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TO: HEADS OF RESEARCH AT ALL FEDERAL RESERVE BANKS

Enclosed for distribution to respondents is a national summary of the October 2017 Senior Loan Officer Opinion Survey on Bank Lending Practices.

Enclosures:

October 2017 Senior Loan Officer Opinion Survey on Bank Lending Practices

This document is available on the Federal Reserve Board's web site
(http://www.federalreserve.gov/econresdata/statisticsdata.htm)

The October 2017 Senior Loan Officer Opinion Survey on Bank Lending Practices

The October 2017 Senior Loan Officer Opinion Survey on Bank Lending Practices addressed changes in the standards and terms on, and demand for, bank loans to businesses and households over the past three months, which generally corresponds to the third quarter of 2017.[1] Responses were received from 72 domestic banks and 23 U.S. branches and agencies of foreign banks; except when indicated, this summary refers to the responses of domestic banks.

Regarding loans to businesses, respondents to the October survey indicated that, on balance, banks eased their standards and terms on commercial and industrial (C&I) loans and experienced weaker demand for such loans.[2] Meanwhile, banks' standards on most categories of commercial real estate (CRE) loans remained basically unchanged, while demand for CRE loans reportedly weakened.

For loans to households, banks reported that their lending standards on all categories of residential real estate (RRE) loans either eased or remained basically unchanged over the third quarter on balance, and that demand for all categories of RRE loans weakened. In contrast, banks reportedly tightened their standards and terms on credit card and auto loans, while demand for these loans reportedly remained basically unchanged.

Banks also responded to two new sets of special questions about changes in lending conditions to households over the past year. The first set asked banks to specify reasons why they have changed their credit policies on credit card and auto loans to prime and subprime borrowers over this year. Respondents' most reported reasons for tightening their standards or terms on credit card and auto loans were a less favorable or more uncertain economic outlook, a deterioration or expected deterioration in the quality of their existing loan portfolio, and a reduced tolerance for risk. Further, for auto loans in particular, less favorable or more uncertain expectations

[1] Respondent banks received the survey on or after September 25, 2017, and responses were due by October 10, 2017.

[2] For questions that ask about lending standards or terms, "net fraction" (or "net percentage") refers to the fraction of banks that reported having tightened ("tightened considerably" or "tightened somewhat") minus the fraction of banks that reported having eased ("eased considerably" or "eased somewhat"). For questions that ask about loan demand, this term refers to the fraction of banks that reported stronger demand ("substantially stronger" or "moderately stronger") minus the fraction of banks that reported weaker demand ("substantially weaker" or "moderately weaker"). For this summary, when standards, terms, or demand are said to have "remained basically unchanged," the net percentage of respondent banks that reported either tightening or easing of standards or terms, or stronger or weaker demand, is greater than or equal to 0 and less than or equal to 5 percent; "modest" refers to net percentages greater than 5 and less than or equal to 10 percent; "moderate" refers to net percentages greater than 10 and less than or equal to 20 percent; "significant" refers to net percentages greater than 20 and less than 50 percent; and "major" refers to net percentages greater than or equal to 50 percent.

regarding collateral values was also reportedly an important reason for tightening standards or terms over this year.

The second set of special questions asked banks for their views as to why they have experienced stronger or weaker demand for credit card and auto loans over this year. Some of the most reported reasons for a strengthening of demand for credit card and auto loans from prime borrowers were that customers' confidence as well as their ability to manage their debt service burdens had improved. Some of banks' most reported reasons for a weakening of demand for credit card and auto loans from prime borrowers over this year were that the general level of interest rates had increased and customers' borrowing had shifted from their bank to other bank or nonbank sources.

Lending to Businesses

(Table 1, questions 1–12; Table 2, questions 1–8)

Questions on commercial and industrial lending. On balance, modest net percentages of banks reported that they eased standards for C&I loans to firms of all sizes over the past three months.[3] Further, terms on such loans became less restrictive, on balance, with all loan terms either having been eased or having remained basically unchanged.

Specifically, for C&I loans to large and middle-market firms, a significant net percentage of banks reportedly decreased spreads of loan rates over their bank's cost of funds; moderate net shares of banks reportedly increased the maximum size of their credit lines, lessened their use of interest rate floors, and eased loan covenants; and a modest net share decreased the cost of credit lines. Banks also eased some terms for C&I loans to small firms: A moderate net fraction reportedly decreased spreads of loan rates over their bank's cost of funds and lessened their use of interest rate floors; a modest net fraction increased the maximum size of their credit lines and eased loan covenants; and banks reportedly left the cost of credit lines to these firms unchanged. Banks also reportedly left the maximum maturity of loans or credit lines, premiums charged on riskier loans, and collateralization requirements basically unchanged on net for all firm sizes.

Among the domestic respondents that reportedly eased their credit policies on C&I loans over the past three months, more aggressive competition from other bank or nonbank lenders was by far the most emphasized reason for easing. In particular, a majority of banks reported that more aggressive competition was an important reason for easing, with 14 of 29 respondents reporting

[3] The survey asked respondents separately about their standards for, and demand from, large and middle-market firms, which are generally defined as firms with annual sales of $50 million or more, and small firms, which are those with annual sales of less than $50 million.

it as a very important reason, while no other reason queried was cited by more than one bank as being very important.

Regarding the demand for C&I loans, a moderate net share of domestic banks reported that demand from large and middle-market firms weakened, while demand for such loans from small firms was reportedly unchanged on net. The reasons cited for weaker loan demand were less concentrated than the reasons for having eased standards. In particular, each of the following possible reasons for weaker demand was cited by at least half of the banks that reportedly experienced weaker demand: decreases in customers' needs to finance inventory, accounts receivable, investment in plant or equipment, and mergers or acquisitions. Meanwhile, inquiries from potential business borrowers regarding the availability and terms of new credit lines or increases in existing lines reportedly remained basically unchanged over the past three months on net.

A modest net share of foreign banks also reported easing their credit standards for C&I loans; these institutions also generally eased several terms on C&I loans. In particular, moderate net shares of foreign banks reduced the cost of credit lines and premiums charged on riskier loans while narrowing their spreads of loan rates over their bank's cost of funds. Also, modest net shares of foreign banks reportedly eased loan covenants and lessened their use of interest rate floors. Reportedly, foreign banks left the maximum size and maturity of loans or credit lines as well as collateralization requirements basically unchanged over the third quarter on net. Meanwhile, foreign banks reported that demand for C&I loans remained basically unchanged on balance. However, a significant net share of foreign banks reportedly experienced that inquiries from potential business borrowers regarding the availability and terms of new credit lines or increases in existing lines had increased in the third quarter.

Questions on commercial real estate lending. A significant net fraction of banks reported tightening their standards for loans secured by multifamily residential properties, while banks reportedly left standards for loans secured by nonfarm nonresidential properties and those for construction and land development purposes basically unchanged on net.

Banks also reported that demand for CRE loans weakened during the third quarter. A moderate net fraction of banks reported weaker demand for loans secured by multifamily residential properties, while modest net fractions of banks reported weaker demand for construction and land development loans and for loans secured by nonfarm nonresidential properties.

Meanwhile, a moderate net share of foreign banks reported tightening standards for CRE loans. In contrast to domestic respondents, a moderate net share of foreign banks indicated that demand for CRE loans strengthened in the third quarter.

Lending to Households
(Table 1, questions 13–26)

Questions on residential real estate lending. On balance, banks reported that standards for all surveyed categories of RRE lending either eased or remained basically unchanged over the past three months.[4] Specifically, a moderate net share of banks reported easing underwriting standards for mortgages that are eligible to be securitized by government sponsored enterprises (GSE-eligible), while a modest net share of banks reported easing standards for jumbo mortgages that conform to qualified mortgage (QM) rules. Lending standards on non-QM jumbo, non-QM non-jumbo, QM non-jumbo, non-GSE-eligible, and government residential mortgages as well as on revolving home equity lines of credit reportedly remained basically unchanged on balance.[5]

Meanwhile, a moderate net share of banks reported weaker demand for all categories of RRE loans, and a modest net share of banks reported weaker demand for revolving home equity lines of credit.

Questions on consumer lending. A modest net share of banks reported tightening lending standards on credit card and auto loans, while standards on consumer loans other than credit card and auto loans (referred to as “other consumer loans”) remained basically unchanged on balance. Also, a moderate net share of banks reported an increased willingness to make consumer installment loans.

Banks reported that they had tightened some terms on credit card and auto loans, on balance, while leaving other terms about unchanged. Regarding terms on credit card loans, modest net shares of banks reportedly increased their minimum required credit scores and decreased the extent to which loans are granted to some customers that do not meet credit scoring thresholds. The other terms queried for credit card loans—credit limits, loan spreads, and minimum percent

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[4] The seven categories of residential home-purchase loans that banks are asked to consider are GSE-eligible, government, QM non-jumbo non-GSE-eligible, QM jumbo, non-QM jumbo, non-QM non-jumbo, and subprime. See the survey results tables that follow this summary for a description of each of these loan categories. The definition of a QM was introduced in the 2013 Mortgage Rules under the Truth in Lending Act (12 CFR Part 1026.32, Regulation Z). The standard for a QM excludes mortgages with loan characteristics such as negative amortization, balloon and interest-only payment schedules, terms exceeding 30 years, alt-A or no documentation, and total points and fees that exceed 3 percent of the loan amount. In addition, a QM requires that the monthly debt-to-income ratio of borrowers not exceed 43 percent. For more on the ability to repay and QM standards under Regulation Z, see the Consumer Financial Protection Bureau’s website at www.consumerfinance.gov/regulations/ability-to-repay-and-qualified-mortgage-standards-under-the-truth-in-lending-act-regulation-z.

[5] In the text, we typically only summarize results from questions that received at least 10 responses. We do not report on subprime loans in this section, as only four lenders in our panel reportedly originate subprime residential mortgages.

of outstanding balances required to be repaid each month—reportedly remained basically unchanged on balance.

Banks reportedly tightened most terms surveyed for auto loans. A moderate net share of banks reportedly widened loan rate spreads, while modest net shares of banks reported increasing the minimum percent of outstanding balances required to be repaid each month and their bank's minimum required credit score and decreasing the extent to which loans are granted to some customers that do not meet credit scoring thresholds. Credit limits, which reportedly remained basically unchanged, were the lone exception to this tightening. Meanwhile, all terms on other consumer loans reportedly remained basically unchanged on balance.

Meanwhile, banks reported that demand for all categories of consumer loans reportedly remained basically unchanged in the third quarter on balance.

Special Questions on Reasons for Changes in Credit Policies for Credit Card and Auto Loans This Year

(Table 1, questions 27–28)

The October survey included a set of new special questions querying banks on their reasons for changing their standards or terms on credit card and auto loans to prime and subprime borrowers over this year. Major shares of banks reported that a less favorable or more uncertain economic outlook, a deterioration or expected deterioration in the quality of their existing loan portfolio, and a reduced tolerance for risk were important reasons for tightening their standards or terms on credit card and auto loans to prime and subprime borrowers. Major shares of banks also cited less favorable or more uncertain expectations regarding collateral values as an important reason for tightening standards or terms on auto loans to prime and subprime borrowers over this year.

A major share of banks also cited increased concerns about the effects of legislative changes, supervisory actions, or changes in accounting standards as an important reason for tightening standards or terms on auto loans to subprime borrowers, while a significant share cited this as an important reason for tightening standards or terms on auto loans to prime borrowers. Only moderate shares of banks cited these concerns as important reasons for tightening standards or terms on credit card loans to prime and subprime borrowers. Meanwhile, significant shares of banks indicated that lower or more uncertain resale value for auto loans in the secondary market was an important reason for tightening standards or terms on auto loans to prime and subprime borrowers over this year. No more than 30 percent of banks listed a deterioration in their bank's current or expected capital or liquidity position or less aggressive competition from other banks or nonbank lenders as important reasons for tightening standards or terms on credit card and auto loans to prime and subprime borrowers.

Special Questions on Reasons for Changes in Demand for Credit Card and Auto Loans This Year
(Table 1, questions 29–30)

The October survey included a second set of new special questions querying banks on their views on the reasons for experiencing stronger or weaker demand for credit card and auto loans from prime and subprime borrowers over this year.

Of the banks reporting reasons for stronger demand for credit card loans from prime borrowers over this year, major shares of banks reported that customers' confidence and customers' ability to manage their debt service burdens had improved, while significant shares reported that the general level of interest rates had decreased, customers' propensity to fund purchases out of savings or income had decreased, and customers' borrowing had shifted to their bank from other bank or nonbank sources.

Major shares of banks reported that the following reasons were important in their seeing stronger demand for auto loans from prime borrowers this year: customers' confidence had improved, customers' ability to manage their debt service burdens had improved, customers' propensity to fund purchases out of savings or income had decreased, and customers' borrowing had shifted to their bank from other bank or nonbank sources. Meanwhile, significant shares of banks reported that a decreased general level of interest rates was an important reason for experiencing stronger demand for auto loans from prime borrowers.

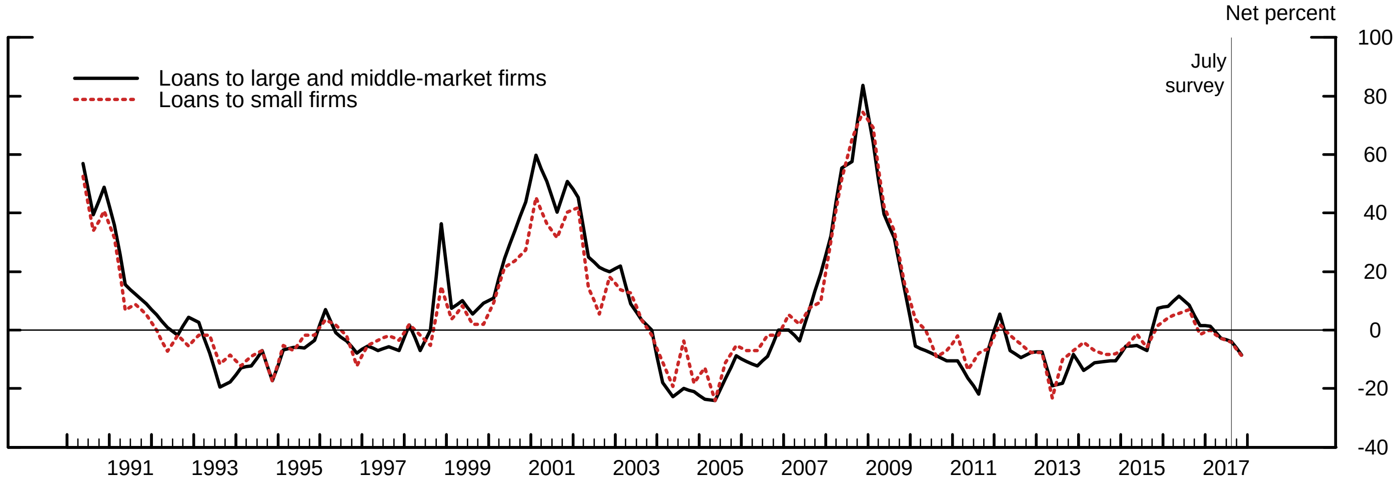
Of the banks reporting reasons for weaker demand for credit card loans from prime borrowers over this year, major shares of banks reported that customers' confidence had deteriorated, the general level of interest rates had increased, and customers' borrowing had shifted from their bank to other bank or nonbank sources, while significant shares reported that customers' ability to manage their debt service burdens had deteriorated and customers' propensity to fund purchases out of savings or income had increased.

Major shares of banks reported that an increase in the general level of interest rates and that customers' borrowing had shifted from their bank to other bank or nonbank sources were important reasons for weaker demand for auto loans from prime borrowers this year. Meanwhile, significant shares of banks reported that customers' propensity to fund purchases out of savings or income had increased and that a deterioration in customers' confidence as well as in their ability to manage their debt service burdens were important reasons for weaker demand for such loans.

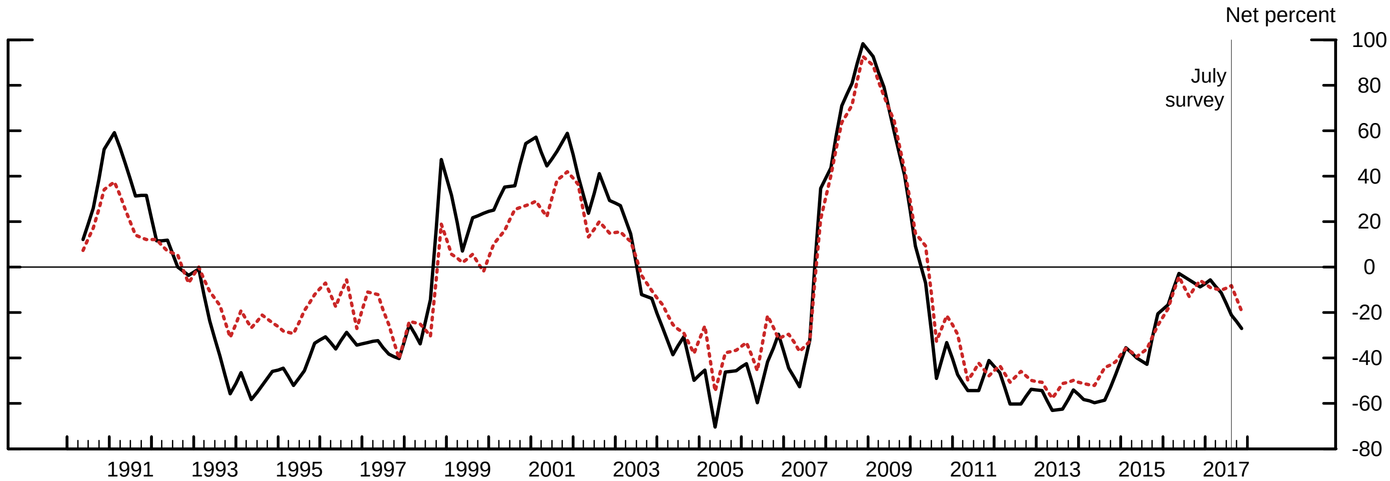
This document was prepared by Robert Kurtzman, with the assistance of Kamran Gupta, Division of Monetary Affairs, Board of Governors of the Federal Reserve System.

Measures of Supply and Demand for Commercial and Industrial Loans, by Size of Firm Seeking Loan

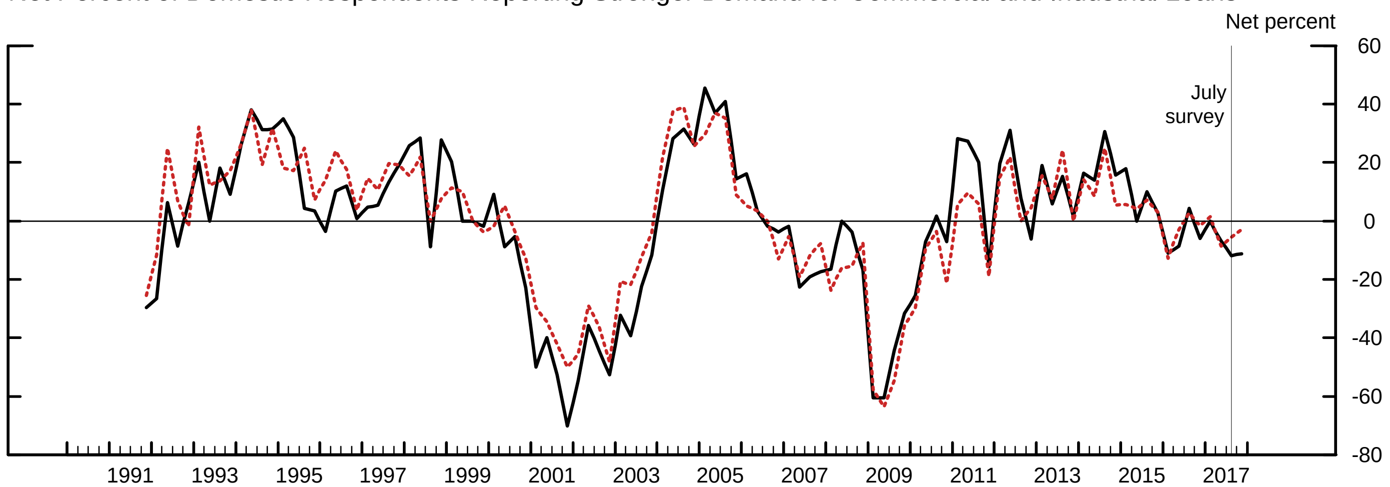
Net Percent of Domestic Respondents Tightening Standards for Commercial and Industrial Loans



Net Percent of Domestic Respondents Increasing Spreads of Loan Rates over Bank's Cost of Funds

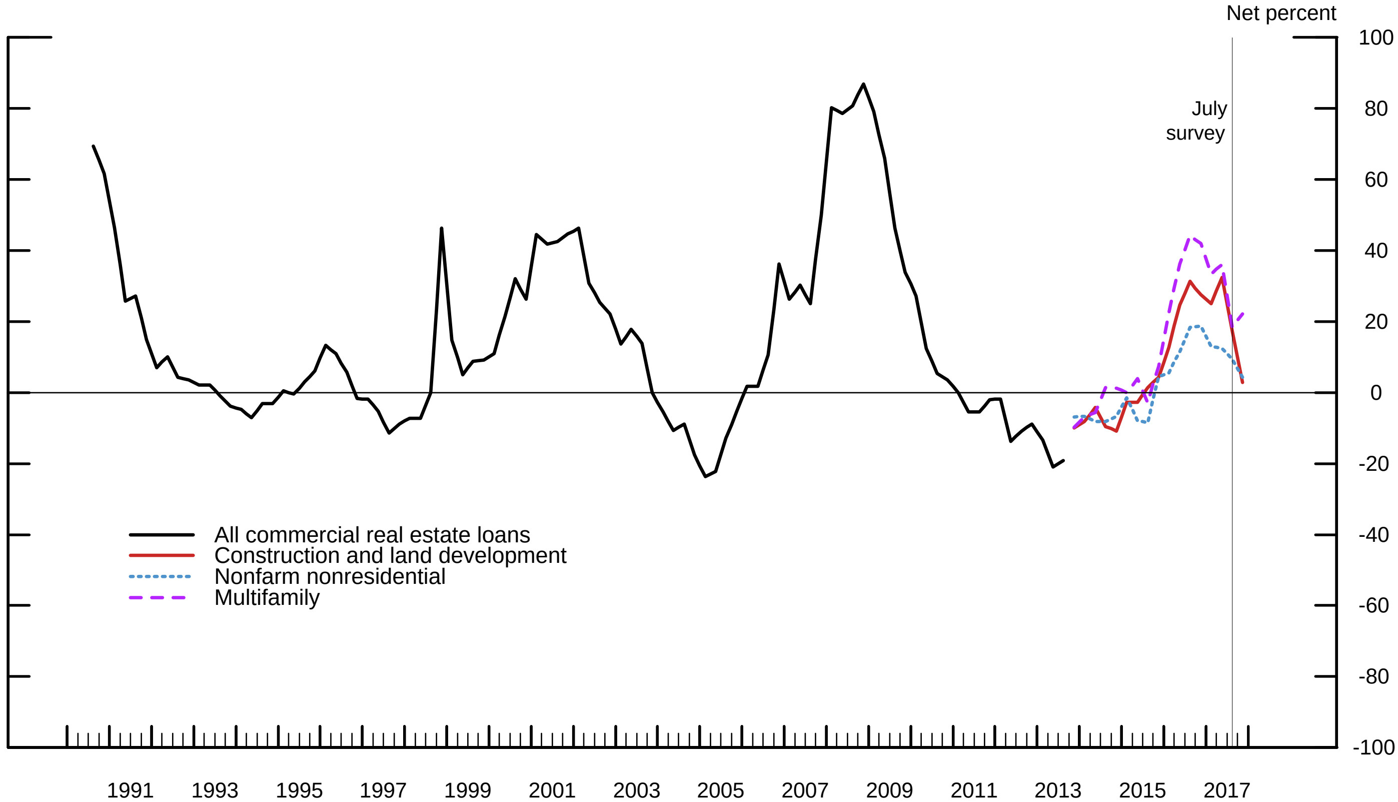


Net Percent of Domestic Respondents Reporting Stronger Demand for Commercial and Industrial Loans

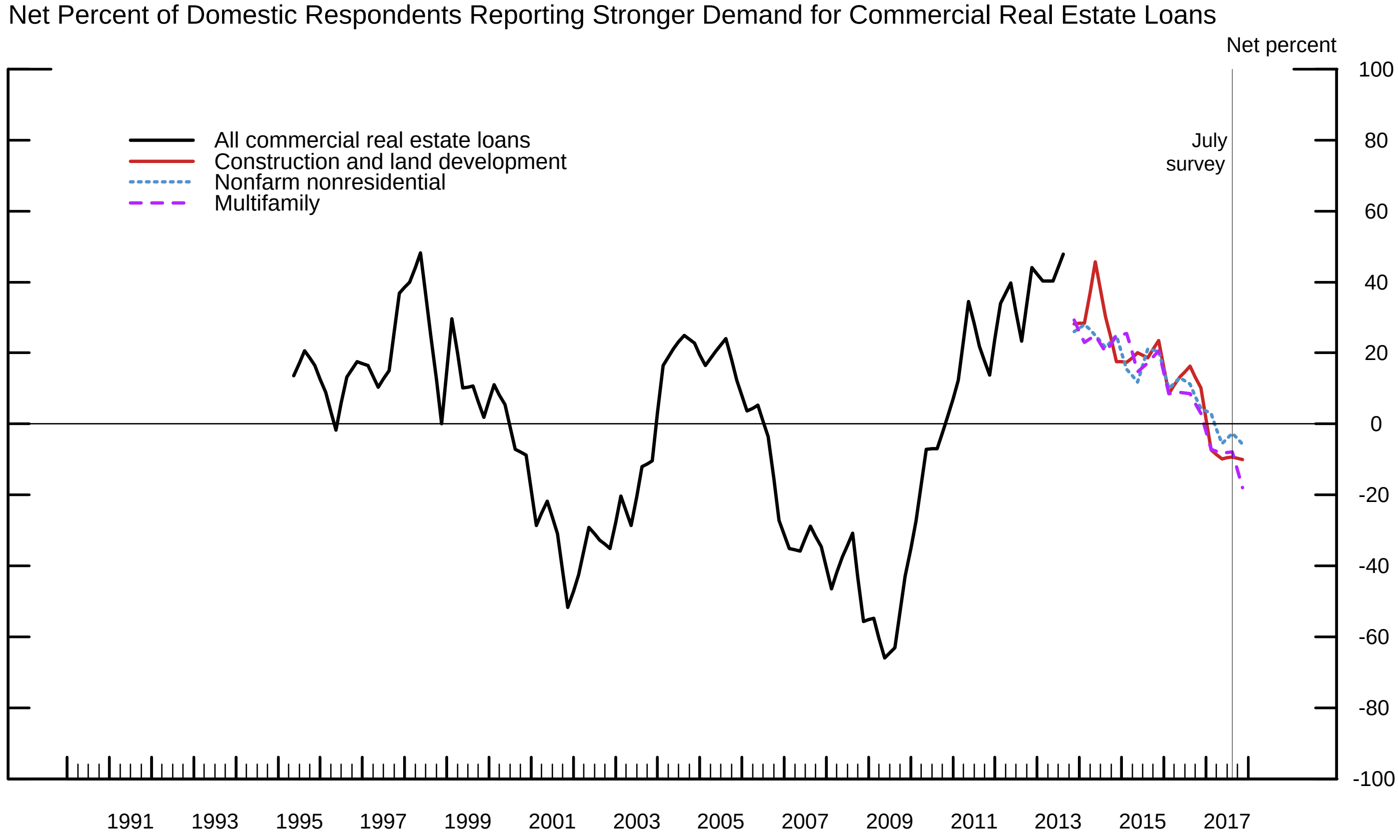


Measures of Supply and Demand for Commercial Real Estate Loans

Net Percent of Domestic Respondents Tightening Standards for Commercial Real Estate Loans



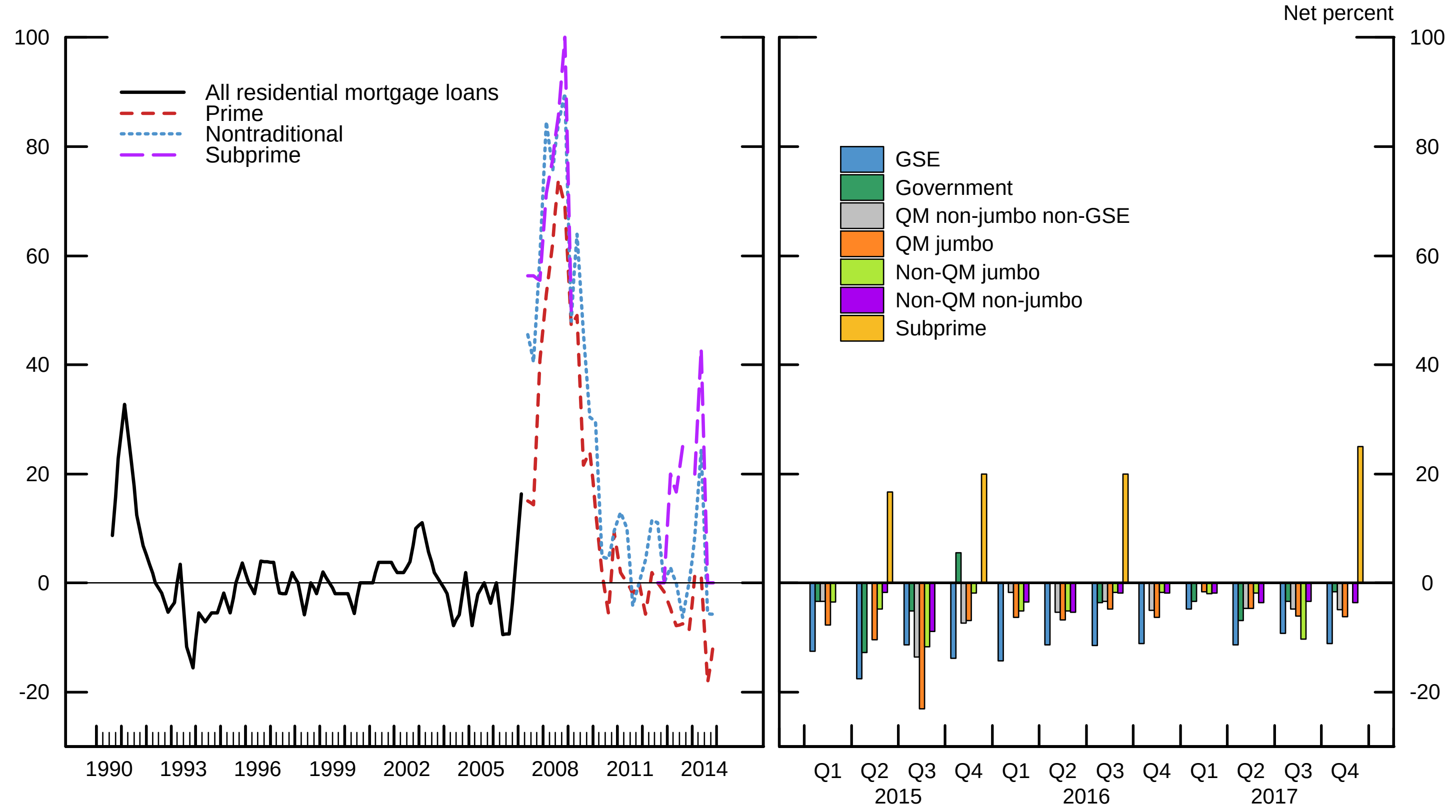
Net Percent of Domestic Respondents Reporting Stronger Demand for Commercial Real Estate Loans



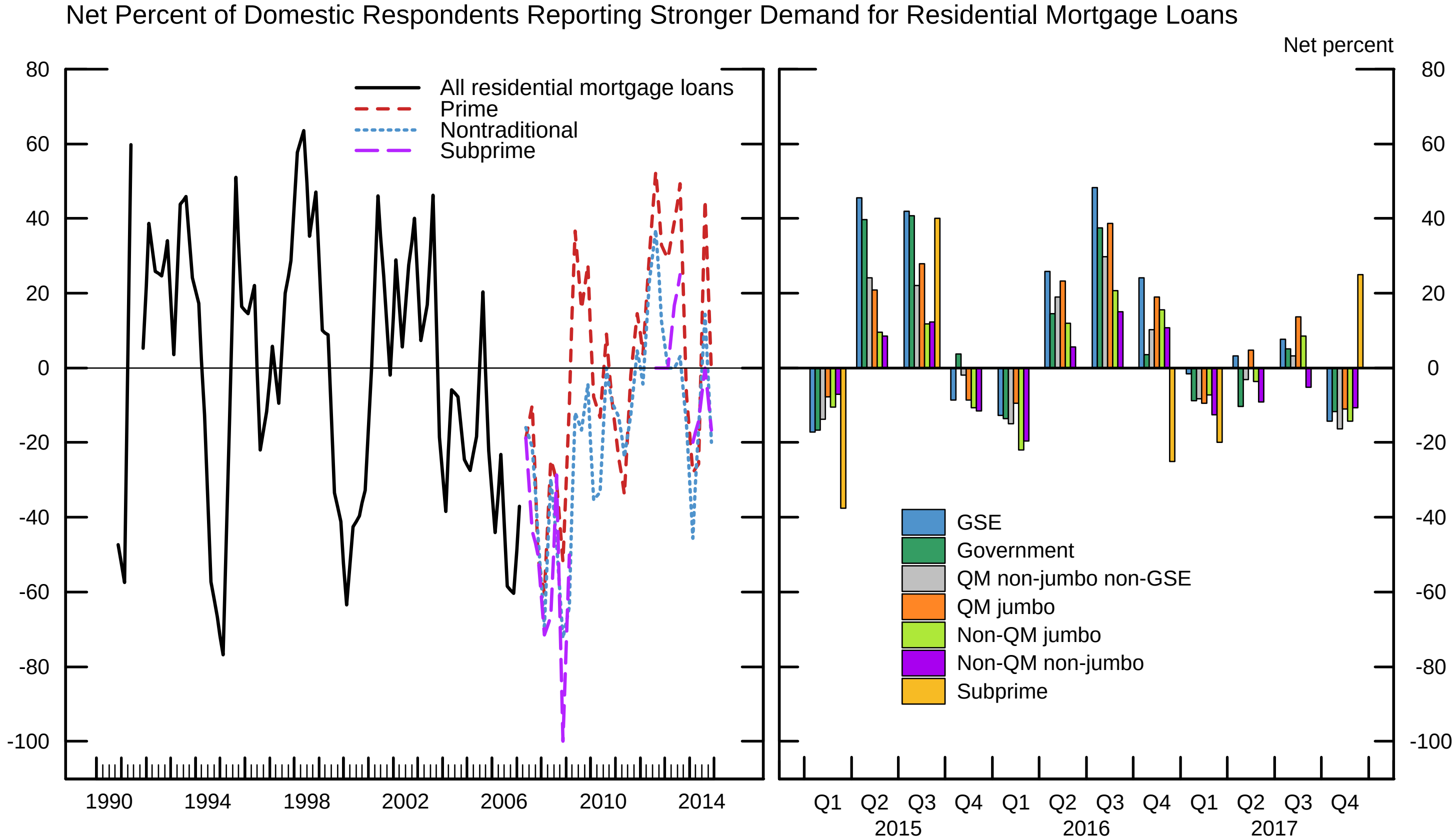
Note: For data starting in 2013:Q4, changes in demand for construction and land development, nonfarm nonresidential, and multifamily loans are reported separately.

Measures of Supply and Demand for Residential Mortgage Loans

Net Percent of Domestic Respondents Tightening Standards for Residential Mortgage Loans



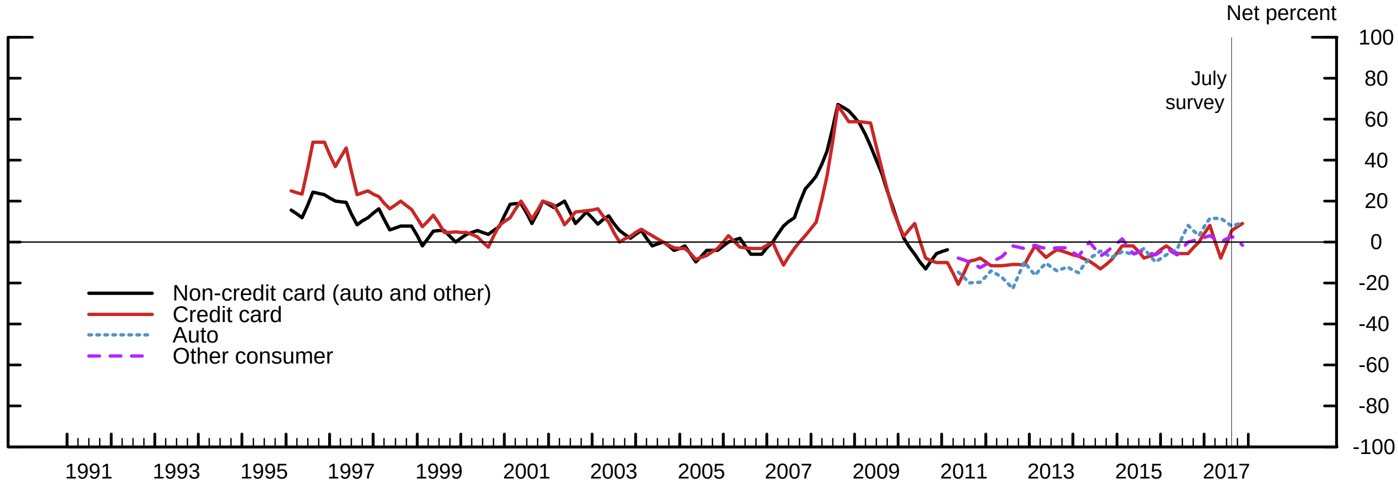
Net Percent of Domestic Respondents Reporting Stronger Demand for Residential Mortgage Loans



Note: For data starting in 2007:Q2, changes in standards and demand for prime, nontraditional, and subprime mortgage loans are reported separately. For data starting in 2015:Q1, changes in standards and demand were expanded into the following seven categories: GSE-eligible; government; QM non-jumbo non-GSE-eligible; QM jumbo; non-QM jumbo; non-QM non-jumbo; and subprime. Series are not reported when the number of respondents is three or fewer.

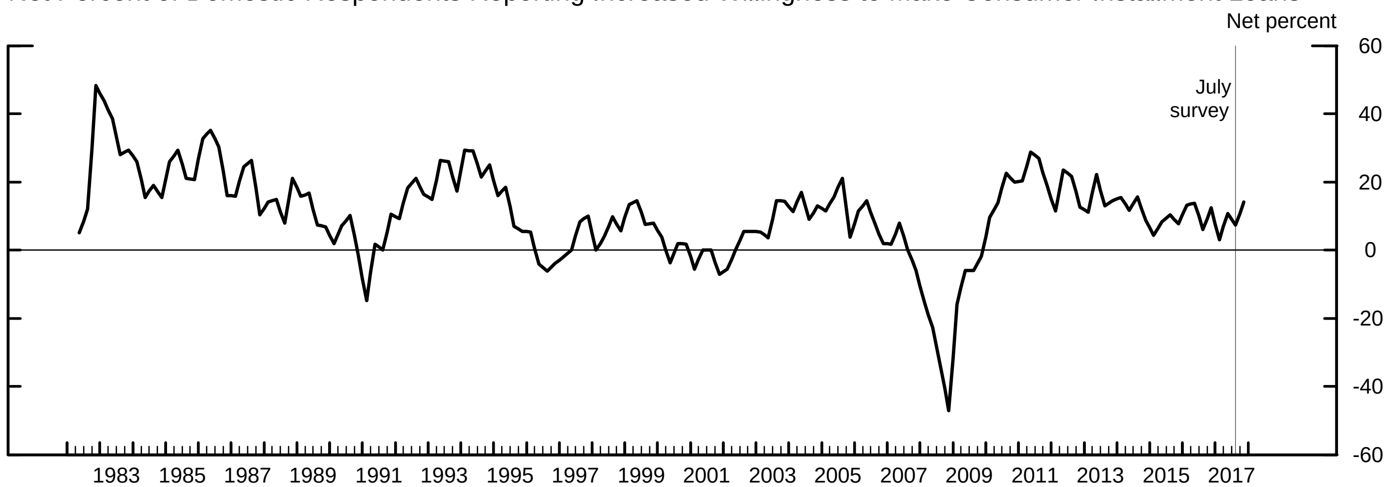
Measures of Supply and Demand for Consumer Loans

Net Percent of Domestic Respondents Tightening Standards for Consumer Loans

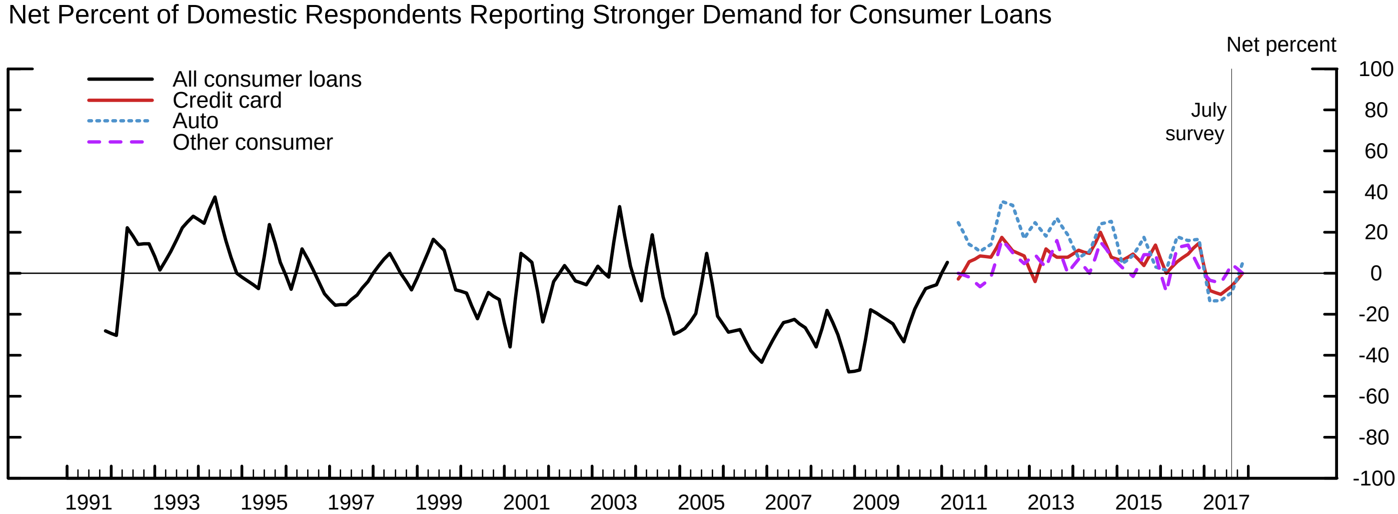


Note: For data starting in 2011:Q2, changes in standards for auto loans and consumer loans excluding credit card and auto loans are reported separately. In 2011:Q2 only, new and used auto loans are reported separately and equally weighted to calculate the auto loans series.

Net Percent of Domestic Respondents Reporting Increased Willingness to Make Consumer Installment Loans



Net Percent of Domestic Respondents Reporting Stronger Demand for Consumer Loans



Note: For data starting in 2011:Q2, changes in demand for credit card loans, auto loans, and consumer loans excluding credit card and auto loans are reported separately.

Table 1

Senior Loan Officer Opinion Survey on Bank Lending Practices at Selected Large Banks in the United States [1]

(Status of Policy as of October 2017)

Questions 1-6 *ask about commercial and industrial (C&I) loans at your bank. Questions 1-3 deal with changes in your bank's lending policies over the past three months. Questions 4-5 deal with changes in demand for C&I loans over the past three months. Question 6 asks about changes in prospective demand for C&I loans at your bank, as indicated by the volume of recent inquiries about the availability of new credit lines or increases in existing lines. If your bank's lending policies have not changed over the past three months, please report them as unchanged even if the policies are either restrictive or accommodative relative to longer-term norms. If your bank's policies have tightened or eased over the past three months, please so report them regardless of how they stand relative to longer-term norms. Also, please report changes in enforcement of existing policies as changes in policies.*

1. Over the past three months, how have your bank's credit standards for approving applications for C&I loans or credit lines—other than those to be used to finance mergers and acquisitions—to large and middle-market firms and to small firms changed? (If your bank defines firm size differently from the categories suggested below, please use your definitions and indicate what they are.)

A. Standards for **large and middle-market firms** (annual sales of $50 million or more):

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	65	91.5	36	87.8	29	96.7
Eased somewhat	6	8.5	5	12.2	1	3.3
Eased considerably	0	0.0	0	0.0	0	0.0
Total	71	100	41	100	30	100

B. Standards for **small firms** (annual sales of less than $50 million):

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	62	91.2	33	86.8	29	96.7
Eased somewhat	6	8.8	5	13.2	1	3.3
Eased considerably	0	0.0	0	0.0	0	0.0
Total	68	100	38	100	30	100

2. For applications for C&I loans or credit lines—other than those to be used to finance mergers and acquisitions—from large and middle-market firms and from small firms that your bank currently is willing to approve, how have the terms of those loans changed over the past three months?

A. Terms for **large and middle-market firms** (annual sales of $50 million or more):

a. Maximum size of credit lines

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	56	80.0	30	75.0	26	86.7
Eased somewhat	14	20.0	10	25.0	4	13.3
Eased considerably	0	0.0	0	0.0	0	0.0
Total	70	100	40	100	30	100

b. Maximum maturity of loans or credit lines

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	2	2.9	1	2.5	1	3.3
Remained basically unchanged	64	91.4	38	95.0	26	86.7
Eased somewhat	4	5.7	1	2.5	3	10.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	70	100	40	100	30	100

c. Costs of credit lines

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	3	4.3	2	5.0	1	3.3
Remained basically unchanged	57	81.4	30	75.0	27	90.0
Eased somewhat	10	14.3	8	20.0	2	6.7
Eased considerably	0	0.0	0	0.0	0	0.0
Total	70	100	40	100	30	100

d. Spreads of loan rates over your bank's cost of funds (wider spreads=tightened, narrower spreads=eased)

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	4	5.7	2	5.0	2	6.7
Remained basically unchanged	43	61.4	21	52.5	22	73.3
Eased somewhat	23	32.9	17	42.5	6	20.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	70	100	40	100	30	100

e. Premiums charged on riskier loans

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	4	5.8	2	5.1	2	6.7
Remained basically unchanged	60	87.0	32	82.1	28	93.3
Eased somewhat	5	7.2	5	12.8	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	69	100	39	100	30	100

f. Loan covenants

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	2	2.9	1	2.5	1	3.3
Remained basically unchanged	58	82.9	31	77.5	27	90.0
Eased somewhat	10	14.3	8	20.0	2	6.7
Eased considerably	0	0.0	0	0.0	0	0.0
Total	70	100	40	100	30	100

g. Collateralization requirements

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	69	98.6	40	100.0	29	96.7
Eased somewhat	1	1.4	0	0.0	1	3.3
Eased considerably	0	0.0	0	0.0	0	0.0
Total	70	100	40	100	30	100

h. Use of interest rate floors (more use=tightened, less use=eased)

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	1	1.4	0	0.0	1	3.3
Remained basically unchanged	57	82.6	32	82.1	25	83.3
Eased somewhat	9	13.0	7	17.9	2	6.7
Eased considerably	2	2.9	0	0.0	2	6.7
Total	69	100	39	100	30	100

B. Terms for **small firms** (annual sales of less than $50 million):

a. Maximum size of credit lines

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	1	1.5	0	0.0	1	3.3
Remained basically unchanged	60	89.6	34	91.9	26	86.7
Eased somewhat	6	9.0	3	8.1	3	10.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	67	100	37	100	30	100

b. Maximum maturity of loans or credit lines

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	3	4.5	1	2.7	2	6.7
Remained basically unchanged	60	89.6	33	89.2	27	90.0
Eased somewhat	4	6.0	3	8.1	1	3.3
Eased considerably	0	0.0	0	0.0	0	0.0
Total	67	100	37	100	30	100

c. Costs of credit lines

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	4	6.0	3	8.1	1	3.3
Remained basically unchanged	56	83.6	29	78.4	27	90.0
Eased somewhat	7	10.4	5	13.5	2	6.7
Eased considerably	0	0.0	0	0.0	0	0.0
Total	67	100	37	100	30	100

d. Spreads of loan rates over your bank's cost of funds (wider spreads=tightened, narrower spreads=eased)

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	5	7.5	3	8.1	2	6.7
Remained basically unchanged	44	65.7	22	59.5	22	73.3
Eased somewhat	18	26.9	12	32.4	6	20.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	67	100	37	100	30	100

e. Premiums charged on riskier loans

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	5	7.5	3	8.1	2	6.7
Remained basically unchanged	60	89.6	32	86.5	28	93.3
Eased somewhat	2	3.0	2	5.4	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	67	100	37	100	30	100

f. Loan covenants

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	2	3.0	1	2.7	1	3.3
Remained basically unchanged	58	86.6	31	83.8	27	90.0
Eased somewhat	7	10.4	5	13.5	2	6.7
Eased considerably	0	0.0	0	0.0	0	0.0
Total	67	100	37	100	30	100

g. Collateralization requirements

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	66	98.5	37	100.0	29	96.7
Eased somewhat	1	1.5	0	0.0	1	3.3
Eased considerably	0	0.0	0	0.0	0	0.0
Total	67	100	37	100	30	100

h. Use of interest rate floors (more use=tightened, less use=eased)

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	1	1.5	0	0.0	1	3.3
Remained basically unchanged	57	86.4	32	88.9	25	83.3
Eased somewhat	6	9.1	4	11.1	2	6.7
Eased considerably	2	3.0	0	0.0	2	6.7
Total	66	100	36	100	30	100

3. If your bank has tightened or eased its credit standards or its terms for C&I loans or credit lines over the past three months (as described in questions 1 and 2), how important have been the following possible reasons for the change? (Please respond to either A, B, or both as appropriate.)

A. Possible reasons for tightening credit standards or loan terms:

a. Deterioration in your bank's current or expected capital position

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	8	80.0	5	100.0	3	60.0
Somewhat important	1	10.0	0	0.0	1	20.0
Very important	1	10.0	0	0.0	1	20.0
Total	10	100	5	100	5	100

b. Less favorable or more uncertain economic outlook

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	3	30.0	2	40.0	1	20.0
Somewhat important	5	50.0	3	60.0	2	40.0
Very important	2	20.0	0	0.0	2	40.0
Total	10	100	5	100	5	100

c. Worsening of industry-specific problems (please specify industries)

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	6	66.7	4	80.0	2	50.0
Somewhat important	3	33.3	1	20.0	2	50.0
Very important	0	0.0	0	0.0	0	0.0
Total	9	100	5	100	4	100

d. Less aggressive competition from other banks or nonbank lenders (other financial intermediaries or the capital markets)

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	5	50.0	3	60.0	2	40.0
Somewhat important	4	40.0	2	40.0	2	40.0
Very important	1	10.0	0	0.0	1	20.0
Total	10	100	5	100	5	100

e. Reduced tolerance for risk

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	8	80.0	5	100.0	3	60.0
Somewhat important	1	10.0	0	0.0	1	20.0
Very important	1	10.0	0	0.0	1	20.0
Total	10	100	5	100	5	100

f. Decreased liquidity in the secondary market for these loans

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	7	70.0	4	80.0	3	60.0
Somewhat important	3	30.0	1	20.0	2	40.0
Very important	0	0.0	0	0.0	0	0.0
Total	10	100	5	100	5	100

g. Deterioration in your bank's current or expected liquidity position

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	7	70.0	5	100.0	2	40.0
Somewhat important	2	20.0	0	0.0	2	40.0
Very important	1	10.0	0	0.0	1	20.0
Total	10	100	5	100	5	100

h. Increased concerns about the effects of legislative changes, supervisory actions, or changes in accounting standards

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	5	45.5	4	80.0	1	16.7
Somewhat important	2	18.2	0	0.0	2	33.3
Very important	4	36.4	1	20.0	3	50.0
Total	11	100	5	100	6	100

B. Possible reasons for easing credit standards or loan terms:

a. Improvement in your bank's current or expected capital position

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	22	84.6	16	88.9	6	75.0
Somewhat important	3	11.5	2	11.1	1	12.5
Very important	1	3.8	0	0.0	1	12.5
Total	26	100	18	100	8	100

b. More favorable or less uncertain economic outlook

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	18	72.0	14	77.8	4	57.1
Somewhat important	6	24.0	3	16.7	3	42.9
Very important	1	4.0	1	5.6	0	0.0
Total	25	100	18	100	7	100

c. Improvement in industry-specific problems (please specify industries)

	All Respondents		Large Banks		Other Banks	
	Banks	**Percent**	**Banks**	**Percent**	**Banks**	**Percent**
Not important	22	88.0	15	88.2	7	87.5
Somewhat important	2	8.0	1	5.9	1	12.5
Very important	1	4.0	1	5.9	0	0.0
Total	25	100	17	100	8	100

d. More aggressive competition from other banks or nonbank lenders (other financial intermediaries or the capital markets)

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	4	13.8	2	10.0	2	22.2
Somewhat important	11	37.9	8	40.0	3	33.3
Very important	14	48.3	10	50.0	4	44.4
Total	29	100	20	100	9	100

e. Increased tolerance for risk

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	19	73.1	13	72.2	6	75.0
Somewhat important	7	26.9	5	27.8	2	25.0
Very important	0	0.0	0	0.0	0	0.0
Total	26	100	18	100	8	100

f. Increased liquidity in the secondary market for these loans

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	21	80.8	13	72.2	8	100.0
Somewhat important	5	19.2	5	27.8	0	0.0
Very important	0	0.0	0	0.0	0	0.0
Total	26	100	18	100	8	100

g. Improvement in your bank's current or expected liquidity position

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	23	92.0	16	94.1	7	87.5
Somewhat important	2	8.0	1	5.9	1	12.5
Very important	0	0.0	0	0.0	0	0.0
Total	25	100	17	100	8	100

h. Reduced concerns about the effects of legislative changes, supervisory actions, or changes in accounting standards

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	23	92.0	17	94.4	6	85.7
Somewhat important	2	8.0	1	5.6	1	14.3
Very important	0	0.0	0	0.0	0	0.0
Total	25	100	18	100	7	100

4. Apart from normal seasonal variation, how has demand for C&I loans changed over the past three months? (Please consider only funds actually disbursed as opposed to requests for new or increased lines of credit.)

A. Demand for C&I loans from **large and middle-market firms** (annual sales of $50 million or more):

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Substantially stronger	0	0.0	0	0.0	0	0.0
Moderately stronger	10	14.1	8	19.5	2	6.7
About the same	43	60.6	23	56.1	20	66.7
Moderately weaker	18	25.4	10	24.4	8	26.7
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	71	100	41	100	30	100

B. Demand for C&I loans from **small firms** (annual sales of less than $50 million):

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Substantially stronger	1	1.5	0	0.0	1	3.3
Moderately stronger	9	13.2	8	21.1	1	3.3
About the same	46	67.6	24	63.2	22	73.3
Moderately weaker	12	17.6	6	15.8	6	20.0
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	68	100	38	100	30	100

5. If demand for C&I loans has strengthened or weakened over the past three months (as described in question 4), how important have been the following possible reasons for the change? (Please respond to either A, B, or both as appropriate.)

A. If stronger loan demand (answer 1 or 2 to question 4A or 4B), possible reasons:

a. Customer inventory financing needs increased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	4	33.3	4	40.0	0	0.0
Somewhat important	7	58.3	5	50.0	2	100.0
Very important	1	8.3	1	10.0	0	0.0
Total	12	100	10	100	2	100

b. Customer accounts receivable financing needs increased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	3	25.0	3	30.0	0	0.0
Somewhat important	8	66.7	6	60.0	2	100.0
Very important	1	8.3	1	10.0	0	0.0
Total	12	100	10	100	2	100

c. Customer investment in plant or equipment increased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	2	16.7	2	20.0	0	0.0
Somewhat important	8	66.7	7	70.0	1	50.0
Very important	2	16.7	1	10.0	1	50.0
Total	12	100	10	100	2	100

d. Customer internally generated funds decreased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	8	72.7	7	77.8	1	50.0
Somewhat important	1	9.1	1	11.1	0	0.0
Very important	2	18.2	1	11.1	1	50.0
Total	11	100	9	100	2	100

e. Customer merger or acquisition financing needs increased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	3	25.0	2	20.0	1	50.0
Somewhat important	6	50.0	5	50.0	1	50.0
Very important	3	25.0	3	30.0	0	0.0
Total	12	100	10	100	2	100

f. Customer borrowing shifted to your bank from other bank or nonbank sources because these other sources became less attractive

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	8	72.7	7	77.8	1	50.0
Somewhat important	2	18.2	2	22.2	0	0.0
Very important	1	9.1	0	0.0	1	50.0
Total	11	100	9	100	2	100

g. Customer precautionary demand for cash and liquidity increased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	7	63.6	7	77.8	0	0.0
Somewhat important	3	27.3	1	11.1	2	100.0
Very important	1	9.1	1	11.1	0	0.0
Total	11	100	9	100	2	100

B. If weaker loan demand (answer 4 or 5 to question 4A or 4B), possible reasons:

a. Customer inventory financing needs decreased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	6	37.5	3	33.3	3	42.9
Somewhat important	10	62.5	6	66.7	4	57.1
Very important	0	0.0	0	0.0	0	0.0
Total	16	100	9	100	7	100

b. Customer accounts receivable financing needs decreased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	6	40.0	3	33.3	3	50.0
Somewhat important	9	60.0	6	66.7	3	50.0
Very important	0	0.0	0	0.0	0	0.0
Total	15	100	9	100	6	100

c. Customer investment in plant or equipment decreased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	4	25.0	2	22.2	2	28.6
Somewhat important	12	75.0	7	77.8	5	71.4
Very important	0	0.0	0	0.0	0	0.0
Total	16	100	9	100	7	100

d. Customer internally generated funds increased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	8	53.3	5	55.6	3	50.0
Somewhat important	6	40.0	4	44.4	2	33.3
Very important	1	6.7	0	0.0	1	16.7
Total	15	100	9	100	6	100

e. Customer merger or acquisition financing needs decreased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	6	37.5	3	30.0	3	50.0
Somewhat important	9	56.2	6	60.0	3	50.0
Very important	1	6.2	1	10.0	0	0.0
Total	16	100	10	100	6	100

f. Customer borrowing shifted from your bank to other bank or nonbank sources because these other sources became more attractive

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	10	62.5	7	70.0	3	50.0
Somewhat important	5	31.2	3	30.0	2	33.3
Very important	1	6.2	0	0.0	1	16.7
Total	16	100	10	100	6	100

g. Customer precautionary demand for cash and liquidity decreased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	12	80.0	7	77.8	5	83.3
Somewhat important	2	13.3	2	22.2	0	0.0
Very important	1	6.7	0	0.0	1	16.7
Total	15	100	9	100	6	100

6. At your bank, apart from seasonal variation, how has the number of inquiries from potential business borrowers regarding the availability and terms of new credit lines or increases in existing lines changed over the past three months? (Please consider only inquiries for additional or increased C&I lines as opposed to the refinancing of existing loans.)

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
The number of inquiries has increased substantially	0	0.0	0	0.0	0	0.0
The number of inquiries has increased moderately	14	20.3	9	22.5	5	17.2
The number of inquiries has stayed about the same	42	60.9	23	57.5	19	65.5
The number of inquiries has decreased moderately	13	18.8	8	20.0	5	17.2
The number of inquiries has decreased substantially	0	0.0	0	0.0	0	0.0
Total	69	100	40	100	29	100

Questions 7-12 *ask about changes in standards and demand over the* ***past three months*** *for three different types of commercial real estate (CRE) loans at your bank: construction and land development loans, loans secured by nonfarm nonresidential properties, and loans secured by multifamily residential properties. Please report changes in enforcement of existing policies as changes in policies.*

7. Over the past three months, how have your bank's credit standards for approving new applications for **construction and land development loans** or credit lines changed?

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	5	7.1	2	5.0	3	10.0
Remained basically unchanged	62	88.6	36	90.0	26	86.7
Eased somewhat	3	4.3	2	5.0	1	3.3
Eased considerably	0	0.0	0	0.0	0	0.0
Total	70	100	40	100	30	100

8. Over the past three months, how have your bank's credit standards for approving new applications for **loans secured by nonfarm nonresidential properties** changed?

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	4	5.6	2	4.9	2	6.7
Remained basically unchanged	66	93.0	39	95.1	27	90.0
Eased somewhat	1	1.4	0	0.0	1	3.3
Eased considerably	0	0.0	0	0.0	0	0.0
Total	71	100	41	100	30	100

9. Over the past three months, how have your bank's credit standards for approving new applications for **loans secured by multifamily residential properties** changed?

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	1	1.4	1	2.4	0	0.0
Tightened somewhat	16	22.2	6	14.3	10	33.3
Remained basically unchanged	54	75.0	34	81.0	20	66.7
Eased somewhat	1	1.4	1	2.4	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	72	100	42	100	30	100

10. Apart from normal seasonal variation, how has demand for **construction and land development loans** changed over the past three months? (Please consider the number of requests for new spot loans, for disbursement of funds under existing loan commitments, and for new or increased credit lines.)

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Substantially stronger	0	0.0	0	0.0	0	0.0
Moderately stronger	10	14.3	5	12.5	5	16.7
About the same	43	61.4	22	55.0	21	70.0
Moderately weaker	17	24.3	13	32.5	4	13.3
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	70	100	40	100	30	100

11. Apart from normal seasonal variation, how has demand for **loans secured by nonfarm nonresidential properties** changed over the past three months? (Please consider the number of requests for new spot loans, for disbursement of funds under existing loan commitments, and for new or increased credit lines.)

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Substantially stronger	0	0.0	0	0.0	0	0.0
Moderately stronger	7	9.9	4	9.8	3	10.0
About the same	53	74.6	28	68.3	25	83.3
Moderately weaker	11	15.5	9	22.0	2	6.7
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	71	100	41	100	30	100

12. Apart from normal seasonal variation, how has demand for **loans secured by multifamily residential properties** changed over the past three months? (Please consider the number of requests for new spot loans, for disbursement of funds under existing loan commitments, and for new or increased credit lines.)

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Substantially stronger	0	0.0	0	0.0	0	0.0
Moderately stronger	5	6.9	3	7.1	2	6.7
About the same	49	68.1	25	59.5	24	80.0
Moderately weaker	18	25.0	14	33.3	4	13.3
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	72	100	42	100	30	100

Note: *Beginning with the January 2015 survey, the loan categories referred to in the questions regarding changes in credit standards and demand for residential mortgage loans have been revised to reflect the Consumer Financial Protection Bureau's qualified mortgage rules.*

Questions 13-14 *ask about seven categories of* ***residential mortgage loans*** *at your bank: Government-Sponsored Enterprise eligible (GSE-eligible) residential mortgages, government residential mortgages, Qualified Mortgage non-jumbo non-GSE-eligible (QM non-jumbo, non-GSE-eligible) residential mortgages, QM jumbo residential mortgages, non-QM jumbo residential mortgages, non-QM non-jumbo residential mortgages, and subprime residential mortgages. For the purposes of this survey, please use the following definitions of these loan categories and include first-lien closed-end loans to purchase homes only. The loan categories have been defined so that every first-lien closed-end residential mortgage loan used for home purchase fits into one of the following seven categories:*

- *The* ***GSE-eligible*** *category of residential mortgages includes loans that meet the underwriting guidelines, including loan limit amounts, of the GSEs - Fannie Mae and Freddie Mac.*

- *The* ***government*** *category of residential mortgages includes loans that are insured by the Federal Housing Administration, guaranteed by the Department of Veterans Affairs, or originated under government programs, including the U.S. Department of Agriculture home loan programs.*

- *The* ***QM non-jumbo, non-GSE-eligible*** *category of residential mortgages includes loans that satisfy the standards for a qualified mortgage and have loan balances that are below the loan limit amounts set by the GSEs but otherwise do not meet the GSE underwriting guidelines.*

- *The* ***QM jumbo*** *category of residential mortgages includes loans that satisfy the standards for a qualified mortgage but have loan balances that are above the loan limit amount set by the GSEs.*

- *The* ***non-QM jumbo*** *category of residential mortgages includes loans that do not satisfy the standards for a qualified mortgage and have loan balances that are above the loan limit amount set by the GSEs.*

- *The* ***non-QM non-jumbo*** *category of residential mortgages includes loans that do not satisfy the standards for a qualified mortgage and have loan balances that are below* *the loan limit amount set by the GSEs. (Please exclude loans classified by your bank as subprime in this category.)*

- *The **subprime** category of residential mortgages includes loans classified by your bank as subprime. This category typically includes loans made to borrowers with weakened credit histories that include payment delinquencies, charge-offs, judgements, and/or bankruptcies; reduced repayment capacity as measured by credit scores or debt-to-income ratios; or incomplete credit histories.*

***Question 13** deals with changes in your bank's credit standards for loans in each of the seven loan categories over the past three months. If your bank's credit standards have not changed over the relevant period, please report them as unchanged even if the standards are either restrictive or accommodative relative to longer-term norms. If your bank's credit standards have tightened or eased over the relevant period, please so report them regardless of how they stand relative to longer-term norms. Also, please report changes in enforcement of existing standards as changes in standards. **Question 14** deals with changes in demand for loans in each of the seven loan categories over the past three months.*

13. Over the past three months, how have your bank's credit standards for approving applications from individuals for mortgage loans to purchase homes changed? (Please consider only new originations as opposed to the refinancing of existing mortgages.)

A. Credit standards on mortgage loans that your bank categorizes as ***GSE-eligible*** residential mortgages have:

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	56	88.9	28	84.8	28	93.3
Eased somewhat	6	9.5	5	15.2	1	3.3
Eased considerably	1	1.6	0	0.0	1	3.3
Total	63	100	33	100	30	100

For this question, 4 respondents answered "My bank does not originate GSE-eligible residential mortgages."

B. Credit standards on mortgage loans that your bank categorizes as ***government*** residential mortgages have:

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	60	98.4	32	97.0	28	100.0
Eased somewhat	1	1.6	1	3.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	61	100	33	100	28	100

For this question, 6 respondents answered "My bank does not originate government residential mortgages."

C. Credit standards on mortgage loans that your bank categorizes as ***QM non-jumbo, non-GSE-eligible*** residential mortgages have:

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	58	95.1	32	94.1	26	96.3
Eased somewhat	3	4.9	2	5.9	1	3.7
Eased considerably	0	0.0	0	0.0	0	0.0
Total	61	100	34	100	27	100

For this question, 7 respondents answered "My bank does not originate QM non-jumbo, non-GSE-eligible residential mortgages."

D. Credit standards on mortgage loans that your bank categorizes as ***QM jumbo*** residential mortgages have:

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	1	1.5	1	2.9	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	59	90.8	31	88.6	28	93.3
Eased somewhat	5	7.7	3	8.6	2	6.7
Eased considerably	0	0.0	0	0.0	0	0.0
Total	65	100	35	100	30	100

For this question, 3 respondents answered "My bank does not originate QM jumbo residential mortgages."

E. Credit standards on mortgage loans that your bank categorizes as ***non-QM jumbo*** residential mortgages have:

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	1	1.8	1	2.9	0	0.0
Tightened somewhat	2	3.6	1	2.9	1	4.8
Remained basically unchanged	49	89.1	31	91.2	18	85.7
Eased somewhat	3	5.5	1	2.9	2	9.5
Eased considerably	0	0.0	0	0.0	0	0.0
Total	55	100	34	100	21	100

For this question, 12 respondents answered "My bank does not originate non-QM jumbo residential mortgages."

F. Credit standards on mortgage loans that your bank categorizes as ***non-QM non-jumbo*** residential mortgages have:

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	1	1.8	0	0.0	1	4.5
Remained basically unchanged	52	92.9	33	97.1	19	86.4
Eased somewhat	3	5.4	1	2.9	2	9.1
Eased considerably	0	0.0	0	0.0	0	0.0
Total	56	100	34	100	22	100

For this question, 12 respondents answered "My bank does not originate non-QM non-jumbo residential mortgages."

G. Credit standards on mortgage loans that your bank categorizes as ***subprime*** residential mortgages have:

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	1	25.0	0	0.0	1	50.0
Remained basically unchanged	3	75.0	2	100.0	1	50.0
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	4	100	2	100	2	100

For this question, 62 respondents answered "My bank does not originate subprime residential mortgages."

14. Apart from normal seasonal variation, how has demand for mortgages to purchase homes changed over the past three months? (Please consider only applications for new originations as opposed to applications for refinancing of existing mortgages.)

A. Demand for mortgages that your bank categorizes as ***GSE-eligible*** residential mortgages was:

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Substantially stronger	0	0.0	0	0.0	0	0.0
Moderately stronger	7	11.1	4	12.1	3	10.0
About the same	40	63.5	19	57.6	21	70.0
Moderately weaker	15	23.8	10	30.3	5	16.7
Substantially weaker	1	1.6	0	0.0	1	3.3
Total	63	100	33	100	30	100

For this question, 5 respondents answered "My bank does not originate GSE-eligible residential mortgages."

B. Demand for mortgages that your bank categorizes as ***government*** residential mortgages was:

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Substantially stronger	0	0.0	0	0.0	0	0.0
Moderately stronger	4	6.7	3	9.4	1	3.6
About the same	45	75.0	24	75.0	21	75.0
Moderately weaker	10	16.7	5	15.6	5	17.9
Substantially weaker	1	1.7	0	0.0	1	3.6
Total	60	100	32	100	28	100

For this question, 7 respondents answered "My bank does not originate government residential mortgages."

C. Demand for mortgages that your bank categorizes as ***QM non-jumbo, non-GSE-eligible*** residential mortgages was:

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Substantially stronger	0	0.0	0	0.0	0	0.0
Moderately stronger	2	3.3	1	2.9	1	3.7
About the same	47	77.0	27	79.4	20	74.1
Moderately weaker	12	19.7	6	17.6	6	22.2
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	61	100	34	100	27	100

For this question, 7 respondents answered "My bank does not originate QM non-jumbo, non-GSE-eligible residential mortgages."

D. Demand for mortgages that your bank categorizes as ***QM jumbo*** residential mortgages was:

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Substantially stronger	1	1.6	1	2.9	0	0.0
Moderately stronger	5	7.8	4	11.4	1	3.4
About the same	45	70.3	21	60.0	24	82.8
Moderately weaker	13	20.3	9	25.7	4	13.8
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	64	100	35	100	29	100

For this question, 3 respondents answered "My bank does not originate QM jumbo residential mortgages."

E. Demand for mortgages that your bank categorizes as ***non-QM jumbo*** residential mortgages was:

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Substantially stronger	0	0.0	0	0.0	0	0.0
Moderately stronger	3	5.4	2	5.9	1	4.5
About the same	42	75.0	23	67.6	19	86.4
Moderately weaker	11	19.6	9	26.5	2	9.1
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	56	100	34	100	22	100

For this question, 12 respondents answered "My bank does not originate non-QM jumbo residential mortgages."

F. Demand for mortgages that your bank categorizes as ***non-QM non-jumbo*** residential mortgages was:

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Substantially stronger	0	0.0	0	0.0	0	0.0
Moderately stronger	3	5.4	1	2.9	2	9.1
About the same	44	78.6	27	79.4	17	77.3
Moderately weaker	9	16.1	6	17.6	3	13.6
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	56	100	34	100	22	100

For this question, 11 respondents answered "My bank does not originate non-QM non-jumbo residential mortgages."

G. Demand for mortgages that your bank categorizes as ***subprime*** residential mortgages was:

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Substantially stronger	0	0.0	0	0.0	0	0.0
Moderately stronger	1	25.0	0	0.0	1	50.0
About the same	3	75.0	2	100.0	1	50.0
Moderately weaker	0	0.0	0	0.0	0	0.0
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	4	100	2	100	2	100

For this question, 64 respondents answered "My bank does not originate subprime residential mortgages."

Questions 15-16 *ask about* ***revolving home equity lines of credit*** *at your bank. Question 15 deals with changes in your bank's credit standards over the past three months. Question 16 deals with changes in demand. If your bank's credit standards have not changed over the relevant period, please report them as unchanged even if they are either restrictive or accommodative relative to longer-term norms. If your bank's credit standards have tightened or eased over the relevant period, please so report them regardless of how they stand relative to longer-term norms. Also, please report changes in enforcement of existing standards as changes in standards.*

15. Over the past three months, how have your bank's credit standards for approving applications for revolving home equity lines of credit changed?

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	1	1.5	0	0.0	1	3.4
Remained basically unchanged	62	95.4	35	97.2	27	93.1
Eased somewhat	2	3.1	1	2.8	1	3.4
Eased considerably	0	0.0	0	0.0	0	0.0
Total	65	100	36	100	29	100

16. Apart from normal seasonal variation, how has demand for revolving home equity lines of credit changed over the past three months? (Please consider only funds actually disbursed as opposed to requests for new or increased lines of credit.)

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Substantially stronger	0	0.0	0	0.0	0	0.0
Moderately stronger	6	9.2	3	8.3	3	10.3
About the same	48	73.8	26	72.2	22	75.9
Moderately weaker	11	16.9	7	19.4	4	13.8
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	65	100	36	100	29	100

Questions 17-26 *ask about consumer lending at your bank. Question 17 deals with changes in your bank's willingness to make consumer loans over the past three months. Questions 18-23 deal with changes in credit standards and loan terms over the same period. Questions 24-26 deal with changes in demand for consumer loans over the past three months. If your bank's lending policies have not changed over the past three months, please report them as unchanged even if the policies are either restrictive or accommodative relative to longer-term norms. If your bank's policies have tightened or eased over the past three months, please so report them regardless of how they stand relative to longer-term norms. Also, please report changes in enforcement of existing policies as changes in policies.*

17. Please indicate your bank's willingness to make **consumer installment loans** now as opposed to three months ago.

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Much more willing	0	0.0	0	0.0	0	0.0
Somewhat more willing	10	15.6	6	17.1	4	13.8
About unchanged	53	82.8	28	80.0	25	86.2
Somewhat less willing	1	1.6	1	2.9	0	0.0
Much less willing	0	0.0	0	0.0	0	0.0
Total	64	100	35	100	29	100

18. Over the past three months, how have your bank's credit standards for approving applications for **credit cards** from individuals or households changed?

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	1	1.8	0	0.0	1	5.0
Tightened somewhat	8	14.5	7	20.0	1	5.0
Remained basically unchanged	42	76.4	25	71.4	17	85.0
Eased somewhat	4	7.3	3	8.6	1	5.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	55	100	35	100	20	100

19. Over the past three months, how have your bank's credit standards for approving applications for **auto loans** to individuals or households changed? (Please include loans arising from retail sales of passenger cars and other vehicles such as minivans, vans, sport-utility vehicles, pickup trucks, and similar light trucks for personal use, whether new or used. Please exclude loans to finance fleet sales, personal cash loans secured by automobiles already paid for, loans to finance the purchase of commercial vehicles and farm equipment, and lease financing.)

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	6	9.8	4	12.1	2	7.1
Remained basically unchanged	55	90.2	29	87.9	26	92.9
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	61	100	33	100	28	100

20. Over the past three months, how have your bank's credit standards for approving applications for **consumer loans other than credit card and auto loans** changed?

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	1	1.6	1	2.9	0	0.0
Remained basically unchanged	60	95.2	33	97.1	27	93.1
Eased somewhat	2	3.2	0	0.0	2	6.9
Eased considerably	0	0.0	0	0.0	0	0.0
Total	63	100	34	100	29	100

21. Over the past three months, how has your bank changed the following terms and conditions on new or existing **credit card accounts** for individuals or households?

a. Credit limits

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	5	9.6	5	14.7	0	0.0
Remained basically unchanged	43	82.7	26	76.5	17	94.4
Eased somewhat	4	7.7	3	8.8	1	5.6
Eased considerably	0	0.0	0	0.0	0	0.0
Total	52	100	34	100	18	100

b. Spreads of interest rates charged on outstanding balances over your bank's cost of funds (wider spreads=tightened, narrower spreads=eased)

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	3	5.9	2	5.9	1	5.9
Remained basically unchanged	47	92.2	32	94.1	15	88.2
Eased somewhat	1	2.0	0	0.0	1	5.9
Eased considerably	0	0.0	0	0.0	0	0.0
Total	51	100	34	100	17	100

c. Minimum percent of outstanding balances required to be repaid each month

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	1	2.0	1	3.0	0	0.0
Remained basically unchanged	50	98.0	32	97.0	18	100.0
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	51	100	33	100	18	100

d. Minimum required credit score (increased score=tightened, reduced score=eased)

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	1	1.9	0	0.0	1	5.6
Tightened somewhat	6	11.5	5	14.7	1	5.6
Remained basically unchanged	42	80.8	26	76.5	16	88.9
Eased somewhat	3	5.8	3	8.8	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	52	100	34	100	18	100

e. The extent to which loans are granted to some customers that do not meet credit scoring thresholds (increased=eased, decreased=tightened)

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	1	1.9	1	2.9	0	0.0
Tightened somewhat	5	9.6	3	8.8	2	11.1
Remained basically unchanged	45	86.5	29	85.3	16	88.9
Eased somewhat	1	1.9	1	2.9	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	52	100	34	100	18	100

22. Over the past three months, how has your bank changed the following terms and conditions on **loans to individuals or households to purchase autos**?

a. Maximum maturity

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	3	5.0	2	6.1	1	3.7
Remained basically unchanged	54	90.0	29	87.9	25	92.6
Eased somewhat	3	5.0	2	6.1	1	3.7
Eased considerably	0	0.0	0	0.0	0	0.0
Total	60	100	33	100	27	100

b. Spreads of loan rates over your bank's cost of funds (wider spreads=tightened, narrower spreads=eased)

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	1	1.7	1	3.0	0	0.0
Tightened somewhat	8	13.3	5	15.2	3	11.1
Remained basically unchanged	50	83.3	27	81.8	23	85.2
Eased somewhat	1	1.7	0	0.0	1	3.7
Eased considerably	0	0.0	0	0.0	0	0.0
Total	60	100	33	100	27	100

c. Minimum required down payment (higher=tightened, lower=eased)

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	4	6.8	3	9.4	1	3.7
Remained basically unchanged	55	93.2	29	90.6	26	96.3
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	59	100	32	100	27	100

d. Minimum required credit score (increased score=tightened, reduced score=eased)

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	3	5.1	2	6.2	1	3.7
Remained basically unchanged	56	94.9	30	93.8	26	96.3
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	59	100	32	100	27	100

e. The extent to which loans are granted to some customers that do not meet credit scoring thresholds (increased=eased, decreased=tightened)

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	5	8.3	4	12.1	1	3.7
Remained basically unchanged	55	91.7	29	87.9	26	96.3
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	60	100	33	100	27	100

23. Over the past three months, how has your bank changed the following terms and conditions on **consumer loans *other than* credit card and auto loans**?

a. Maximum maturity

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	63	100.0	34	100.0	29	100.0
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	63	100	34	100	29	100

b. Spreads of loan rates over your bank's cost of funds (wider spreads=tightened, narrower spreads=eased)

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	1	1.6	1	2.9	0	0.0
Tightened somewhat	2	3.2	1	2.9	1	3.4
Remained basically unchanged	58	92.1	32	94.1	26	89.7
Eased somewhat	2	3.2	0	0.0	2	6.9
Eased considerably	0	0.0	0	0.0	0	0.0
Total	63	100	34	100	29	100

c. Minimum required down payment (higher=tightened, lower=eased)

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	61	98.4	34	100.0	27	96.4
Eased somewhat	1	1.6	0	0.0	1	3.6
Eased considerably	0	0.0	0	0.0	0	0.0
Total	62	100	34	100	28	100

d. Minimum required credit score (increased score=tightened, reduced score=eased)

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	0	0.0	0	0.0	0	0.0
Remained basically unchanged	62	100.0	33	100.0	29	100.0
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	62	100	33	100	29	100

e. The extent to which loans are granted to some customers that do not meet credit scoring thresholds (increased=eased, decreased=tightened)

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	1	1.6	1	3.0	0	0.0
Remained basically unchanged	61	98.4	32	97.0	29	100.0
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	62	100	33	100	29	100

24. Apart from normal seasonal variation, how has demand from individuals or households for **credit card loans** changed over the past three months?

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Substantially stronger	0	0.0	0	0.0	0	0.0
Moderately stronger	5	9.3	4	11.4	1	5.3
About the same	44	81.5	29	82.9	15	78.9
Moderately weaker	4	7.4	2	5.7	2	10.5
Substantially weaker	1	1.9	0	0.0	1	5.3
Total	54	100	35	100	19	100

25. Apart from normal seasonal variation, how has demand from individuals or households for **auto loans** changed over the past three months?

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Substantially stronger	0	0.0	0	0.0	0	0.0
Moderately stronger	9	15.0	5	15.2	4	14.8
About the same	45	75.0	26	78.8	19	70.4
Moderately weaker	6	10.0	2	6.1	4	14.8
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	60	100	33	100	27	100

26. Apart from normal seasonal variation, how has demand from individuals or households for **consumer loans other than credit card and auto loans** changed over the past three months?

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Substantially stronger	0	0.0	0	0.0	0	0.0
Moderately stronger	4	6.3	2	5.9	2	6.9
About the same	55	87.3	31	91.2	24	82.8
Moderately weaker	4	6.3	1	2.9	3	10.3
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	63	100	34	100	29	100

Questions 27-30 *ask about factors influencing changes in standards and demand for consumer lending at your bank* ***this year*** *to prime and subprime borrowers.*

27. If your bank has **tightened** its credit standards or its terms for **auto or credit card loans to prime or subprime borrowers this year**, how important have been the following reasons for the change? (Please respond to each question as appropriate.)

A. Possible reasons for **tightening** credit standards or terms **this year** on **credit card loans to prime borrowers:**

a. Deterioration in your bank's current or expected capital or liquidity position

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	15	88.2	11	84.6	4	100.0
Somewhat important	1	5.9	1	7.7	0	0.0
Very important	1	5.9	1	7.7	0	0.0
Total	17	100	13	100	4	100

b. Less favorable or more uncertain economic outlook

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	8	50.0	6	50.0	2	50.0
Somewhat important	5	31.2	3	25.0	2	50.0
Very important	3	18.8	3	25.0	0	0.0
Total	16	100	12	100	4	100

c. Deterioration or expected deterioration in the quality of your bank's existing loan portfolio

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	8	47.1	5	38.5	3	75.0
Somewhat important	3	17.6	3	23.1	0	0.0
Very important	6	35.3	5	38.5	1	25.0
Total	17	100	13	100	4	100

d. Reduced tolerance for risk

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	5	31.2	3	25.0	2	50.0
Somewhat important	6	37.5	6	50.0	0	0.0
Very important	5	31.2	3	25.0	2	50.0
Total	16	100	12	100	4	100

e. Less aggressive competition from other banks or nonbank lenders

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	14	93.3	10	90.9	4	100.0
Somewhat important	0	0.0	0	0.0	0	0.0
Very important	1	6.7	1	9.1	0	0.0
Total	15	100	11	100	4	100

f. Increased concerns about the effects of legislative changes, supervisory actions, or changes in accounting standards

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	13	81.2	10	83.3	3	75.0
Somewhat important	1	6.2	1	8.3	0	0.0
Very important	2	12.5	1	8.3	1	25.0
Total	16	100	12	100	4	100

B. Possible reasons for **tightening** credit standards or terms **this year** on **credit card loans to subprime borrowers:**

a. Deterioration in your bank's current or expected capital or liquidity position

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	9	81.8	6	75.0	3	100.0
Somewhat important	1	9.1	1	12.5	0	0.0
Very important	1	9.1	1	12.5	0	0.0
Total	11	100	8	100	3	100

b. Less favorable or more uncertain economic outlook

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	4	36.4	3	37.5	1	33.3
Somewhat important	5	45.5	3	37.5	2	66.7
Very important	2	18.2	2	25.0	0	0.0
Total	11	100	8	100	3	100

c. Deterioration or expected deterioration in the quality of your bank's existing loan portfolio

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	3	27.3	1	12.5	2	66.7
Somewhat important	4	36.4	4	50.0	0	0.0
Very important	4	36.4	3	37.5	1	33.3
Total	11	100	8	100	3	100

d. Reduced tolerance for risk

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	4	36.4	3	37.5	1	33.3
Somewhat important	1	9.1	1	12.5	0	0.0
Very important	6	54.5	4	50.0	2	66.7
Total	11	100	8	100	3	100

e. Less aggressive competition from other banks or nonbank lenders

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	9	81.8	6	75.0	3	100.0
Somewhat important	0	0.0	0	0.0	0	0.0
Very important	2	18.2	2	25.0	0	0.0
Total	11	100	8	100	3	100

f. Increased concerns about the effects of legislative changes, supervisory actions, or changes in accounting standards

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	9	81.8	7	87.5	2	66.7
Somewhat important	1	9.1	0	0.0	1	33.3
Very important	1	9.1	1	12.5	0	0.0
Total	11	100	8	100	3	100

C. Possible reasons for **tightening** credit standards or terms **this year** on **auto loans to prime borrowers:**

a. Deterioration in your bank's current or expected capital or liquidity position

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	13	81.2	9	75.0	4	100.0
Somewhat important	2	12.5	2	16.7	0	0.0
Very important	1	6.2	1	8.3	0	0.0
Total	16	100	12	100	4	100

b. Less favorable or more uncertain economic outlook

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	6	35.3	4	36.4	2	33.3
Somewhat important	8	47.1	5	45.5	3	50.0
Very important	3	17.6	2	18.2	1	16.7
Total	17	100	11	100	6	100

c. Deterioration or expected deterioration in the quality of your bank's existing loan portfolio

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	8	47.1	4	33.3	4	80.0
Somewhat important	4	23.5	4	33.3	0	0.0
Very important	5	29.4	4	33.3	1	20.0
Total	17	100	12	100	5	100

d. Reduced tolerance for risk

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	9	50.0	5	41.7	4	66.7
Somewhat important	5	27.8	4	33.3	1	16.7
Very important	4	22.2	3	25.0	1	16.7
Total	18	100	12	100	6	100

e. Less aggressive competition from other banks or nonbank lenders

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	13	76.5	8	66.7	5	100.0
Somewhat important	3	17.6	3	25.0	0	0.0
Very important	1	5.9	1	8.3	0	0.0
Total	17	100	12	100	5	100

f. Increased concerns about the effects of legislative changes, supervisory actions, or changes in accounting standards

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	10	55.6	6	50.0	4	66.7
Somewhat important	5	27.8	4	33.3	1	16.7
Very important	3	16.7	2	16.7	1	16.7
Total	18	100	12	100	6	100

g. Less favorable or more uncertain expectations regarding collateral values

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	4	22.2	2	16.7	2	33.3
Somewhat important	11	61.1	7	58.3	4	66.7
Very important	3	16.7	3	25.0	0	0.0
Total	18	100	12	100	6	100

h. Lower or more uncertain resale value for these loans in the secondary market

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	10	62.5	7	63.6	3	60.0
Somewhat important	3	18.8	2	18.2	1	20.0
Very important	3	18.8	2	18.2	1	20.0
Total	16	100	11	100	5	100

D. Possible reasons for **tightening** credit standards or terms **this year** on **auto loans to subprime borrowers:**

a. Deterioration in your bank's current or expected capital or liquidity position

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	8	80.0	7	77.8	1	100.0
Somewhat important	1	10.0	1	11.1	0	0.0
Very important	1	10.0	1	11.1	0	0.0
Total	10	100	9	100	1	100

b. Less favorable or more uncertain economic outlook

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	2	20.0	2	22.2	0	0.0
Somewhat important	5	50.0	5	55.6	0	0.0
Very important	3	30.0	2	22.2	1	100.0
Total	10	100	9	100	1	100

c. Deterioration or expected deterioration in the quality of your bank's existing loan portfolio

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	3	30.0	3	33.3	0	0.0
Somewhat important	3	30.0	3	33.3	0	0.0
Very important	4	40.0	3	33.3	1	100.0
Total	10	100	9	100	1	100

d. Reduced tolerance for risk

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	2	20.0	2	22.2	0	0.0
Somewhat important	3	30.0	3	33.3	0	0.0
Very important	5	50.0	4	44.4	1	100.0
Total	10	100	9	100	1	100

e. Less aggressive competition from other banks or nonbank lenders

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	7	70.0	6	66.7	1	100.0
Somewhat important	1	10.0	1	11.1	0	0.0
Very important	2	20.0	2	22.2	0	0.0
Total	10	100	9	100	1	100

f. Increased concerns about the effects of legislative changes, supervisory actions, or changes in accounting standards

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	4	40.0	4	44.4	0	0.0
Somewhat important	3	30.0	3	33.3	0	0.0
Very important	3	30.0	2	22.2	1	100.0
Total	10	100	9	100	1	100

g. Less favorable or more uncertain expectations regarding collateral values

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	2	20.0	2	22.2	0	0.0
Somewhat important	4	40.0	4	44.4	0	0.0
Very important	4	40.0	3	33.3	1	100.0
Total	10	100	9	100	1	100

h. Lower or more uncertain resale value for these loans in the secondary market

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	6	66.7	6	75.0	0	0.0
Somewhat important	0	0.0	0	0.0	0	0.0
Very important	3	33.3	2	25.0	1	100.0
Total	9	100	8	100	1	100

28. If your bank has **eased** its credit standards or its terms for **auto or credit card loans to prime or subprime borrowers <u>this year</u>,** how important have been the following reasons for the change? (Please respond to each question as appropriate.)

A. Possible reasons for **easing** credit standards or terms **<u>this year</u>** on **credit card loans to prime borrowers:**

a. Improvement in your bank's current or expected capital or liquidity position

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	5	55.6	3	50.0	2	66.7
Somewhat important	3	33.3	2	33.3	1	33.3
Very important	1	11.1	1	16.7	0	0.0
Total	9	100	6	100	3	100

b. More favorable or less uncertain economic outlook

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	4	44.4	3	50.0	1	33.3
Somewhat important	2	22.2	0	0.0	2	66.7
Very important	3	33.3	3	50.0	0	0.0
Total	9	100	6	100	3	100

c. Improvement or expected improvement in the quality of your bank's existing loan portfolio

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	4	44.4	2	33.3	2	66.7
Somewhat important	2	22.2	1	16.7	1	33.3
Very important	3	33.3	3	50.0	0	0.0
Total	9	100	6	100	3	100

d. Increased tolerance for risk

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	3	37.5	1	20.0	2	66.7
Somewhat important	2	25.0	1	20.0	1	33.3
Very important	3	37.5	3	60.0	0	0.0
Total	8	100	5	100	3	100

e. More aggressive competition from other banks or nonbank lenders

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	3	33.3	2	33.3	1	33.3
Somewhat important	5	55.6	3	50.0	2	66.7
Very important	1	11.1	1	16.7	0	0.0
Total	9	100	6	100	3	100

f. Decreased concerns about the effects of legislative changes, supervisory actions, or changes in accounting standards

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	7	77.8	4	66.7	3	100.0
Somewhat important	1	11.1	1	16.7	0	0.0
Very important	1	11.1	1	16.7	0	0.0
Total	9	100	6	100	3	100

B. Possible reasons for **easing** credit standards or terms **this year** on **credit card loans to subprime borrowers:**

a. Improvement in your bank's current or expected capital or liquidity position

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	2	50.0	1	33.3	1	100.0
Somewhat important	1	25.0	1	33.3	0	0.0
Very important	1	25.0	1	33.3	0	0.0
Total	4	100	3	100	1	100

b. More favorable or less uncertain economic outlook

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	2	50.0	1	33.3	1	100.0
Somewhat important	0	0.0	0	0.0	0	0.0
Very important	2	50.0	2	66.7	0	0.0
Total	4	100	3	100	1	100

c. Improvement or expected improvement in the quality of your bank's existing loan portfolio

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	2	50.0	1	33.3	1	100.0
Somewhat important	0	0.0	0	0.0	0	0.0
Very important	2	50.0	2	66.7	0	0.0
Total	4	100	3	100	1	100

d. Increased tolerance for risk

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	2	50.0	1	33.3	1	100.0
Somewhat important	0	0.0	0	0.0	0	0.0
Very important	2	50.0	2	66.7	0	0.0
Total	4	100	3	100	1	100

e. More aggressive competition from other banks or nonbank lenders

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	2	50.0	1	33.3	1	100.0
Somewhat important	1	25.0	1	33.3	0	0.0
Very important	1	25.0	1	33.3	0	0.0
Total	4	100	3	100	1	100

f. Decreased concerns about the effects of legislative changes, supervisory actions, or changes in accounting standards

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	2	50.0	1	33.3	1	100.0
Somewhat important	1	25.0	1	33.3	0	0.0
Very important	1	25.0	1	33.3	0	0.0
Total	4	100	3	100	1	100

C. Possible reasons for **easing** credit standards or terms **this year** on **auto loans to prime borrowers:**

a. Improvement in your bank's current or expected capital or liquidity position

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	7	77.8	3	60.0	4	100.0
Somewhat important	1	11.1	1	20.0	0	0.0
Very important	1	11.1	1	20.0	0	0.0
Total	9	100	5	100	4	100

b. More favorable or less uncertain economic outlook

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	4	44.4	1	20.0	3	75.0
Somewhat important	4	44.4	3	60.0	1	25.0
Very important	1	11.1	1	20.0	0	0.0
Total	9	100	5	100	4	100

c. Improvement or expected improvement in the quality of your bank's existing loan portfolio

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	6	66.7	2	40.0	4	100.0
Somewhat important	1	11.1	1	20.0	0	0.0
Very important	2	22.2	2	40.0	0	0.0
Total	9	100	5	100	4	100

d. Increased tolerance for risk

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	4	44.4	1	20.0	3	75.0
Somewhat important	2	22.2	1	20.0	1	25.0
Very important	3	33.3	3	60.0	0	0.0
Total	9	100	5	100	4	100

e. More aggressive competition from other banks or nonbank lenders

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	4	44.4	2	40.0	2	50.0
Somewhat important	3	33.3	2	40.0	1	25.0
Very important	2	22.2	1	20.0	1	25.0
Total	9	100	5	100	4	100

f. Decreased concerns about the effects of legislative changes, supervisory actions, or changes in accounting standards

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	6	66.7	2	40.0	4	100.0
Somewhat important	2	22.2	2	40.0	0	0.0
Very important	1	11.1	1	20.0	0	0.0
Total	9	100	5	100	4	100

g. More favorable or less uncertain expectations regarding collateral values

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	6	66.7	2	40.0	4	100.0
Somewhat important	2	22.2	2	40.0	0	0.0
Very important	1	11.1	1	20.0	0	0.0
Total	9	100	5	100	4	100

h. Higher or less uncertain resale value for these loans in the secondary market

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	6	66.7	2	40.0	4	100.0
Somewhat important	2	22.2	2	40.0	0	0.0
Very important	1	11.1	1	20.0	0	0.0
Total	9	100	5	100	4	100

D. Possible reasons for **easing** credit standards or terms **this year** on **auto loans to subprime borrowers:**

a. Improvement in your bank's current or expected capital or liquidity position

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	2	40.0	2	40.0	0	NaN
Somewhat important	2	40.0	2	40.0	0	NaN
Very important	1	20.0	1	20.0	0	NaN
Total	5	100	5	100	0	100

b. More favorable or less uncertain economic outlook

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	2	40.0	2	40.0	0	NaN
Somewhat important	2	40.0	2	40.0	0	NaN
Very important	1	20.0	1	20.0	0	NaN
Total	5	100	5	100	0	100

c. Improvement or expected improvement in the quality of your bank's existing loan portfolio

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	1	20.0	1	20.0	0	NaN
Somewhat important	2	40.0	2	40.0	0	NaN
Very important	2	40.0	2	40.0	0	NaN
Total	5	100	5	100	0	100

d. Increased tolerance for risk

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	3	60.0	3	60.0	0	NaN
Somewhat important	0	0.0	0	0.0	0	NaN
Very important	2	40.0	2	40.0	0	NaN
Total	5	100	5	100	0	100

e. More aggressive competition from other banks or nonbank lenders

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	3	60.0	3	60.0	0	NaN
Somewhat important	1	20.0	1	20.0	0	NaN
Very important	1	20.0	1	20.0	0	NaN
Total	5	100	5	100	0	100

f. Decreased concerns about the effects of legislative changes, supervisory actions, or changes in accounting standards

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	1	25.0	1	25.0	0	NaN
Somewhat important	2	50.0	2	50.0	0	NaN
Very important	1	25.0	1	25.0	0	NaN
Total	4	100	4	100	0	100

g. More favorable or less uncertain expectations regarding collateral values

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	2	50.0	2	50.0	0	NaN
Somewhat important	1	25.0	1	25.0	0	NaN
Very important	1	25.0	1	25.0	0	NaN
Total	4	100	4	100	0	100

h. Higher or less uncertain resale value for these loans in the secondary market

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	2	50.0	2	50.0	0	NaN
Somewhat important	1	25.0	1	25.0	0	NaN
Very important	1	25.0	1	25.0	0	NaN
Total	4	100	4	100	0	100

29. If demand for **auto or credit card loans from prime or subprime borrowers** has **strengthened this year,** how important have been the following reasons for the change? (Please respond to each question as appropriate.)

A. Possible reasons for **strengthening** of demand **this year** for **credit card loans to prime borrowers:**

a. Customer confidence improved

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	7	38.9	5	41.7	2	33.3
Somewhat important	9	50.0	6	50.0	3	50.0
Very important	2	11.1	1	8.3	1	16.7
Total	18	100	12	100	6	100

b. General level of interest rates decreased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	12	75.0	8	80.0	4	66.7
Somewhat important	3	18.8	2	20.0	1	16.7
Very important	1	6.2	0	0.0	1	16.7
Total	16	100	10	100	6	100

c. Customer ability to manage their debt service burdens improved

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	8	44.4	6	50.0	2	33.3
Somewhat important	10	55.6	6	50.0	4	66.7
Very important	0	0.0	0	0.0	0	0.0
Total	18	100	12	100	6	100

d. Customer propensity to fund purchases out of savings or income decreased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	11	68.8	6	60.0	5	83.3
Somewhat important	4	25.0	3	30.0	1	16.7
Very important	1	6.2	1	10.0	0	0.0
Total	16	100	10	100	6	100

e. Customer borrowing shifted to your bank from other bank or nonbank sources

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	10	58.8	7	63.6	3	50.0
Somewhat important	4	23.5	2	18.2	2	33.3
Very important	3	17.6	2	18.2	1	16.7
Total	17	100	11	100	6	100

B. Possible reasons for **strengthening** of demand **this year** for **credit card loans to subprime borrowers:**

a. Customer confidence improved

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	2	33.3	2	40.0	0	0.0
Somewhat important	4	66.7	3	60.0	1	100.0
Very important	0	0.0	0	0.0	0	0.0
Total	6	100	5	100	1	100

b. General level of interest rates decreased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	4	66.7	3	60.0	1	100.0
Somewhat important	2	33.3	2	40.0	0	0.0
Very important	0	0.0	0	0.0	0	0.0
Total	6	100	5	100	1	100

c. Customer ability to manage their debt service burdens improved

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	3	50.0	3	60.0	0	0.0
Somewhat important	3	50.0	2	40.0	1	100.0
Very important	0	0.0	0	0.0	0	0.0
Total	6	100	5	100	1	100

d. Customer propensity to fund purchases out of savings or income decreased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	4	66.7	4	80.0	0	0.0
Somewhat important	2	33.3	1	20.0	1	100.0
Very important	0	0.0	0	0.0	0	0.0
Total	6	100	5	100	1	100

e. Customer borrowing shifted to your bank from other bank or nonbank sources

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	2	33.3	2	40.0	0	0.0
Somewhat important	3	50.0	2	40.0	1	100.0
Very important	1	16.7	1	20.0	0	0.0
Total	6	100	5	100	1	100

C. Possible reasons for **strengthening** of demand **this year** for **auto loans to prime borrowers:**

a. Customer confidence improved

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	3	20.0	2	25.0	1	14.3
Somewhat important	9	60.0	5	62.5	4	57.1
Very important	3	20.0	1	12.5	2	28.6
Total	15	100	8	100	7	100

b. General level of interest rates decreased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	9	69.2	4	66.7	5	71.4
Somewhat important	3	23.1	2	33.3	1	14.3
Very important	1	7.7	0	0.0	1	14.3
Total	13	100	6	100	7	100

c. Customer ability to manage their debt service burdens improved

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	6	42.9	3	42.9	3	42.9
Somewhat important	8	57.1	4	57.1	4	57.1
Very important	0	0.0	0	0.0	0	0.0
Total	14	100	7	100	7	100

d. Customer propensity to fund purchases out of savings or income decreased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	6	46.2	3	50.0	3	42.9
Somewhat important	7	53.8	3	50.0	4	57.1
Very important	0	0.0	0	0.0	0	0.0
Total	13	100	6	100	7	100

e. Customer borrowing shifted to your bank from other bank or nonbank sources

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	7	46.7	4	50.0	3	42.9
Somewhat important	5	33.3	3	37.5	2	28.6
Very important	3	20.0	1	12.5	2	28.6
Total	15	100	8	100	7	100

D. Possible reasons for **strengthening** of demand **this year** for **auto loans to subprime borrowers:**

a. Customer confidence improved

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	2	33.3	2	40.0	0	0.0
Somewhat important	3	50.0	2	40.0	1	100.0
Very important	1	16.7	1	20.0	0	0.0
Total	6	100	5	100	1	100

b. General level of interest rates decreased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	3	50.0	2	40.0	1	100.0
Somewhat important	3	50.0	3	60.0	0	0.0
Very important	0	0.0	0	0.0	0	0.0
Total	6	100	5	100	1	100

c. Customer ability to manage their debt service burdens improved

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	4	66.7	3	60.0	1	100.0
Somewhat important	2	33.3	2	40.0	0	0.0
Very important	0	0.0	0	0.0	0	0.0
Total	6	100	5	100	1	100

d. Customer propensity to fund purchases out of savings or income decreased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	2	33.3	2	40.0	0	0.0
Somewhat important	4	66.7	3	60.0	1	100.0
Very important	0	0.0	0	0.0	0	0.0
Total	6	100	5	100	1	100

e. Customer borrowing shifted to your bank from other bank or nonbank sources

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	3	50.0	3	60.0	0	0.0
Somewhat important	1	16.7	1	20.0	0	0.0
Very important	2	33.3	1	20.0	1	100.0
Total	6	100	5	100	1	100

30. If demand for **auto or credit card loans from prime or subprime borrowers** has **weakened this year,** how important have been the following reasons for the change? (Please respond to each question as appropriate.)

A. Possible reasons for **weakening** of demand **this year** for **credit card loans to prime borrowers:**

a. Customer confidence deteriorated

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	3	27.3	1	16.7	2	40.0
Somewhat important	6	54.5	4	66.7	2	40.0
Very important	2	18.2	1	16.7	1	20.0
Total	11	100	6	100	5	100

b. General level of interest rates increased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	5	45.5	3	50.0	2	40.0
Somewhat important	4	36.4	2	33.3	2	40.0
Very important	2	18.2	1	16.7	1	20.0
Total	11	100	6	100	5	100

c. Customer ability to manage their debt service burdens deteriorated

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	8	72.7	5	83.3	3	60.0
Somewhat important	2	18.2	1	16.7	1	20.0
Very important	1	9.1	0	0.0	1	20.0
Total	11	100	6	100	5	100

d. Customer propensity to fund purchases out of savings or income increased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	7	70.0	4	80.0	3	60.0
Somewhat important	2	20.0	1	20.0	1	20.0
Very important	1	10.0	0	0.0	1	20.0
Total	10	100	5	100	5	100

e. Customer borrowing shifted from your bank to other bank or nonbank sources

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	4	36.4	2	33.3	2	40.0
Somewhat important	3	27.3	2	33.3	1	20.0
Very important	4	36.4	2	33.3	2	40.0
Total	11	100	6	100	5	100

B. Possible reasons for **weakening** of demand **this year** for **credit card loans to subprime borrowers:**

a. Customer confidence deteriorated

Responses are not reported when the number of respondents is 3 or fewer.

b. General level of interest rates increased

Responses are not reported when the number of respondents is 3 or fewer.

c. Customer ability to manage their debt service burdens deteriorated

Responses are not reported when the number of respondents is 3 or fewer.

d. Customer propensity to fund purchases out of savings or income increased

Responses are not reported when the number of respondents is 3 or fewer.

e. Customer borrowing shifted from your bank to other bank or nonbank sources

Responses are not reported when the number of respondents is 3 or fewer.

C. Possible reasons for **weakening** of demand **<u>this year</u>** for **auto loans to prime borrowers:**

a. Customer confidence deteriorated

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	7	63.6	4	66.7	3	60.0
Somewhat important	2	18.2	1	16.7	1	20.0
Very important	2	18.2	1	16.7	1	20.0
Total	11	100	6	100	5	100

b. General level of interest rates increased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	5	35.7	3	42.9	2	28.6
Somewhat important	6	42.9	3	42.9	3	42.9
Very important	3	21.4	1	14.3	2	28.6
Total	14	100	7	100	7	100

c. Customer ability to manage their debt service burdens deteriorated

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	8	66.7	5	71.4	3	60.0
Somewhat important	3	25.0	2	28.6	1	20.0
Very important	1	8.3	0	0.0	1	20.0
Total	12	100	7	100	5	100

d. Customer propensity to fund purchases out of savings or income increased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	7	58.3	4	57.1	3	60.0
Somewhat important	4	33.3	3	42.9	1	20.0
Very important	1	8.3	0	0.0	1	20.0
Total	12	100	7	100	5	100

e. Customer borrowing shifted from your bank to other bank or nonbank sources

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	6	46.2	4	57.1	2	33.3
Somewhat important	3	23.1	1	14.3	2	33.3
Very important	4	30.8	2	28.6	2	33.3
Total	13	100	7	100	6	100

D. Possible reasons for **weakening** of demand **this year** for **auto loans to subprime borrowers:**

a. Customer confidence deteriorated

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	3	60.0	3	60.0	0	NaN
Somewhat important	1	20.0	1	20.0	0	NaN
Very important	1	20.0	1	20.0	0	NaN
Total	5	100	5	100	0	100

b. General level of interest rates increased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	3	60.0	3	60.0	0	NaN
Somewhat important	2	40.0	2	40.0	0	NaN
Very important	0	0.0	0	0.0	0	NaN
Total	5	100	5	100	0	100

c. Customer ability to manage their debt service burdens deteriorated

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	2	40.0	2	40.0	0	NaN
Somewhat important	3	60.0	3	60.0	0	NaN
Very important	0	0.0	0	0.0	0	NaN
Total	5	100	5	100	0	100

d. Customer propensity to fund purchases out of savings or income increased

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	5	100.0	5	100.0	0	NaN
Somewhat important	0	0.0	0	0.0	0	NaN
Very important	0	0.0	0	0.0	0	NaN
Total	5	100	5	100	0	100

e. Customer borrowing shifted from your bank to other bank or nonbank sources

	All Respondents		Large Banks		Other Banks	
	Banks	Percent	Banks	Percent	Banks	Percent
Not important	3	60.0	3	60.0	0	NaN
Somewhat important	0	0.0	0	0.0	0	NaN
Very important	2	40.0	2	40.0	0	NaN
Total	5	100	5	100	0	100

1. The sample is selected from among the largest banks in each Federal Reserve District. In the table, large banks are defined as those with total domestic assets of $20.5 billion or more as of June 30, 2017. The combined assets of the 42 large banks totaled $10 trillion, compared to $10.3 trillion for the entire panel of 72 banks, and $14.4 trillion for all domestically chartered, federally insured commercial banks.

Table 2

Senior Loan Officer Opinion Survey on Bank Lending Practices at Selected Branches and Agencies of Foreign Banks in the United States [1]

(Status of Policy as of October 2017)

***Questions 1-6** ask about commercial and industrial (C&I) loans at your bank. Questions 1-3 deal with changes in your bank's lending policies over the past three months. Questions 4-5 deal with changes in demand for C&I loans over the past three months. Question 6 asks about changes in prospective demand for C&I loans at your bank, as indicated by the volume of recent inquiries about the availability of new credit lines or increases in existing lines. If your bank's lending policies have not changed over the past three months, please report them as unchanged even if the policies are either restrictive or accommodative relative to longer-term norms. If your bank's policies have tightened or eased over the past three months, please so report them regardless of how they stand relative to longer-term norms. Also, please report changes in enforcement of existing policies as changes in policies.*

1. Over the past three months, how have your bank's credit standards for approving applications for C&I loans or credit lines—other than those to be used to finance mergers and acquisitions—changed?

	All Respondents	
	Banks	Percent
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	21	91.3
Eased somewhat	2	8.7
Eased considerably	0	0.0
Total	23	100

2. For applications for C&I loans or credit lines—other than those to be used to finance mergers and acquisitions—that your bank currently is willing to approve, how have the terms of those loans changed over the past three months?

a. Maximum size of credit lines

	All Respondents	
	Banks	Percent
Tightened considerably	1	4.3
Tightened somewhat	0	0.0
Remained basically unchanged	21	91.3
Eased somewhat	1	4.3
Eased considerably	0	0.0
Total	23	100

b. Maximum maturity of loans or credit lines

	All Respondents	
	Banks	Percent
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	23	100.0
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	23	100

c. Costs of credit lines

	All Respondents	
	Banks	Percent
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	19	82.6
Eased somewhat	4	17.4
Eased considerably	0	0.0
Total	23	100

d. Spreads of loan rates over your bank's cost of funds (wider spreads=tightened, narrower spreads=eased)

	All Respondents	
	Banks	Percent
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	19	82.6
Eased somewhat	4	17.4
Eased considerably	0	0.0
Total	23	100

e. Premiums charged on riskier loans

	All Respondents	
	Banks	Percent
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	20	87.0
Eased somewhat	3	13.0
Eased considerably	0	0.0
Total	23	100

f. Loan covenants

	All Respondents	
	Banks	Percent
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	21	91.3
Eased somewhat	2	8.7
Eased considerably	0	0.0
Total	23	100

g. Collateralization requirements

	All Respondents	
	Banks	Percent
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	22	100.0
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	22	100

h. Use of interest rate floors (more use=tightened, less use=eased)

	All Respondents	
	Banks	Percent
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	19	90.5
Eased somewhat	2	9.5
Eased considerably	0	0.0
Total	21	100

3. If your bank has tightened or eased its credit standards or its terms for C&I loans or credit lines over the past three months (as described in questions 1 and 2), how important have been the following possible reasons for the change? (Please respond to either A, B, or both as appropriate.)

A. Possible reasons for tightening credit standards or loan terms:

a. Deterioration in your bank's current or expected capital position

Responses are not reported when the number of respondents is 3 or fewer.

b. Less favorable or more uncertain economic outlook

Responses are not reported when the number of respondents is 3 or fewer.

c. Worsening of industry-specific problems (please specify industries)

Responses are not reported when the number of respondents is 3 or fewer.

d. Less aggressive competition from other banks or nonbank lenders (other financial intermediaries or the capital markets)

Responses are not reported when the number of respondents is 3 or fewer.

e. Reduced tolerance for risk

Responses are not reported when the number of respondents is 3 or fewer.

f. Decreased liquidity in the secondary market for these loans

Responses are not reported when the number of respondents is 3 or fewer.

g. Deterioration in your bank's current or expected liquidity position

Responses are not reported when the number of respondents is 3 or fewer.

h. Increased concerns about the effects of legislative changes, supervisory actions, or changes in accounting standards

Responses are not reported when the number of respondents is 3 or fewer.

B. Possible reasons for easing credit standards or loan terms:

a. Improvement in your bank's current or expected capital position

	All Respondents	
	Banks	Percent
Not important	6	100.0
Somewhat important	0	0.0
Very important	0	0.0
Total	6	100

b. More favorable or less uncertain economic outlook

	All Respondents	
	Banks	Percent
Not important	3	50.0
Somewhat important	3	50.0
Very important	0	0.0
Total	6	100

c. Improvement in industry-specific problems (please specify industries)

	All Respondents	
	Banks	Percent
Not important	4	66.7
Somewhat important	2	33.3
Very important	0	0.0
Total	6	100

d. More aggressive competition from other banks or nonbank lenders (other financial intermediaries or the capital markets)

	All Respondents	
	Banks	Percent
Not important	1	16.7
Somewhat important	2	33.3
Very important	3	50.0
Total	6	100

e. Increased tolerance for risk

	All Respondents	
	Banks	Percent
Not important	4	66.7
Somewhat important	2	33.3
Very important	0	0.0
Total	6	100

f. Increased liquidity in the secondary market for these loans

	All Respondents	
	Banks	Percent
Not important	2	33.3
Somewhat important	3	50.0
Very important	1	16.7
Total	6	100

g. Improvement in your bank's current or expected liquidity position

	All Respondents	
	Banks	Percent
Not important	4	80.0
Somewhat important	1	20.0
Very important	0	0.0
Total	5	100

h. Reduced concerns about the effects of legislative changes, supervisory actions, or changes in accounting standards

	All Respondents	
	Banks	Percent
Not important	4	66.7
Somewhat important	2	33.3
Very important	0	0.0
Total	6	100

4. Apart from normal seasonal variation, how has demand for C&I loans changed over the past three months? (Please consider only funds actually disbursed as opposed to requests for new or increased lines of credit.)

	All Respondents	
	Banks	Percent
Substantially stronger	0	0.0
Moderately stronger	4	17.4
About the same	15	65.2
Moderately weaker	4	17.4
Substantially weaker	0	0.0
Total	23	100

5. If demand for C&I loans has strengthened or weakened over the past three months (as described in question 4), how important have been the following possible reasons for the change? (Please respond to either A, B, or both as appropriate.)

A. If stronger loan demand (answer 1 or 2 to question 4), possible reasons:

a. Customer inventory financing needs increased

Responses are not reported when the number of respondents is 3 or fewer.

b. Customer accounts receivable financing needs increased

Responses are not reported when the number of respondents is 3 or fewer.

c. Customer investment in plant or equipment increased

Responses are not reported when the number of respondents is 3 or fewer.

d. Customer internally generated funds decreased

Responses are not reported when the number of respondents is 3 or fewer.

e. Customer merger or acquisition financing needs increased

Responses are not reported when the number of respondents is 3 or fewer.

f. Customer borrowing shifted to your bank from other bank or nonbank sources because these other sources became less attractive

Responses are not reported when the number of respondents is 3 or fewer.

g. Customer precautionary demand for cash and liquidity increased

Responses are not reported when the number of respondents is 3 or fewer.

B. If weaker loan demand (answer 4 or 5 to question 4), possible reasons:

a. Customer inventory financing needs decreased

	All Respondents	
	Banks	Percent
Not important	4	100.0
Somewhat important	0	0.0
Very important	0	0.0
Total	4	100

b. Customer accounts receivable financing needs decreased

	All Respondents	
	Banks	Percent
Not important	4	100.0
Somewhat important	0	0.0
Very important	0	0.0
Total	4	100

c. Customer investment in plant or equipment decreased

	All Respondents	
	Banks	Percent
Not important	3	75.0
Somewhat important	1	25.0
Very important	0	0.0
Total	4	100

d. Customer internally generated funds increased

	All Respondents	
	Banks	Percent
Not important	4	100.0
Somewhat important	0	0.0
Very important	0	0.0
Total	4	100

e. Customer merger or acquisition financing needs decreased

	All Respondents	
	Banks	Percent
Not important	0	0.0
Somewhat important	3	75.0
Very important	1	25.0
Total	4	100

f. Customer borrowing shifted from your bank to other bank or nonbank sources because these other sources became more attractive

	All Respondents	
	Banks	Percent
Not important	3	75.0
Somewhat important	1	25.0
Very important	0	0.0
Total	4	100

g. Customer precautionary demand for cash and liquidity decreased

	All Respondents	
	Banks	Percent
Not important	4	100.0
Somewhat important	0	0.0
Very important	0	0.0
Total	4	100

6. At your bank, apart from seasonal variation, how has the number of inquiries from potential business borrowers regarding the availability and terms of new credit lines or increases in existing lines changed over the past three months? (Please consider only inquiries for additional or increased C&I lines as opposed to the refinancing of existing loans.)

	All Respondents	
	Banks	Percent
The number of inquiries has increased substantially	0	0.0
The number of inquiries has increased moderately	5	21.7
The number of inquiries has stayed about the same	18	78.3
The number of inquiries has decreased moderately	0	0.0
The number of inquiries has decreased substantially	0	0.0
Total	23	100

Questions 7-8 *ask about commercial real estate (CRE) loans at your bank, including construction and land development loans and loans secured by nonfarm nonresidential properties. Question 7 deals with changes in your bank's standards over the past three months. Question 8 deals with changes in demand. If your bank's lending standards or terms have not changed over the relevant period, please report them as unchanged even if they are either restrictive or accommodative relative to longer-term norms. If your bank's standards or terms have tightened or eased over the relevant period, please so report them regardless of how they stand relative to longer-term norms. Also, please report changes in enforcement of existing standards as changes in standards.*

7. Over the past three months, how have your bank's credit standards for approving applications for CRE loans changed?

	All Respondents	
	Banks	Percent
Tightened considerably	0	0.0
Tightened somewhat	2	13.3
Remained basically unchanged	13	86.7
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	15	100

8. Apart from normal seasonal variation, how has demand for CRE loans changed over the past three months? (Please consider the number of requests for new spot loans, for disbursement of funds under existing loan commitments, and for new or increased credit lines.)

	All Respondents	
	Banks	Percent
Substantially stronger	0	0.0
Moderately stronger	3	20.0
About the same	11	73.3
Moderately weaker	1	6.7
Substantially weaker	0	0.0
Total	15	100

1. As of June 30, 2017, the 23 respondents had combined assets of $1.3 trillion, compared to $2.4 trillion for all foreign-related banking institutions in the United States. The sample is selected from among the largest foreign-related banking institutions in those Federal Reserve Districts where such institutions are common.