Senior loan officer survey on bank lending practices

Summary of the aggregate results of the survey for 2012 Q4
February 2013

MAGYAR NEMZETI BANK

Summary of the aggregate results of the survey for 2012 Q4
February 2013

Senior loan officer survey on bank lending practices

Summary of the aggregate results of the survey for 2012 Q4

(February 2013)

Analysis prepared by: Bálint Dancsik, Veronika Lakatos
(Financial Stability)

Published by the Magyar Nemzeti Bank

Publisher in charge: dr. András Simon

8–9 Szabadság tér, H-1850 Budapest

www.mnb.hu

HU ISSN 2060-9612 (online)

The lending survey facilitates the analysis of how major banks perceive and evaluate market developments and how they develop their respective strategies, in particular their lending policies. Aggregating individual answers, weighted by banks' market shares, helps researchers draw conclusions regarding likely changes in the directions and trends in the credit market. The conclusions of this analysis always present the answers provided by senior bank officers; however in certain cases additional background information might be presented so that the user could easily oversee the tendencies. The survey was conducted between 1 and 16 January 2013.

The results of the survey are presented below in the form of a descriptive analysis and by means of charts illustrating the answers. Annex 1 contains the charts pertaining to the individual segments. The methodological background is described in details in Annex 2. Numerical data on the market shares can be found in Annex 3, and answers to the questions are presented in detail in Annexes 4, 5 and 6 (Annexes 3, 4, 5 and 6 are attached as a separate Excel file). The retrospective questions in the questionnaire relate to changes in 2012 Q4, while the forward-looking questions ask respondents for their views about changes they expect over the next six-month period, i.e. in 2013 H1. Questions focus on changes perceived relative to the previous quarter: the base period is 2012 Q3 for retrospective questions and 2012 Q4 for forward-looking questions.

In the case of the household segment, a total of 14 banks were involved in the interviews. 10 banks responded to questions related to housing loans, while 14 banks and 6 financial enterprises questions on consumer loans. Based on data from the end of 2012 Q4, the surveyed institutions accounted for 92 per cent of the banking sector in the case of housing loans outstanding, while 94 per cent in the case of consumer loans outstanding. The corporate questionnaire was completed by 7 banks, with a total market share of 80 per cent and 93 per cent of the corporate loan and commercial real estate loan markets, respectively. A total of 7 banks were interviewed on the subject of loans extended to municipalities. Based on data from the end of 2012 Q4, the institutions surveyed covered 97 per cent of total municipal exposure by banks.

Contents

According to the lending survey conducted in January 2013, credit conditions for households were reported to have eased in 2012 Q4, both for housing and consumer loans, resulting in a further correction in the broad-based tightening at the end of 2011. Lenders expected further easing in credit conditions on consumer loans in 2013 H1, while credit conditions for housing loans were expected to remain broadly unchanged. In their forward-looking expectations banks indicated again that a rebound in demand for housing loans may occur, which is still attributable to the recent easing of conditions in the state subsidy scheme.

In the corporate segment, banks reported that credit conditions overall had not changed. The economic outlook, sector-specific problems and changes in risk tolerance were cited as factors pointing to tightening, while the capital and liquidity positions called for an easing of credit conditions. Overall, in net terms easing was expected over the coming half year, which previously occurred only once during the crisis back in 2011 Q2. The easing may occur in the segment of large and medium-sized enterprises. Looking at demand, banks reported rising demand for short-term loans, while falling demand for long-term loans. The steadily rising demand for short-term loans indicates that credit supply constraints may be more pronounced in this segment.

Table 1
Summary table on developments in supply and perceived demand by banks

Segments		Supply		Perceived demand	
		2012 Q4	2013 H1 (e.)	2012 Q4	2013 H1 (e.)
Household	Housing	↑	→	↓	↑
	Consumer	↑	↑	↑	↑
Corporate		→	↑	↓	→

Note: For supply, the up-arrow denotes an increase (easing in lending conditions) and the down-arrow a decrease (tightening in lending conditions).

FURTHER EASING OF CREDIT CONDITIONS FOR HOUSEHOLDS

In the previous survey, on aggregate banks had anticipated unchanged credit conditions on housing loans (in net terms, only 1.6 per cent planned an easing for the last quarter of 2012 and the first quarter of 2013), but a net 20 per cent of banks eased credit conditions further (Chart 4). This easing was reflected in lower loan origination fees as well as in the spread on the funding costs, while premiums on riskier loans were reported to have increased (Chart 6). As a result, the correction continued following the tightening observed at the end of 2011. Looking ahead, overall, a net 1.7 per cent of banks reported to tighten credit conditions over the next half-year, which is the balance of one loosening and one tightening bank.

In net terms, 14 per cent of banks eased conditions on consumer loans in 2012 Q4, whereas a net 22 per cent of them are planning further easing over the coming half year (Chart 4). The easing was primarily reflected in lower loan origination fees charged.

The rebound in demand expected in the previous surveys did not occur in the last quarter of 2012. In the previous lending survey, most of the banks had expected an upturn in demand for both housing and consumer loans. By contrast, for 2012 Q4 a net 15 per cent of banks reported lower demand for housing loans, and only a net 7 per cent indicated stronger demand for consumer loans (Chart 8). Similarly to the previous surveys, banks expected stronger demand for household loans over the next half year again: a net 75 per cent of banks in the case of housing loans and a net 39 per cent in the case of consumer loans.

Expectations regarding housing loans may continue to be influenced by the state interest rate subsidy scheme, in which the conditions were amended again as of January 2013. The most important changes include the abolishment of the gradual reduction in the subsidy and second, while sellers are no longer obliged to declare that the received amount is spent on purchasing property. In addition, the maximum amount of loan for which the state subsidy is available has also been raised. Partly as a result of the latest amendments, more banks introduced the scheme. The eased conditions may justify banks' expectations in relation to stronger demand. Demand for the state interest rate subsidy scheme has already increased in 2012 Q4: new loan volumes of subsidised housing loans increased by 37 per cent compared to Q3, accounting for some 13 per cent of the new forint-denominated housing loans.

NO FURTHER TIGHTENING OF CREDIT CONDITIONS FOR NON-FINANCIAL CORPORATIONS

Overall, banks reported that corporate credit conditions had remained unchanged in 2012 Q4 (Chart 19).[1] Lenders cited economic outlook and industry-specific problems as well as lower risk tolerance pointing to tightening, while the capital and liquidity positions of banks called for easing (Chart 30). Since the outbreak of the crisis, in net terms banks eased corporate credit conditions only during one quarter, in 2011 Q2. Over the next half year, a net 11 per cent of banks expected to ease their corporate credit conditions, predominantly in relation to the minimum required credit scores, collateralisation requirements and the maximum amount of the credit line for large and medium-sized companies (Chart 20). With regard to forward-looking expectations, in the past three years in net terms banks had anticipated easing only for the last quarter of 2011, which was the balance of one bank's expectation of easing and one bank's expectation of tightening. Banks cited the favourable liquidity situation and the competitive situation as pointing to an easing over the next half year.

Summary of personal interviews with banks' senior loan officers

Personal meetings with the senior loan officers take place at the beginning of the year.[2] The majority of banks perceived a sharp fall in demand for loans in the corporate loan market in 2012, especially in the second half of the year. Corporate clients show an almost complete lack of demand for investment loans, with no material change expected for 2013 either; clients have demand for short-term loans only. Factoring, an alternative source of short-term financing for companies in view of the decline in commercial loans, is highly popular. The majority of banks do not anticipate higher risk appetite; they only intend to finance highly creditworthy clients in 2013 as well. As a result, market participants are competing for good clients, and banks are ready to make sacrifices as well, which is also reflected in the low interest rate spreads. Lenders commented that the corporate loan portfolio consisting of loans extended after 2009 is performing excellently, and hardly any defaults occur (defaults are more typical in the case of loans extended prior to the crisis). As regards commercial property loans, there have been no major changes as the sector continues to digest the pre-crisis loans.

Demand for household loans remains subdued, which is not surprising in view of the earlier excessive indebtedness. Credit conditions eased during last year, and practically returned to the end-2011 level. Based on the positive debtor list, banks now can properly screen the indebtedness of clients, causing surprises in many cases, as clients have often concealed other debts. This resulted in a drop in the acceptance ratio at the banks utilising the positive debtor list. In the coming period, banks expect the state interest rate subsidy scheme to result in an upswing in the housing loan market in 2013; by January, most of the larger banks started to offer this scheme. Nevertheless, banks do not expect any dynamic growth in new lending in 2013 either. Institutions explained the low utilisation of the exchange rate fixing programme with its complexity, and the generally low confidence level of households both with regard to banks and their own future earnings potential.

The size of the leasing market also shrank, but the exit of some competitors created a favourable opportunity for lenders still active in this segment. Retail car financing has contracted a lot; cash purchases prevail almost exclusively. Corporate vehicle and fleet financing still continues to work. Many actors started to offer open-end leasing[3] products in 2012, which generated good results due to their favourable conditions. Funding is mostly on a forint basis. No increase is expected in the car segment in 2013; the financing of other equipment (medical, IT, agricultural machinery) may bring positive results.

[1] Although each respondent considered the conditions unchanged on the whole, some banks also reported tightening of certain conditions (Chart 20).
[2] This year, a total 33 interviews were conducted between 21 January and 13 February. During these conversations, respondents reported on their experiences in connection with the year 2012 and on their plans and expectations for 2013.
[3] In the open-end financial leasing scheme, the leaseholder has an option to purchase (a right to designate the buyer), i.e. the leaseholder or a third person designated by the leaseholder may purchase the leased property at the end of the term after paying the remaining value (in the case of the closed-end financial leasing the transfer of ownership at the end of the term is automatic).

Looking at demand, a considerable portion, i.e. a net 61 per cent of banks indicated that they had perceived lower demand for long-term loans relative to the previous quarter, a considerably greater share than expected in the previous quarter (Chart 32). Moreover, that is the highest share of banks perceiving a drop in demand during the crisis.[4] A net 11 per cent of banks reported that they had perceived higher demand for short-term loans, which indicates that credit supply constraints can be more pronounced in this segment. Looking ahead, a net 32 per cent of banks expected further increase in demand for short-term loans, whereas a net 7 per cent of respondents expected lower demand for long-term loans over the next half year compared to the last quarter of 2012.

TIGHTENING AND WAIT-AND-SEE POLICY IN THE LOCAL GOVERNMENT SEGMENT

More than 60 per cent of the banks reported that credit conditions had tightened in 2012 Q4, and anticipated further tightening over the next half year as well (Chart 42). The tightening affected the maximum maturity, the size of the credit line and collateral requirements the most. This tightening was largely attributable to uncertainty in the change in economic policy related to local governments. Banks also explain that this unclear legal situation is behind the expected sharp fall in demand for loans from local governments over the next half year as well. The current position of the local government segment is determined by the debt consolidation efforts of the state. The consolidation of settlements with less than 5,000 inhabitants was carried out without any major issues in 2012, but in the case of settlements with more than 5,000 inhabitants, it has not been clarified yet what percentages of the debts of individual local governments will be assumed by the state. Accordingly, this segment is characterised by a wait-and-see attitude. Strategies for the next year will only be developed after the consolidation, when it becomes clear what tasks, how much revenue and debts remain at the individual local governments.

FURTHER TIGHTENING IN THE EURO AREA

A mixed picture was observed in household credit conditions of the peer group in the previous quarter. Credit conditions on both housing and consumer loans were reported to have tightened in the euro area[5] and Poland,[6] while in the Czech Republic[7] credit conditions were reported to have eased on housing loans and remained unchanged for consumer loans. The changes in the index calculated for the CEE region reveal that the developments in housing loan conditions were more favourable in Hungary than the regional average (Chart 1). Tightening was expected to continue in the euro area and Poland over the next half year, mainly in the case of housing loans, whereas banks' responses suggest that conditions in the Czech Republic may continue to ease.

Corporate credit conditions were reported to have tightened further in the euro area in the last quarter of 2012. Similarly to the euro area, a tightening of conditions was observed in the countries of the region. Accordingly, in the previous quarter the developments in credit conditions were more favourable in Hungary than in the region (Chart 1). However, it is important to add that the responses in the lending survey record the changes compared to the previous quarter, and do not contain information on the absolute level of credit conditions. The tightening in the euro area is attributable to the unfavourable economic and industry-specific outlook, similarly to Hungary and other countries in the region.

[4] Moreover, the international comparison of the demand for investment loans perceived by banks reveals that since 2010 Q4 in Hungary in net terms a greater portion of the banking sector reported a decline in the demand for long-term loans than in the euro area or in the region.

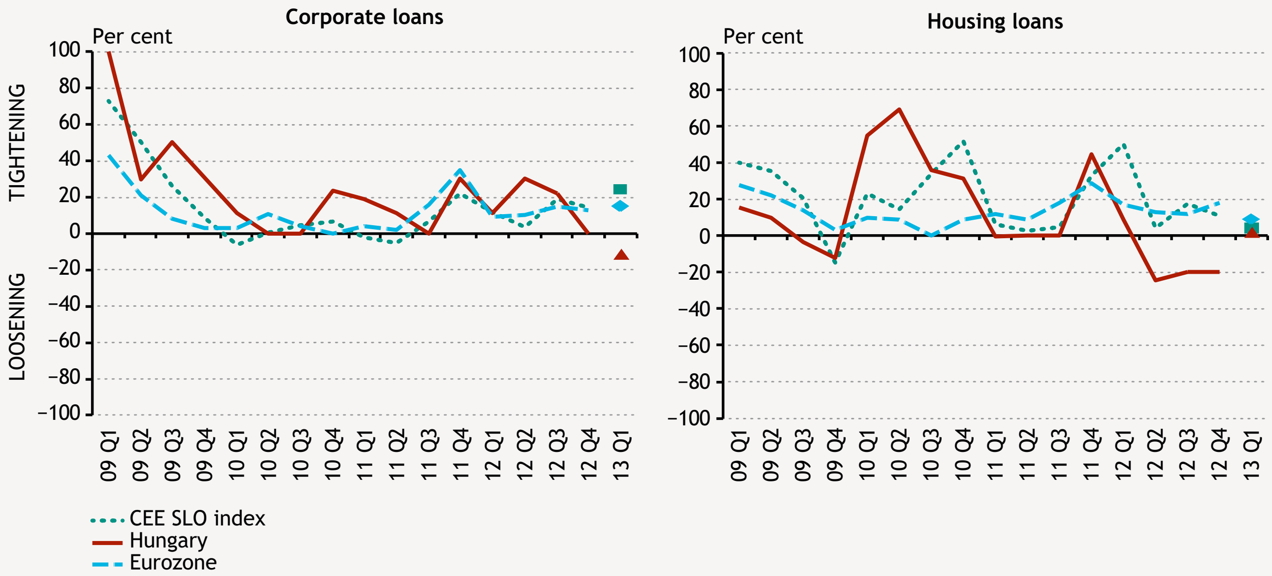
[5] http://www.ecb.int/stats/money/surveys/lend/html/index.en.html

[6] http://www.nbp.pl/homen.aspx?f=/en/systemfinansowy/kredytowy2013.html

[7] http://www.cnb.cz/en/bank_lending_survey/index.html

Chart 1

Changes in credit conditions on corporate and housing loans in Hungary and in Central and Eastern European countries

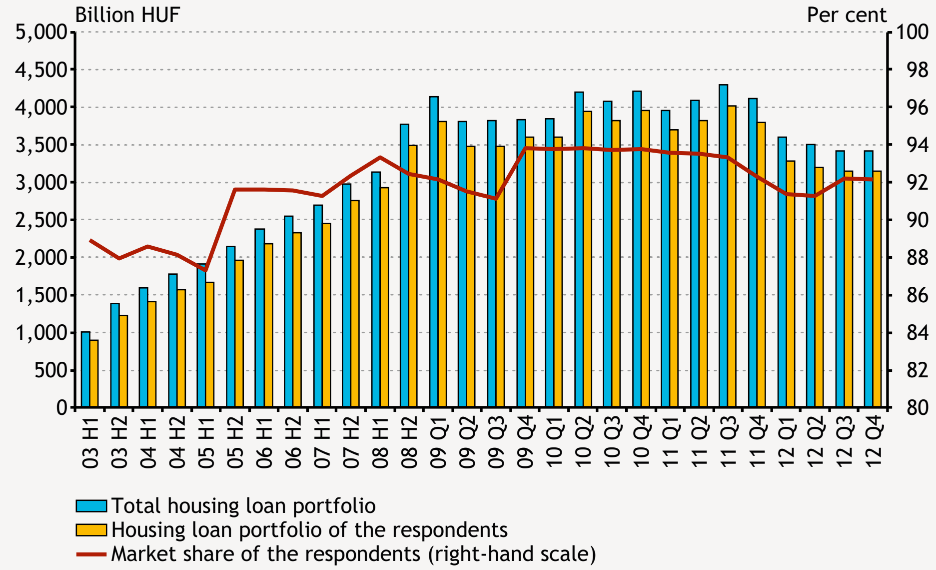


Note: The magnitude of tightening/easing is not shown in the chart. Only semi-annual data are available for Slovakia, which were applied for two quarters. The data for the Czech Republic, Poland, Hungary, Slovakia, Slovenia and Romania are weighted on the basis of outstanding loans to residents.
Source: ECB, individual central banks and MNB.

Annex 1: Charts on developments in loan portfolios and answers to the questionnaire

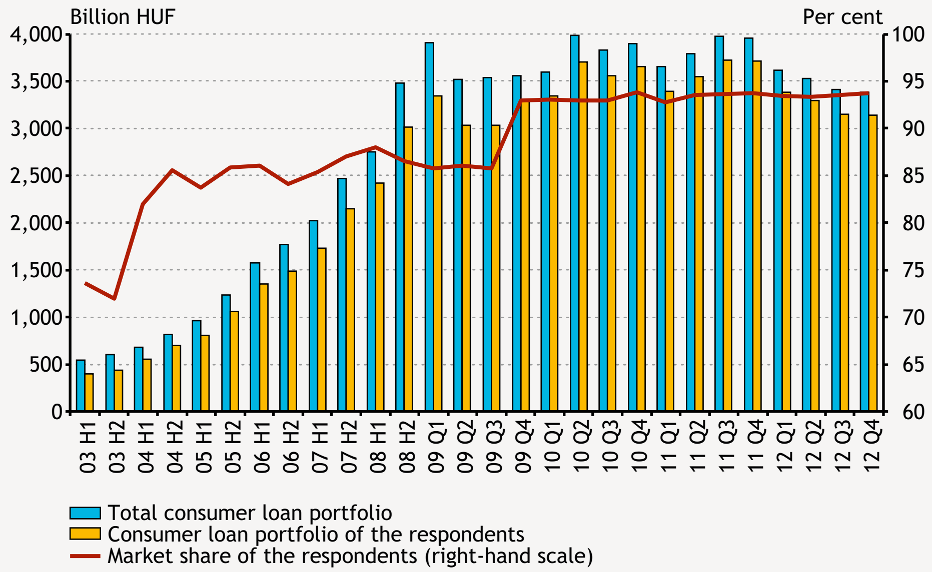
LENDING TO HOUSEHOLDS

Chart 1
Outstanding amount of housing loans and the market share of banks completing the questionnaire



Note: The number and scope of banks varied during the half-year periods under review (e.g. as a result of mergers and the inclusion of new banks). As of 2009, stock data also include those for credit institutions and branches.

Chart 2
Outstanding amount of consumer loans and the market share of banks completing the questionnaire



Note: The number and scope of banks varied during the half-year periods under review. The chart only plots market shares of the banks surveyed; it does not plot market shares of financial enterprises. As of 2009, stock data also include those for credit institutions and branches.

Chart 3
Willingness of banks to extend housing loans and consumer loans

(net percentage balance of respondents reporting increased/decreased credit availability weighted by market share)

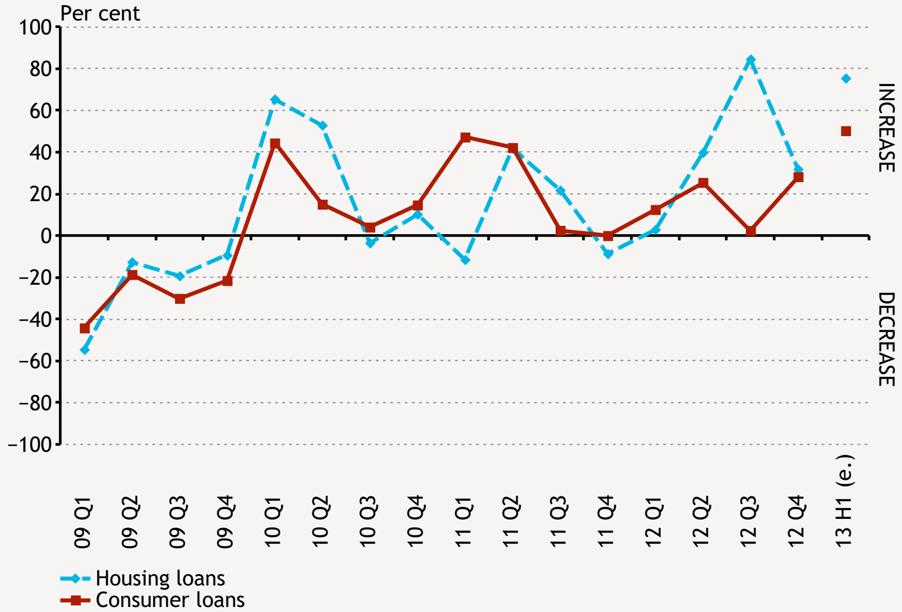
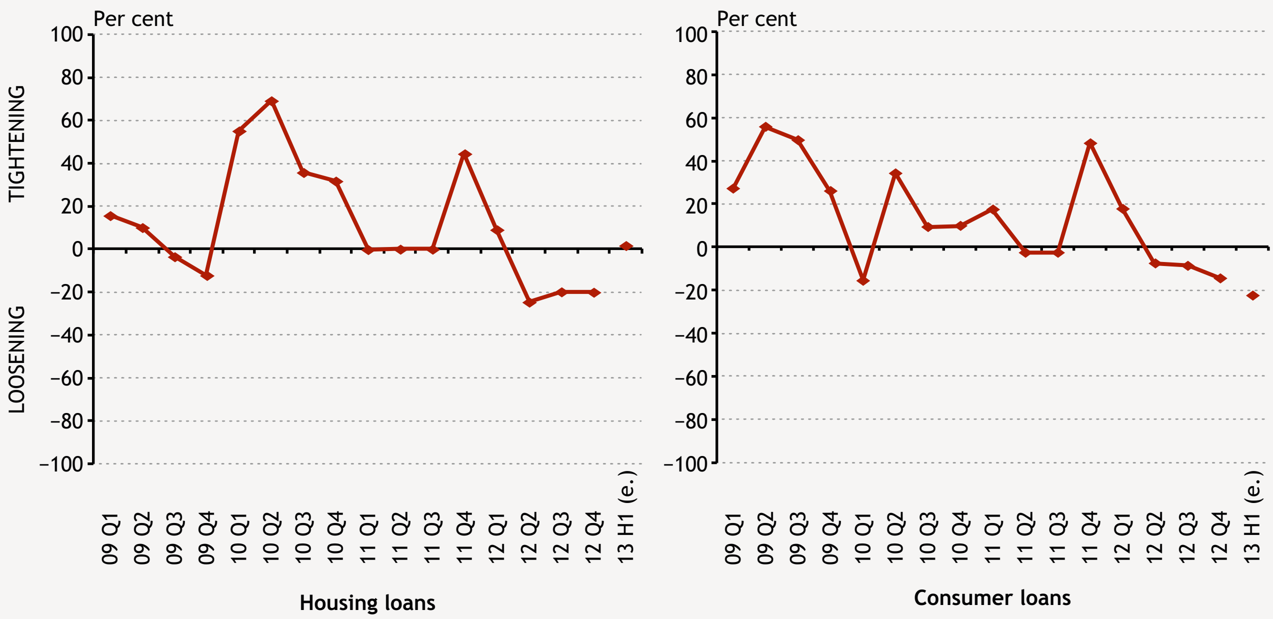


Chart 4
Credit conditions in the housing loan and consumer loan markets
(net percentage balance of respondents tightening/easing credit standards weighted by market share)



Note: The magnitude of tightening/easing is not shown in the chart.

Chart 5

Credit conditions in the housing loan market – non-price conditions

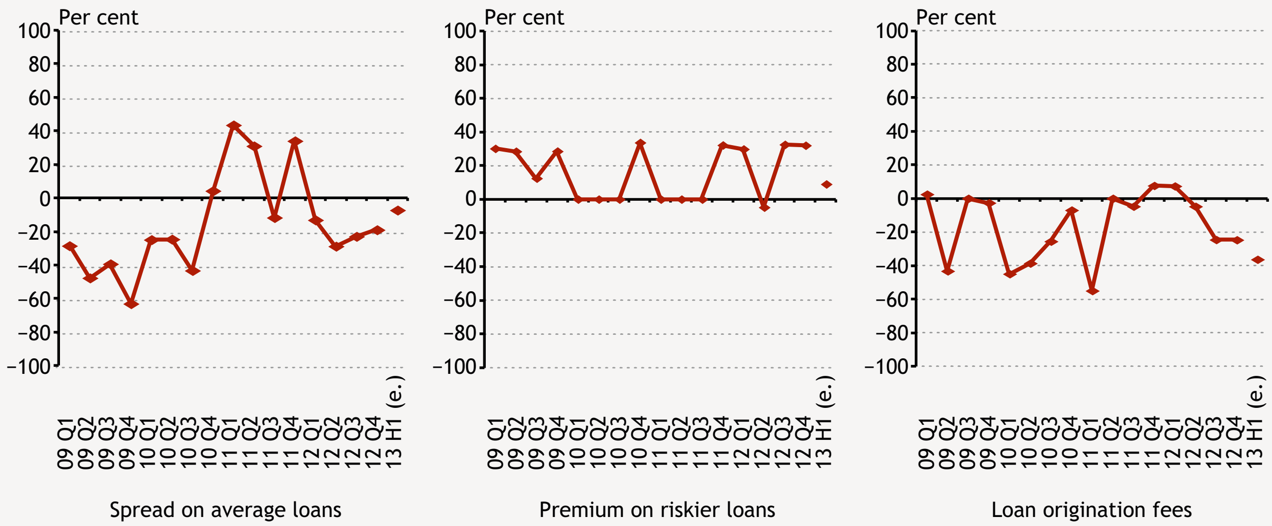
(net percentage balance of respondents tightening/easing credit conditions weighted by market share)

Note: The magnitude of tightening/easing is not shown in the chart.

Chart 6

Credit conditions in the housing loan market – price conditions

(net percentage balance of respondents tightening/easing credit conditions weighted by market share)



Note: The magnitude of tightening/easing is not shown in the chart.

Chart 7

Factors contributing to changes in credit conditions in the case of housing loans

(net percentage balance of banks indicating a contribution of individual factors to tightening or easing weighted by market share

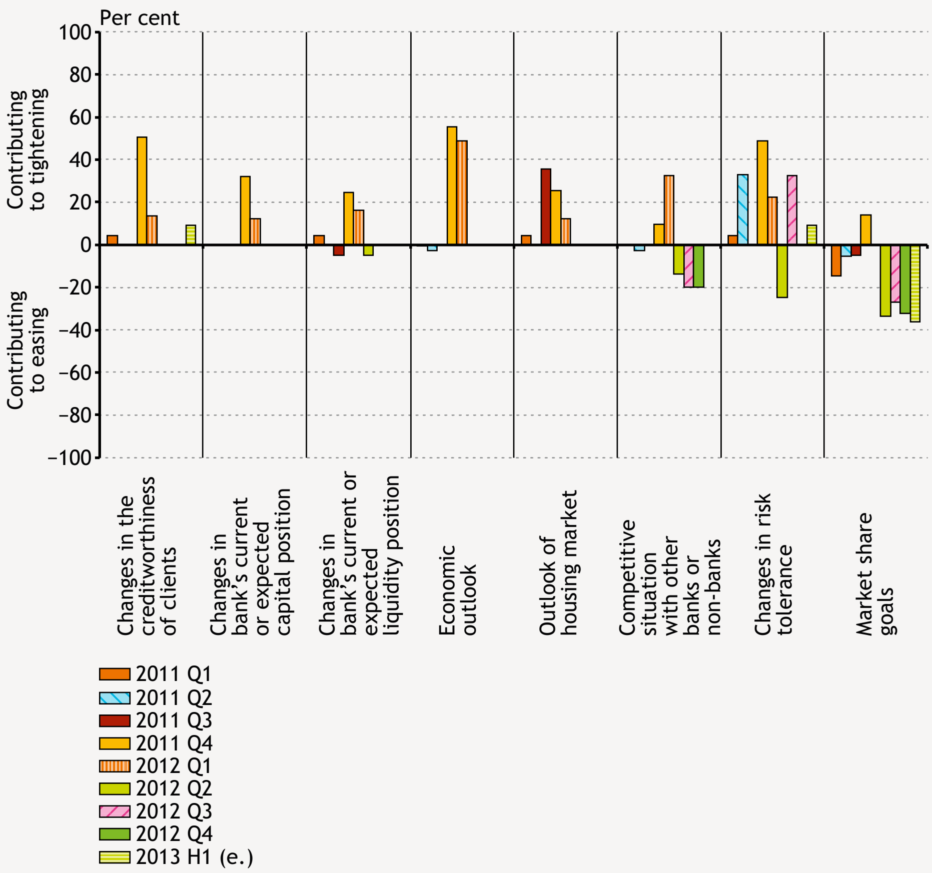


Chart 8
Perceived demand for loans in the household segment
(net percentage balance of respondents reporting increase/decrease in demand weighted by market share)

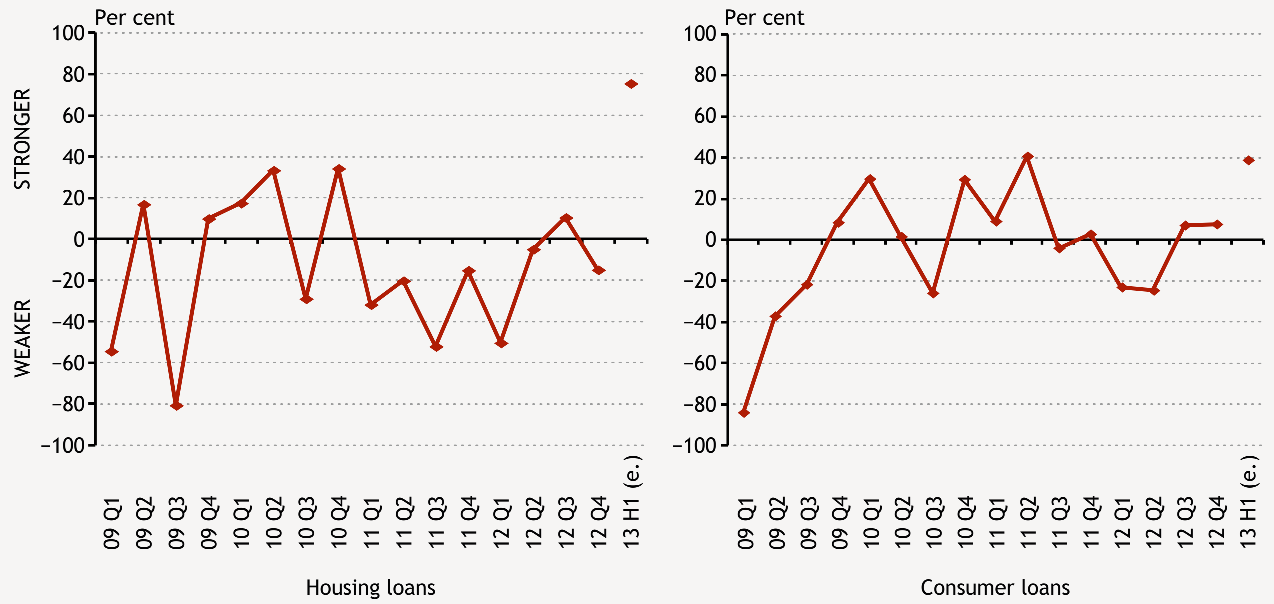
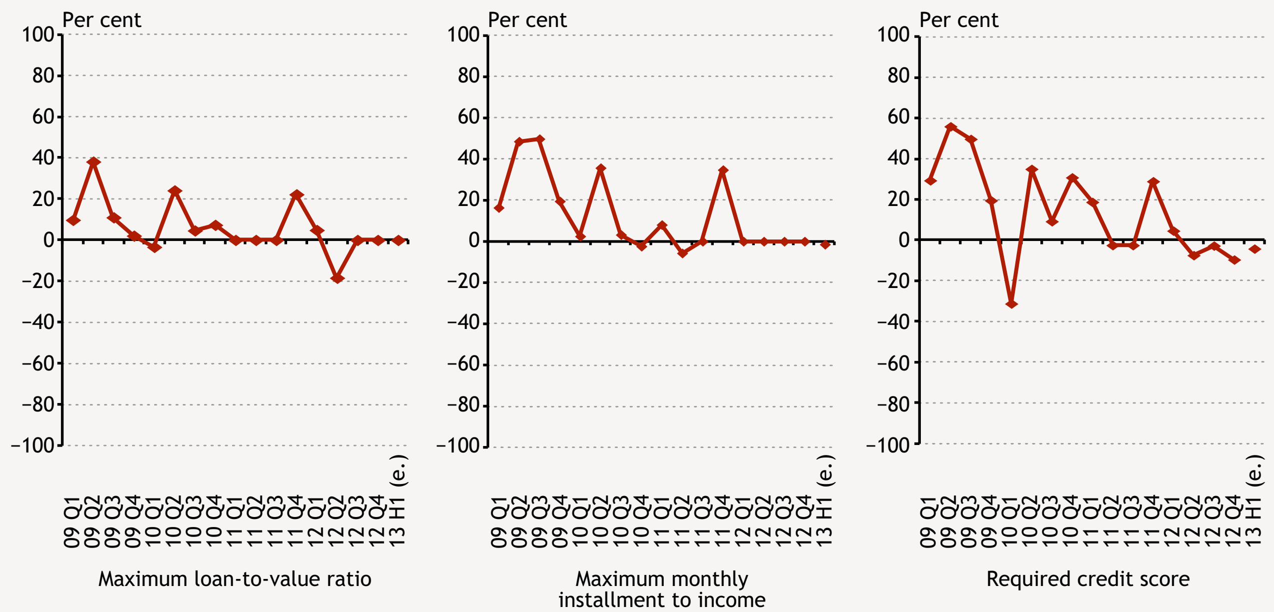
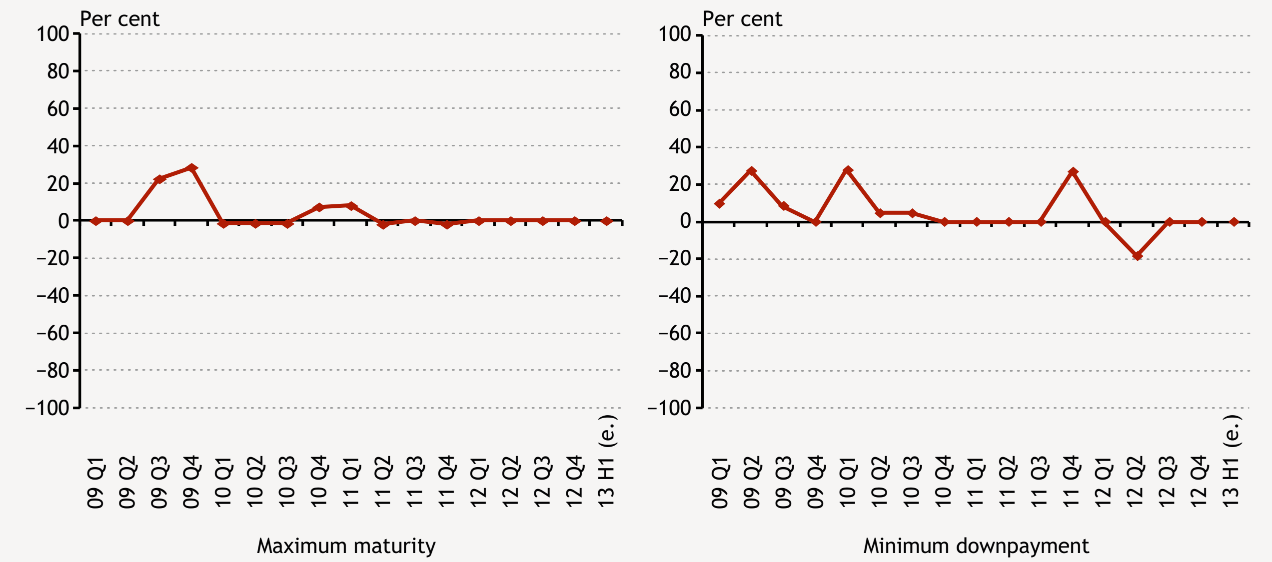


Chart 9a
Credit conditions in the consumer loan market – non-price conditions
(net percentage balance of respondents tightening/easing credit conditions weighted by market share)



Note: The magnitude of tightening/easing is not shown in the chart.

Chart 9b
Credit conditions in the consumer loan market – non-price conditions
(net percentage balance of respondents tightening/easing credit conditions weighted by market share)



Note: The magnitude of tightening/easing is not shown in the chart.

Chart 10
Credit conditions in the consumer loan market – price conditions
(net percentage balance of respondents tightening/easing credit conditions weighted by market share)

Note: The magnitude of tightening/easing is not shown in the chart.

Chart 11
Factors contributing to changes in credit conditions in the case of consumer loans
(net percentage balance of banks indicating a contribution of individual factors to tightening or easing weighted by market share)

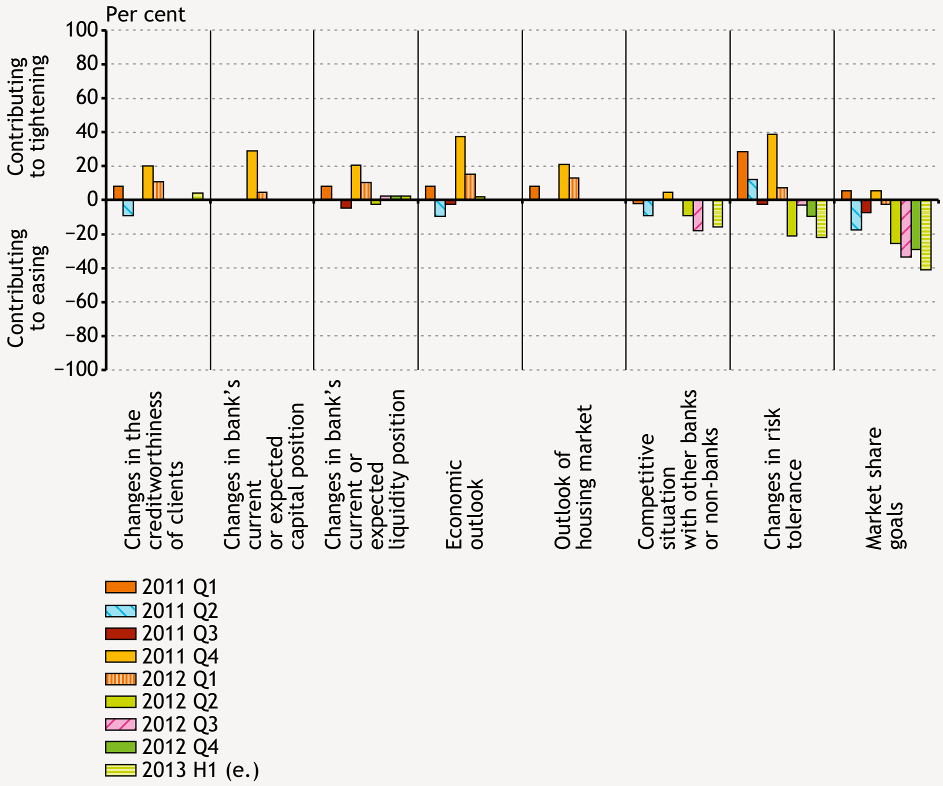
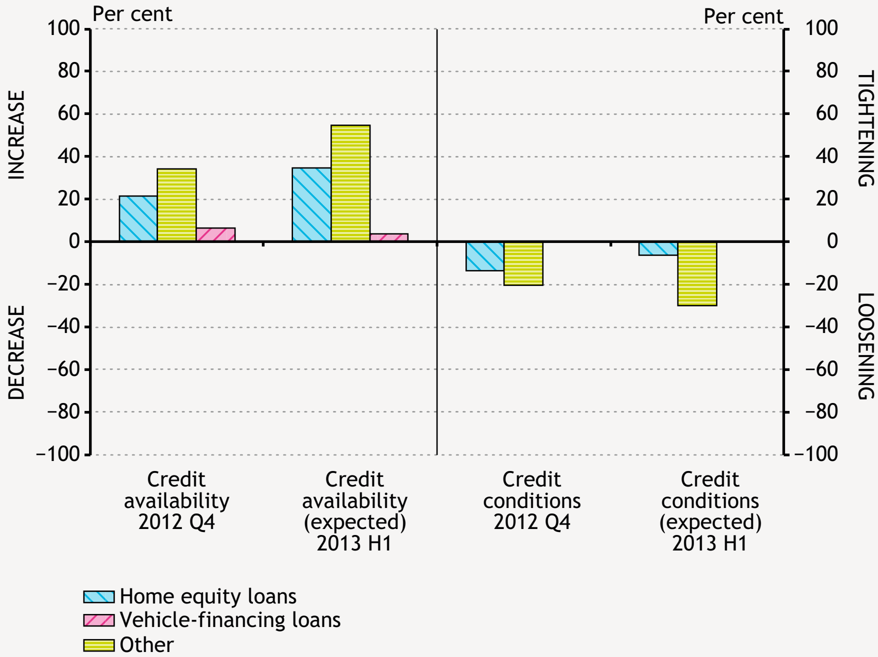
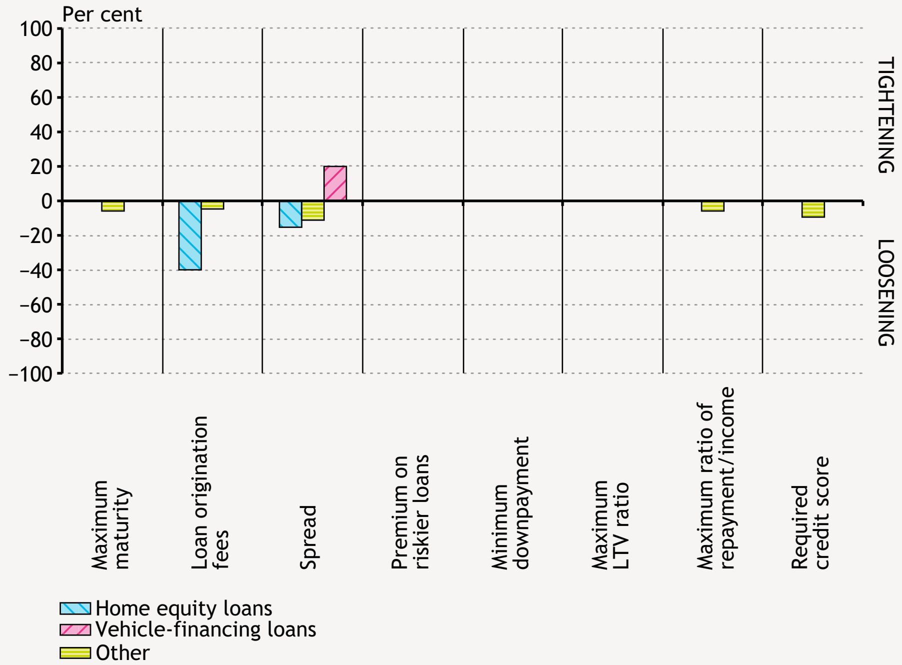


Chart 12
Willingness to lend and credit conditions for different consumer loan products
(net percentage balance of respondents weighted by market share)



Note: The magnitude of tightening/easing is not shown in the chart.

Chart 13
Credit conditions for different consumer loan products in 2012 Q4
(net percentage balance of respondents tightening/easing credit conditions weighted by market share)



Note: The magnitude of tightening/easing is not shown in the chart.

Chart 14
Demand for different consumer loan products
(net percentage balance of banks reporting increase or decrease weighted by market share)

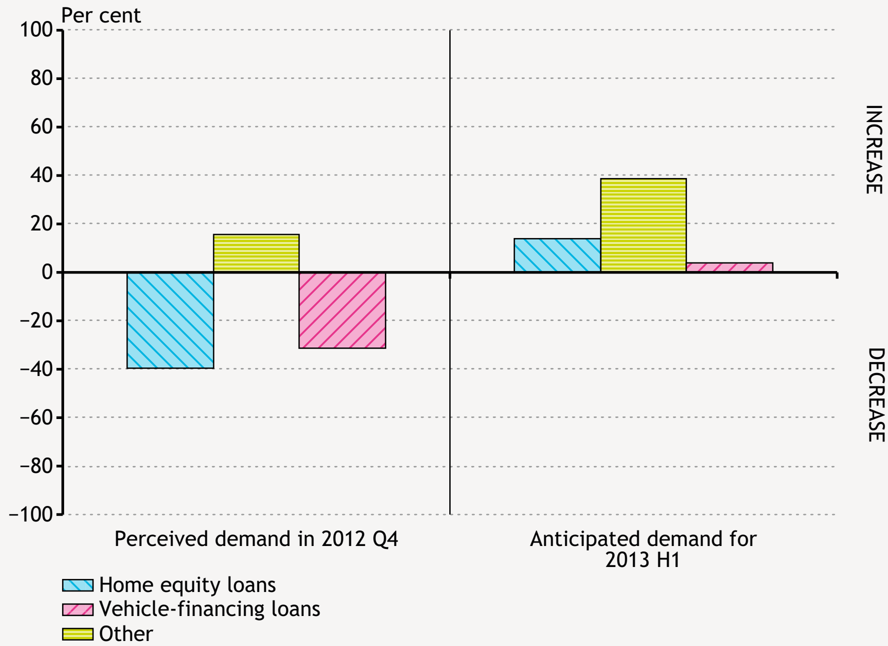
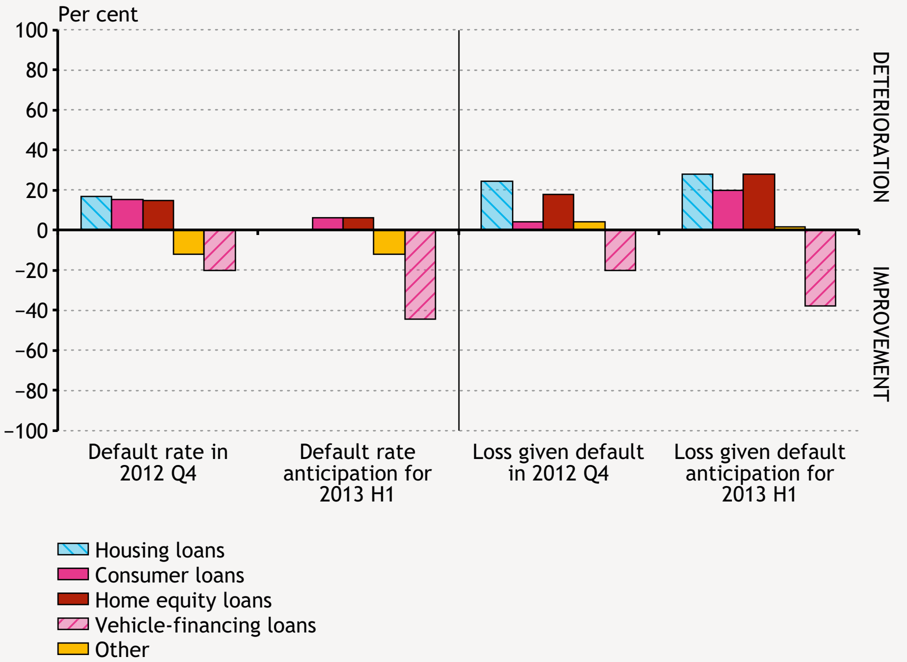
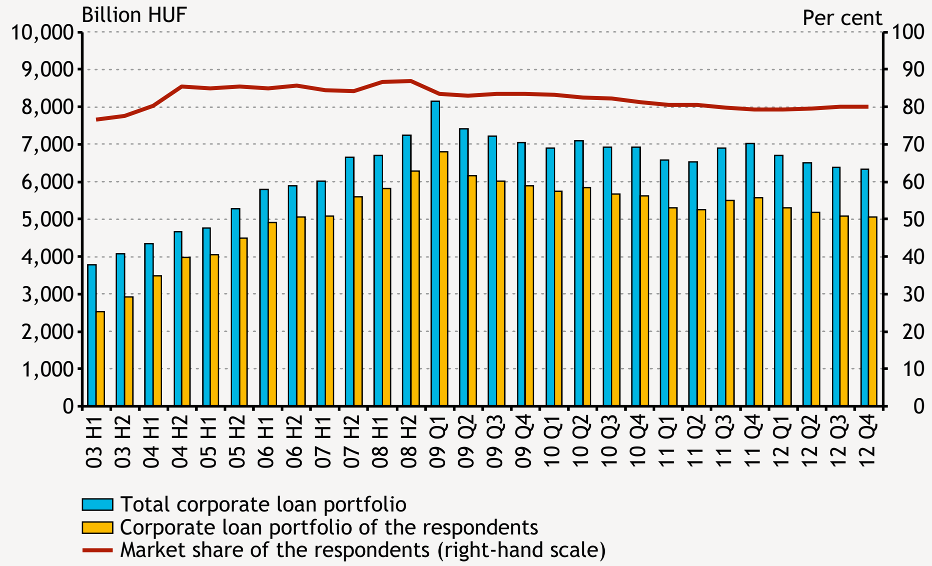


Chart 15
Default rate of loans to households and loss given default
(net percentage balance of banks reporting increase or decrease weighted by market share)



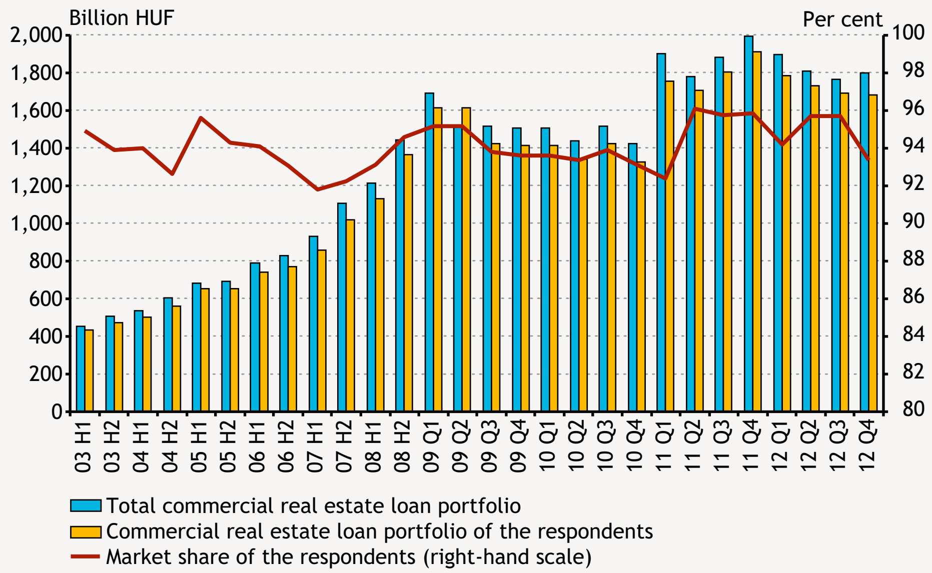
LENDING TO THE CORPORATE SECTOR

Chart 16
Outstanding amount of corporate loans and the market share of banks completing the questionnaire



Note: As of 2009, stock data also include those for credit institutions and branches.

Chart 17
Outstanding amount of commercial real estate loans and the market share of banks completing the questionnaire



Note: As of 2009, stock data also include those for credit institutions and branches. As of 2011 the data includes loans for commercial real estate purchase, not just for development.

Chart 18
Willingness of banks to extend corporate loans
(net percentage balance of respondents reporting increased/decreased credit availability weighted by market share)

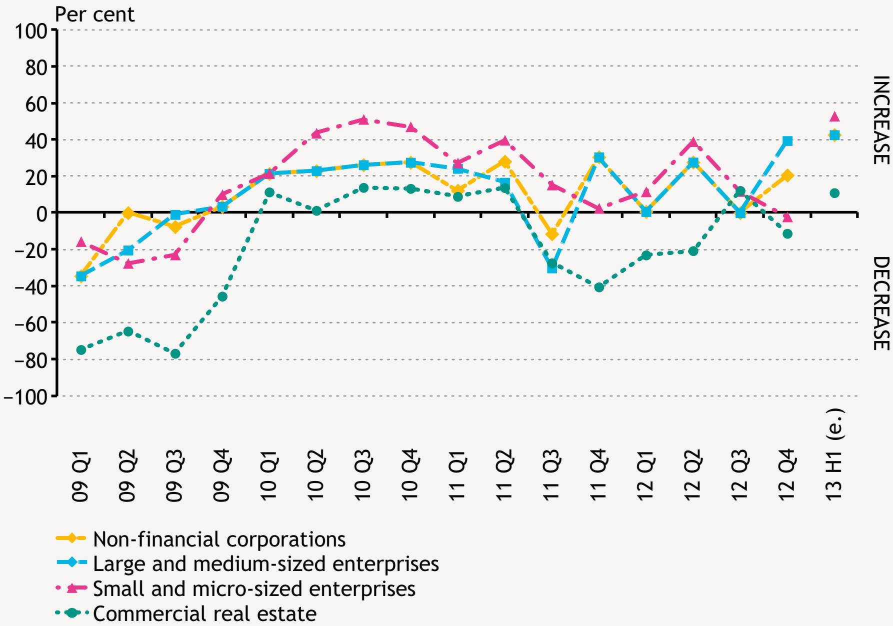
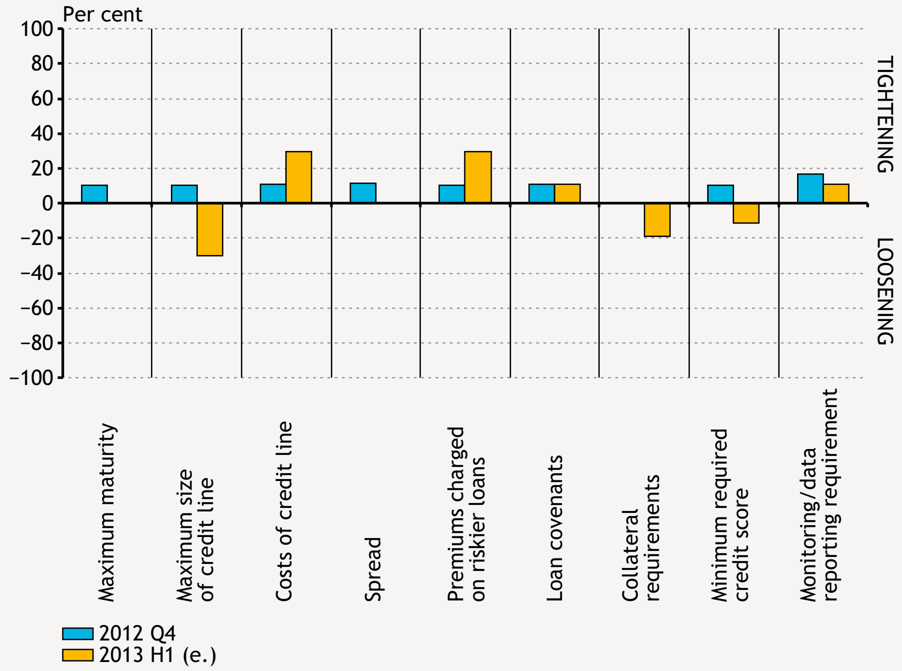


Chart 19
Credit conditions by corporate category and for commercial real estate loans
(net percentage balance of respondents reporting tightening/easing weighted by market share)

Note: The magnitude of tightening/easing is not shown in the chart.

Chart 20
Credit conditions in the corporate segment

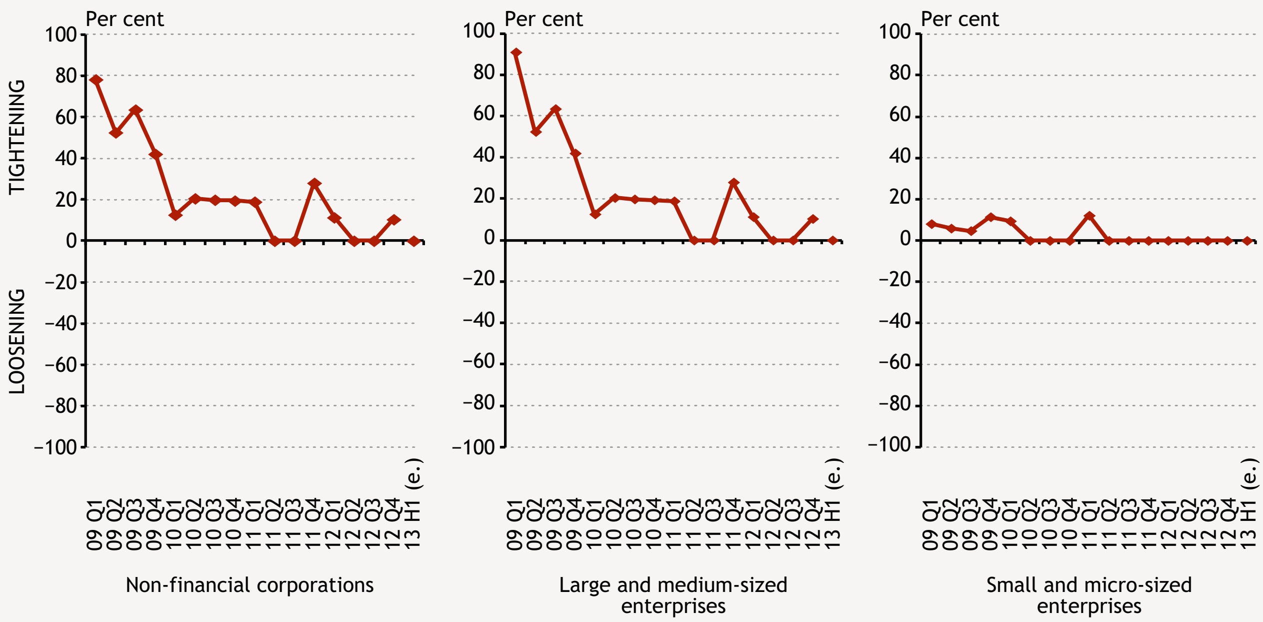
(net percentage balance of respondents reporting tightening/easing weighted by market share)



Note: The magnitude of tightening/easing is not shown in the chart.

Chart 21
Maximum maturities by corporate category

(net percentage balance of respondents reporting tightening/easing weighted by market share)

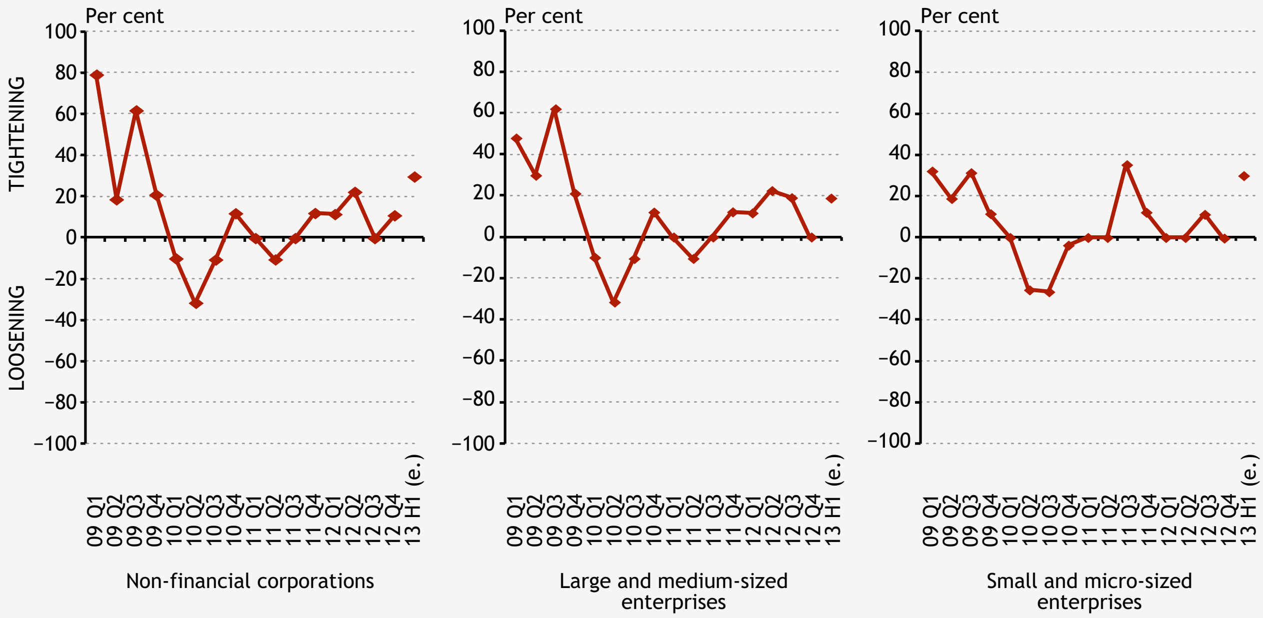


Note: The magnitude of tightening/easing is not shown in the chart.

Chart 22
Maximum size of loans/credit lines by corporate category
(net percentage balance of respondents reporting tightening/easing weighted by market share)

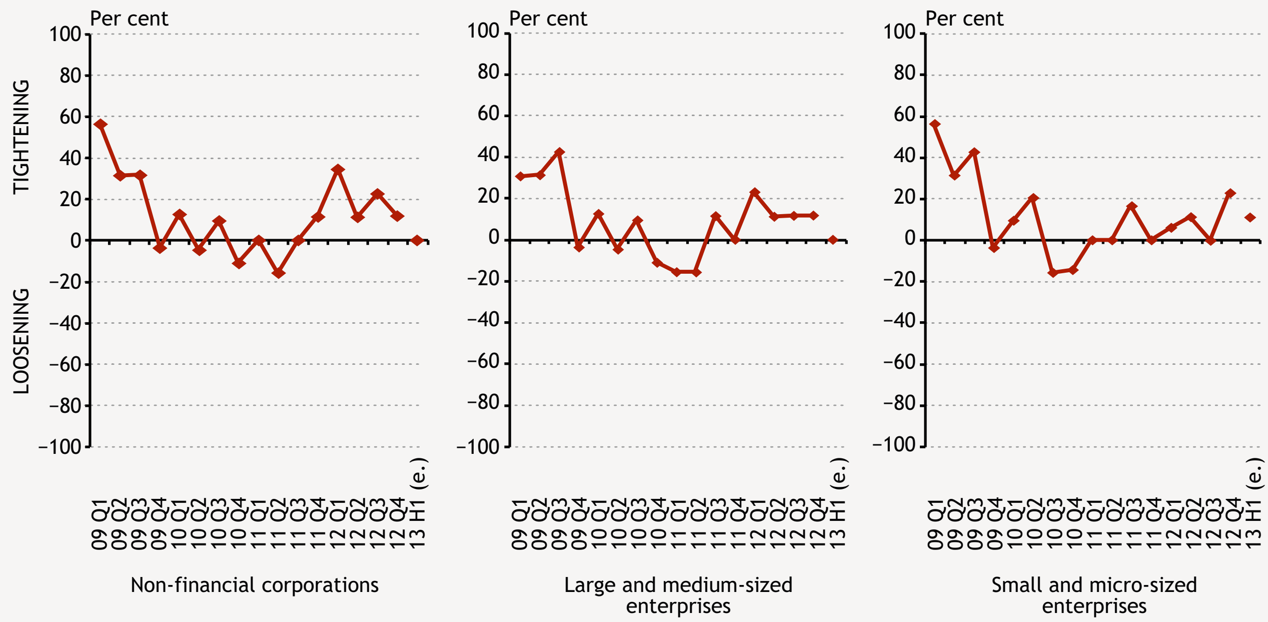
Note: The magnitude of tightening/easing is not shown in the chart.

Chart 23
Fee(s) charged for extending loans/credit lines by corporate category
(net percentage balance of respondents reporting tightening/easing weighted by market share)



Note: The magnitude of tightening/easing is not shown in the chart.

Chart 24
Spread between lending rates and cost of funds by corporate category
(net percentage balance of respondents reporting tightening/easing weighted by market share)

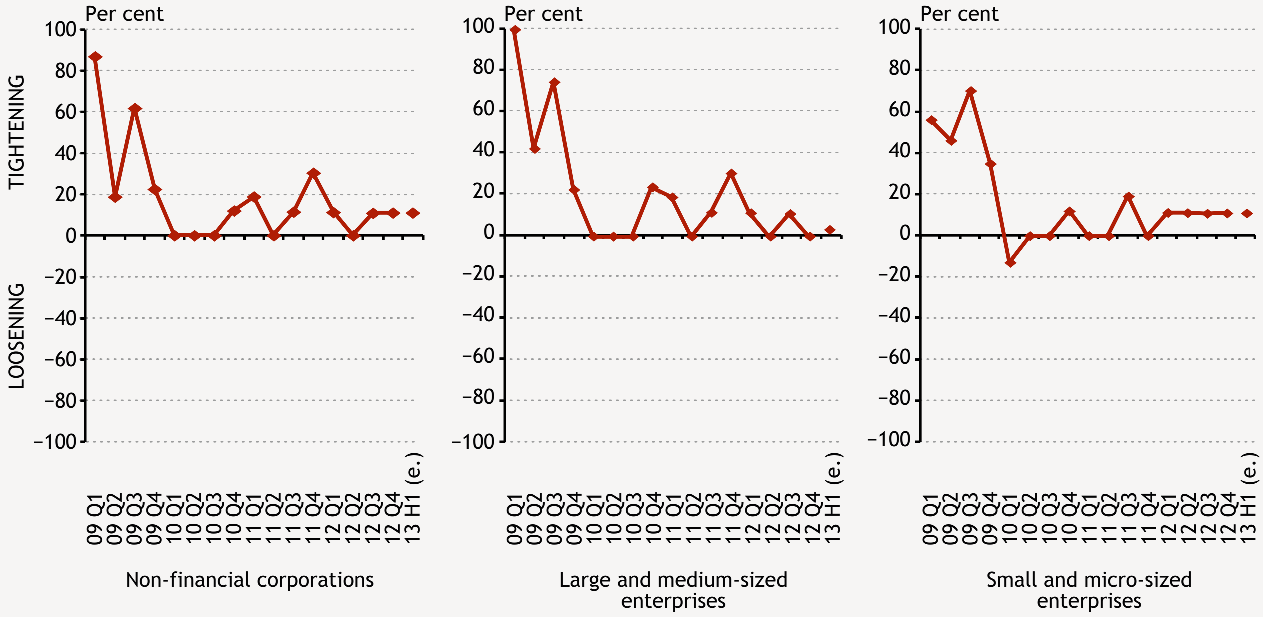


Note: The magnitude of tightening/easing is not shown in the chart.

Chart 25
Premium on riskier loans by corporate category
(net percentage balance of respondents reporting tightening/easing weighted by market share)

Note: The magnitude of tightening/easing is not shown in the chart.

Chart 26
Covenant requirements by corporate category
(net percentage balance of respondents reporting tightening/easing weighted by market share)

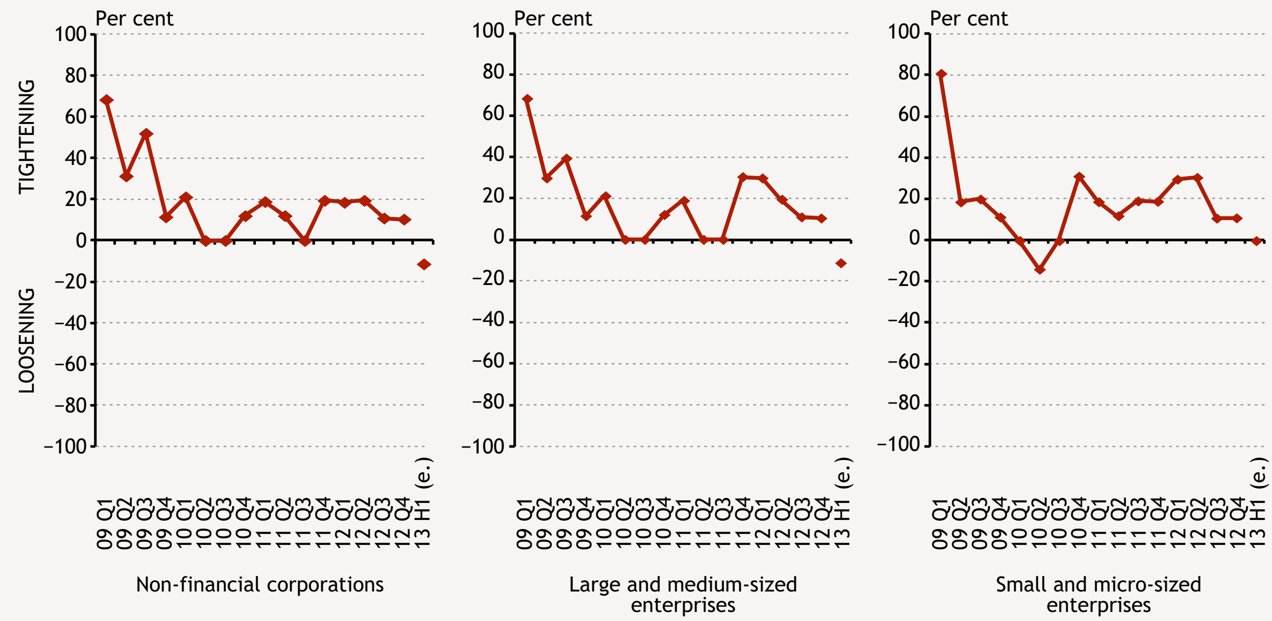


Note: The magnitude of tightening/easing is not shown in the chart.

Chart 27
Collateral requirements by corporate category
(net percentage balance of respondents reporting tightening/easing weighted by market share)

Note: The magnitude of tightening/easing is not shown in the chart.

Chart 28
Minimum required credit score by corporate category
(net percentage balance of respondents reporting tightening/easing weighted by market share)



Note: The magnitude of tightening/easing is not shown in the chart.

Chart 29
Monitoring/reporting requirements by corporate category
(net percentage balance of respondents reporting tightening/easing weighted by market share)

Note: The magnitude of tightening/easing is not shown in the chart.

Chart 30
Factors contributing to changes in credit conditions on corporate loans
(net percentage balance of banks indicating a contribution of individual factors to tightening or easing weighted by market share)

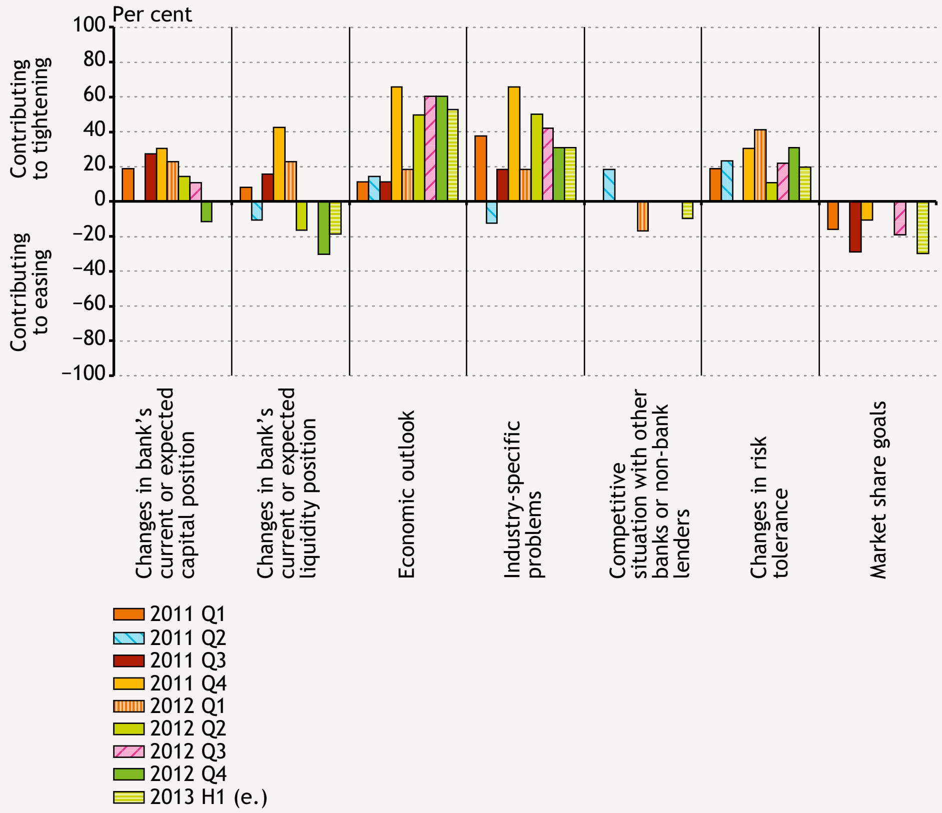


Chart 31
Perceived demand for corporate loans
(net percentage balance of respondents reporting increase/decrease in demand weighted by market share)

Chart 32
Perceived demand for corporate loans by maturity
(net percentage balance of respondents reporting increase/decrease in demand weighted by market share)

Chart 33
Factors contributing to corporations' demand for loans based on banks' perceptions
(net percentage balance of banks indicating a contribution of individual factors to increase or decrease weighted by market share)

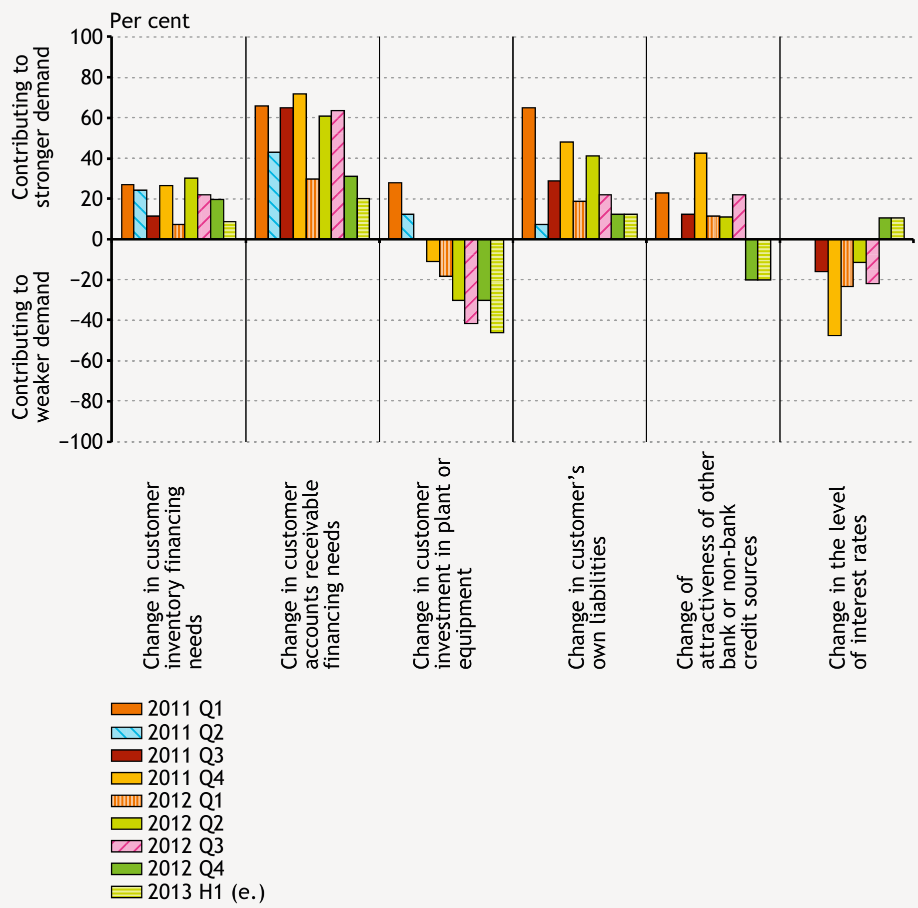


Chart 34
Changes in loan portfolio quality by sector
(net percentage balance of respondents reporting improvement/deterioration weighted by market share)

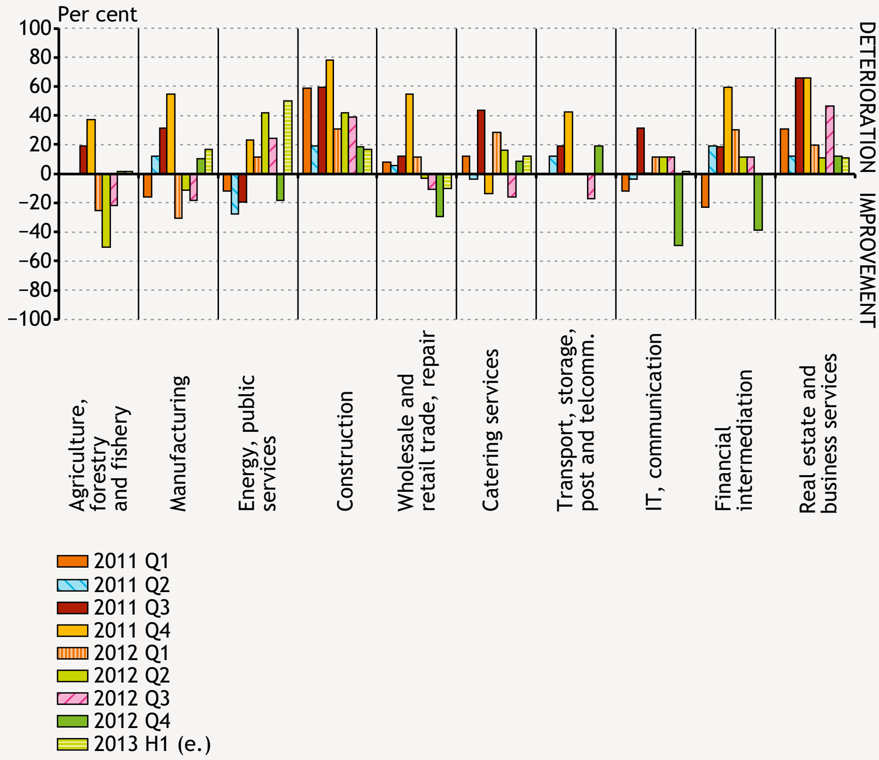
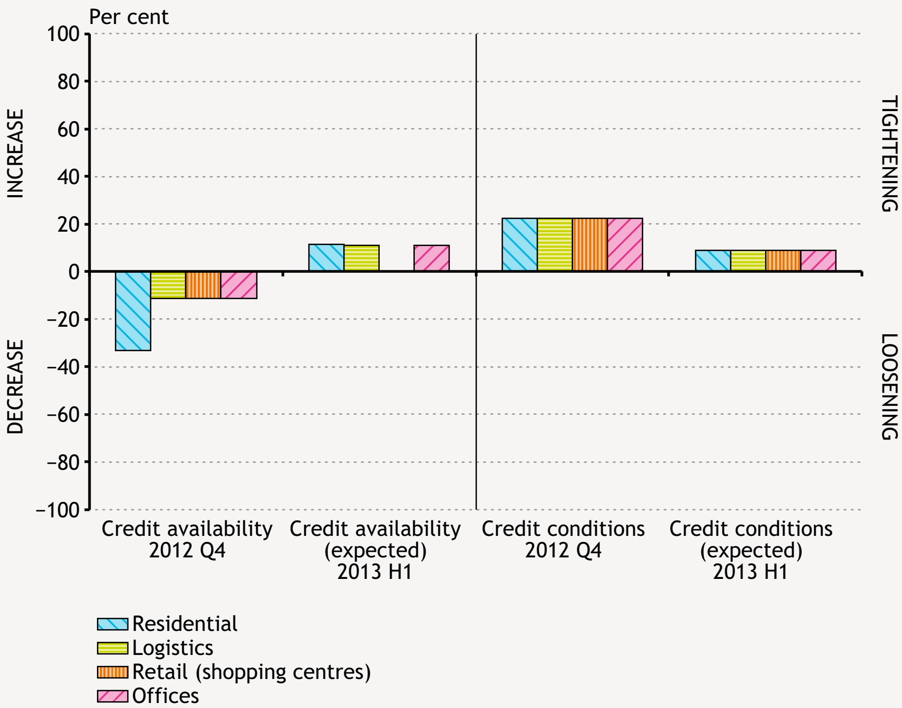


Chart 35
Credit availability (willingness to lend) and credit conditions in the commercial real estate segment
(net percentage balance of respondents reporting an increase/decrease and tightening/easing weighted by market share)



Note: The magnitude of tightening/easing is not shown in the chart.

Chart 36
Demand for loans in specific segments of the commercial real estate market
(net percentage balance of respondents reporting an increase/decrease in demand weighted by market share)

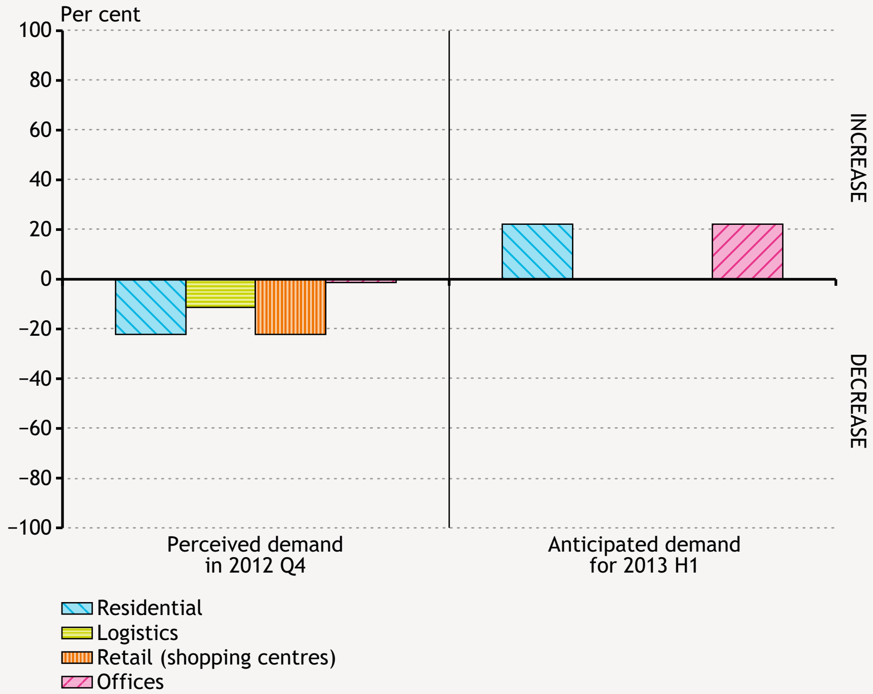


Chart 37
Developments in perceptions of risk associated with corporate loans based on answers provided on default rate and loss given default
(net percentage balance of respondents reporting increased/decreased risk weighted by market share)

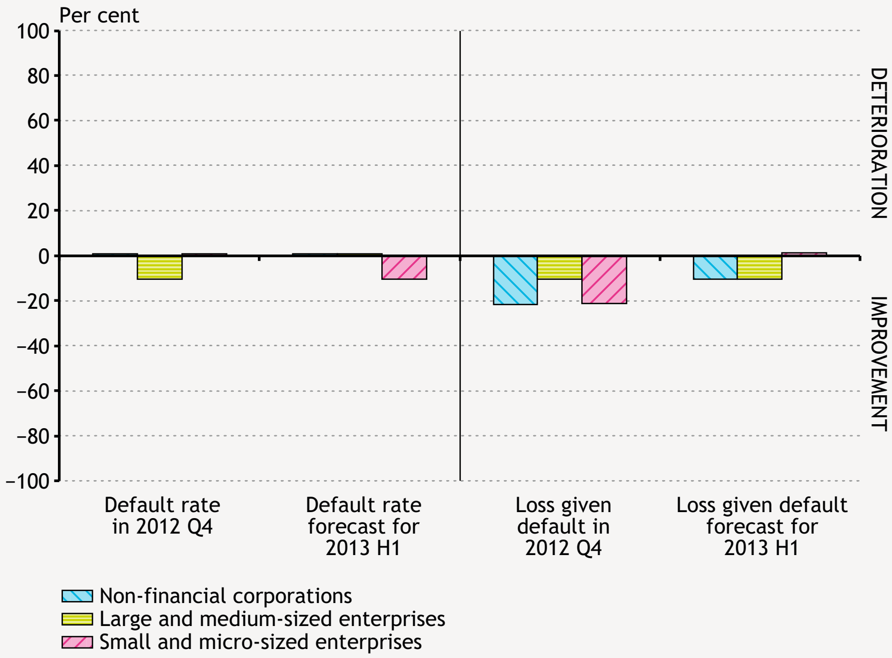
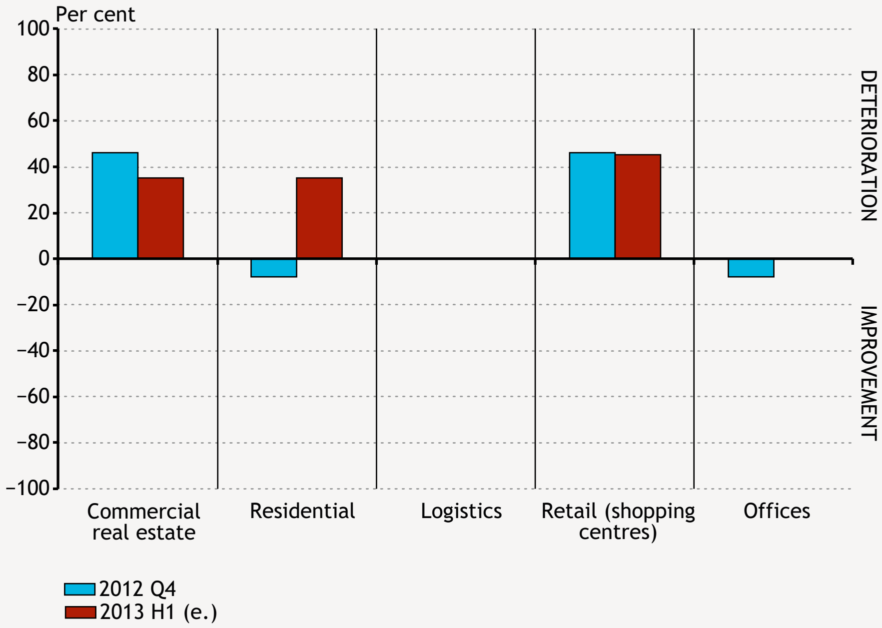


Chart 38

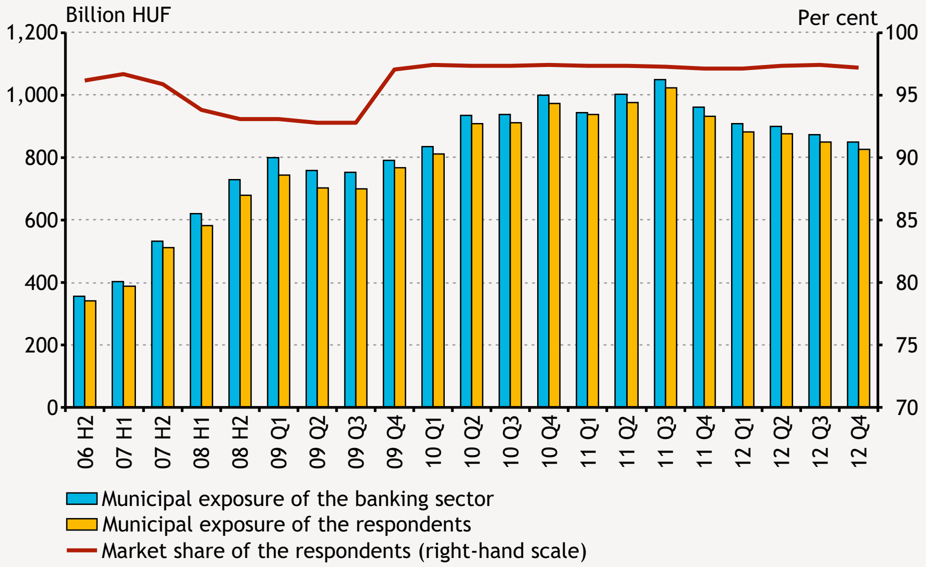
Changes in the quality of the commercial real estate loan portfolio

(net percentage balance of respondents reporting improvement/deterioration weighted by market share)



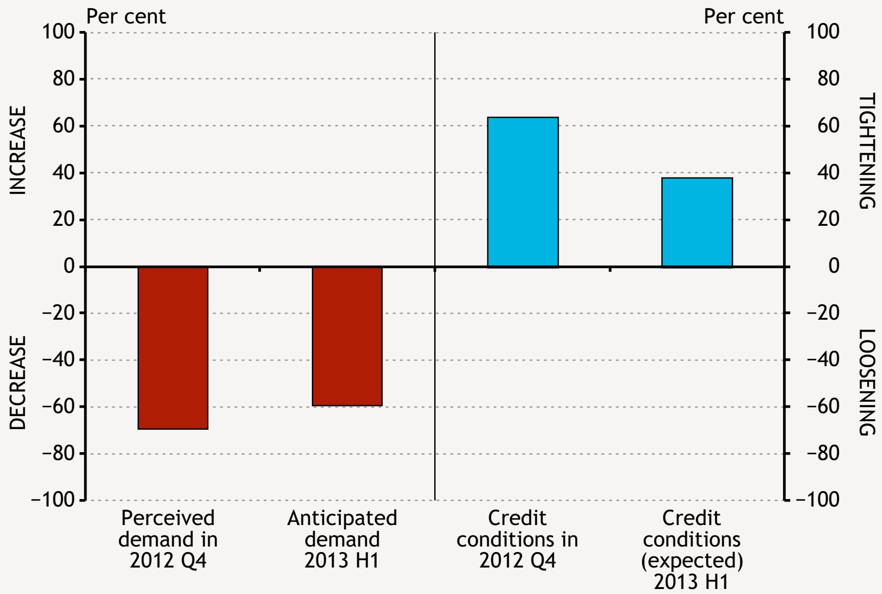
LENDING TO MUNICIPALITIES

Chart 39
Total exposure to municipalities and the share of banks completing the questionnaire



Note: As of 2009, stock data also include those for credit institutions and branches.

Chart 40
Perceived demand for loans and credit conditions in lending to municipalities
(net percentage balance of respondents reporting an increase/decrease and tightening/easing weighted by market share)



Note: The magnitude of tightening/easing is not shown in the chart.

Chart 41
Credit availability (willingness to lend) and portfolio quality in lending to municipalities
(net percentage balance of respondents reporting an increase/decrease and deterioration/improvement weighted by market share)

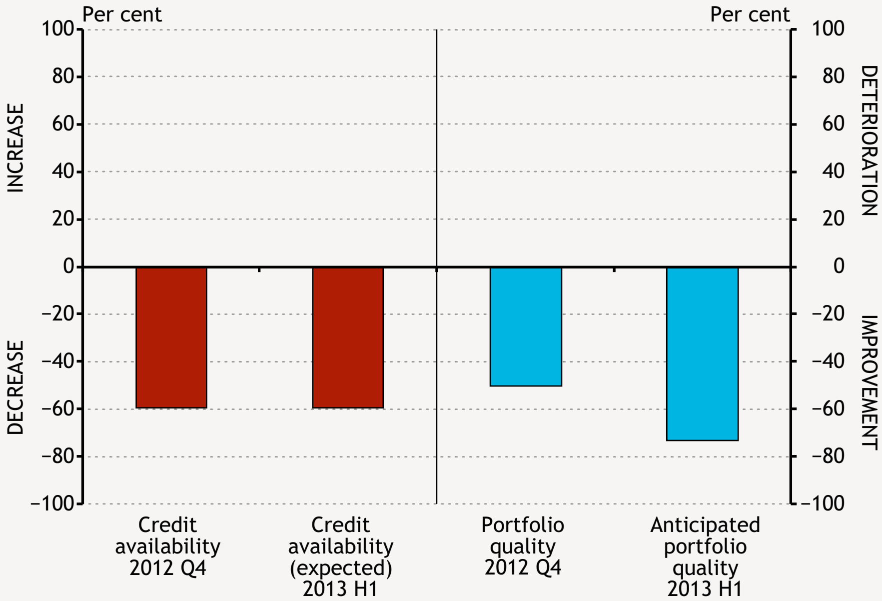
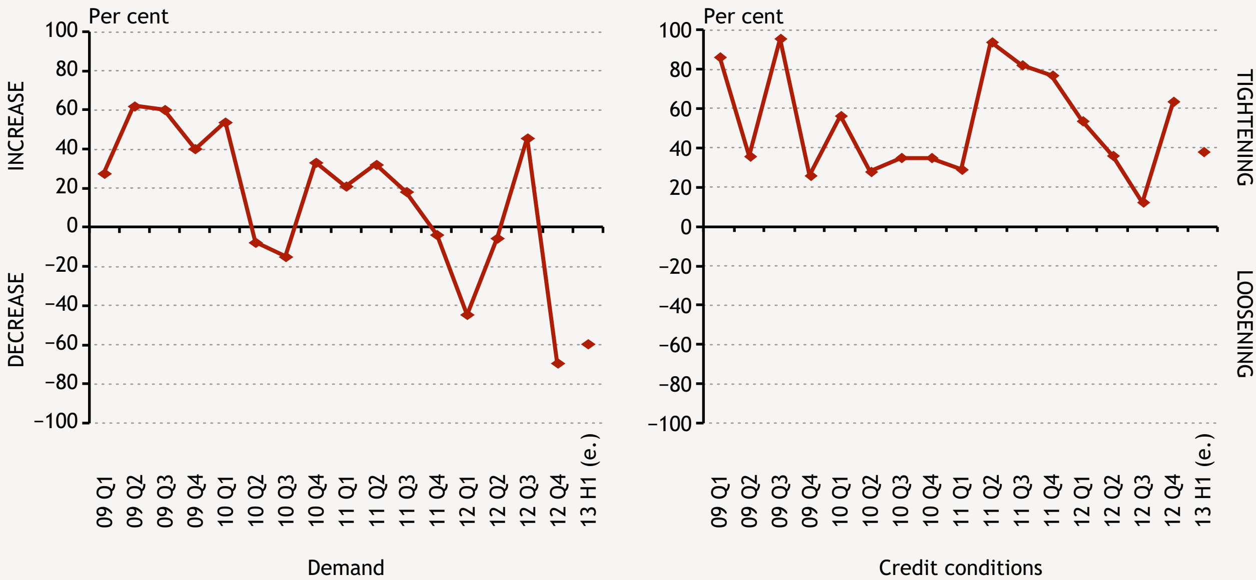


Chart 42
Perceived demand and credit conditions in lending to municipalities
(net percentage balance of respondents reporting an increase/decrease and tightening/easing weighted by market share)



Note: The magnitude of tightening/easing is not shown in the chart.

Annex 2: Methodological notes

In terms of methodology – starting from January 2010 – the survey consists of the standard questionnaire in each segment, and we might also ask ad hoc questions of current concerns related to the lending segment. The retrospective questions in the questionnaire refer to the previous quarter year (previous quarter in the past), (e.g. to 2012 Q4 in January 2013), whereas forward-looking questions contain projections for the upcoming half year (e.g. for 2013 H1 in January 2013), relative to the trends of the previous quarter year (previous half year in the past).

To indicate changes, the survey used the so-called net change indicator, expressed as a percentage of respondents. This indicator is calculated as follows: market share-weighted ratio of respondents projecting a change (tightening/increasing/strengthening) minus market share-weighted ratio of respondents projecting a change in the opposite direction (easing/decreasing/weakening).

The standard part of the questionnaire asked respondents for changes in willingness to lend (volume of loans), credit standards and credit/disbursement conditions, as well as changes in demand (observed in the last quarter and, as expected for the next half year, seasonally adjusted changes in new credit applications) and in portfolio quality as perceived by the respondent, and changes in the risk assessment of different sectors in the case of the corporate questionnaire. The survey applied a five-step scaling to assess changes in the willingness to lend, demand, standards/conditions, risk parameters, however on the charts we only show the direction, excluding magnitude:

- A rating of 1 reflects a considerable increase in demand and in willingness to lend, a considerable tightening in credit standards/credit conditions, a considerable increase in housing prices and risk parameters and, in the case of the risk assessment of sectors, a score of 1 indicates a considerable increase in risk perception relative to the half year preceding the survey, or relative to the current half year or for the upcoming half year in the case of a forecast.

- A rating of 3 indicates an unchanged assessment, both for the current half year and for the forecast pertaining to the upcoming half year.

- A rating of 5 reflects a considerable decrease in demand and in willingness to lend, a considerable loosening of credit standards/credit conditions, a considerable decline in housing prices and risk parameters and, in the case of the risk assessment of sectors, a rating of 5 indicates a significantly safer climate relative to the half year preceding the survey, or relative to the current half year or for the upcoming half year in the case of a forecast.

Ratings of 2 and 4 allow for an intermediate assessment between two extremes (e.g. demand increasing to some extent).

Keywords used for the purposes of the questionnaire are defined as follows:

Credit availability (willingness to lend) reflects the respondent's intention to expand and increase its portfolio in the specific segment.

In terms of **credit conditions,**[8] there is a distinction between price-related and non-price related factors. Non-price related credit conditions (such as collateralisation requirements, loan covenants, maximum size of loans/credit lines, etc.) represent specific contractual terms; the bank will not disburse the loan unless these conditions are met. Regarding the non-price related factors, the survey queried respondents on items such as the spread between the interest rate level and the cost of funds, and risk premium.

[8] As credit standards and credit conditions are interrelated concepts, we surveyed overall changes in credit conditions and standards, followed by a separate query on individual credit conditions.

Senior loan officer survey on bank lending practices
Summary of the aggregate results of the survey for 2012 Q4

February 2013

Print: D-Plus
H–1037 Budapest, Csillaghegyi út 19–21.