



Centralna banka
BOSNE I HERCEGOVINE
Централна банка
БОСНЕ И ХЕРЦЕГОВИНЕ



Bank Lending Survey for Bosnia and Herzegovina

(Report for the third and fourth quarter of 2022 and first quarter of 2023)



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Introduction

The results of bank lending survey (BLS) relate to changes observed during the third and fourth quarter of 2022 as well as the first quarter of 2023 and expectations for the second quarter of 2023. Due to status changes in the first quarter of 2022, one bank has been excluded from the representative sample of banks, which previously consisted of the 8 largest banks in Bosnia and Herzegovina. A total of 7 banks were surveyed in this round and a response rate was 100%.

1. General notes

The BLS questionnaire contains 16 standard questions on realized and expected future developments on the supply and demand side of loans: 4 forward-looking questions and 12 backward-looking questions. Those questions distinguish between three loan categories: loans or credit lines to enterprises; household loans for housing purchase; and consumer and non-purpose loans. For all three categories, questions are asked about the credit standards applied to the approval of loans, the change of terms and conditions of new loans approval, loan demand, the factors affecting loan supply and demand conditions, and the percentage of loan applications being rejected. Survey questions are generally phrased in terms of changes over the past three months and expected changes over the next three months. Survey participants are asked to indicate in a qualitative way the strength of any tightening or easing (for standards and conditions) or the strength of any decrease or increase (for demand), reporting changes using the following five-point scale: (1) tightened/decreased considerably, (2) tightened/decreased somewhat, (3) basically no change, (4) eased/increased somewhat or (5) eased/increased considerably.

The responses of the individual banks participating in the BLS are aggregated and processed to form results for whole banking sector in Bosnia and Herzegovina.

The results of the survey are presented as a net percentage. The net percentage for answers to questions about credit standards is defined as the difference between the total share of the banks answering that credit standards were "significantly eased" and "moderately eased" and the total share of the banks answering "significantly tightened" and "moderately tightened".

A negative net percentage indicates that a larger proportion of banks has tightened credit standards ("net tightening"), whereas a positive net percentage indicates that a larger proportion of banks has eased credit standards ("net easing").

Likewise, the term “net demand” refers to the difference between the percentage of banks reporting an increase in loan demand and the percentage of banks reporting a decline. Net demand will therefore be positive if a larger proportion of banks has reported an increase in loan demand, whereas negative net demand indicates that a larger proportion of banks has reported a decline in loan demand.

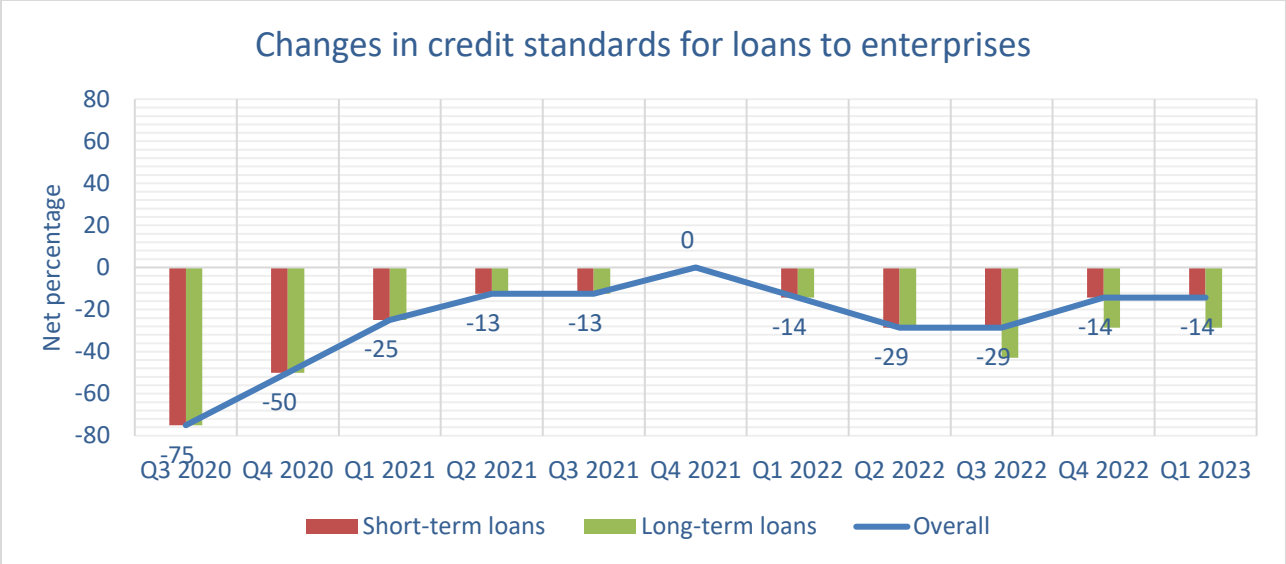
In addition to the “net percentage” indicator, the CBBH also publishes diffusion index as an alternative measure of banks’ responses to questions relating to changes in credit standards and net demand. The diffusion index is constructed in the following way: respondents who have answered “considerably” are given a score of 1, which is twice as large as that given to respondents who have answered “somewhat” (score of 0.5). The interpretation of the diffusion index follows the same logic as the interpretation of net percentages.

2. Loans to enterprises

2.1 Supply

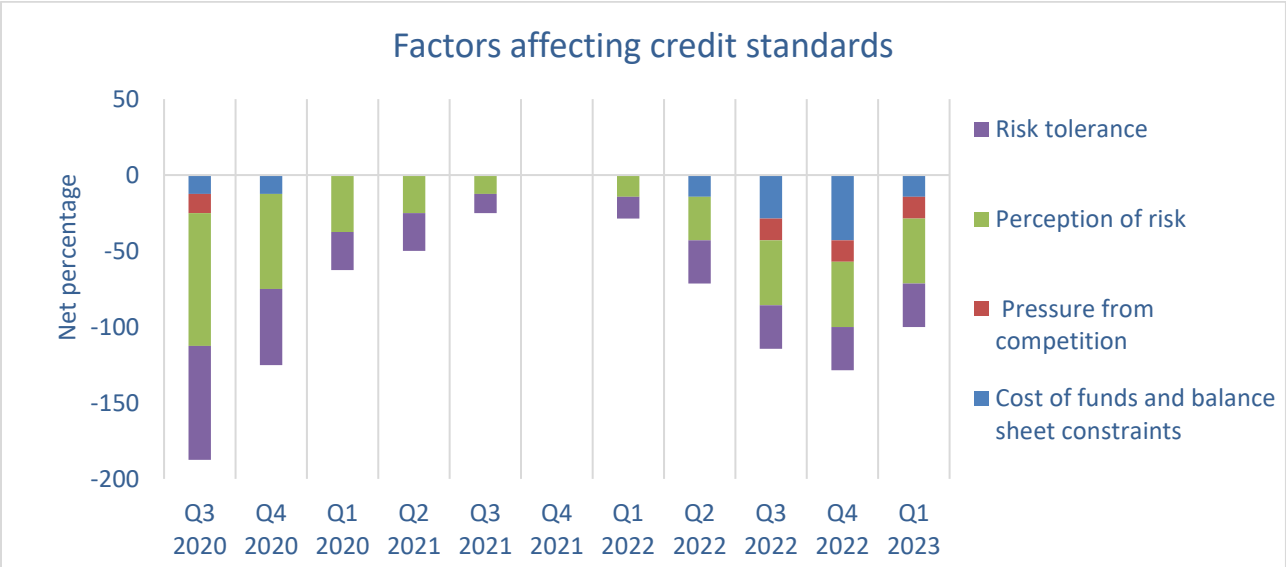
2.1.1 Credit standards for loans to enterprises

The results of the survey show that banks continued to slightly tighten credit standards in the third and fourth quarters of 2022, as well as in the first quarter of 2023. This does not mean that the standards are more tightened compared to previous periods, but that more banks reported a tightening, rather than easing of credit standards in the given period (the net percentage does not measure the strength of the change). The tightening of standards was somewhat more pronounced for long-term loans than for short-term loans (the percentage of banks that reported tightening of credit standards for long-term loans was higher than the percentage of banks that reported tightening of standards for short-term loans) (see Appendix, question 1).



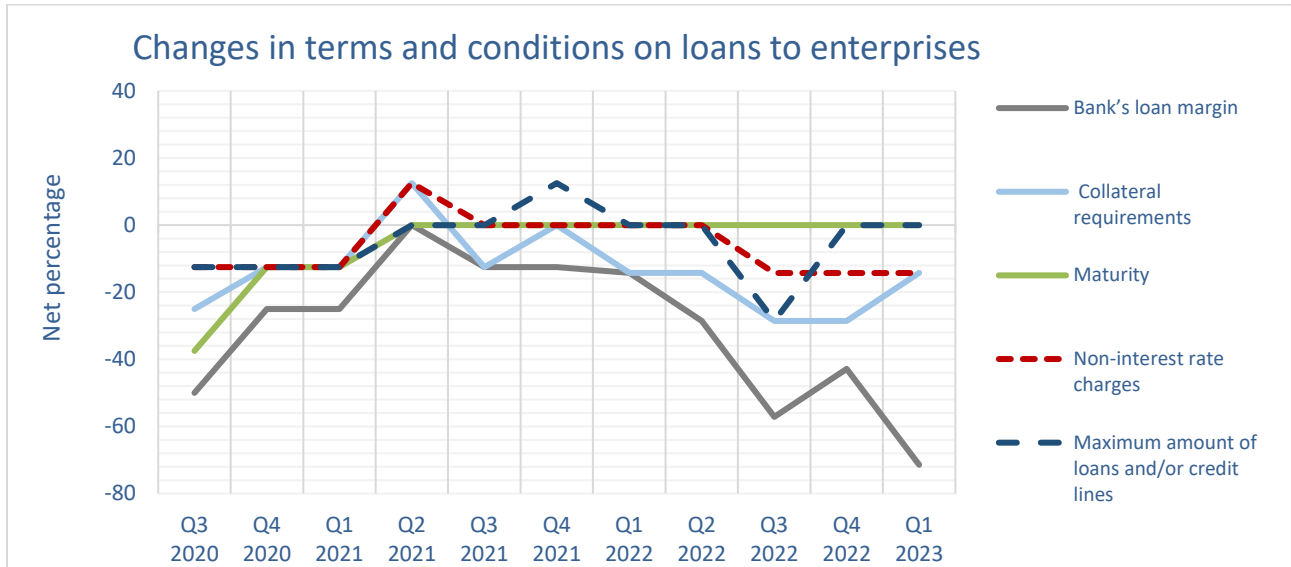
* The net percentage does not measure the intensity of the change. A lower (higher) percentage value shows that a larger number of banks tightened (eased) credit standards compared to the previous quarter. In all graphs, the comparison is between reports from one quarter with the reports from the previous quarter.

This tightening of the credit standards, in the last three quarters, was mainly driven by risk perception (being significantly higher than in the first half of 2022), risk tolerance, competition from other banks and costs of funds, and balance sheet constraints (which has also become an important factor compared to earlier periods), (see Appendix, question 2).



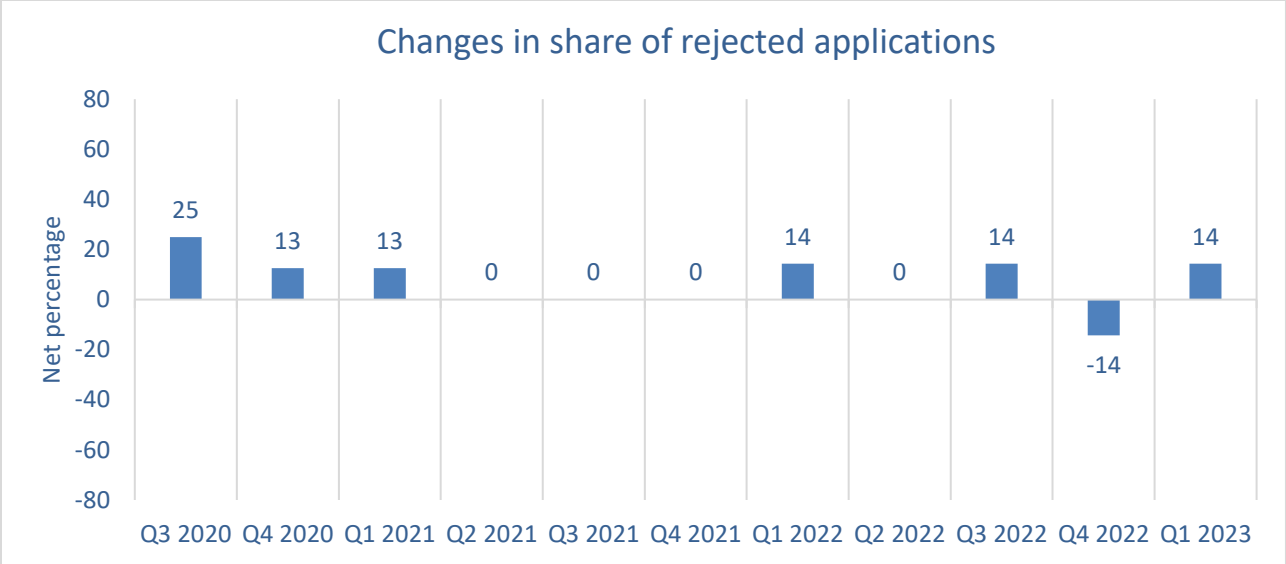
2.1.2 Terms and conditions on loans to enterprises

In parallel with the tightening of standards in the past three quarters, banks also reported a tightening of conditions for approving loans to enterprises (i.e. contractual provisions from loan contracts), related in particular to an increase in bank's loan margins, and somewhat less to non-interest rate charges and collateral requirements. In the third quarter of 2022, in addition to the tightening of the previously mentioned conditions, a couple of banks reported a decrease in the maximum amount of loans approved to enterprises (see Appendix, question 3).



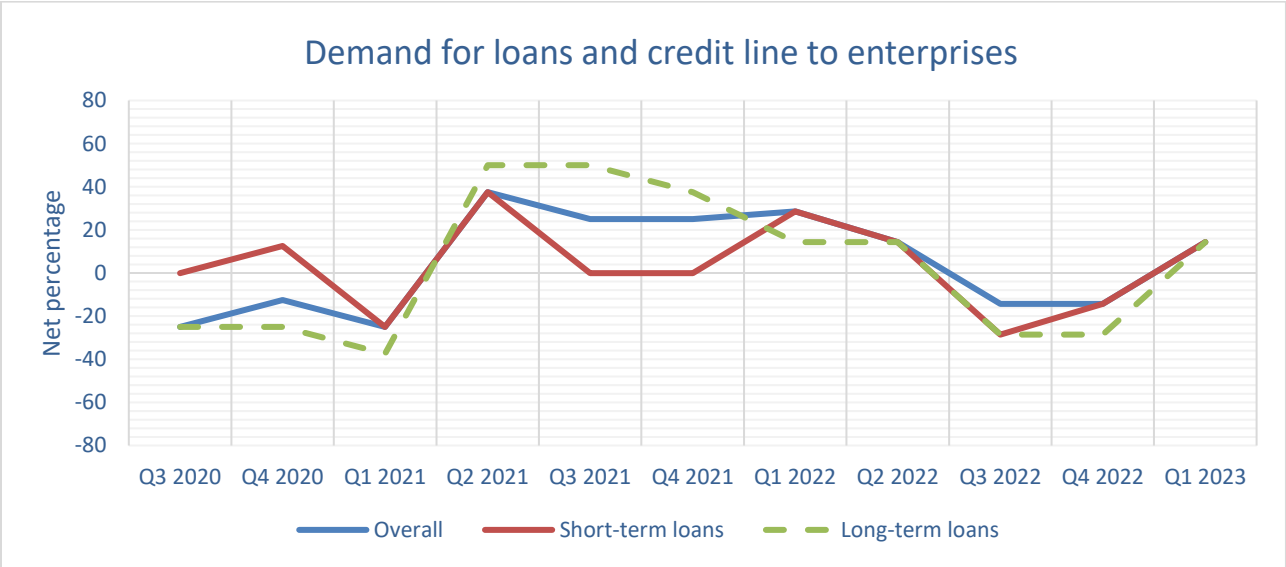
2.1.3 Share of rejected applications for loans to enterprises

In the third quarter of 2022 and the first quarter of 2023, banks reported that they increased the share of rejected applications for loans to enterprises, while in the fourth quarter of 2022 a decrease was reported in the share of rejected applications for loans approved to enterprises (see Appendix, question 4).

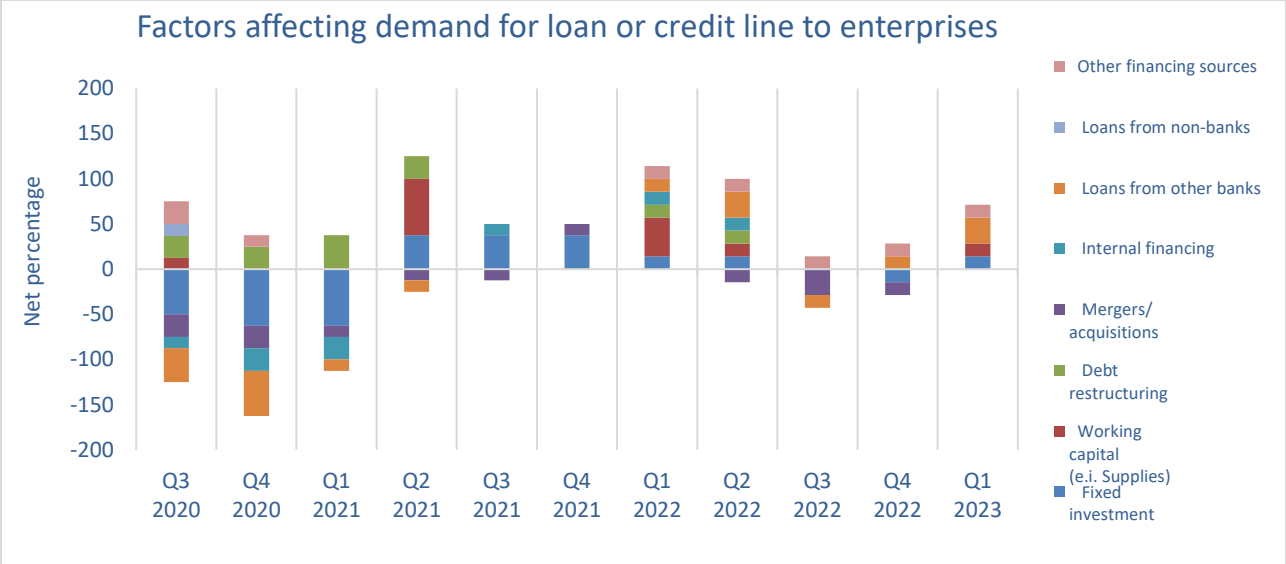


2.2 Demand for loans and/or credit lines to enterprises

In the second half of 2022, there was a decrease in the demand for loans and/or credit lines, and in the first quarter of 2023, according to the banks' response, the demand was slightly higher compared to the previous quarter (see Appendix, question 5).



The graph below shows the net percentage of the contribution of the factors that influenced the change in the demand of enterprises for loans and/or credit lines (see Appendix, question 6), and in the first quarter of 2023, the increase in demand is mostly influenced by the need for working capital, fixed investments and loans from other banks.



Expectations for the second quarter of 2023

Concerning the expectations for the second quarter of 2023, the net result from the collected answers indicates slight tightening of credit standards for approval of short-term as well as long-term loans to enterprises (see Appendix, Question 7).

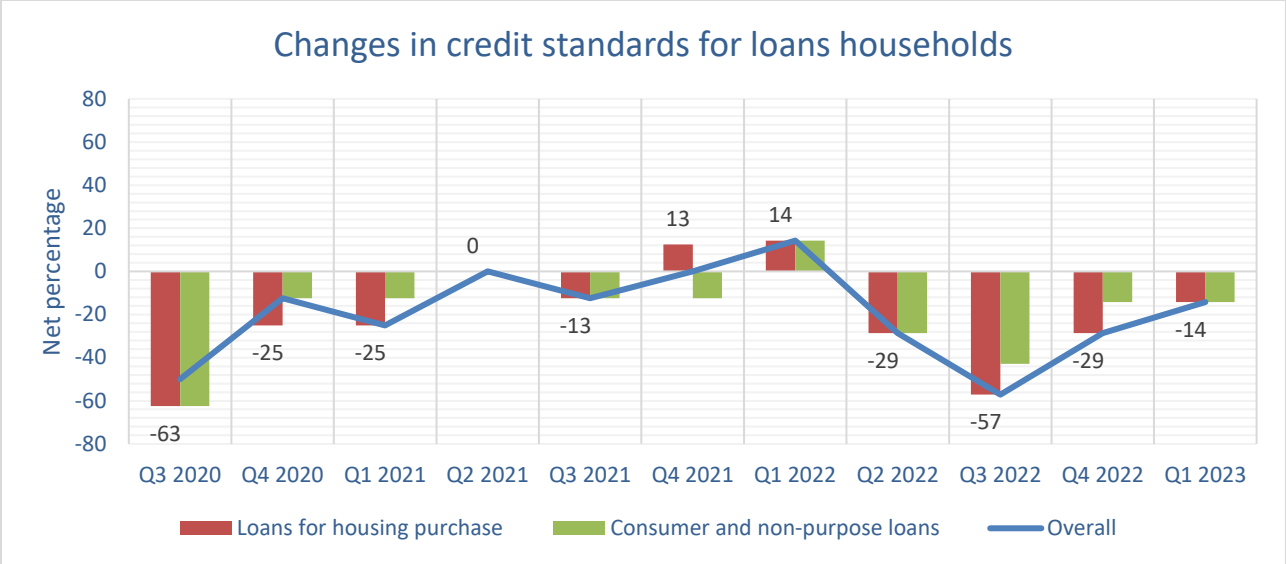
Banks expect a simultaneous increase in enterprise demand for short-term loans and/or credit lines to enterprises in the second quarter of 2023 (see Appendix, Question 8).

3. Loans to households

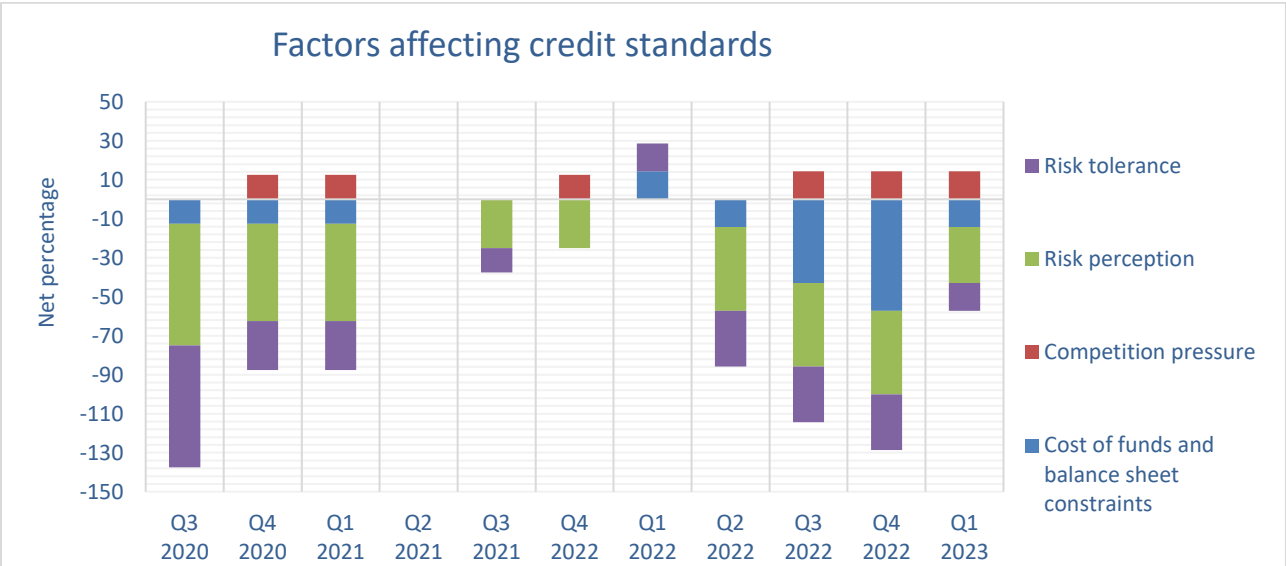
3.1 Supply

3.1.1 Credit standards for loans to households

The net percentage of changes in the last three quarters indicate slight tightening of credit standards (i.e. internal guidelines or credit approval criteria) for housing loans as well as consumer and non-purpose loans (see Appendix, question 9), being particularly pronounced for housing loans in Q3 2022.



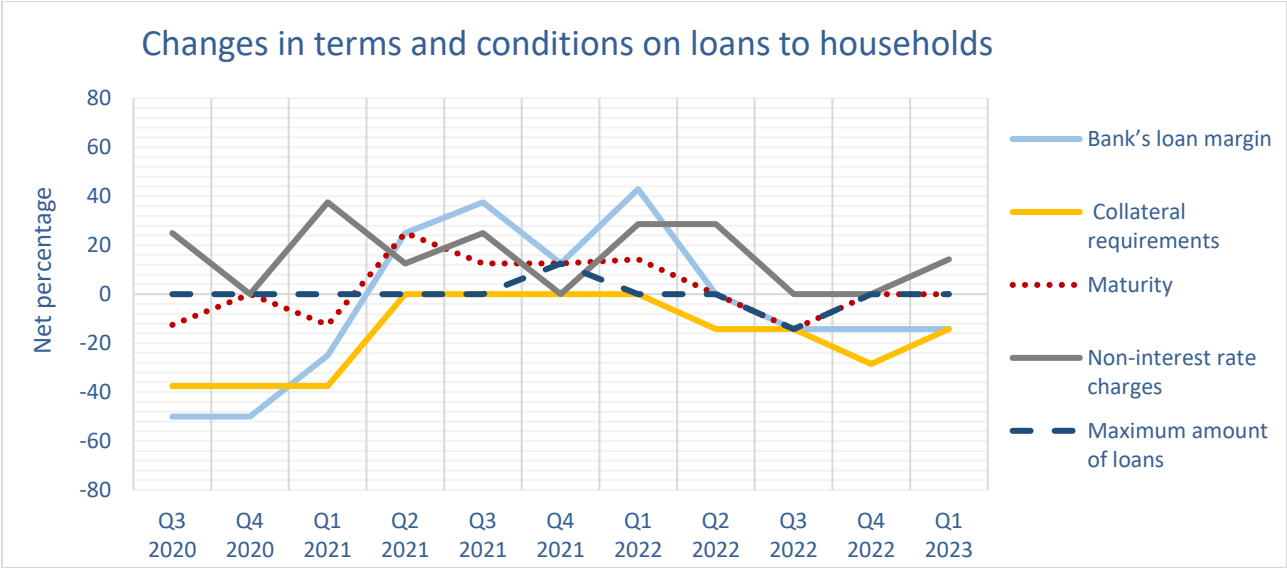
According to the banks' report, risk tolerance, increase of risk perception, cost of funds and balance sheet constraints (which did not appear as an important factor in earlier quarters), had a particular impact on the tightening of the standards as applied in the process of the approval of loans to households (see Appendix, question 10).



3.1.2 Terms and conditions on loans to households

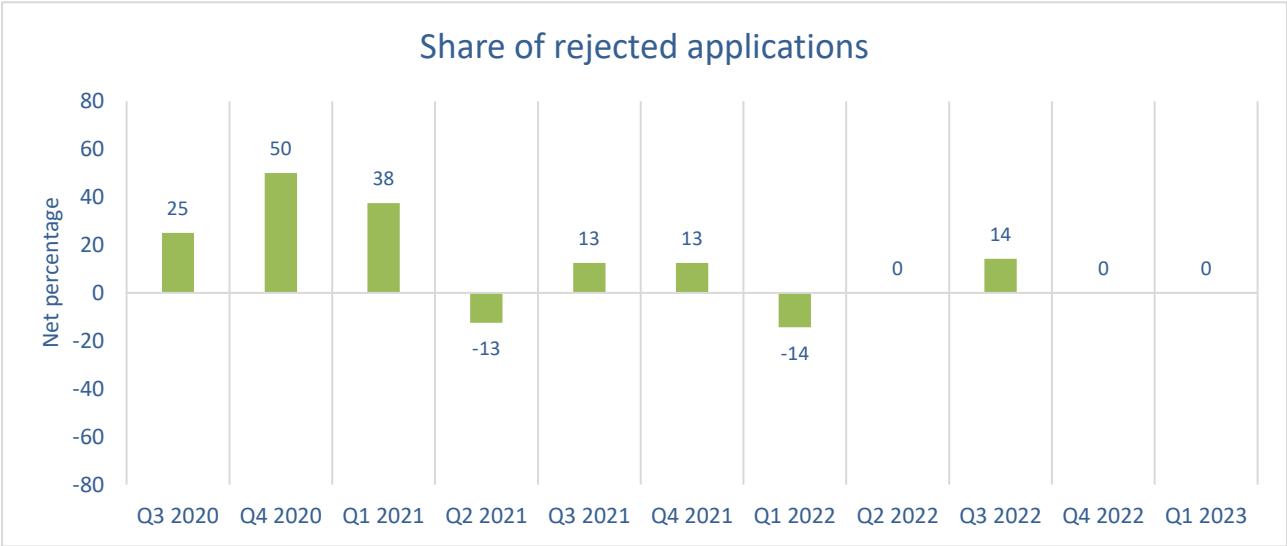
In the last three quarters, the conditions for the approval of loans to households have been slightly tightened, and they relate to bank's loan margins and collateral requirements. In the third quarter of 2022, the shortening of the maturity and the reduction of the maximum amount of the loan also had

a negative impact on the terms of loan approval. In contrast to the previous two quarters, the reduced non-interest rate charges in the first quarter of 2023 had the effect of easing the conditions for the approval of loans (see Appendix, question 11).



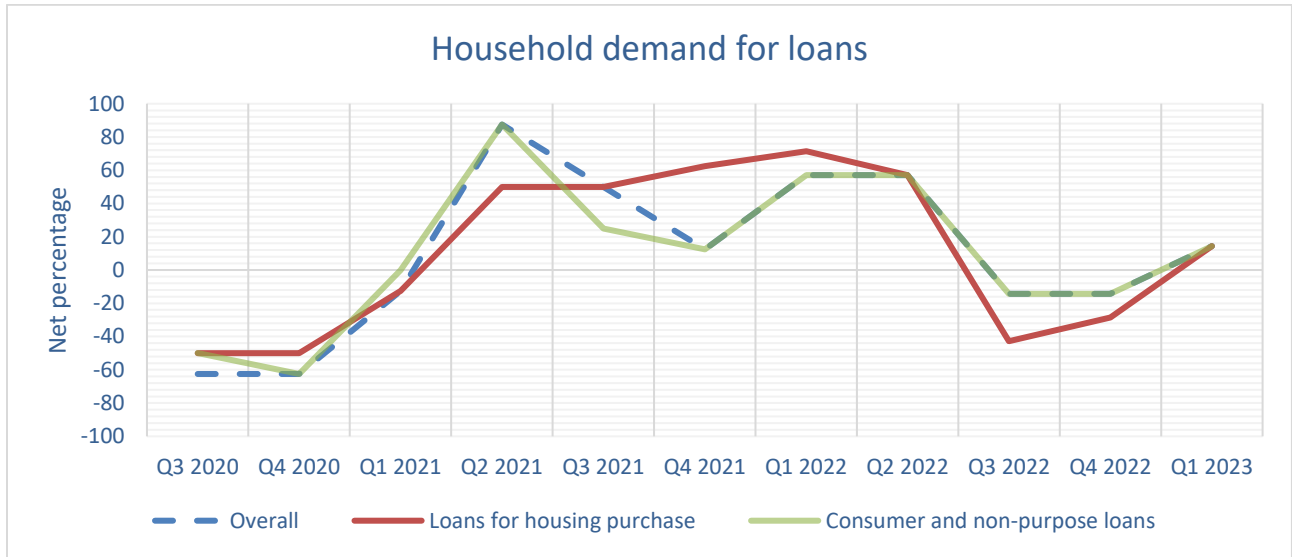
3.1.3 Share of rejected applications for loans to households

In the third quarter of 2022, banks indicated a slight net increase in the share of rejected applications for loans to households, in contrast to the fourth quarter of 2022 and the first quarter of 2023, having no changes in the share of rejected loans to households' applications (see Appendix, question 12).

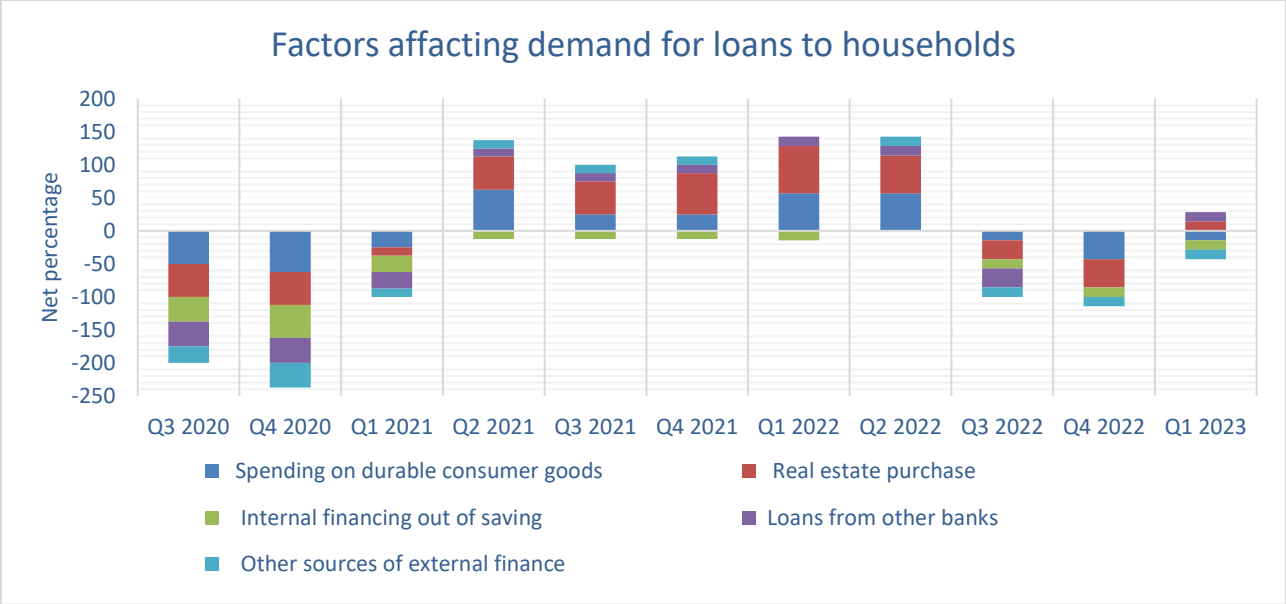


3.2 Demand for loans to households

In the first quarter of 2023, there was an increase in net demand for loans to households as well as for consumer and non-purpose loans, in contrast to the previous two quarters having demand decreased for loans to households. The net decline in demand for housing loans was more pronounced than for consumer and non-purpose loans (see Appendix, question 13).



The graph below shows the net percentage of the contribution of the factors that influenced demand for loans to households (see Appendix, question 14). Apparently, the interest in buying real estate decreased significantly in the second half of 2022, which affected the reduced demand. The purchase of durable consumer goods decreased and therefore the demand for loans to households decreased as well. Furthermore, in the first quarter of 2023 there was a slight increase in demand.



Expectations for the second quarter of 2023

Based on the question on expectations, banks predict a moderate easing of credit standards for loans to households in the second quarter of 2023 (see Appendix, question 15).

Banks have an optimistic view of household demand for loans in the second quarter of 2023. Therefore, a slightly greater increase is expected in demand for consumer and non-purpose loans, rather than for housing loans (see Appendix, question 16).

ANNEX

Consolidated answers of banks for the third and fourth quarter of 2022 and first quarter of 2023, related to the questions from the survey questionnaire

I. Loans or credit lines to enterprises

- Over the past three months, how have your bank's credit standards as applied to the approval of loans and/or credit lines to enterprises, changed?

(in percentages)

| Period | Overall | | Short-term loans | | Long-term loans | |
|---------|----------------|-----------------|------------------|-----------------|-----------------|-----------------|
| | Net percentage | Diffusion index | Net percentage | Diffusion index | Net percentage | Diffusion index |
| Q3 2020 | -75 | -38 | -75 | -38 | -75 | -38 |
| Q4 2020 | -50 | -25 | -50 | -25 | -50 | -25 |
| Q1 2021 | -25 | -13 | -25 | -13 | -25 | -13 |
| Q2 2021 | -13 | -6 | -13 | -6 | -13 | -6 |
| Q3 2021 | -13 | -6 | -13 | -6 | -13 | -6 |
| Q4 2021 | 0 | 0 | 0 | 0 | 0 | 0 |
| Q1 2022 | -14 | -7 | -14 | -7 | -14 | -7 |
| Q2 2022 | -29 | -14 | -29 | -14 | -29 | -14 |
| Q3 2022 | -29 | -21 | -29 | -21 | -43 | -29 |
| Q4 2022 | -14 | -7 | -14 | -7 | -29 | -14 |
| Q1 2023 | -14 | -7 | -14 | -7 | -29 | -14 |

- Over the past three months, how have the following factors affected your bank's credit standards as applied to the approval of loans and/or credit lines to enterprises?

(in percentages)

| Period | Cost of funds and balance sheet constraints | | Pressure from competition | | Perception of risk | | Risk tolerance | |
|---------|---|-----------------|---------------------------|-----------------|--------------------|-----------------|----------------|-----------------|
| | Net percentage | Diffusion index | Net percentage | Diffusion index | Net percentage | Diffusion index | Net percentage | Diffusion index |
| Q3 2020 | -13 | -6 | -13 | -6 | -88 | -56 | -75 | -38 |
| Q4 2020 | -13 | -6 | 0 | 0 | -63 | -38 | -50 | -25 |
| Q1 2021 | 0 | 0 | 0 | 0 | -38 | -19 | -25 | -13 |
| Q2 2021 | 0 | 0 | 0 | 0 | -25 | -13 | -25 | -13 |
| Q3 2021 | 0 | 0 | 0 | 0 | -13 | -6 | -13 | -6 |
| Q4 2021 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Q1 2022 | 0 | 0 | 0 | 0 | -14 | -7 | -14 | -7 |
| Q2 2022 | -14 | -7 | 0 | 0 | -29 | -14 | -29 | -14 |
| Q3 2022 | -29 | -21 | -14 | -7 | -43 | -29 | -29 | -21 |
| Q4 2022 | -43 | -21 | -14 | -7 | -43 | -21 | -29 | -14 |
| Q1 2023 | -14 | -7 | -14 | -7 | -43 | -21 | -29 | -14 |

3. Over the past three months, how have your bank's terms and conditions for new loans and/or credit lines to enterprises changed?

(in percentages)

| Period | Bank's loan margin (higher margins =tightening, lower margins = easing) | | Collateral requirements | | Maturity | | Non-interest rate charges | | Maximum amount of loans and/or credit lines | |
|---------|--|-----------------|-------------------------|-----------------|----------------|-------------------------|---------------------------|-----------------|---|-----------------|
| | Net percentage | Diffusion index | Net percentage | Diffusion index | Net percentage | Difuzni Diffusion index | Net percentage | Diffusion index | Net percentage | Diffusion index |
| Q3 2020 | -50 | -25 | -25 | -13 | -38 | -19 | -13 | -6 | -13 | -6 |
| Q4 2020 | -25 | -13 | -13 | -6 | -13 | -6 | -13 | -6 | -13 | -6 |
| Q1 2021 | -25 | -13 | -13 | -6 | -13 | -6 | -13 | -6 | -13 | -6 |
| Q2 2021 | 0 | 0 | 13 | 6 | 0 | 0 | 13 | 6 | 0 | 0 |
| Q3 2021 | -13 | -6 | -13 | -6 | 0 | 0 | 0 | 0 | 0 | 0 |
| Q4 2021 | -13 | -6 | 0 | 0 | 0 | 0 | 0 | 0 | 13 | 6 |
| Q1 2022 | -14 | -7 | -14 | -7 | 0 | 0 | 0 | 0 | 0 | 0 |
| Q2 2022 | -29 | -14 | -14 | -7 | 0 | 0 | 0 | 0 | 0 | 0 |
| Q3 2022 | -57 | -36 | -29 | -14 | 0 | 0 | -14 | -7 | -29 | -14 |
| Q4 2022 | -43 | -21 | -29 | -14 | 0 | 0 | -14 | -7 | 0 | 0 |
| Q1 2023 | -71 | -36 | -14 | -7 | 0 | 0 | -14 | -7 | 0 | 0 |

4. Over the past three months (apart from normal seasonal fluctuations), has the share of enterprise loan applications that were completely rejected by your bank increased, remained unchanged or decreased?*

(in percentages)

| Period | Share of rejected applications | |
|---------|--------------------------------|-----------------|
| | Net percentage | Diffusion index |
| Q3 2020 | 25 | 13 |
| Q4 2020 | 13 | 6 |
| Q1 2021 | 13 | 6 |
| Q2 2021 | 0 | 0 |
| Q3 2021 | 0 | 0 |
| Q4 2021 | 0 | 0 |
| Q1 2022 | 14 | 7 |
| Q2 2022 | 0 | 0 |
| Q3 2022 | 14 | 7 |
| Q4 2022 | -14 | -7 |
| Q1 2023 | 14 | 7 |

*Since the second quarter of 2021, there were changes in the analysis of the share of rejected loan applications compared to previous quarters. Instead of the number of rejected loan applications, an information on the change of volume of rejected loans applications during the observed quarter is provided.

5. Over the past three months (apart from normal seasonal fluctuations), how has the demand for loans and/or credit lines to enterprises changed at your bank?

(in percentages)

| Period | Overall | | Short-term loans | | Long-term loans | |
|---------|----------------|-----------------|------------------|-----------------|-----------------|-----------------|
| | Net percentage | Diffusion index | Net percentage | Diffusion index | Net percentage | Diffusion index |
| Q3 2020 | -25 | -13 | 0 | 0 | -25 | -19 |
| Q4 2020 | -13 | -6 | 13 | 6 | -25 | -13 |
| Q1 2021 | -25 | -13 | -25 | -13 | -38 | -19 |
| Q2 2021 | 38 | 19 | 38 | 19 | 50 | 25 |
| Q3 2021 | 25 | 13 | 0 | 0 | 50 | 25 |
| Q4 2021 | 25 | 13 | 0 | 0 | 38 | 19 |
| Q1 2022 | 29 | 14 | 29 | 14 | 14 | 7 |
| Q2 2022 | 14 | 7 | 14 | 7 | 14 | 7 |
| Q3 2022 | -14 | -14 | -29 | -21 | -29 | -21 |
| Q4 2022 | -14 | -7 | -14 | -7 | -29 | -14 |
| Q1 2023 | 14 | 14 | 14 | 14 | 14 | 14 |

6. Over the past three months (apart from normal seasonal fluctuations), how have the following factors affected the overall demand for loans and/or credit lines to enterprises?

(in percentages)

| Period | FINANCING NEEDS | | | | | | | |
|---------|------------------|-----------------|---------------------------------|-----------------|--------------------|-----------------|----------------------|-----------------|
| | Fixed investment | | Working capital (e.i. Supplies) | | Debt restructuring | | Mergers/acquisitions | |
| | Net percentage | Diffusion index | Net percentage | Diffusion index | Net percentage | Diffusion index | Net percentage | Diffusion index |
| Q3 2020 | -50 | -31 | 13 | 13 | 25 | 19 | -25 | -19 |
| Q4 2020 | -63 | -38 | 0 | 6 | 25 | 19 | -25 | -19 |
| Q1 2021 | -63 | -44 | 0 | 6 | 38 | 25 | -13 | -13 |
| Q2 2021 | 38 | 19 | 63 | 31 | 25 | 13 | -13 | -13 |
| Q3 2021 | 38 | 19 | 0 | 0 | 0 | 0 | -13 | -13 |
| Q4 2021 | 38 | 19 | 0 | 0 | 0 | 0 | 13 | 6 |
| Q1 2022 | 14 | 7 | 43 | 21 | 14 | 7 | 0 | 0 |
| Q2 2022 | 14 | 7 | 14 | 7 | 14 | 7 | -14 | -7 |
| Q3 2022 | 0 | -7 | 0 | -7 | 0 | 0 | -29 | -21 |
| Q4 2022 | -14 | -7 | 0 | 0 | 0 | 0 | -14 | -7 |
| Q1 2023 | 14 | 7 | 14 | 7 | 0 | 0 | 0 | 0 |

| Period | USE OF ALTERNATIVE FINANCE | | | | | | | |
|---------|----------------------------|-----------------|------------------------|-----------------|----------------------|-----------------|-------------------------|-----------------|
| | Internal financing | | Loans from other banks | | Loans from non-banks | | Other financing sources | |
| | Net percentage | Diffusion index | Net percentage | Diffusion index | Net percentage | Diffusion index | Net percentage | Diffusion index |
| Q3 2020 | -13 | -6 | -38 | -19 | 13 | 6 | 25 | 13 |
| Q4 2020 | -25 | -13 | -50 | -25 | 0 | 0 | 13 | 6 |
| Q1 2021 | -25 | -13 | -13 | -6 | 0 | 0 | 0 | 0 |
| Q2 2021 | 0 | 0 | -13 | -6 | 0 | 0 | 0 | 0 |
| Q3 2021 | 13 | 6 | 0 | 0 | 0 | 0 | 0 | 0 |
| Q4 2021 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Q1 2022 | 14 | 7 | 14 | 7 | 0 | 0 | 14 | 7 |
| Q2 2022 | 14 | 7 | 29 | 14 | 0 | 0 | 14 | 7 |
| Q3 2022 | 0 | 0 | -14 | -7 | 0 | 0 | 14 | 7 |
| Q4 2022 | 0 | 0 | 14 | 7 | 0 | 0 | 14 | 7 |
| Q1 2023 | 0 | 0 | 29 | 14 | 0 | 0 | 14 | 7 |

7. Please indicate how you expect your bank's credit standards as applied to the approval of loans and/or credit lines to enterprises to change over the next three months?

(in percentages)

| Period | Overall | | Short-term loans | | Long-term loans | |
|---------|----------------|-----------------|------------------|-----------------|-----------------|-----------------|
| | Net percentage | Diffusion index | Net percentage | Diffusion index | Net percentage | Diffusion index |
| Q3 2020 | -13 | -6 | -13 | -6 | -13 | -6 |
| Q4 2020 | -13 | -6 | -13 | -6 | -13 | -6 |
| Q1 2021 | 13 | 6 | 13 | 6 | 0 | 0 |
| Q2 2021 | 0 | 0 | 0 | 0 | -13 | -6 |
| Q3 2021 | -13 | -6 | -13 | -6 | -25 | -13 |
| Q4 2021 | -13 | -6 | -13 | -6 | -25 | -13 |
| Q1 2022 | 0 | 0 | 14 | 7 | -14 | -7 |
| Q2 2022 | -43 | -29 | -43 | -29 | -43 | -29 |
| Q3 2022 | -14 | -7 | -14 | -7 | -14 | -7 |
| Q4 2022 | -14 | -7 | -14 | -7 | -14 | -7 |
| Q1 2023 | -14 | -7 | -14 | -7 | -14 | -7 |

*The table shows the answers of the current quarter for the next quarter.

8. Please indicate how you expect demand for loans and/or credit lines to enterprises to change over the next three months at your bank (apart from normal seasonal fluctuations)?

(in percentages)

| Period | Overall | | Short-term loans | | Long-term loans | |
|---------|----------------|-----------------|------------------|-----------------|-----------------|-----------------|
| | Net percentage | Diffusion index | Net percentage | Diffusion index | Net percentage | Diffusion index |
| Q3 2020 | 13 | 6 | 25 | 13 | -13 | -6 |
| Q4 2020 | 0 | 0 | 13 | 6 | -25 | -13 |
| Q1 2021 | 25 | 13 | 38 | 19 | 0 | 0 |
| Q2 2021 | 13 | 6 | 38 | 19 | 0 | 0 |
| Q3 2021 | 25 | 13 | 38 | 19 | 13 | 6 |
| Q4 2021 | 25 | 13 | 38 | 19 | 13 | 6 |
| Q1 2022 | 29 | 14 | 29 | 14 | 14 | 7 |
| Q2 2022 | -14 | -7 | -14 | -7 | -29 | -14 |
| Q3 2022 | -29 | -14 | -29 | -14 | -29 | -14 |
| Q4 2022 | -29 | -14 | -29 | -14 | -29 | -14 |
| Q1 2023 | 0 | 0 | 14 | 7 | 0 | 0 |

*The table shows the answers of the current quarter for the next quarter.

II. Loans to households

9. Over the past three months, how have your bank's credit standards as applied to the approval of loans to households changed?

(in percentages)

| Period | Overall | | Loans for housing purchase | | Consumer and non-purpose loans | |
|---------|----------------|-----------------|----------------------------|-----------------|--------------------------------|-----------------|
| | Net percentage | Diffusion index | Net percentage | Diffusion index | Net percentage | Diffusion index |
| Q3 2020 | -50 | -25 | -63 | -38 | -63 | -31 |
| Q4 2020 | -13 | -6 | -25 | -19 | -13 | -6 |
| Q1 2021 | -25 | -13 | -25 | -19 | -13 | -6 |
| Q2 2021 | 0 | 0 | 0 | 0 | 0 | 0 |
| Q3 2021 | -13 | -6 | -13 | -6 | -13 | -6 |
| Q4 2021 | 0 | 0 | 13 | 6 | -13 | -6 |
| Q1 2022 | 14 | 7 | 14 | 7 | 14 | 7 |
| Q2 2022 | -29 | -14 | -29 | -14 | -29 | -14 |
| Q3 2022 | -57 | -36 | -57 | -36 | -43 | -29 |
| Q4 2022 | -29 | -14 | -29 | -14 | -14 | -7 |
| Q1 2023 | -14 | -7 | -14 | -7 | -14 | -7 |

10. Over the past three months, how have the following factors affected your bank's credit standards as applied to the approval of loans to households?

(in percentages)

| Period | Cost of funds and balance sheet constraints | | Pressure from competition | | Perception of risk | | Risk tolerance | |
|---------|---|-----------------|---------------------------|-----------------|--------------------|-----------------|----------------|-----------------|
| | Net percentage | Diffusion index | Net percentage | Diffusion index | Net percentage | Diffusion index | Net percentage | Diffusion index |
| Q3 2020 | -13 | -6 | 0 | 0 | -63 | -38 | -63 | -38 |
| Q4 2020 | -13 | -6 | 13 | 6 | -50 | -31 | -25 | -19 |
| Q1 2021 | -13 | -6 | 13 | 6 | -50 | -31 | -25 | -19 |
| Q2 2021 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Q3 2021 | 0 | 0 | 0 | 0 | -25 | -13 | -13 | -6 |
| Q4 2021 | 0 | 0 | 13 | 13 | -25 | -13 | 0 | 0 |
| Q1 2022 | 14 | 7 | 0 | 0 | 0 | 0 | 14 | 7 |
| Q2 2022 | -14 | -7 | 0 | 0 | -43 | -21 | -29 | -14 |
| Q3 2022 | -43 | -21 | 14 | 7 | -43 | -29 | -29 | -21 |
| Q4 2022 | -57 | -29 | 14 | 7 | -43 | -21 | -29 | -14 |
| Q1 2023 | -14 | -7 | 14 | 7 | -29 | -14 | -14 | -7 |

11. Over the past three months, how have your bank's terms and conditions for new loans to households changed?

(in percentages)

| Period | Bank's loan margin (higher margins =tightening, lower margins = easing) | | Collateral requirements | | Maturity | | Non-interest rate charges | | Maximum amount of loans | |
|---------|--|-----------------|-------------------------|-----------------|----------------|-----------------|---------------------------|-----------------|-------------------------|-----------------|
| | Net percentage | Diffusion index | Net percentage | Diffusion index | Net percentage | Diffusion index | Net percentage | Diffusion index | Net percentage | Diffusion index |
| Q3 2020 | -50 | -25 | -38 | -25 | -13 | -6 | 25 | 13 | 0 | 0 |
| Q4 2020 | -50 | -25 | -38 | -25 | 0 | 0 | 0 | 0 | 0 | 0 |
| Q1 2021 | -25 | -13 | -38 | -25 | -13 | -6 | 38 | 19 | 0 | 0 |
| Q2 2021 | 25 | 13 | 0 | 0 | 25 | 13 | 13 | 6 | 0 | 0 |
| Q3 2021 | 38 | 19 | 0 | 0 | 13 | 6 | 25 | 13 | 0 | 0 |
| Q4 2021 | 13 | 6 | 0 | 0 | 13 | 6 | 0 | 0 | 13 | 6 |
| Q1 2022 | 43 | 21 | 0 | 0 | 14 | 7 | 29 | 14 | 0 | 0 |
| Q2 2022 | 0 | 0 | -14 | -7 | 0 | 0 | 29 | 14 | 0 | 0 |
| Q3 2022 | -14 | 0 | -14 | -7 | -14 | -7 | 0 | 0 | -14 | -7 |
| Q4 2022 | -14 | 0 | -29 | -14 | 0 | 0 | 0 | 0 | 0 | 0 |
| Q1 2023 | -14 | -7 | -14 | -7 | 0 | 0 | 14 | 7 | 0 | 0 |

12. Over the past three months (apart from normal seasonal fluctuations), has the share of households loan applications, that were completely rejected by your bank increased, remained unchanged or decreased? *

(in percentages)

| Period | Share of rejected applications | |
|---------|--------------------------------|-----------------|
| | Net percentage | Diffusion index |
| Q3 2020 | 25 | 13 |
| Q4 2020 | 50 | 25 |
| Q1 2021 | 38 | 19 |
| Q2 2021 | -13 | -6 |
| Q3 2021 | 13 | 6 |
| Q4 2021 | 13 | 6 |
| Q1 2022 | -14 | -7 |
| Q2 2022 | 0 | 0 |
| Q3 2022 | 14 | 7 |
| Q4 2022 | 0 | 0 |
| Q1 2023 | 0 | 0 |

*Since the second quarter of 2021, there were changes in the analysis of the share of rejected loan applications compared to previous quarters. Instead of the number of rejected loan applications, an information on the change of volume of rejected loans applications during the observed quarter is provided.

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

(in percentages)

| Period | Overall | | Loans for housing purchase | | Consumer and non-purpose loans | |
|---------|----------------|-----------------|----------------------------|-----------------|--------------------------------|-----------------|
| | Net percentage | Diffusion index | Net percentage | Diffusion index | Net percentage | Diffusion index |
| Q3 2020 | -63 | -25 | -50 | -25 | -50 | -19 |
| Q4 2020 | -63 | -38 | -50 | -38 | -63 | -38 |
| Q1 2021 | -13 | -6 | -13 | -13 | 0 | 0 |
| Q2 2021 | 88 | 44 | 50 | 31 | 88 | 44 |
| Q3 2021 | 38 | 19 | 50 | 31 | 13 | 6 |
| Q4 2021 | 13 | 6 | 63 | 38 | 13 | 6 |
| Q1 2022 | 57 | 29 | 71 | 43 | 57 | 29 |
| Q2 2022 | 57 | 29 | 57 | 29 | 57 | 29 |
| Q3 2022 | -14 | -14 | -43 | -29 | -14 | -14 |
| Q4 2022 | -14 | -7 | -29 | -14 | -14 | -7 |
| Q1 2023 | 14 | 7 | 14 | 7 | 14 | 7 |

14. Over the past three months (apart from normal seasonal fluctuations), how have the following factors affected the overall household demand for loans?

(in percentages)

| Period | FINANCING NEEDS | | | | USE OF ALTERNATIVE FINANCE | | | | | |
|---------|---|-----------------|----------------------|-----------------|----------------------------------|-----------------|------------------------|-----------------|-----------------------------------|-----------------|
| | Spending on durable consumer goods, such as cars, furniture, etc. | | Real estate purchase | | Internal financing out of saving | | Loans from other banks | | Other sources of external finance | |
| | Net percentage | Diffusion index | Net percentage | Diffusion index | Net percentage | Diffusion index | Net percentage | Diffusion index | Net percentage | Diffusion index |
| Q3 2020 | -50 | -25 | -50 | -19 | -38 | -19 | -38 | -19 | -25 | -13 |
| Q4 2020 | -63 | -31 | -50 | -25 | -50 | -25 | -38 | -19 | -38 | -19 |
| Q1 2021 | -25 | -13 | -13 | -6 | -25 | -13 | -25 | -13 | -13 | -6 |
| Q2 2021 | 63 | 31 | 50 | 25 | -13 | -6 | 13 | 6 | 13 | 6 |
| Q3 2021 | 25 | 13 | 50 | 25 | -13 | -6 | 13 | 6 | 13 | 6 |
| Q4 2021 | 25 | 13 | 63 | 31 | -13 | -6 | 13 | 6 | 13 | 6 |
| Q1 2022 | 57 | 29 | 71 | 36 | -14 | -7 | 14 | 7 | 0 | 0 |
| Q2 2022 | 57 | 29 | 57 | 29 | 0 | 0 | 14 | 7 | 14 | 7 |
| Q3 2022 | -14 | -14 | -29 | -21 | -14 | -7 | -29 | -14 | -14 | -7 |
| Q4 2022 | -43 | -21 | -43 | -21 | -14 | -7 | 0 | 0 | -14 | -7 |
| Q1 2023 | -14 | -7 | 14 | 7 | -14 | -7 | 14 | 7 | -14 | -7 |

15. Please indicate how you expect your bank's credit standards as applied to the approval of households loans to change over the next three months?

(in percentages)

| Period | Overall | | Loans for housing purchase | | Consumer and non-purpose loans | |
|---------|----------------|-----------------|----------------------------|-----------------|--------------------------------|-----------------|
| | Net percentage | Diffusion index | Net percentage | Diffusion index | Net percentage | Diffusion index |
| Q3 2020 | -13 | -6 | -25 | -13 | -13 | -6 |
| Q4 2020 | 0 | 0 | -13 | -6 | 13 | 6 |
| Q1 2021 | -13 | -6 | -25 | -13 | -13 | -6 |
| Q2 2021 | 25 | 13 | 13 | 6 | 25 | 13 |
| Q3 2021 | 13 | 6 | 38 | 19 | 25 | 13 |
| Q4 2021 | 38 | 19 | 25 | 13 | 38 | 19 |
| Q1 2022 | 0 | 0 | 0 | 0 | 14 | 7 |
| Q2 2022 | -71 | -43 | -57 | -36 | -71 | -43 |
| Q3 2022 | -14 | -7 | -14 | -7 | 0 | 0 |
| Q4 2022 | -14 | -7 | -29 | -14 | -14 | -7 |
| Q1 2023 | 14 | 7 | 14 | 7 | 14 | 7 |

*The table shows the answers of the current quarter for the next quarter.

16. Please indicate how you expect demand for loans to households to change over the next three months at your bank (apart from normal seasonal fluctuations)?

(in percentages)

| Period | Overall | | Loans for housing purchase | | Consumer and non-purpose loans | |
|---------|----------------|-----------------|----------------------------|-----------------|--------------------------------|-----------------|
| | Net percentage | Diffusion index | Net percentage | Diffusion index | Net percentage | Diffusion index |
| Q3 2020 | 0 | 0 | -25 | -13 | 13 | 6 |
| Q4 2020 | 0 | 0 | 0 | 0 | 13 | 6 |
| Q1 2021 | 25 | 13 | 25 | 13 | 25 | 13 |
| Q2 2021 | 63 | 31 | 63 | 31 | 63 | 31 |
| Q3 2021 | 38 | 19 | 50 | 25 | 50 | 25 |
| Q4 2021 | 50 | 25 | 50 | 25 | 50 | 25 |
| Q1 2022 | 43 | 21 | 43 | 21 | 57 | 36 |
| Q2 2022 | -29 | -14 | 0 | 0 | -29 | -14 |
| Q3 2022 | -14 | -7 | -29 | -14 | -14 | -7 |
| Q4 2022 | 43 | 21 | 29 | 14 | 43 | 21 |
| Q1 2023 | 43 | 21 | 29 | 14 | 43 | 21 |

*The table shows the answers of the current quarter for the next quarter.