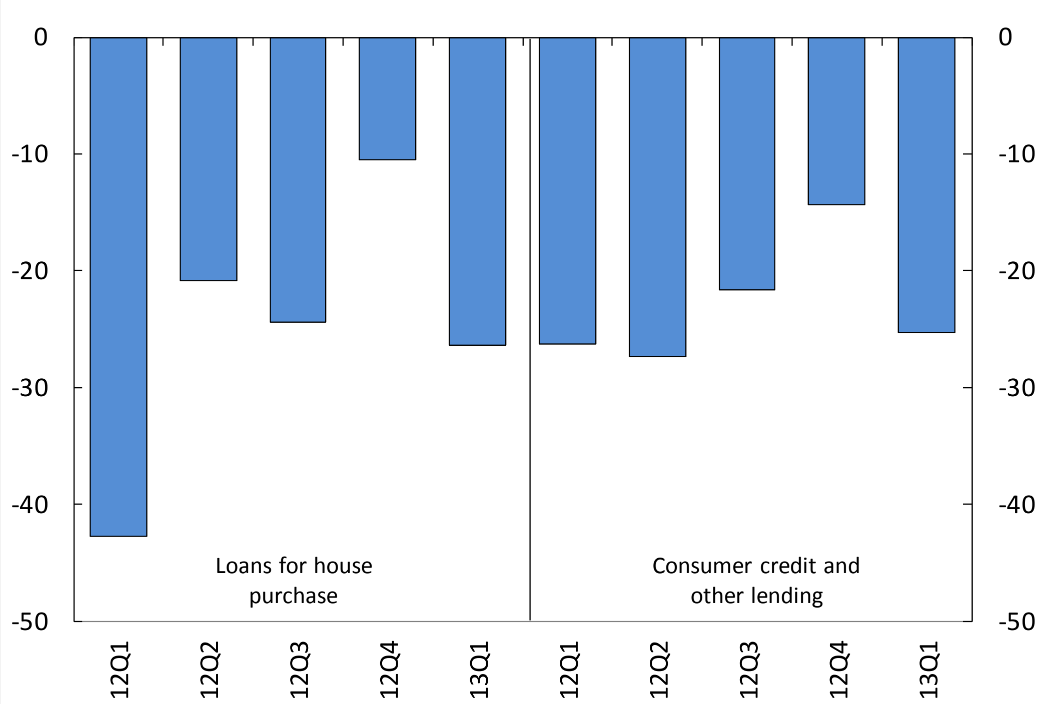
	Loans for house purchase		Consumer credit and other lending	
	Jan 13	Apr 13	Jan 13	Apr 13
Decreased considerably	11	8	4	2
Decreased somewhat	19	34	21	28
Remained basically unchanged	51	42	65	67
Increased somewhat	17	15	9	3
Increased considerably	3	1	1	1
Total	*100*	*100*	*100*	*100*
Net percentage	***-11***	***-26***	***-14***	***-25***
Diffusion index	***-10***	***-17***	***-9***	***-13***
Mean	*2.81*	*2.66*	*2.83*	*2.74*
Number of banks responding	***120***	***123***	***123***	***126***

Notes: The net percentage is defined as the difference between the sum of the percentages for "tightened considerably" and "tightened somewhat", and the sum of the percentages for "eased somewhat" and "eased considerably". The diffusion index is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered "considerably" a weight twice as high (score of 1) as lenders having answered "somewhat" (score of 0.5). The mean is calculated by attributing the values 1 to 5 to the first possible answer and consequently for the others.

Chart 13

DEMAND FOR LOANS TO HOUSEHOLDS

(net percentages of banks reporting positive loan demand)



14. Over the past three months, how have the following factors affected the demand for <u>loans to households for house purchase</u> (as described in question 13)? *(in percentages, unless otherwise stated)*

	--	-	°	+	++	NA	NetP		DI		Mean	
							Jan 13	Apr 13	Jan 13	Apr 13	Jan 13	Apr 13
A) Financing needs												
Housing market prospects	3	26	47	12	0	12	-13	-17	-6	-10	2.87	2.77
Consumer confidence	3	30	51	4	0	12	-20	-29	-13	-16	2.72	2.65
Non-housing-related consumption expenditure	0	19	69	1	0	12	-10	-19	-6	-9	2.88	2.79
B) Use of alternative finance												
Household savings	0	16	70	3	0	11	-15	-13	-7	-7	2.84	2.86
Loans from other banks	0	8	77	4	0	12	-2	-4	-1	-2	2.97	2.96
Other sources of finance	0	7	80	0	0	13	0	-7	0	-3	3.00	2.92

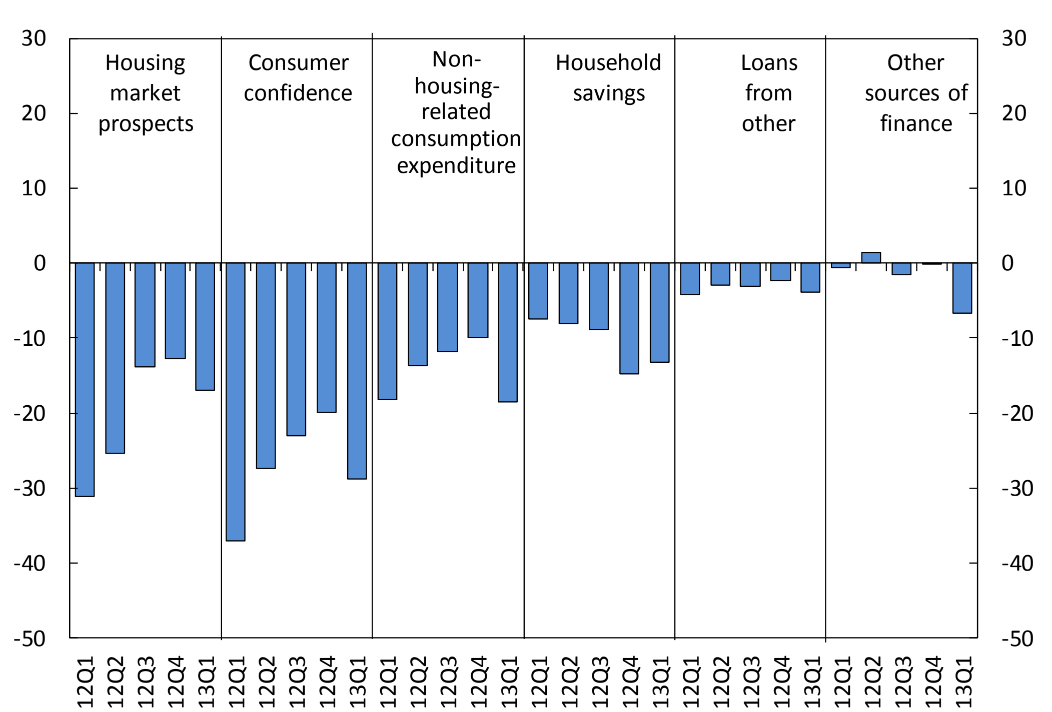
NA = not available; NetP = net percentage; DI = diffusion index.

Notes: The net percentage is defined as the difference between the sum of banks responding "- -" (contributed considerably to tightening) and "-" (contributed somewhat to tightening), and the sum of banks responding "+" (contributed somewhat to easing) and "+ +" (contributed considerably to easing). "°" means "contributed to basically unchanged credit standards". The diffusion index is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered "considerably" a weight twice as high (score of 1) as lenders having answered "somewhat" (score of 0.5). The mean is calculated by attributing the values 1 to 5 to the first possible answer and consequently for the others.

Chart 14

FACTORS AFFECTING DEMAND FOR LOANS TO HOUSEHOLDS FOR HOUSE PURCHASE

(net percentages of banks reporting a positive contribution to demand)



15. Over the past three months, how have the following factors affected the demand for consumer credit and other lending to households (as described in question 13)? *(in percentages, unless otherwise stated)*

	--	-	°	+	++	NA	NetP		NetP		Mean	
							Jan 13	Apr 13	Jan 13	Apr 13	Jan 13	Apr 13
A) Financing needs												
Spending on durable consumer goods	4	25	59	2	1	9	-17	-27	-9	-15	2.81	2.66
Consumer confidence	1	28	61	3	0	8	-22	-25	-12	-13	2.75	2.73
Securities purchases	0	4	79	0	0	17	-5	-4	-2	-2	2.95	2.95
B) Use of alternative finance												
Household savings	0	13	80	1	0	7	-10	-12	-5	-6	2.89	2.88
Loans from other banks	0	7	84	1	0	7	-3	-6	-2	-3	2.96	2.94
Other sources of finance	0	6	85	0	0	10	-2	-6	-2	-3	2.96	2.94

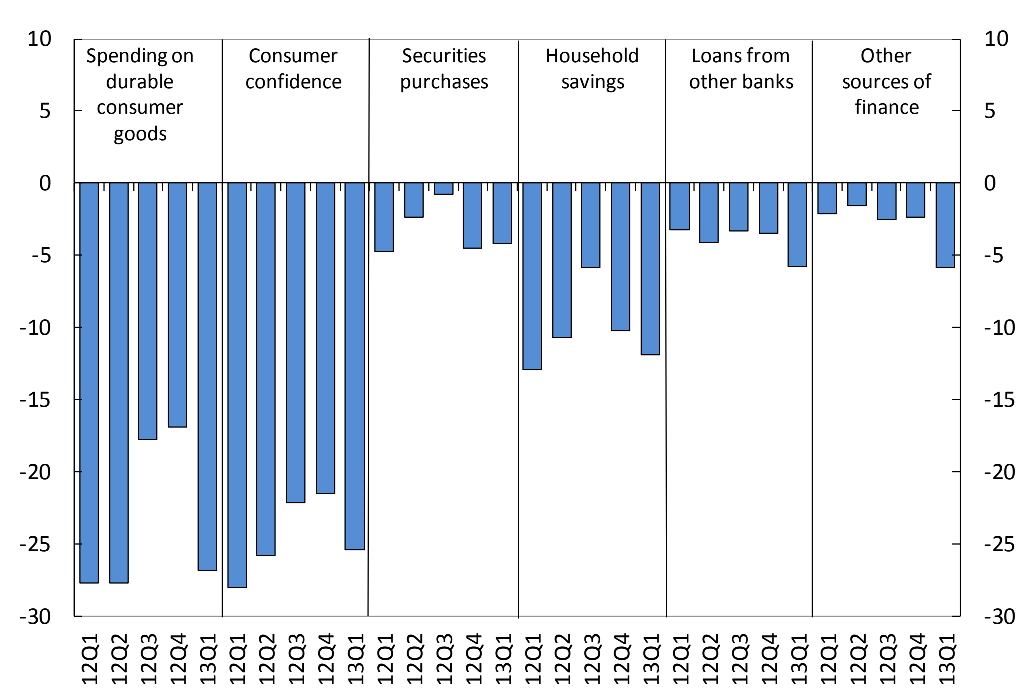
NA = not available; NetP = net percentage; DI = diffusion index.

Notes: The net percentage is defined as the difference between the sum of banks responding "- -" (contributed considerably to tightening) and "-" (contributed somewhat to tightening), and the sum of banks responding "+" (contributed somewhat to easing) and "+ +" (contributed considerably to easing). "°" means "contributed to basically unchanged credit standards". The diffusion index is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered "considerably" a weight twice as high (score of 1) as lenders having answered "somewhat" (score of 0.5). The mean is calculated by attributing the values 1 to 5 to the first possible answer and consequently for the others.

Chart 15

FACTORS AFFECTING DEMAND FOR CONSUMER CREDIT AND OTHER LENDING TO HOUSEHOLDS

(net percentages of banks reporting a positive contribution to demand)



16. Please indicate how you expect your bank's credit standards as applied to the approval of loans to households to change over the next three months. *(in percentages, unless otherwise stated)*

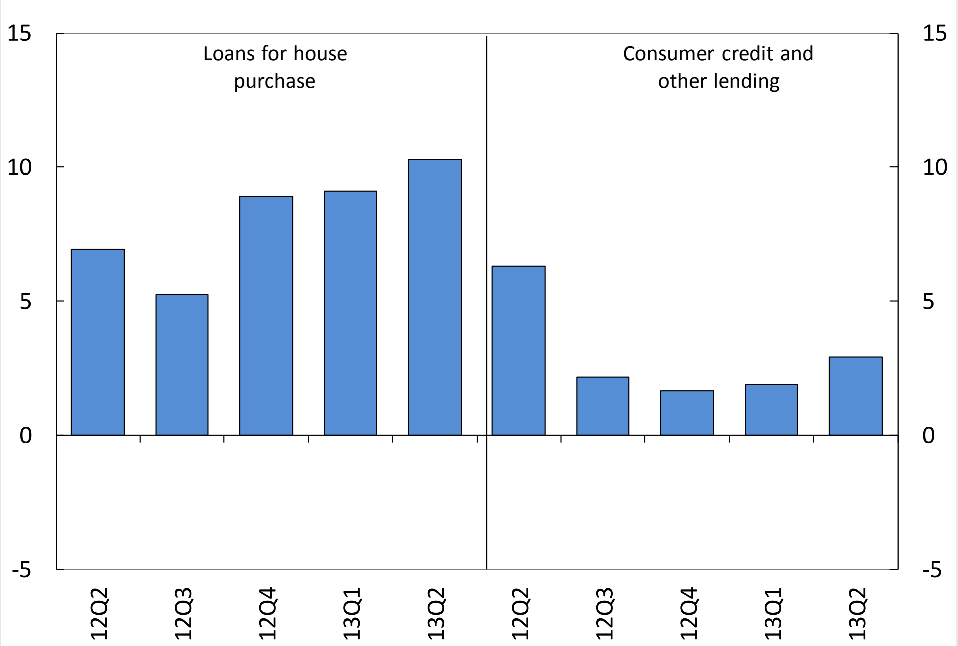
	Loans for house purchase		Consumer credit and other lending	
	Jan 13	Apr 13	Jan 13	Apr 13
Tighten considerably	1	0	0	0
Tighten somewhat	11	10	5	6
Remain basically unchanged	85	90	92	91
Ease somewhat	3	0	3	3
Ease considerably	0	0	0	0
Total	*100*	*100*	*100*	*100*
Net percentage	***9***	***10***	***2***	***3***
Diffusion index	***5***	***5***	***1***	***2***
Mean	*2.90*	*2.90*	*2.98*	*2.97*
Number of banks responding	***120***	***122***	***122***	***124***

Notes: The net percentage is defined as the difference between the sum of the percentages for "tightened considerably" and "tightened somewhat", and the sum of the percentages for "eased somewhat" and "eased considerably". The diffusion index is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered "considerably" a weight twice as high (score of 1) as lenders having answered "somewhat" (score of 0.5). The mean is calculated by attributing the values 1 to 5 to the first possible answer and consequently for the others.

Chart 16

EXPECTED CREDIT STANDARDS FOR LOANS TO HOUSEHOLDS

(net percentages of banks expecting tightening credit standards)



17. Please indicate how you expect demand for loans to households to change over the next three months at your bank (apart from normal seasonal fluctuations). *(in percentages, unless otherwise stated)*

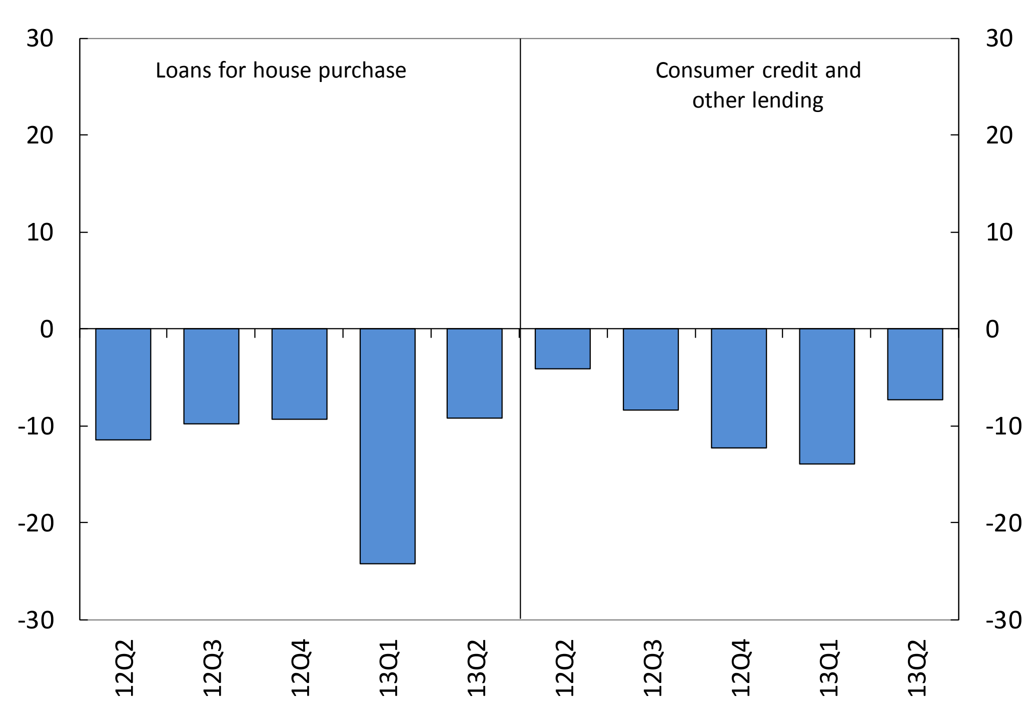
	Loans for house purchase		Consumer credit and other lending	
	Jan 13	Apr 13	Jan 13	Apr 13
Decrease considerably	3	0	0	0
Decrease somewhat	29	22	20	14
Remain basically unchanged	60	66	75	78
Increase somewhat	7	13	6	6
Increase considerably	1	0	0	1
Total	*100*	*100*	*100*	*100*
Net percentage	***-24***	***-9***	***-14***	***-7***
Diffusion index	***-13***	***-5***	***-7***	***-3***
Mean	*2.73*	*2.91*	*2.86*	*2.94*
Number of banks responding	***120***	***122***	***123***	***125***

Notes: The net percentage is defined as the difference between the sum of the percentages for "tightened considerably" and "tightened somewhat", and the sum of the percentages for "eased somewhat" and "eased considerably". The diffusion index is defined as the net percentage weighted according to the intensity of the response, giving lenders who have answered "considerably" a weight twice as high (score of 1) as lenders having answered "somewhat" (score of 0.5). The mean is calculated by attributing the values 1 to 5 to the first possible answer and consequently for the others.

Chart 17

EXPECTED DEMAND FOR LOANS TO HOUSEHOLDS

(net percentages of banks expecting positive loan demand)



ANNEX 2: RESULTS FOR THE AD HOC QUESTIONS

i. As a result of the situation in financial markets[(1)], has your market access changed when tapping your usual sources of wholesale and retail funding and/or has your ability to transfer risk changed over the past three months, or are you expecting this access/activity to change over the next three months?[1] *(in percentages unless otherwise stated)*

	Over the past three months							Over the next three months							N/A[(2)]
	--	-	o	+	+ +	Mean	Standard deviation	--	-	o	+	+ +	Mean	Standard deviation	
A) Retail funding															
Short-term deposits (up to one year)	0	6	72	23	0	3.17	0.54	2	3	77	18	0	3.11	0.55	9
Long-term (more than one year) deposits and other retail funding instruments	2	10	76	11	0	2.97	0.58	2	15	74	8	0	2.89	0.59	9
B) Inter-bank unsecured money market															
Very short-term money market (up to one week)	0	5	81	14	0	3.08	0.46	0	4	89	7	0	3.02	0.37	13
Short-term money market (more than one week)	0	7	82	11	0	3.03	0.45	0	6	87	7	0	3.01	0.39	11
C) Wholesale debt securities[(3)]															
Short-term debt securities (e.g. certificates of deposit or commercial paper)	0	6	78	16	0	3.10	0.49	0	8	82	10	0	3.02	0.45	23
Medium to long-term debt securities (incl. covered bonds)	0	5	67	26	2	3.24	0.61	0	11	77	12	0	3.00	0.50	15
D) Securitisation[(4)]															
Securitisation of corporate loans	0	4	82	14	0	3.10	0.44	0	11	83	6	0	2.95	0.45	54
Securitisation of loans for house purchase	0	4	88	8	0	3.05	0.38	0	18	75	7	0	2.89	0.57	51
E) Ability to transfer credit risk off balance sheet[(5)]	0	2	83	13	2	3.15	0.51	0	7	83	8	2	3.05	0.52	55

(1) Please also take into account any effect of state guarantees for debt securities and recapitalisation support.

(2) Please select "N/A" (not applicable) only if the source of funding is not relevant for your bank.

(3) Usually involves on-balance sheet funding.

(4) Usually involves the sale of loans from banks' balance sheets, i.e. off-balance sheet funding.

(5) Usually involves the use of credit derivatives, with the loans remaining on banks' balance sheets.

Notes: "- -" = deteriorated considerably/will deteriorate considerably; "-" = deteriorated somewhat/will deteriorate somewhat; "o"= remained unchanged/will remain unchanged; "+" = eased somewhat/will ease somewhat; "++" = eased considerably/will ease considerably. The mean and standard deviation are calculated by attributing the values 1 to 5 to the first possible answer and consequently for the others.

ii. Given the tensions in the European sovereign debt market 1), how have the following factors affected your bank's funding conditions/credit standards/margins over the past three months? *(in percentages unless otherwise stated)*

	Impact on your bank's funding conditions						
	--	-	=	+	+ +	Mean	SD
A) Direct exposure to sovereign debt	1	5	90	4	0	2.98	0.36
B) Value of sovereign collateral available for wholesale market transactions 2)	0	4	89	7	0	3.03	0.35
C) Other effects 3)	1	3	95	1	0	2.95	0.32

	Impact on your bank's credit standards																				
	Loans or credit lines to enterprises							Loans to households for house purchase							Loans to households for consumer credit and other lending						
	--	-	=	+	+ +	Mean	SD	--	-	=	+	+ +	Mean	SD	--	-	=	+	+ +	Mean	SD
A) Direct exposure to sovereign debt	0	2	97	0	0	2.98	0.21	0	1	99	0	0	2.99	0.13	1	0	99	1	0	2.99	0.22
B) Value of sovereign collateral available for wholesale market transactions 2)	0	0	99	0	0	2.99	0.18	0	0	99	0	0	3.00	0.10	1	0	99	1	0	2.99	0.22
C) Other effects 3)	1	1	98	1	0	2.99	0.21	0	1	99	0	0	2.99	0.13	1	0	99	0	0	2.97	0.24

	Impact on your bank's lending margins																				
	Loans or credit lines to enterprises							Loans to households for house purchase							Loans to households for consumer credit and other lending						
	--	-	=	+	+ +	Mean	SD	--	-	=	+	+ +	Mean	SD	--	-	=	+	+ +	Mean	SD
A) Direct exposure to sovereign debt	0	4	95	0	0	2.96	0.23	0	2	98	0	0	2.98	0.15	0	2	98	0	0	2.98	0.14
B) Value of sovereign collateral available for wholesale market transactions 2)	0	5	95	0	0	2.96	0.24	0	2	98	0	0	2.98	0.14	0	2	98	0	0	2.98	0.14
C) Other effects 3)	0	5	94	1	0	2.95	0.26	0	3	97	0	0	2.97	0.18	0	3	97	0	0	2.97	0.18

(1) Please also take into account any effect of state guarantees for debt securities and recapitalisation support.

(2) For example, repos or secured transactions in derivatives.

(3) For instance, any automatic rating downgrade affecting your bank following a sovereign downgrade or changes in the value of the domestic government's implicit guarantee, as well as spillover effects on other assets, including the loan book.

Notes: "- -" = contributed considerably to a deterioration in my bank's funding conditions/contributed considerably to a tightening of credit standards / contributed considerably to a widening of lending margins; "-" = contributed somewhat to a deterioration in my bank's funding conditions/contributed somewhat to a tightening of credit standards / contributed somewhat to a widening of lending margins; "o"= had no effect on my bank's funding conditions/had no effect on my bank's credit standards / had no effect on my bank's lending margins; "+" = contributed somewhat to an easing in my bank's funding conditions/contributed somewhat to an easing of credit standards / contributed somewhat to a narrowing of lending margins; "++" = contributed considerably to an easing in my bank's funding conditions/contributed considerably to an easing of credit standards / contributed considerably to a narrowing of lending margins. The mean and standard deviation are calculated by attributing the values 1 to 5 to the first possible answer and consequently for the others.

ANNEX 3: GLOSSARY

To assist respondent banks in filling out the questionnaire, this glossary defines the most important terminology used in the bank lending survey:

Capital

In accordance with the Basel capital adequacy requirements, the definition of capital includes both tier 1 capital (core capital) and tier 2 capital (supplementary capital). In the context of the EU Capital Requirements Directive, Directive 2006/48/EC of the European Parliament and of the Council of 14 June 2006 relating to the taking up and pursuit of the business of credit institutions defines capital as own funds and makes a distinction between original own funds and additional own funds.

Collateral

The security given by a borrower to a lender as a pledge for the repayment of a loan. This could include certain financial securities, such as equity or debt securities, real estate or compensating balances (a compensating balance is the minimum amount of a loan that the borrower is required to keep in an account at the bank).

Consumer confidence

Consumers' assessments of economic and financial trends in a particular country and/or in the euro area. They include assessments of the past and current financial situations of households and resulting prospects for the future, assessments of the past and current general economic situation and resulting prospects for the future, as well as assessments of the advisability of making residential investments (question 14), particularly in terms of affordability, and/or major purchases of durable consumer goods (question 15).

Cost of funds and balance sheet constraints

A bank's capital and the costs related to its capital position can become a balance sheet constraint that may inhibit the expansion of its lending. For a given level of capital, the bank's loan supply could be affected by its liquidity position and its access to money and debt markets. Similarly, a bank could abstain from granting a loan, or be less willing to lend, if it knows that it will not be able subsequently to transfer the risk (synthetic securitisation) or the entire asset (true-sale securitisation) off its balance sheet.

Covenant

An agreement or stipulation laid down in loan contracts, particularly contracts with enterprises, under which the borrower pledges either to take certain action (an affirmative covenant), or to refrain from taking certain action (a negative covenant); this is consequently part of the terms and conditions of the loan.

Credit line

A facility with a stated maximum amount that an enterprise is entitled to borrow from a bank at any given time. For the purposes of the survey, developments regarding credit lines should be interpreted as changes in the net amount that can be drawn down under either an existing or a new credit line.

Credit standards

The internal guidelines or criteria that reflect a bank's lending policy. They are the written and unwritten criteria, or other practices related to this policy, which define the types of loan a bank considers desirable and undesirable, its designated geographical priorities, collateral deemed acceptable or unacceptable, etc. For the purposes of the survey, changes in written loan policies, together with changes in their application, should be reported.

Credit terms and conditions

These refer to the specific obligations agreed upon by the lender and the borrower. In the context of the bank lending survey, they consist of the direct price or interest rate, the maximum size of the loan and the access conditions, and other terms and conditions in the form of non-interest rate charges (i.e. fees), collateral requirements (including compensating balances), loan covenants and maturities (short-term versus long-term).

Debt restructuring

Debt restructuring is a relevant factor in the context of the bank lending survey only to the extent that it gives rise to an actual increase or decrease in demand for loans following the decision of corporations with outstanding debt obligations to alter the terms and conditions of these loans. Generally, companies use debt restructuring to avoid defaulting on existing debt or to take advantage of lower interest rates or lower interest rate expectations. In the context of this survey, debt restructuring should not be interpreted as the switching between different types of debt (such as MFI loans and debt securities; this is already captured under the item "Issuance of debt securities”), capital restructuring (substitution between debt and equity) or share buy-backs (already captured under the item “Issuance of equity”). Debt restructuring in the form of inter-company loans is already covered by the item “Loans from non-banks”. Moreover, debt restructuring in the form of a substitution between short-term and long-term loans does not give rise to a change in overall loan demand.

Diffusion index

The diffusion index is defined as the difference between the weighted sum of the percentages of banks responding “tightened considerably” and “tightened somewhat”, and the weighted sum of the percentages of banks responding “eased considerably” and “eased somewhat”. Regarding demand for loans, the diffusion index is defined as the difference between the weighted sum of the percentages of banks responding “increased considerably” and “increased somewhat”, and the weighted sum of the percentages of banks responding “decreased considerably” and “decreased somewhat”. The diffusion index is weighted according to the intensity of the response, giving lenders who have answered “considerably” a weight twice as high (score of 1) as lenders having answered “somewhat” (score of 0.5).

Enterprises

The term “enterprises” denotes non-financial corporations, i.e. all private and public institutional units, irrespective of their size and legal form, which are not principally engaged in financial intermediation but rather in the production of goods and non-financial services.

Enterprise size

The distinction between large enterprises and small and medium-sized enterprises is based on annual sales. An enterprise is considered large if its annual net turnover is more than €50 million.

Households

Individuals or groups of individuals acting as consumers or as producers of goods and non-financial services exclusively intended for their own final consumption, as well as small-scale market producers.

Housing market prospects

In question 9, (besides interest rate developments) "housing market prospects" refers to the risk on the collateral demanded; in question 14, it includes households' expectations regarding changes in house prices.

Loans

The loans covered by the bank lending survey are those granted to euro area residents by domestic bank branches, and include loans or credit lines to enterprises, loans to households for house purchase, and consumer credit and other lending to households.

Loan-to-value ratio

The ratio of the amount borrowed to the appraisal or market value of the underlying collateral, usually employed in relation to loans used for real estate financing.

Maturity

Maturity as used in the bank lending survey is original maturity, and only two types are used: short-term and long-term. Short-term loans are loans with an original maturity of one year or less; long-term loans have an original maturity of more than one year.

Net percentage (or balance)

In the context of credit standards, the net percentage is defined as the difference between the sum of the percentages of banks responding "tightened considerably" and "tightened somewhat", and the sum of the percentages of banks responding "eased considerably" and "eased somewhat". Regarding demand for loans, the net percentage is defined as the difference between the sum of the percentages of banks responding "increased considerably" and "increased somewhat", and the sum of the percentages of banks responding "decreased considerably" and "decreased somewhat".

Non-banks

In general, these consist of non-monetary financial corporations, in particular insurance corporations and pension funds, financial auxiliaries and other financial intermediaries.

Non-interest rate charges

Various kinds of fees that can form part of the pricing of a loan, such as commitment fees on revolving loans, administration fees (e.g. document preparation costs), and charges for enquiries, guarantees and credit insurance.