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TO: HEADS OF RESEARCH AT ALL FEDERAL RESERVE BANKS

Enclosed for distribution to respondents is a national summary of the July 2010 Senior Loan Officer Opinion Survey on Bank Lending Practices.

Enclosures

This document is available on the Federal Reserve Board's web site (<http://www.federalreserve.gov/boarddocs/surveys>).

The July 2010 Senior Loan Officer Opinion Survey on Bank Lending Practices

The July 2010 Senior Loan Officer Opinion Survey on Bank Lending Practices addressed changes in the supply of, and demand for, bank loans to businesses and households over the past three months. The survey included a set of special questions that asked respondents about lending to European firms and their affiliates and subsidiaries. This summary is based on responses from 57 domestic banks and 23 U.S. branches and agencies of foreign banks.¹

The July survey indicated that, on net, banks had eased standards and terms over the previous three months on loans in some categories, particularly those categories affected by competitive pressures from other banks or from nonbank lenders.² While the survey results suggest that lending conditions are beginning to ease, the improvement to date has been concentrated at large domestic banks.³ Most banks reported that demand for business and consumer loans was about unchanged.

Domestic survey respondents reported having eased standards and most terms on C&I loans to firms of all sizes, a move that continues a modest unwinding of the widespread tightening that occurred over the past few years. Moreover, this is the first survey that has shown an easing of standards on C&I loans to small firms since late 2006.⁴ Significant net fractions of domestic banks also reported having eased their pricing of C&I loans to firms of all sizes. Banks pointed to increased competition in the market for C&I loans as an important factor behind the recent easing of terms and standards. Demand for C&I loans from large and middle-market firms and from small firms was reportedly little changed, on net, over the survey period after declining over the three months prior to the April survey.

On net, large domestic banks reported having easing standards and terms on almost all of the different categories of loans to households. Other banks showed either smaller net fractions having eased lending policies or a net tightening of lending policies. Regarding residential real estate lending, a few large banks reported having eased standards on prime mortgage loans, while a modest net fraction of the remaining banks reported having tightened standards on such loans. Banks reported an increased willingness to make consumer installment loans, on balance, for the third consecutive quarter, and small net fractions of banks reported having eased standards on both credit card and other

¹ Respondent banks received the survey on or after July 13, 2010, and responses were due by July 27, 2010.

² For questions that ask about lending standards or terms, reported net percentages equal the percentage of banks that reported having tightened standards ("tightened considerably" or "tightened somewhat") minus the percentage of banks that reported having eased standards ("eased considerably" or "eased somewhat"). For questions that ask about demand, reported net fractions equal the percentage of banks that reported stronger demand ("substantially stronger" or "moderately stronger") minus the percentage of banks that reported weaker demand ("substantially weaker" or "moderately weaker").

³ Large banks are defined as banks with assets greater than \$20 billion as of March 31, 2010.

⁴ Small firms are generally defined as firms with annual sales of less than \$50 million.

consumer loans. By contrast, small net fractions of respondents reported having tightened the terms and conditions on credit card loans.

Business Lending

(Table 1, questions 1-14, 25; Table 2, questions 1-15)

Questions on commercial and industrial lending. The results of the July survey indicated that a modest net fraction of domestic respondents had eased standards for lending to large and middle-market firms over the previous three months—the second consecutive survey showing such an easing. For the first time since 2006, banks reported having eased their lending standards on C&I loans to small firms. In particular, around one-fifth of large domestic banks reported having eased lending standards for small firms, which offset a net tightening of standards by a small fraction of other banks.

Many banks indicated that they had eased terms on C&I loans, with especially sizable net fractions of domestic banks reporting that they had reduced spreads of loan rates over their bank's cost of funds and had trimmed the costs of credit lines. On net, large domestic banks had eased each of the seven surveyed loan terms for firms of all sizes. Other domestic banks reported a net easing of the spread of loan rates over their own cost of funds and of the costs associated with credit lines, but small net fractions of those banks had increased premiums for riskier borrowers and had tightened the majority of nonprice loan terms, particularly loan covenants. Domestic banks also reported that they had stopped reducing the size of existing credit lines for commercial and industrial firms, on net—the first time that banks had not reported cutting such lines since these questions were added to the survey in January 2009.

Nearly all of the respondents that reported having eased standards or terms on C&I loans cited more aggressive competition from other banks or nonbank lenders (other financial intermediaries or the capital markets) as an important reason for doing so, and about one-half of the respondents that eased pointed to a more favorable or less uncertain economic outlook. Respondents that had tightened lending policies—primarily smaller banks in the sample—generally attributed the move to a less favorable or more uncertain economic outlook, rather than bank-specific factors such as concerns about their capital or liquidity positions.

On balance, demand for C&I loans from large and middle-market firms and from small firms changed little in the July survey. In the April survey, banks had reported weaker demand from firms of all sizes. A shift in customer borrowing to their bank from other credit sources and customers' increased financing needs for inventory and receivables were the most common reasons cited in the current survey by banks that had experienced higher loan demand. The net percentage of respondents that pointed to customers' increased investment in plant or equipment as an important reason for stronger demand for C&I loans also edged up relative to the April survey.

In the July survey, U.S. branches and agencies of foreign banks reported that their standards for approving C&I loans had remained basically unchanged, after having

reported a net easing of such standards in April. Small net fractions of foreign respondents still reported having eased most loan terms in the current survey, but the reported easing was much less widespread than in the April survey. Moreover, branches and agencies had tightened premiums charged on riskier loans, on balance. A modest net fraction of branches and agencies of foreign banks reported that demand had been stronger over the previous three months.

Special questions on lending to European firms and their affiliates and subsidiaries.

A set of special questions asked respondents about lending to firms headquartered in Europe—both nonfinancial companies and banks, as well as their affiliates and subsidiaries. Only about 22 of the 57 domestic respondents indicated that they made loans or extended credit lines to European firms. While only small net percentages of domestic and foreign respondents indicated that their standards and terms on loans to European nonfinancial companies had tightened, somewhat larger net fractions indicated that they had tightened their policies for lending to European banks. Both domestic and foreign respondents indicated, on net, almost no change in demand for loans from European firms or their affiliates or subsidiaries. However, modest net percentages of respondents of both types reported that the number of inquiries regarding the availability of new or increased lines of credit from European borrowers had risen over the past three months.

Questions on commercial real estate lending. In the July survey, most respondents reported no change in their bank's standards for approving commercial real estate loans. The net percentage of banks that reported that their standards had tightened was small, and it dropped slightly relative to the April survey. Overall, the net fraction of banks that reported that demand for CRE loans had decreased continued to be small.

Lending to Households

(Table 1, questions 15-25)

Questions on residential real estate lending. On net, a small fraction of domestic banks reported having eased standards on prime residential mortgage loans; the few respondents that had eased standards were all large banks. The increase in demand over the past few months for prime residential mortgage loans reported by several respondents to the current survey marked a reversal of the net weakening of demand for such loans reported in the April survey. Fewer than one-half of survey respondents indicated that their bank originated nontraditional mortgage loans. Of these respondents, nearly all reported no change in their bank's standards for extending such loans. The small number of banks that reported an increase in demand for nontraditional mortgage loans balanced the number of banks that reported a decrease in demand. In the April survey, one-third of banks, on net, reported that demand for nontraditional mortgage loans had weakened.

A small share of respondents reported that their bank's standards for approving home equity lines of credit (HELOCs) had eased over the past three months. However, a similar fraction of respondents indicated that they had decreased the size of HELOCs for

existing customers over the same period. A small net percentage of banks reported that demand for HELOCs had weakened, on net, down sharply from the April survey.

Questions on consumer lending. The net percentage of respondents that reported an increased willingness to make consumer installment loans increased relative to three months ago, extending the upward trend that it has exhibited in recent quarters and reaching the upper end of its range over the past decade. Consistent with this increased willingness, respondents, on net, reported a net easing of standards for approving consumer loans other than credit card loans. However, terms on consumer loans other than credit card loans were reported to have been roughly unchanged, on net, in the July survey.

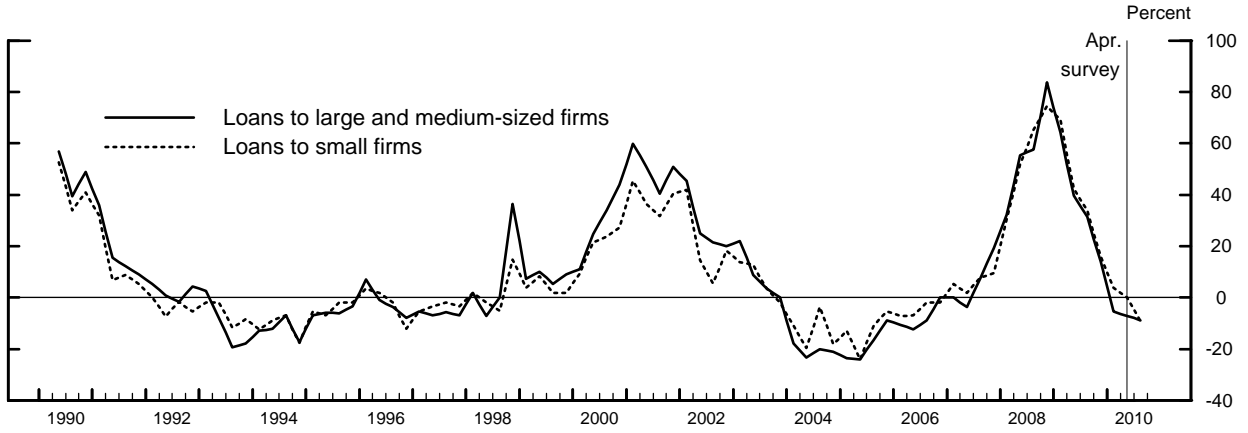
Indicators of changes in standards and terms for approving applications for credit card loans were mixed. A few banks reported having eased standards, but small net fractions of respondents indicated that they had tightened terms and conditions on credit card accounts. Moreover, a small fraction of banks, on net, reported having reduced the size of credit card lines for existing customers, though that fraction has decreased noticeably over the past few surveys. Large banks reported a net easing of terms on credit card loans, while other banks reported a net tightening.

On balance, a small percentage of respondents indicated that demand for consumer loans of all types had weakened. A modest net percentage of large banks reported an increase in demand for the second consecutive quarter, but a slightly larger net percentage of other banks reported a decrease in such demand.

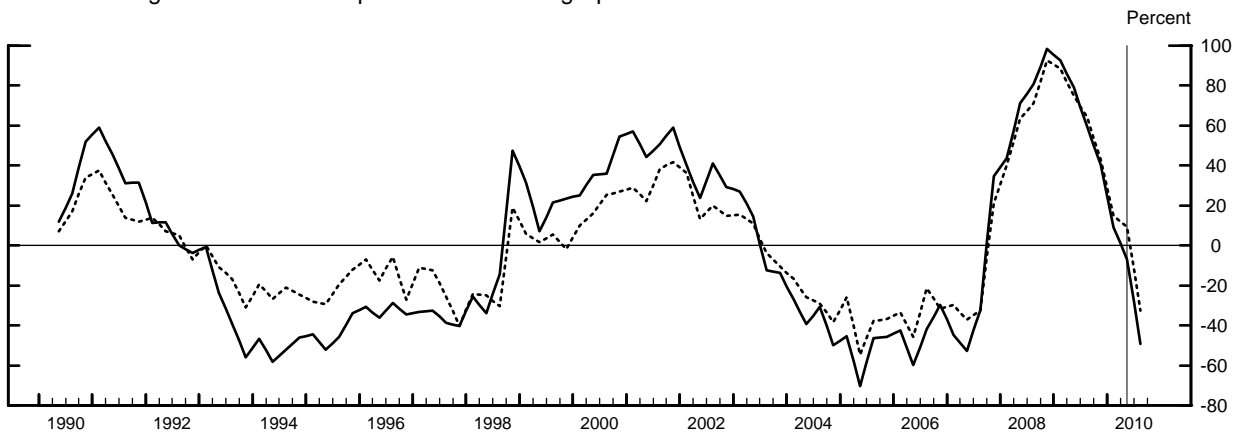
This document was prepared by Mary Beth Chosak with the assistance of Thomas Spiller, Division of Monetary Affairs, Board of Governors of the Federal Reserve System.

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

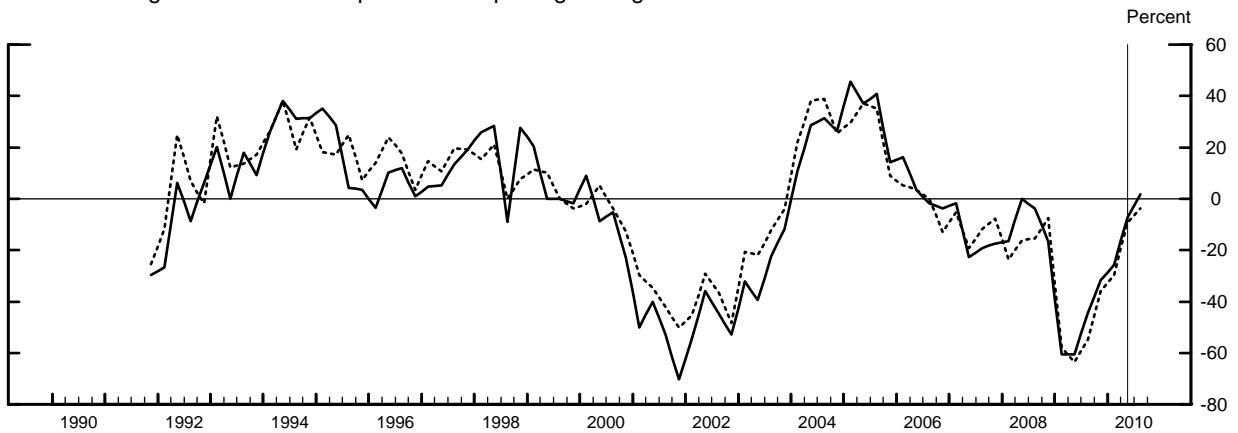
Net Percentage of Domestic Respondents Tightening Standards for Commercial and Industrial Loans



Net Percentage of Domestic Respondents Increasing Spreads of Loan Rates over Banks' Costs of Funds

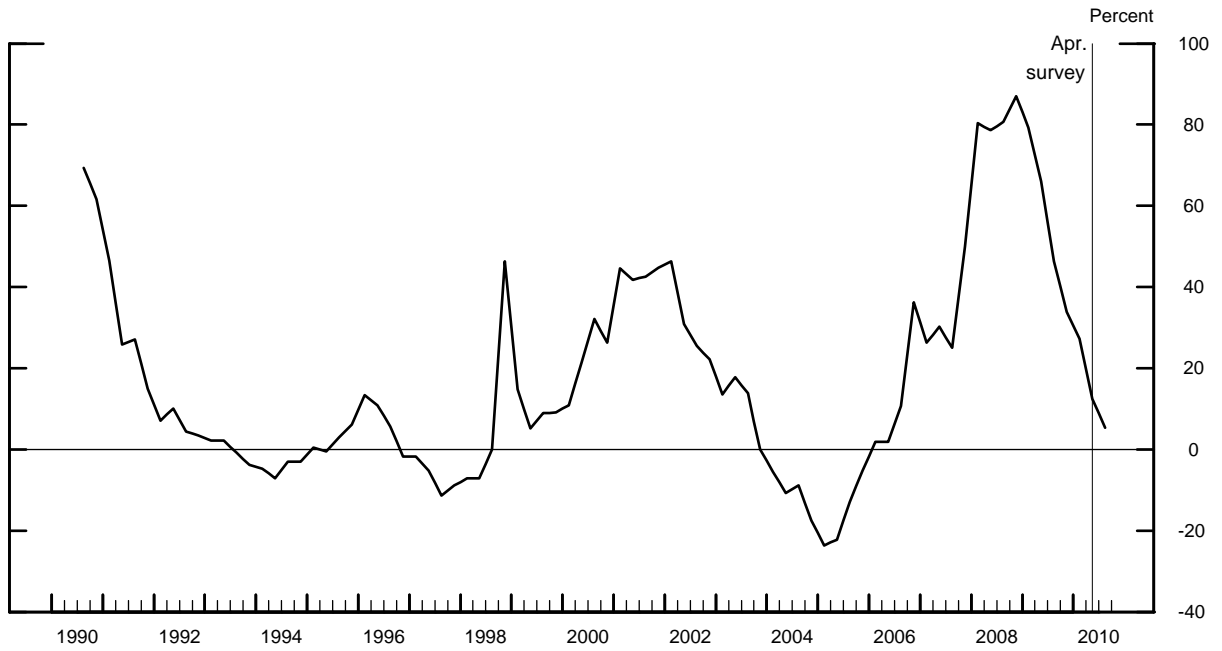


Net Percentage of Domestic Respondents Reporting Stronger Demand for Commercial and Industrial Loans

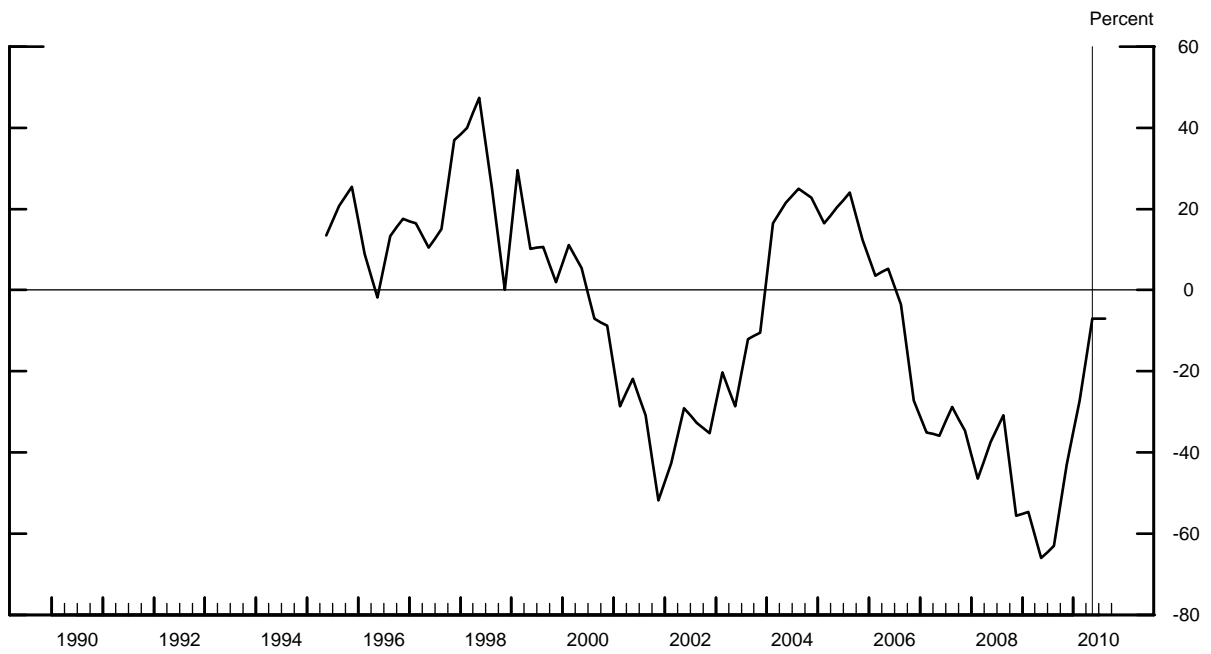


Measures of Supply and Demand for Commercial Real Estate Loans

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

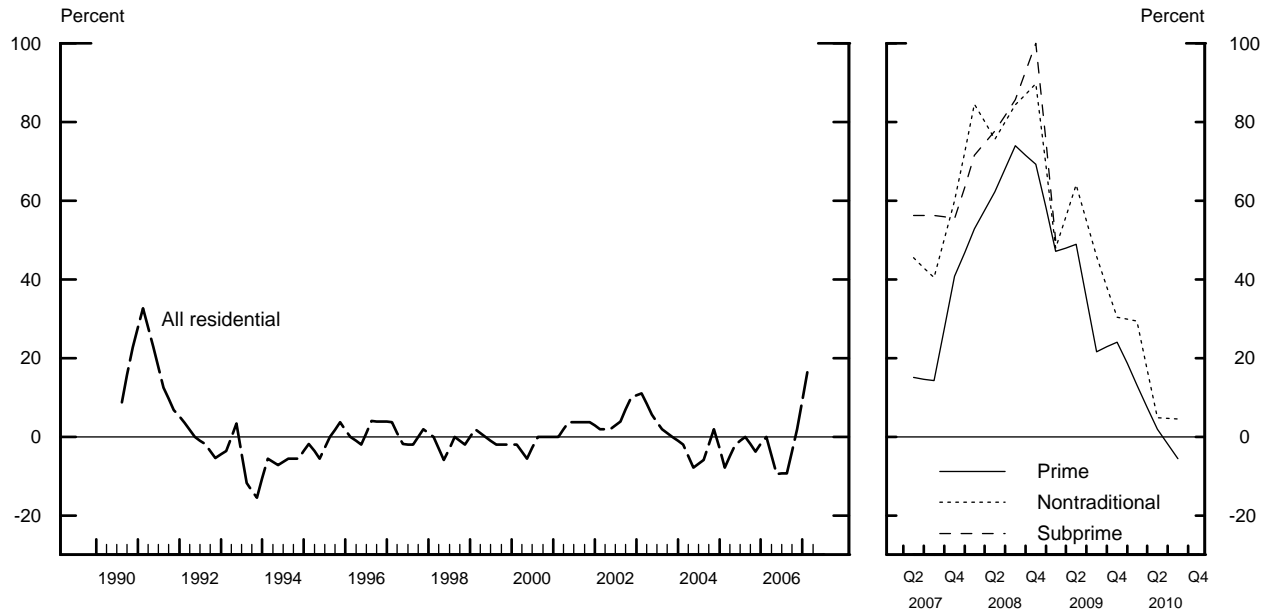


Net Percentage of Domestic Respondents Reporting Stronger Demand for Commercial Real Estate Loans



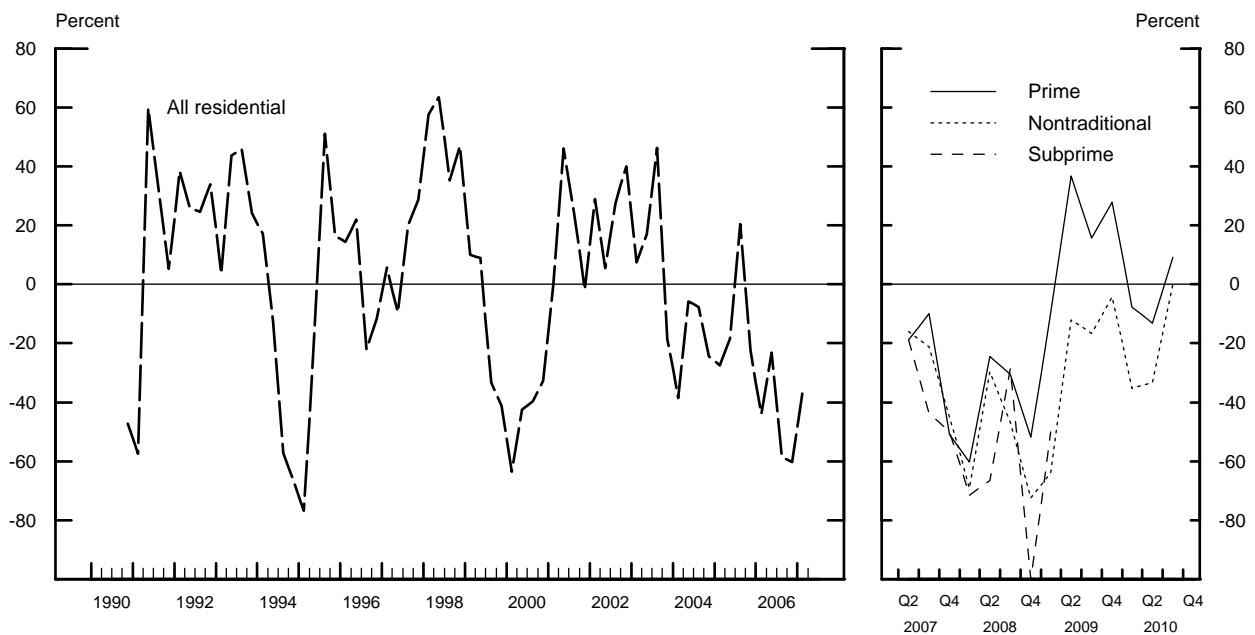
Measures of Supply and Demand for Residential Mortgage Loans

Net Percentage of Domestic Respondents Tightening Standards for Residential Mortgage Loans



Note: For data starting in 2007:Q2, changes in standards for prime, nontraditional, and subprime mortgage loans are reported separately. Series are not reported when the number of respondents is 3 or fewer.

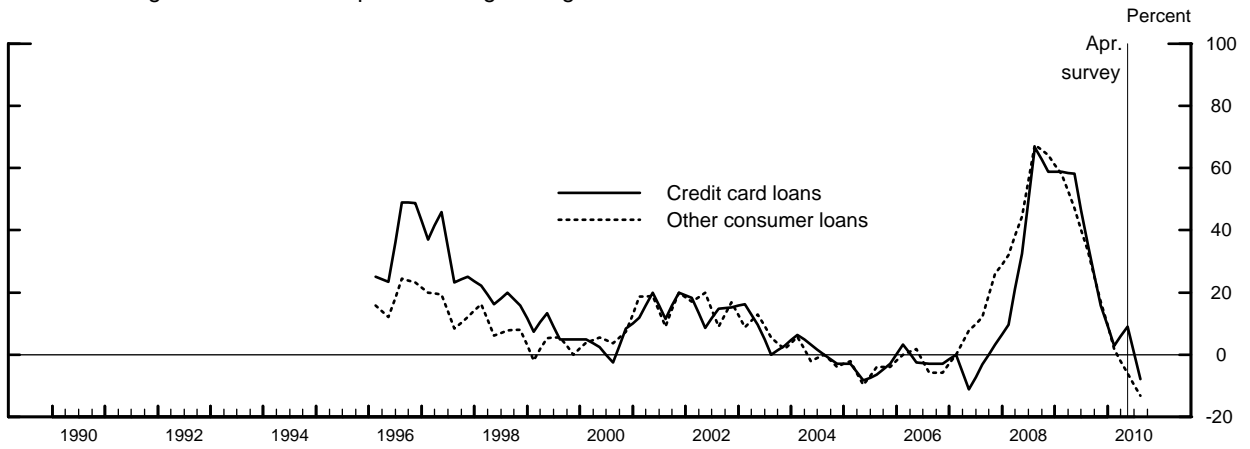
Net Percentage of Domestic Respondents Reporting Stronger Demand for Residential Mortgage Loans



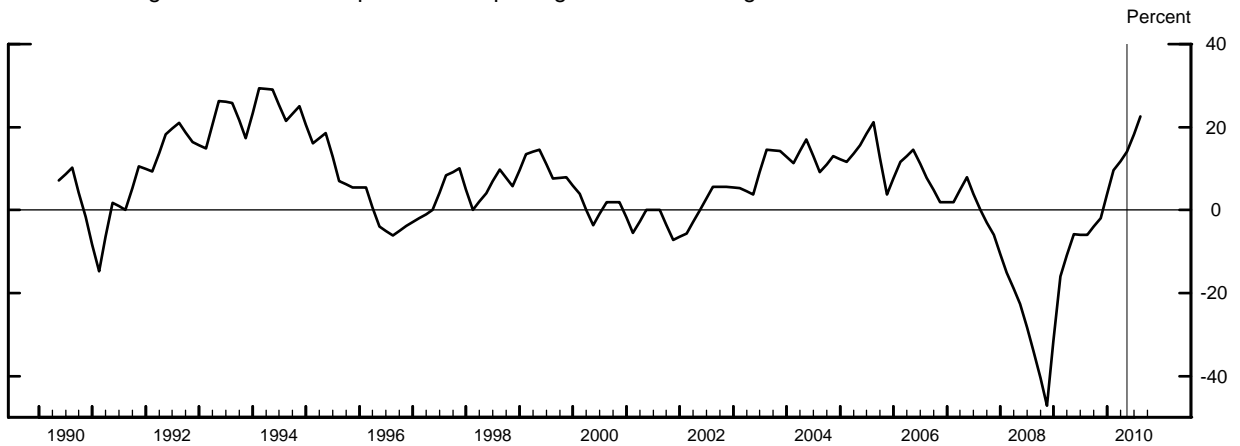
Note: For data starting in 2007:Q2, changes in demand for prime, nontraditional, and subprime mortgage loans are reported separately. Series are not reported when the number of respondents is 3 or fewer.

Measures of Supply and Demand for Consumer Loans

Net Percentage of Domestic Respondents Tightening Standards for Consumer Loans



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



Net Percentage of Domestic Respondents Reporting Stronger Demand for Consumer Loans

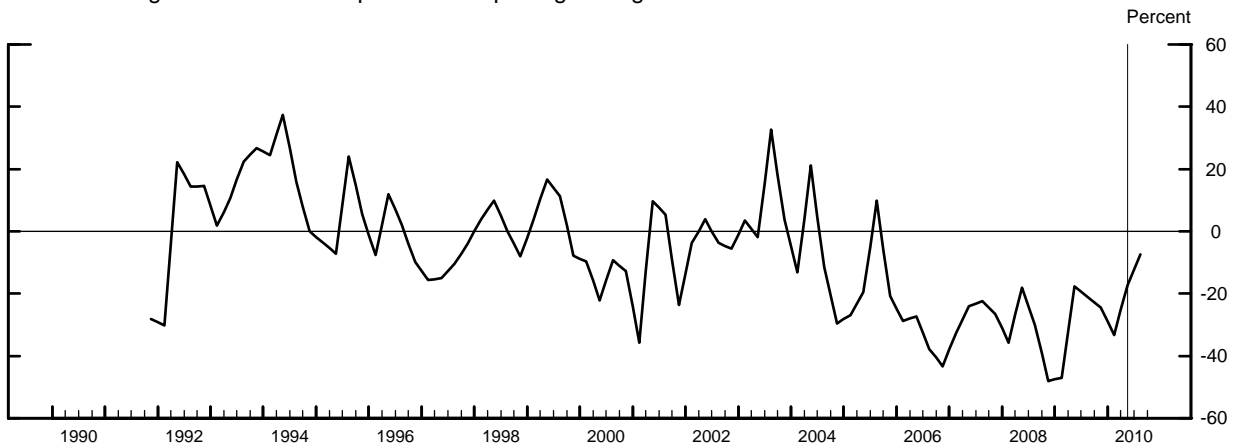


Table 1

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

(Status of policy as of July 2010)

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 | 2 | 3.5 | 0 | 0.0 | 2 | 7.4 |
| Remained basically unchanged | 48 | 84.2 | 25 | 83.3 | 23 | 85.2 |
| Eased somewhat | 7 | 12.3 | 5 | 16.7 | 2 | 7.4 |
| Eased considerably | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 57 | 100.0 | 30 | 100.0 | 27 | 100.0 |

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 | 3 | 5.5 | 0 | 0.0 | 3 | 11.1 |
| Remained basically unchanged | 44 | 80.0 | 22 | 78.6 | 22 | 81.5 |
| Eased somewhat | 8 | 14.5 | 6 | 21.4 | 2 | 7.4 |
| Eased considerably | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 55 | 100.0 | 28 | 100.0 | 27 | 100.0 |

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 | 4 | 7.0 | 2 | 6.7 | 2 | 7.4 |
| Remained basically unchanged | 48 | 84.2 | 25 | 83.3 | 23 | 85.2 |
| Eased somewhat | 5 | 8.8 | 3 | 10.0 | 2 | 7.4 |
| Eased considerably | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 57 | 100.0 | 30 | 100.0 | 27 | 100.0 |

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 | 1 | 1.8 | 1 | 3.3 | 0 | 0.0 |
| Remained basically unchanged | 43 | 75.4 | 18 | 60.0 | 25 | 92.6 |
| Eased somewhat | 13 | 22.8 | 11 | 36.7 | 2 | 7.4 |
| Eased considerably | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 57 | 100.0 | 30 | 100.0 | 27 | 100.0 |

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 | 5.3 | 1 | 3.3 | 2 | 7.4 |
| Remained basically unchanged | 28 | 49.1 | 12 | 40.0 | 16 | 59.3 |
| Eased somewhat | 26 | 45.6 | 17 | 56.7 | 9 | 33.3 |
| Eased considerably | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 57 | 100.0 | 30 | 100.0 | 27 | 100.0 |

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 | 7.0 | 1 | 3.3 | 3 | 11.1 |
| Remained basically unchanged | 21 | 36.8 | 9 | 30.0 | 12 | 44.4 |
| Eased somewhat | 32 | 56.1 | 20 | 66.7 | 12 | 44.4 |
| Eased considerably | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 57 | 100.0 | 30 | 100.0 | 27 | 100.0 |

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 | 8.8 | 2 | 6.7 | 3 | 11.1 |
| Remained basically unchanged | 46 | 80.7 | 23 | 76.7 | 23 | 85.2 |
| Eased somewhat | 6 | 10.5 | 5 | 16.7 | 1 | 3.7 |
| Eased considerably | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 57 | 100.0 | 30 | 100.0 | 27 | 100.0 |

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 | 4 | 7.0 | 0 | 0.0 | 4 | 14.8 |
| Remained basically unchanged | 46 | 80.7 | 23 | 76.7 | 23 | 85.2 |
| Eased somewhat | 7 | 12.3 | 7 | 23.3 | 0 | 0.0 |
| Eased considerably | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 57 | 100.0 | 30 | 100.0 | 27 | 100.0 |

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 | 3 | 5.3 | 0 | 0.0 | 3 | 11.1 |
| Remained basically unchanged | 50 | 87.7 | 27 | 90.0 | 23 | 85.2 |
| Eased somewhat | 4 | 7.0 | 3 | 10.0 | 1 | 3.7 |
| Eased considerably | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 57 | 100.0 | 30 | 100.0 | 27 | 100.0 |

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 | 2 | 3.6 | 0 | 0.0 | 2 | 7.4 |
| Remained basically unchanged | 49 | 89.1 | 25 | 89.3 | 24 | 88.9 |
| Eased somewhat | 4 | 7.3 | 3 | 10.7 | 1 | 3.7 |
| Eased considerably | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 55 | 100.0 | 28 | 100.0 | 27 | 100.0 |

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 | 1 | 1.8 | 1 | 3.6 | 0 | 0.0 |
| Remained basically unchanged | 48 | 87.3 | 22 | 78.6 | 26 | 96.3 |
| Eased somewhat | 6 | 10.9 | 5 | 17.9 | 1 | 3.7 |
| Eased considerably | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 55 | 100.0 | 28 | 100.0 | 27 | 100.0 |

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 | 5.5 | 1 | 3.6 | 2 | 7.4 |
| Remained basically unchanged | 34 | 61.8 | 16 | 57.1 | 18 | 66.7 |
| Eased somewhat | 18 | 32.7 | 11 | 39.3 | 7 | 25.9 |
| Eased considerably | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 55 | 100.0 | 28 | 100.0 | 27 | 100.0 |

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 | 7.3 | 1 | 3.6 | 3 | 11.1 |
| Remained basically unchanged | 29 | 52.7 | 15 | 53.6 | 14 | 51.9 |
| Eased somewhat | 22 | 40.0 | 12 | 42.9 | 10 | 37.0 |
| Eased considerably | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 55 | 100.0 | 28 | 100.0 | 27 | 100.0 |

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 | 9.1 | 2 | 7.1 | 3 | 11.1 |
| Remained basically unchanged | 46 | 83.6 | 23 | 82.1 | 23 | 85.2 |
| Eased somewhat | 4 | 7.3 | 3 | 10.7 | 1 | 3.7 |
| Eased considerably | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 55 | 100.0 | 28 | 100.0 | 27 | 100.0 |

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 | 4 | 7.3 | 0 | 0.0 | 4 | 14.8 |
| Remained basically unchanged | 48 | 87.3 | 25 | 89.3 | 23 | 85.2 |
| Eased somewhat | 3 | 5.5 | 3 | 10.7 | 0 | 0.0 |
| Eased considerably | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 55 | 100.0 | 28 | 100.0 | 27 | 100.0 |

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 | 4 | 7.3 | 0 | 0.0 | 4 | 14.8 |
| Remained basically unchanged | 48 | 87.3 | 26 | 92.9 | 22 | 81.5 |
| Eased somewhat | 3 | 5.5 | 2 | 7.1 | 1 | 3.7 |
| Eased considerably | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 55 | 100.0 | 28 | 100.0 | 27 | 100.0 |

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?

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 | 11 | 84.6 | 3 | 75.0 | 8 | 88.9 |
| Somewhat important | 2 | 15.4 | 1 | 25.0 | 1 | 11.1 |
| Very important | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 13 | 100.0 | 4 | 100.0 | 9 | 100.0 |

b. Less favorable or more uncertain economic outlook

| | All Respondents | | Large Banks | | Other Banks | |
|--------------------|-----------------|---------|-------------|---------|-------------|---------|
| | Banks | Percent | Banks | Percent | Banks | Percent |
| Not important | 2 | 15.4 | 1 | 25.0 | 1 | 11.1 |
| Somewhat important | 7 | 53.8 | 1 | 25.0 | 6 | 66.7 |
| Very important | 4 | 30.8 | 2 | 50.0 | 2 | 22.2 |
| Total | 13 | 100.0 | 4 | 100.0 | 9 | 100.0 |

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

| | All Respondents | | Large Banks | | Other Banks | |
|--------------------|-----------------|---------|-------------|---------|-------------|---------|
| | Banks | Percent | Banks | Percent | Banks | Percent |
| Not important | 4 | 30.8 | 0 | 0.0 | 4 | 44.4 |
| Somewhat important | 5 | 38.5 | 3 | 75.0 | 2 | 22.2 |
| Very important | 4 | 30.8 | 1 | 25.0 | 3 | 33.3 |
| Total | 13 | 100.0 | 4 | 100.0 | 9 | 100.0 |

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 | 12 | 92.3 | 4 | 100.0 | 8 | 88.9 |
| Somewhat important | 1 | 7.7 | 0 | 0.0 | 1 | 11.1 |
| Very important | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 13 | 100.0 | 4 | 100.0 | 9 | 100.0 |

e. Reduced tolerance for risk

| | All Respondents | | Large Banks | | Other Banks | |
|--------------------|-----------------|---------|-------------|---------|-------------|---------|
| | Banks | Percent | Banks | Percent | Banks | Percent |
| Not important | 5 | 38.5 | 1 | 25.0 | 4 | 44.4 |
| Somewhat important | 4 | 30.8 | 2 | 50.0 | 2 | 22.2 |
| Very important | 4 | 30.8 | 1 | 25.0 | 3 | 33.3 |
| Total | 13 | 100.0 | 4 | 100.0 | 9 | 100.0 |

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 | 53.8 | 1 | 25.0 | 6 | 66.7 |
| Somewhat important | 6 | 46.2 | 3 | 75.0 | 3 | 33.3 |
| Very important | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 13 | 100.0 | 4 | 100.0 | 9 | 100.0 |

g. Increase in defaults by borrowers in public debt markets

| | All Respondents | | Large Banks | | Other Banks | |
|--------------------|-----------------|---------|-------------|---------|-------------|---------|
| | Banks | Percent | Banks | Percent | Banks | Percent |
| Not important | 10 | 76.9 | 3 | 75.0 | 7 | 77.8 |
| Somewhat important | 3 | 23.1 | 1 | 25.0 | 2 | 22.2 |
| Very important | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 13 | 100.0 | 4 | 100.0 | 9 | 100.0 |

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

| | All Respondents | | Large Banks | | Other Banks | |
|--------------------|-----------------|---------|-------------|---------|-------------|---------|
| | Banks | Percent | Banks | Percent | Banks | Percent |
| Not important | 12 | 92.3 | 3 | 75.0 | 9 | 100.0 |
| Somewhat important | 1 | 7.7 | 1 | 25.0 | 0 | 0.0 |
| Very important | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 13 | 100.0 | 4 | 100.0 | 9 | 100.0 |

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 | 28 | 87.5 | 19 | 95.0 | 9 | 75.0 |
| Somewhat important | 3 | 9.4 | 0 | 0.0 | 3 | 25.0 |
| Very important | 1 | 3.1 | 1 | 5.0 | 0 | 0.0 |
| Total | 32 | 100.0 | 20 | 100.0 | 12 | 100.0 |

b. More favorable or less uncertain economic outlook

| | All Respondents | | Large Banks | | Other Banks | |
|--------------------|-----------------|---------|-------------|---------|-------------|---------|
| | Banks | Percent | Banks | Percent | Banks | Percent |
| Not important | 15 | 46.9 | 8 | 40.0 | 7 | 58.3 |
| Somewhat important | 14 | 43.8 | 9 | 45.0 | 5 | 41.7 |
| Very important | 3 | 9.4 | 3 | 15.0 | 0 | 0.0 |
| Total | 32 | 100.0 | 20 | 100.0 | 12 | 100.0 |

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

| | All Respondents | | Large Banks | | Other Banks | |
|--------------------|-----------------|---------|-------------|---------|-------------|---------|
| | Banks | Percent | Banks | Percent | Banks | Percent |
| Not important | 25 | 78.1 | 14 | 70.0 | 11 | 91.7 |
| Somewhat important | 5 | 15.6 | 5 | 25.0 | 0 | 0.0 |
| Very important | 2 | 6.3 | 1 | 5.0 | 1 | 8.3 |
| Total | 32 | 100.0 | 20 | 100.0 | 12 | 100.0 |

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 | 2 | 6.3 | 0 | 0.0 | 2 | 16.7 |
| Somewhat important | 10 | 31.3 | 7 | 35.0 | 3 | 25.0 |
| Very important | 20 | 62.5 | 13 | 65.0 | 7 | 58.3 |
| Total | 32 | 100.0 | 20 | 100.0 | 12 | 100.0 |

e. Increased tolerance for risk

| | All Respondents | | Large Banks | | Other Banks | |
|--------------------|-----------------|---------|-------------|---------|-------------|---------|
| | Banks | Percent | Banks | Percent | Banks | Percent |
| Not important | 26 | 81.3 | 15 | 75.0 | 11 | 91.7 |
| Somewhat important | 6 | 18.8 | 5 | 25.0 | 1 | 8.3 |
| Very important | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 32 | 100.0 | 20 | 100.0 | 12 | 100.0 |

f. Increased liquidity in the secondary market for these loans

| | All Respondents | | Large Banks | | Other Banks | |
|--------------------|-----------------|---------|-------------|---------|-------------|---------|
| | Banks | Percent | Banks | Percent | Banks | Percent |
| Not important | 23 | 71.9 | 12 | 60.0 | 11 | 91.7 |
| Somewhat important | 9 | 28.1 | 8 | 40.0 | 1 | 8.3 |
| Very important | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 32 | 100.0 | 20 | 100.0 | 12 | 100.0 |

g. Reduction in defaults by borrowers in public debt markets

| | All Respondents | | Large Banks | | Other Banks | |
|--------------------|-----------------|---------|-------------|---------|-------------|---------|
| | Banks | Percent | Banks | Percent | Banks | Percent |
| Not important | 25 | 78.1 | 14 | 70.0 | 11 | 91.7 |
| Somewhat important | 7 | 21.9 | 6 | 30.0 | 1 | 8.3 |
| Very important | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 32 | 100.0 | 20 | 100.0 | 12 | 100.0 |

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

| | All Respondents | | Large Banks | | Other Banks | |
|--------------------|-----------------|---------|-------------|---------|-------------|---------|
| | Banks | Percent | Banks | Percent | Banks | Percent |
| Not important | 26 | 81.3 | 16 | 80.0 | 10 | 83.3 |
| Somewhat important | 5 | 15.6 | 3 | 15.0 | 2 | 16.7 |
| Very important | 1 | 3.1 | 1 | 5.0 | 0 | 0.0 |
| Total | 32 | 100.0 | 20 | 100.0 | 12 | 100.0 |

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 | 13 | 22.8 | 10 | 33.3 | 3 | 11.1 |
| About the same | 32 | 56.1 | 16 | 53.3 | 16 | 59.3 |
| Moderately weaker | 12 | 21.1 | 4 | 13.3 | 8 | 29.6 |
| Substantially weaker | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 57 | 100.0 | 30 | 100.0 | 27 | 100.0 |

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 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Moderately stronger | 11 | 20.0 | 5 | 17.9 | 6 | 22.2 |
| About the same | 31 | 56.4 | 17 | 60.7 | 14 | 51.9 |
| Moderately weaker | 13 | 23.6 | 6 | 21.4 | 7 | 25.9 |
| Substantially weaker | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 55 | 100.0 | 28 | 100.0 | 27 | 100.0 |

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?

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 | 8 | 47.1 | 7 | 63.6 | 1 | 16.7 |
| Somewhat important | 8 | 47.1 | 3 | 27.3 | 5 | 83.3 |
| Very important | 1 | 5.9 | 1 | 9.1 | 0 | 0.0 |
| Total | 17 | 100.0 | 11 | 100.0 | 6 | 100.0 |

b. Customer accounts receivable financing needs increased

| | All Respondents | | Large Banks | | Other Banks | |
|--------------------|-----------------|---------|-------------|---------|-------------|---------|
| | Banks | Percent | Banks | Percent | Banks | Percent |
| Not important | 7 | 41.2 | 6 | 54.5 | 1 | 16.7 |
| Somewhat important | 9 | 52.9 | 4 | 36.4 | 5 | 83.3 |
| Very important | 1 | 5.9 | 1 | 9.1 | 0 | 0.0 |
| Total | 17 | 100.0 | 11 | 100.0 | 6 | 100.0 |

c. Customer investment in plant or equipment increased

| | All Respondents | | Large Banks | | Other Banks | |
|--------------------|-----------------|---------|-------------|---------|-------------|---------|
| | Banks | Percent | Banks | Percent | Banks | Percent |
| Not important | 8 | 47.1 | 5 | 45.5 | 3 | 50.0 |
| Somewhat important | 9 | 52.9 | 6 | 54.5 | 3 | 50.0 |
| Very important | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 17 | 100.0 | 11 | 100.0 | 6 | 100.0 |

d. Customer internally generated funds decreased

| | All Respondents | | Large Banks | | Other Banks | |
|--------------------|-----------------|---------|-------------|---------|-------------|---------|
| | Banks | Percent | Banks | Percent | Banks | Percent |
| Not important | 14 | 82.4 | 9 | 81.8 | 5 | 83.3 |
| Somewhat important | 2 | 11.8 | 1 | 9.1 | 1 | 16.7 |
| Very important | 1 | 5.9 | 1 | 9.1 | 0 | 0.0 |
| Total | 17 | 100.0 | 11 | 100.0 | 6 | 100.0 |

e. Customer merger or acquisition financing needs increased

| | All Respondents | | Large Banks | | Other Banks | |
|--------------------|-----------------|---------|-------------|---------|-------------|---------|
| | Banks | Percent | Banks | Percent | Banks | Percent |
| Not important | 9 | 52.9 | 4 | 36.4 | 5 | 83.3 |
| Somewhat important | 8 | 47.1 | 7 | 63.6 | 1 | 16.7 |
| Very important | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 17 | 100.0 | 11 | 100.0 | 6 | 100.0 |

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 | 6 | 35.3 | 4 | 36.4 | 2 | 33.3 |
| Somewhat important | 10 | 58.8 | 7 | 63.6 | 3 | 50.0 |
| Very important | 1 | 5.9 | 0 | 0.0 | 1 | 16.7 |
| Total | 17 | 100.0 | 11 | 100.0 | 6 | 100.0 |

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 | 1 | 6.7 | 1 | 16.7 | 0 | 0.0 |
| Somewhat important | 14 | 93.3 | 5 | 83.3 | 9 | 100.0 |
| Very important | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 15 | 100.0 | 6 | 100.0 | 9 | 100.0 |

b. Customer accounts receivable financing needs decreased

| | All Respondents | | Large Banks | | Other Banks | |
|--------------------|-----------------|---------|-------------|---------|-------------|---------|
| | Banks | Percent | Banks | Percent | Banks | Percent |
| Not important | 2 | 13.3 | 2 | 33.3 | 0 | 0.0 |
| Somewhat important | 13 | 86.7 | 4 | 66.7 | 9 | 100.0 |
| Very important | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 15 | 100.0 | 6 | 100.0 | 9 | 100.0 |

c. Customer investment in plant or equipment decreased

| | All Respondents | | Large Banks | | Other Banks | |
|--------------------|-----------------|---------|-------------|---------|-------------|---------|
| | Banks | Percent | Banks | Percent | Banks | Percent |
| Not important | 1 | 6.7 | 0 | 0.0 | 1 | 11.1 |
| Somewhat important | 10 | 66.7 | 5 | 83.3 | 5 | 55.6 |
| Very important | 4 | 26.7 | 1 | 16.7 | 3 | 33.3 |
| Total | 15 | 100.0 | 6 | 100.0 | 9 | 100.0 |

d. Customer internally generated funds increased

| | All Respondents | | Large Banks | | Other Banks | |
|--------------------|-----------------|---------|-------------|---------|-------------|---------|
| | Banks | Percent | Banks | Percent | Banks | Percent |
| Not important | 8 | 53.3 | 4 | 66.7 | 4 | 44.4 |
| Somewhat important | 6 | 40.0 | 1 | 16.7 | 5 | 55.6 |
| Very important | 1 | 6.7 | 1 | 16.7 | 0 | 0.0 |
| Total | 15 | 100.0 | 6 | 100.0 | 9 | 100.0 |

e. Customer merger or acquisition financing needs decreased

| | All Respondents | | Large Banks | | Other Banks | |
|--------------------|-----------------|---------|-------------|---------|-------------|---------|
| | Banks | Percent | Banks | Percent | Banks | Percent |
| Not important | 9 | 60.0 | 3 | 50.0 | 6 | 66.7 |
| Somewhat important | 5 | 33.3 | 3 | 50.0 | 2 | 22.2 |
| Very important | 1 | 6.7 | 0 | 0.0 | 1 | 11.1 |
| Total | 15 | 100.0 | 6 | 100.0 | 9 | 100.0 |

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

| | All Respondents | | Large Banks | | Other Banks | |
|--------------------|-----------------|---------|-------------|---------|-------------|---------|
| | Banks | Percent | Banks | Percent | Banks | Percent |
| Not important | 11 | 73.3 | 4 | 66.7 | 7 | 77.8 |
| Somewhat important | 4 | 26.7 | 2 | 33.3 | 2 | 22.2 |
| Very important | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 15 | 100.0 | 6 | 100.0 | 9 | 100.0 |

6. At your bank, 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 | 1 | 1.8 | 1 | 3.3 | 0 | 0.0 |
| The number of inquiries has increased moderately | 16 | 28.1 | 10 | 33.3 | 6 | 22.2 |
| The number of inquiries has stayed about the same | 33 | 57.9 | 17 | 56.7 | 16 | 59.3 |
| The number of inquiries has decreased moderately | 6 | 10.5 | 2 | 6.7 | 4 | 14.8 |
| The number of inquiries has decreased substantially | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 57 | 100.0 | 30 | 100.0 | 27 | 100.0 |

Current fiscal and financial strains in Europe may have adversely affected the outlook for companies headquartered in Europe and their affiliates and subsidiaries. **Questions 7-8** deal with changes in your bank's lending policies towards European firms and their affiliates and subsidiaries over the past three months. In addition, developments in Europe may have affected the demand for credit from U.S. banks by European firms and their affiliates and subsidiaries. **Questions 9-12** deal with such changes in demand. Please answer the following questions about European firms and their affiliates and subsidiaries regardless of the locations of the affiliates and subsidiaries.

7. Over the past three months, how have your bank's credit standards and terms for approving applications for C&I loans or credit lines—other than those to be used to finance mergers and acquisitions—from nonfinancial companies headquartered in Europe and their affiliates and subsidiaries changed?

| | All Respondents | | Large Banks | | Other Banks | |
|------------------------------|-----------------|---------|-------------|---------|-------------|---------|
| | Banks | Percent | Banks | Percent | Banks | Percent |
| Tightened considerably | 1 | 4.5 | 1 | 5.6 | 0 | 0.0 |
| Tightened somewhat | 1 | 4.5 | 0 | 0.0 | 1 | 25.0 |
| Remained basically unchanged | 19 | 86.4 | 16 | 88.9 | 3 | 75.0 |
| Eased somewhat | 1 | 4.5 | 1 | 5.6 | 0 | 0.0 |
| Eased considerably | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 22 | 100.0 | 18 | 100.0 | 4 | 100.0 |

For this question, 31 respondents answered “My bank does not make C&I loans or extend credit lines to nonfinancial companies headquartered in Europe or their affiliates or subsidiaries.”

8. Over the past three months, how have your bank's credit standards and terms for approving applications for loans or credit lines—other than those to be used to finance mergers and acquisitions—from banks headquartered in Europe and their affiliates and subsidiaries changed?

| | All Respondents | | Large Banks | | Other Banks | |
|------------------------------|-----------------|---------|-------------|---------|-------------|---------|
| | Banks | Percent | Banks | Percent | Banks | Percent |
| Tightened considerably | 1 | 4.5 | 1 | 5.6 | 0 | 0.0 |
| Tightened somewhat | 4 | 18.2 | 4 | 22.2 | 0 | 0.0 |
| Remained basically unchanged | 16 | 72.7 | 12 | 66.7 | 4 | 100.0 |
| Eased somewhat | 1 | 4.5 | 1 | 5.6 | 0 | 0.0 |
| Eased considerably | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 22 | 100.0 | 18 | 100.0 | 4 | 100.0 |

For this question, 31 respondents answered “My bank does not make loans or extend credit lines to banks headquartered in Europe or their affiliates or subsidiaries.”

9. Apart from normal seasonal variation, how has demand for C&I loans from nonfinancial companies headquartered in Europe and their affiliates and subsidiaries 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 | 2 | 9.5 | 2 | 11.8 | 0 | 0.0 |
| About the same | 18 | 85.7 | 14 | 82.4 | 4 | 100.0 |
| Moderately weaker | 1 | 4.8 | 1 | 5.9 | 0 | 0.0 |
| Substantially weaker | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 21 | 100.0 | 17 | 100.0 | 4 | 100.0 |

For this question, 32 respondents answered “My bank does not make C&I loans to nonfinancial companies headquartered in Europe or their affiliates or subsidiaries.”

10. Apart from normal seasonal variation, how has demand for loans from banks headquartered in Europe and their affiliates and subsidiaries 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 | 1 | 5.0 | 1 | 6.3 | 0 | 0.0 |
| About the same | 19 | 95.0 | 15 | 93.8 | 4 | 100.0 |
| Moderately weaker | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Substantially weaker | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 20 | 100.0 | 16 | 100.0 | 4 | 100.0 |

For this question, 33 respondents answered “My bank does not make loans to banks headquartered in Europe or their affiliates or subsidiaries.”

11. At your bank, how has the number of inquiries from nonfinancial companies headquartered in Europe and their affiliates and subsidiaries 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 | 4 | 19.0 | 4 | 23.5 | 0 | 0.0 |
| The number of inquiries has stayed about the same | 16 | 76.2 | 12 | 70.6 | 4 | 100.0 |
| The number of inquiries has decreased moderately | 1 | 4.8 | 1 | 5.9 | 0 | 0.0 |
| The number of inquiries has decreased substantially | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 21 | 100.0 | 17 | 100.0 | 4 | 100.0 |

For this question, 32 respondents answered “My bank does not extend credit lines to nonfinancial companies headquartered in Europe or their affiliates or subsidiaries.”

12. At your bank, how has the number of inquiries from banks headquartered in Europe and their affiliates and subsidiaries 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 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 | 3 | 13.6 | 3 | 16.7 | 0 | 0.0 |
| The number of inquiries has stayed about the same | 19 | 86.4 | 15 | 83.3 | 4 | 100.0 |
| The number of inquiries has decreased moderately | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| The number of inquiries has decreased substantially | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 22 | 100.0 | 18 | 100.0 | 4 | 100.0 |

For this question, 31 respondents answered “My bank does not extend credit lines to banks headquartered in Europe or their affiliates or subsidiaries.”

Questions 13-14 ask about commercial real estate (CRE) loans at your bank, including construction and land development loans and loans secured by nonfarm nonresidential real estate. Question 13 deals with changes in your bank's standards over the past three months. Question 14 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.

13. Over the past three months, how have your bank's credit standards for approving applications for CRE 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 | 4 | 7.0 | 0 | 0.0 | 4 | 14.8 |
| Remained basically unchanged | 52 | 91.2 | 30 | 100.0 | 22 | 81.5 |
| Eased somewhat | 1 | 1.8 | 0 | 0.0 | 1 | 3.7 |
| Eased considerably | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 57 | 100.0 | 30 | 100.0 | 27 | 100.0 |

14. Apart from normal seasonal variation, how has demand for CRE loans changed over the past three months?

| | All Respondents | | Large Banks | | Other Banks | |
|------------------------|-----------------|---------|-------------|---------|-------------|---------|
| | Banks | Percent | Banks | Percent | Banks | Percent |
| Substantially stronger | 1 | 1.8 | 1 | 3.3 | 0 | 0.0 |
| Moderately stronger | 6 | 10.5 | 6 | 20.0 | 0 | 0.0 |
| About the same | 39 | 68.4 | 20 | 66.7 | 19 | 70.4 |
| Moderately weaker | 9 | 15.8 | 3 | 10.0 | 6 | 22.2 |
| Substantially weaker | 2 | 3.5 | 0 | 0.0 | 2 | 7.4 |
| Total | 57 | 100.0 | 30 | 100.0 | 27 | 100.0 |

Questions 15-16 ask about three categories of **residential mortgage loans** at your bank—prime residential mortgages, nontraditional residential mortgages, and subprime residential mortgages. Question 15 deals with changes in your bank's credit standards for loans in each of these categories over the past three months. Question 16 deals with changes in demand for loans in each of these categories over the same period. 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.

For the purposes of this survey, please use the following definitions of these loan categories (note that the loan categories are not mutually exclusive) and include first-lien loans only:

- The **prime** category of residential mortgages includes loans made to borrowers that typically had relatively strong, well-documented credit histories, relatively high credit scores, and relatively low debt-to-income ratios at the time of origination. This would include fully amortizing loans that have a fixed rate, a standard adjustable rate, or a common hybrid adjustable rate—those for which the interest rate is initially fixed for a multi-year period and subsequently adjusts more frequently.
- The **nontraditional** category of residential mortgages includes, but is not limited to, adjustable-rate mortgages with multiple payment options, interest-only mortgages, and "Alt-A" products such as mortgages with limited income verification and mortgages secured by non-owner-occupied properties. (Please exclude standard adjustable-rate mortgages and common hybrid adjustable-rate mortgages.)
- The **subprime** category of residential mortgages typically includes loans made to borrowers that displayed one or more of the following characteristics at the time of origination: weakened credit histories that include payment delinquencies, chargeoffs, judgments, and/or bankruptcies; reduced repayment capacity as measured by credit scores or debt-to-income ratios; or incomplete credit histories.

15. Over the past three months, how have your bank's credit standards for approving applications from individuals for mortgage loans to purchase homes changed?

A. Credit standards on mortgage loans that your bank categorizes as prime 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 | 2 | 3.6 | 0 | 0.0 | 2 | 7.7 |
| Remained basically unchanged | 48 | 87.3 | 24 | 82.8 | 24 | 92.3 |
| Eased somewhat | 5 | 9.1 | 5 | 17.2 | 0 | 0.0 |
| Eased considerably | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 55 | 100.0 | 29 | 100.0 | 26 | 100.0 |

B. Credit standards on mortgage loans that your bank categorizes as nontraditional 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 | 2 | 9.1 | 1 | 6.3 | 1 | 16.7 |
| Remained basically unchanged | 19 | 86.4 | 14 | 87.5 | 5 | 83.3 |
| Eased somewhat | 1 | 4.5 | 1 | 6.3 | 0 | 0.0 |
| Eased considerably | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 22 | 100.0 | 16 | 100.0 | 6 | 100.0 |

For this question, 33 respondents answered “My bank does not originate nontraditional residential mortgages.”

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

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

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

A. Demand for mortgages that your bank categorizes as prime residential mortgages was:

| | All Respondents | | Large Banks | | Other Banks | |
|------------------------|-----------------|---------|-------------|---------|-------------|---------|
| | Banks | Percent | Banks | Percent | Banks | Percent |
| Substantially stronger | 2 | 3.6 | 0 | 0.0 | 2 | 7.7 |
| Moderately stronger | 19 | 34.5 | 12 | 41.4 | 7 | 26.9 |
| About the same | 18 | 32.7 | 7 | 24.1 | 11 | 42.3 |
| Moderately weaker | 13 | 23.6 | 9 | 31.0 | 4 | 15.4 |
| Substantially weaker | 3 | 5.5 | 1 | 3.4 | 2 | 7.7 |
| Total | 55 | 100.0 | 29 | 100.0 | 26 | 100.0 |

B. Demand for mortgages that your bank categorizes as nontraditional 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 | 5 | 22.7 | 3 | 18.8 | 2 | 33.3 |
| About the same | 12 | 54.5 | 9 | 56.3 | 3 | 50.0 |
| Moderately weaker | 4 | 18.2 | 4 | 25.0 | 0 | 0.0 |
| Substantially weaker | 1 | 4.5 | 0 | 0.0 | 1 | 16.7 |
| Total | 22 | 100.0 | 16 | 100.0 | 6 | 100.0 |

For this question, 33 respondents answered “My bank does not originate nontraditional residential mortgages.”

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

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

Questions 17-18 ask about revolving home equity lines of credit at your bank. Question 17 deals with changes in your bank's credit standards over the past three months. Question 18 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.

17. 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 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Remained basically unchanged | 52 | 92.9 | 26 | 89.7 | 26 | 96.3 |
| Eased somewhat | 4 | 7.1 | 3 | 10.3 | 1 | 3.7 |
| Eased considerably | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 56 | 100.0 | 29 | 100.0 | 27 | 100.0 |

18. 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 | 1 | 1.8 | 1 | 3.4 | 0 | 0.0 |
| Moderately stronger | 6 | 10.7 | 5 | 17.2 | 1 | 3.7 |
| About the same | 41 | 73.2 | 21 | 72.4 | 20 | 74.1 |
| Moderately weaker | 7 | 12.5 | 2 | 6.9 | 5 | 18.5 |
| Substantially weaker | 1 | 1.8 | 0 | 0.0 | 1 | 3.7 |
| Total | 56 | 100.0 | 29 | 100.0 | 27 | 100.0 |

Questions 19-24 ask about consumer lending at your bank. Question 19 deals with changes in your bank's willingness to make consumer loans over the past three months. Questions 20-23 deal with changes in credit standards and loan terms over the same period. Question 24 deals 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.

19. 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 | 13 | 24.5 | 7 | 26.9 | 6 | 22.2 |
| About unchanged | 39 | 73.6 | 19 | 73.1 | 20 | 74.1 |
| Somewhat less willing | 1 | 1.9 | 0 | 0.0 | 1 | 3.7 |
| Much less willing | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 53 | 100.0 | 26 | 100.0 | 27 | 100.0 |

20. 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 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Tightened somewhat | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Remained basically unchanged | 35 | 92.1 | 16 | 84.2 | 19 | 100.0 |
| Eased somewhat | 3 | 7.9 | 3 | 15.8 | 0 | 0.0 |
| Eased considerably | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 38 | 100.0 | 19 | 100.0 | 19 | 100.0 |

21. Over the past three months, how have your bank's credit standards for approving applications for consumer loans other than credit card 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 | 1.9 | 1 | 3.8 | 0 | 0.0 |
| Remained basically unchanged | 44 | 83.0 | 20 | 76.9 | 24 | 88.9 |
| Eased somewhat | 8 | 15.1 | 5 | 19.2 | 3 | 11.1 |
| Eased considerably | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 53 | 100.0 | 26 | 100.0 | 27 | 100.0 |

22. 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 | 4 | 11.4 | 1 | 5.3 | 3 | 18.8 |
| Remained basically unchanged | 29 | 82.9 | 16 | 84.2 | 13 | 81.3 |
| Eased somewhat | 2 | 5.7 | 2 | 10.5 | 0 | 0.0 |
| Eased considerably | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 35 | 100.0 | 19 | 100.0 | 16 | 100.0 |

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 | 4 | 11.4 | 1 | 5.3 | 3 | 18.8 |
| Remained basically unchanged | 30 | 85.7 | 17 | 89.5 | 13 | 81.3 |
| Eased somewhat | 1 | 2.9 | 1 | 5.3 | 0 | 0.0 |
| Eased considerably | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 35 | 100.0 | 19 | 100.0 | 16 | 100.0 |

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 | 2 | 5.7 | 0 | 0.0 | 2 | 12.5 |
| Remained basically unchanged | 32 | 91.4 | 18 | 94.7 | 14 | 87.5 |
| Eased somewhat | 1 | 2.9 | 1 | 5.3 | 0 | 0.0 |
| Eased considerably | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 35 | 100.0 | 19 | 100.0 | 16 | 100.0 |

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 | 8.6 | 0 | 0.0 | 3 | 18.8 |
| Remained basically unchanged | 30 | 85.7 | 17 | 89.5 | 13 | 81.3 |
| Eased somewhat | 2 | 5.7 | 2 | 10.5 | 0 | 0.0 |
| Eased considerably | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 35 | 100.0 | 19 | 100.0 | 16 | 100.0 |

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 | 4 | 11.1 | 0 | 0.0 | 4 | 25.0 |
| Remained basically unchanged | 31 | 86.1 | 19 | 95.0 | 12 | 75.0 |
| Eased somewhat | 1 | 2.8 | 1 | 5.0 | 0 | 0.0 |
| Eased considerably | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 36 | 100.0 | 20 | 100.0 | 16 | 100.0 |

23. Over the past three months, how has your bank changed the following terms and conditions on consumer loans other than credit card loans? (Please assign *each* term a number between 1 and 5 using the following scale: 1=tightened considerably, 2=tightened somewhat, 3=remained basically unchanged, 4=eased somewhat, 5=eased considerably.)

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 | 1 | 1.9 | 0 | 0.0 | 1 | 3.7 |
| Remained basically unchanged | 51 | 96.2 | 25 | 96.2 | 26 | 96.3 |
| Eased somewhat | 1 | 1.9 | 1 | 3.8 | 0 | 0.0 |
| Eased considerably | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 53 | 100.0 | 26 | 100.0 | 27 | 100.0 |

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 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Tightened somewhat | 5 | 9.4 | 2 | 7.7 | 3 | 11.1 |
| Remained basically unchanged | 42 | 79.2 | 21 | 80.8 | 21 | 77.8 |
| Eased somewhat | 6 | 11.3 | 3 | 11.5 | 3 | 11.1 |
| Eased considerably | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 53 | 100.0 | 26 | 100.0 | 27 | 100.0 |

c. Minimum required down payment

| | 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 | 5.7 | 1 | 3.8 | 2 | 7.4 |
| Remained basically unchanged | 47 | 88.7 | 22 | 84.6 | 25 | 92.6 |
| Eased somewhat | 3 | 5.7 | 3 | 11.5 | 0 | 0.0 |
| Eased considerably | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 53 | 100.0 | 26 | 100.0 | 27 | 100.0 |

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 | 2 | 3.8 | 1 | 3.8 | 1 | 3.7 |
| Remained basically unchanged | 48 | 90.6 | 23 | 88.5 | 25 | 92.6 |
| Eased somewhat | 3 | 5.7 | 2 | 7.7 | 1 | 3.7 |
| Eased considerably | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 53 | 100.0 | 26 | 100.0 | 27 | 100.0 |

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 | 3 | 5.8 | 1 | 4.0 | 2 | 7.4 |
| Remained basically unchanged | 48 | 92.3 | 24 | 96.0 | 24 | 88.9 |
| Eased somewhat | 1 | 1.9 | 0 | 0.0 | 1 | 3.7 |
| Eased considerably | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 52 | 100.0 | 25 | 100.0 | 27 | 100.0 |

24. Apart from normal seasonal variation, how has demand for consumer loans of all types 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 | 17.0 | 6 | 23.1 | 3 | 11.1 |
| About the same | 31 | 58.5 | 16 | 61.5 | 15 | 55.6 |
| Moderately weaker | 12 | 22.6 | 4 | 15.4 | 8 | 29.6 |
| Substantially weaker | 1 | 1.9 | 0 | 0.0 | 1 | 3.7 |
| Total | 53 | 100.0 | 26 | 100.0 | 27 | 100.0 |

25. Over the past three months, how has your bank changed the size of credit lines for existing customers with the following types of accounts? Please consider changes made to line sizes during the life of existing credit agreements as well as changes made to line sizes upon renewal or renegotiation of existing agreements.

a. Home equity lines of credit

| | All Respondents | | Large Banks | | Other Banks | |
|------------------------------|-----------------|---------|-------------|---------|-------------|---------|
| | Banks | Percent | Banks | Percent | Banks | Percent |
| Increased considerably | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Increased somewhat | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Remained basically unchanged | 50 | 92.6 | 26 | 96.3 | 24 | 88.9 |
| Decreased somewhat | 4 | 7.4 | 1 | 3.7 | 3 | 11.1 |
| Decreased considerably | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 54 | 100.0 | 27 | 100.0 | 27 | 100.0 |

b. Consumer credit card accounts

| | All Respondents | | Large Banks | | Other Banks | |
|------------------------------|-----------------|---------|-------------|---------|-------------|---------|
| | Banks | Percent | Banks | Percent | Banks | Percent |
| Increased considerably | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Increased somewhat | 2 | 5.3 | 1 | 4.8 | 1 | 5.9 |
| Remained basically unchanged | 30 | 78.9 | 17 | 81.0 | 13 | 76.5 |
| Decreased somewhat | 6 | 15.8 | 3 | 14.3 | 3 | 17.6 |
| Decreased considerably | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 38 | 100.0 | 21 | 100.0 | 17 | 100.0 |

c. Business credit card accounts

| | All Respondents | | Large Banks | | Other Banks | |
|------------------------------|-----------------|---------|-------------|---------|-------------|---------|
| | Banks | Percent | Banks | Percent | Banks | Percent |
| Increased considerably | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Increased somewhat | 3 | 7.3 | 1 | 4.5 | 2 | 10.5 |
| Remained basically unchanged | 36 | 87.8 | 20 | 90.9 | 16 | 84.2 |
| Decreased somewhat | 2 | 4.9 | 1 | 4.5 | 1 | 5.3 |
| Decreased considerably | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 41 | 100.0 | 22 | 100.0 | 19 | 100.0 |

d. C&I credit lines (excluding business credit card accounts)

| | All Respondents | | Large Banks | | Other Banks | |
|------------------------------|-----------------|---------|-------------|---------|-------------|---------|
| | Banks | Percent | Banks | Percent | Banks | Percent |
| Increased considerably | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Increased somewhat | 6 | 11.5 | 5 | 19.2 | 1 | 3.8 |
| Remained basically unchanged | 40 | 76.9 | 19 | 73.1 | 21 | 80.8 |
| Decreased somewhat | 6 | 11.5 | 2 | 7.7 | 4 | 15.4 |
| Decreased considerably | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total | 52 | 100.0 | 26 | 100.0 | 26 | 100.0 |

e. Commercial construction lines of credit

| | All Respondents | | Large Banks | | Other Banks | |
|------------------------------|-----------------|---------|-------------|---------|-------------|---------|
| | Banks | Percent | Banks | Percent | Banks | Percent |
| Increased considerably | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Increased somewhat | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Remained basically unchanged | 36 | 73.5 | 18 | 78.3 | 18 | 69.2 |
| Decreased somewhat | 10 | 20.4 | 3 | 13.0 | 7 | 26.9 |
| Decreased considerably | 3 | 6.1 | 2 | 8.7 | 1 | 3.8 |
| Total | 49 | 100.0 | 23 | 100.0 | 26 | 100.0 |

f. Lines of credit for financial firms

| | All Respondents | | Large Banks | | Other Banks | |
|------------------------------|-----------------|---------|-------------|---------|-------------|---------|
| | Banks | Percent | Banks | Percent | Banks | Percent |
| Increased considerably | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Increased somewhat | 1 | 2.6 | 1 | 4.8 | 0 | 0.0 |
| Remained basically unchanged | 32 | 82.1 | 17 | 81.0 | 15 | 83.3 |
| Decreased somewhat | 4 | 10.3 | 2 | 9.5 | 2 | 11.1 |
| Decreased considerably | 2 | 5.1 | 1 | 4.8 | 1 | 5.6 |
| Total | 39 | 100.0 | 21 | 100.0 | 18 | 100.0 |

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 billion or more as of March 31, 2010. The combined assets of the 30 large banks totaled \$6.7 trillion, compared to \$7.0 trillion for the entire panel of 57 banks, and 10.5 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 July 2010)

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 | 23 | 100.0 |
| Eased somewhat | 0 | 0.0 |
| Eased considerably | 0 | 0.0 |
| Total | 23 | 100.0 |

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 | 0 | 0.0 |
| Tightened somewhat | 0 | 0.0 |
| Remained basically unchanged | 18 | 78.3 |
| Eased somewhat | 5 | 21.7 |
| Eased considerably | 0 | 0.0 |
| Total | 23 | 100.0 |

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 | 20 | 87.0 |
| Eased somewhat | 3 | 13.0 |
| Eased considerably | 0 | 0.0 |
| Total | 23 | 100.0 |

c. Costs of credit lines

| | All Respondents | |
|------------------------------|-----------------|---------|
| | Banks | Percent |
| Tightened considerably | 0 | 0.0 |
| Tightened somewhat | 1 | 4.5 |
| Remained basically unchanged | 19 | 86.4 |
| Eased somewhat | 2 | 9.1 |
| Eased considerably | 0 | 0.0 |
| Total | 22 | 100.0 |

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

| | All Respondents | |
|------------------------------|-----------------|---------|
| | Banks | Percent |
| Tightened considerably | 1 | 4.5 |
| Tightened somewhat | 2 | 9.1 |
| Remained basically unchanged | 14 | 63.6 |
| Eased somewhat | 5 | 22.7 |
| Eased considerably | 0 | 0.0 |
| Total | 22 | 100.0 |

e. Premiums charged on riskier loans

| | All Respondents | |
|------------------------------|-----------------|---------|
| | Banks | Percent |
| Tightened considerably | 1 | 4.8 |
| Tightened somewhat | 3 | 14.3 |
| Remained basically unchanged | 15 | 71.4 |
| Eased somewhat | 2 | 9.5 |
| Eased considerably | 0 | 0.0 |
| Total | 21 | 100.0 |

f. Loan covenants

| | All Respondents | |
|------------------------------|-----------------|---------|
| | Banks | Percent |
| Tightened considerably | 0 | 0.0 |
| Tightened somewhat | 1 | 4.3 |
| Remained basically unchanged | 20 | 87.0 |
| Eased somewhat | 2 | 8.7 |
| Eased considerably | 0 | 0.0 |
| Total | 23 | 100.0 |

g. Collateralization requirements

| | All Respondents | |
|------------------------------|-----------------|---------|
| | Banks | Percent |
| Tightened considerably | 0 | 0.0 |
| Tightened somewhat | 1 | 4.3 |
| Remained basically unchanged | 22 | 95.7 |
| Eased somewhat | 0 | 0.0 |
| Eased considerably | 0 | 0.0 |
| Total | 23 | 100.0 |

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?

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

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

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

b. Less favorable or more uncertain economic outlook

| | All Respondents | |
|--------------------|-----------------|---------|
| | Banks | Percent |
| Not important | 1 | 25.0 |
| Somewhat important | 2 | 50.0 |
| Very important | 1 | 25.0 |
| Total | 4 | 100.0 |

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

| | All Respondents | |
|--------------------|-----------------|---------|
| | Banks | Percent |
| Not important | 3 | 75.0 |
| Somewhat important | 1 | 25.0 |
| Very important | 0 | 0.0 |
| Total | 4 | 100.0 |

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

| | All Respondents | |
|--------------------|-----------------|---------|
| | Banks | Percent |
| Not important | 3 | 75.0 |
| Somewhat important | 1 | 25.0 |
| Very important | 0 | 0.0 |
| Total | 4 | 100.0 |

e. Reduced tolerance for risk

| | All Respondents | |
|--------------------|-----------------|---------|
| | Banks | Percent |
| Not important | 3 | 75.0 |
| Somewhat important | 1 | 25.0 |
| Very important | 0 | 0.0 |
| Total | 4 | 100.0 |

f. Decreased liquidity in the secondary market for these loans

| | All Respondents | |
|--------------------|-----------------|---------|
| | Banks | Percent |
| Not important | 2 | 50.0 |
| Somewhat important | 2 | 50.0 |
| Very important | 0 | 0.0 |
| Total | 4 | 100.0 |

g. Increase in defaults by borrowers in public debt markets

| | All Respondents | |
|--------------------|-----------------|---------|
| | Banks | Percent |
| Not important | 3 | 75.0 |
| Somewhat important | 1 | 25.0 |
| Very important | 0 | 0.0 |
| Total | 4 | 100.0 |

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

| | All Respondents | |
|--------------------|-----------------|---------|
| | Banks | Percent |
| Not important | 3 | 75.0 |
| Somewhat important | 1 | 25.0 |
| Very important | 0 | 0.0 |
| Total | 4 | 100.0 |

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 | 3 | 60.0 |
| Somewhat important | 1 | 20.0 |
| Very important | 1 | 20.0 |
| Total | 5 | 100.0 |

b. More favorable or less uncertain economic outlook

| | All Respondents | |
|--------------------|-----------------|--------------|
| | Banks | Percent |
| Not important | 1 | 20.0 |
| Somewhat important | 3 | 60.0 |
| Very important | 1 | 20.0 |
| Total | 5 | 100.0 |

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

| | All Respondents | |
|--------------------|-----------------|--------------|
| | Banks | Percent |
| Not important | 2 | 40.0 |
| Somewhat important | 3 | 60.0 |
| Very important | 0 | 0.0 |
| Total | 5 | 100.0 |

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

| | All Respondents | |
|--------------------|-----------------|--------------|
| | Banks | Percent |
| Not important | 0 | 0.0 |
| Somewhat important | 3 | 60.0 |
| Very important | 2 | 40.0 |
| Total | 5 | 100.0 |

e. Increased tolerance for risk

| | All Respondents | |
|--------------------|-----------------|--------------|
| | Banks | Percent |
| Not important | 3 | 60.0 |
| Somewhat important | 2 | 40.0 |
| Very important | 0 | 0.0 |
| Total | 5 | 100.0 |

f. Increased liquidity in the secondary market for these loans

| | All Respondents | |
|--------------------|-----------------|--------------|
| | Banks | Percent |
| Not important | 3 | 60.0 |
| Somewhat important | 2 | 40.0 |
| Very important | 0 | 0.0 |
| Total | 5 | 100.0 |

g. Reduction in defaults by borrowers in public debt markets

| | All Respondents | |
|--------------------|-----------------|--------------|
| | Banks | Percent |
| Not important | 2 | 40.0 |
| Somewhat important | 3 | 60.0 |
| Very important | 0 | 0.0 |
| Total | 5 | 100.0 |

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

| | All Respondents | |
|--------------------|-----------------|--------------|
| | Banks | Percent |
| Not important | 5 | 100.0 |
| Somewhat important | 0 | 0.0 |
| Very important | 0 | 0.0 |
| Total | 5 | 100.0 |

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 | 7 | 30.4 |
| About the same | 14 | 60.9 |
| Moderately weaker | 2 | 8.7 |
| Substantially weaker | 0 | 0.0 |
| Total | 23 | 100.0 |

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?

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

a. Customer inventory financing needs increased

| | All Respondents | |
|--------------------|-----------------|---------|
| | Banks | Percent |
| Not important | 3 | 42.9 |
| Somewhat important | 4 | 57.1 |
| Very important | 0 | 0.0 |
| Total | 7 | 100.0 |

b. Customer accounts receivable financing needs increased

| | All Respondents | |
|--------------------|-----------------|---------|
| | Banks | Percent |
| Not important | 4 | 57.1 |
| Somewhat important | 3 | 42.9 |
| Very important | 0 | 0.0 |
| Total | 7 | 100.0 |

c. Customer investment in plant or equipment increased

| | All Respondents | |
|--------------------|-----------------|--------------|
| | Banks | Percent |
| Not important | 2 | 28.6 |
| Somewhat important | 5 | 71.4 |
| Very important | 0 | 0.0 |
| Total | 7 | 100.0 |

d. Customer internally generated funds decreased

| | All Respondents | |
|--------------------|-----------------|--------------|
| | Banks | Percent |
| Not important | 4 | 57.1 |
| Somewhat important | 1 | 14.3 |
| Very important | 2 | 28.6 |
| Total | 7 | 100.0 |

e. Customer merger or acquisition financing needs increased

| | All Respondents | |
|--------------------|-----------------|--------------|
| | Banks | Percent |
| Not important | 2 | 28.6 |
| Somewhat important | 2 | 28.6 |
| Very important | 3 | 42.9 |
| Total | 7 | 100.0 |

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

| | All Respondents | |
|--------------------|-----------------|---------|
| | Banks | Percent |
| Not important | 2 | 28.6 |
| Somewhat important | 5 | 71.4 |
| Very important | 0 | 0.0 |
| Total | 7 | 100.0 |

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 | 1 | 50.0 |
| Somewhat important | 1 | 50.0 |
| Very important | 0 | 0.0 |
| Total | 2 | 100.0 |

b. Customer accounts receivable financing needs decreased

| | All Respondents | |
|--------------------|-----------------|---------|
| | Banks | Percent |
| Not important | 1 | 50.0 |
| Somewhat important | 1 | 50.0 |
| Very important | 0 | 0.0 |
| Total | 2 | 100.0 |

c. Customer investment in plant or equipment decreased

| | All Respondents | |
|--------------------|-----------------|--------------|
| | Banks | Percent |
| Not important | 0 | 0.0 |
| Somewhat important | 2 | 100.0 |
| Very important | 0 | 0.0 |
| Total | 2 | 100.0 |

d. Customer internally generated funds increased

| | All Respondents | |
|--------------------|-----------------|--------------|
| | Banks | Percent |
| Not important | 0 | 0.0 |
| Somewhat important | 0 | 0.0 |
| Very important | 2 | 100.0 |
| Total | 2 | 100.0 |

e. Customer merger or acquisition financing needs decreased

| | All Respondents | |
|--------------------|-----------------|--------------|
| | Banks | Percent |
| Not important | 0 | 0.0 |
| Somewhat important | 0 | 0.0 |
| Very important | 2 | 100.0 |
| Total | 2 | 100.0 |

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

| | All Respondents | |
|--------------------|------------------------|----------------|
| | Banks | Percent |
| Not important | 1 | 50.0 |
| Somewhat important | 1 | 50.0 |
| Very important | 0 | 0.0 |
| Total | 2 | 100.0 |

6. At your bank, 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 | 10 | 47.6 |
| The number of inquiries has stayed about the same | 10 | 47.6 |
| The number of inquiries has decreased moderately | 1 | 4.8 |
| The number of inquiries has decreased substantially | 0 | 0.0 |
| Total | 21 | 100.0 |

Current fiscal and financial strains in Europe may have adversely affected the outlook for companies headquartered in Europe and their affiliates and subsidiaries. **Questions 7-8** deal with changes in your bank's lending policies towards European firms and their affiliates and subsidiaries over the past three months. In addition, developments in Europe may have affected the demand for credit from U.S. banks by European firms and their affiliates and subsidiaries. **Questions 9-12** deal with such changes in demand. Please answer the following questions about European firms and their affiliates and subsidiaries regardless of the locations of the affiliates and subsidiaries.

7. Over the past three months, how have your bank's credit standards and terms for approving applications for C&I loans or credit lines—other than those to be used to finance mergers and acquisitions—from nonfinancial companies headquartered in Europe and their affiliates and subsidiaries changed?

| | All Respondents | |
|------------------------------|-----------------|---------|
| | Banks | Percent |
| Tightened considerably | 0 | 0.0 |
| Tightened somewhat | 1 | 6.3 |
| Remained basically unchanged | 15 | 93.8 |
| Eased somewhat | 0 | 0.0 |
| Eased considerably | 0 | 0.0 |
| Total | 16 | 100.0 |

For this question, 7 respondents answered “My bank does not make C&I loans or extend credit lines to nonfinancial companies headquartered in Europe or their affiliates or subsidiaries.”

8. Over the past three months, how have your bank's credit standards and terms for approving applications for loans or credit lines—other than those to be used to finance mergers and acquisitions—from banks headquartered in Europe and their affiliates and subsidiaries changed?

| | All Respondents | |
|------------------------------|-----------------|---------|
| | Banks | Percent |
| Tightened considerably | 1 | 8.3 |
| Tightened somewhat | 2 | 16.7 |
| Remained basically unchanged | 8 | 66.7 |
| Eased somewhat | 1 | 8.3 |
| Eased considerably | 0 | 0.0 |
| Total | 12 | 100.0 |

For this question, 9 respondents answered “My bank does not make loans or extend credit lines to banks headquartered in Europe or their affiliates or subsidiaries.”

9. Apart from normal seasonal variation, how has demand for C&I loans from nonfinancial companies headquartered in Europe and their affiliates and subsidiaries 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 | 2 | 12.5 |
| About the same | 13 | 81.3 |
| Moderately weaker | 0 | 0.0 |
| Substantially weaker | 1 | 6.3 |
| Total | 16 | 100.0 |

For this question, 7 respondents answered “My bank does not make C&I loans to nonfinancial companies headquartered in Europe or their affiliates or subsidiaries.”

10. Apart from normal seasonal variation, how has demand for loans from banks headquartered in Europe and their affiliates and subsidiaries 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 | 2 | 14.3 |
| About the same | 10 | 71.4 |
| Moderately weaker | 0 | 0.0 |
| Substantially weaker | 2 | 14.3 |
| Total | 14 | 100.0 |

For this question, 7 respondents answered “My bank does not make loans to banks headquartered in Europe or their affiliates or subsidiaries.”

11. At your bank, how has the number of inquiries from nonfinancial companies headquartered in Europe and their affiliates and subsidiaries 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 | 4 | 26.7 |
| The number of inquiries has stayed about the same | 10 | 66.7 |
| The number of inquiries has decreased moderately | 0 | 0.0 |
| The number of inquiries has decreased substantially | 1 | 6.7 |
| Total | 15 | 100.0 |

For this question, 7 respondents answered “My bank does not extend credit lines to nonfinancial companies headquartered in Europe or their affiliates or subsidiaries.”

12. At your bank, how has the number of inquiries from banks headquartered in Europe and their affiliates and subsidiaries 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 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 | 2 | 16.7 |
| The number of inquiries has stayed about the same | 9 | 75.0 |
| The number of inquiries has decreased moderately | 0 | 0.0 |
| The number of inquiries has decreased substantially | 1 | 8.3 |
| Total | 12 | 100.0 |

For this question, 8 respondents answered “My bank does not extend credit lines to banks headquartered in Europe or their affiliates or subsidiaries.”

Questions 13-14 ask about commercial real estate (CRE) loans at your bank, including construction and land development loans and loans secured by nonfarm nonresidential real estate. Question 13 deals with changes in your bank's standards over the past three months. Question 14 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.

13. 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 | 1 | 6.3 |
| Tightened somewhat | 2 | 12.5 |
| Remained basically unchanged | 12 | 75.0 |
| Eased somewhat | 1 | 6.3 |
| Eased considerably | 0 | 0.0 |
| Total | 16 | 100.0 |

14. Apart from normal seasonal variation, how has demand for CRE loans changed over the past three months?

| | All Respondents | |
|------------------------|-----------------|---------|
| | Banks | Percent |
| Substantially stronger | 0 | 0.0 |
| Moderately stronger | 1 | 7.1 |
| About the same | 11 | 78.6 |
| Moderately weaker | 2 | 14.3 |
| Substantially weaker | 0 | 0.0 |
| Total | 14 | 100.0 |

15. Over the past three months, how has your bank changed the size of credit lines for existing customers with the following types of accounts? Please consider changes made to line sizes during the life of existing credit agreements as well as changes made to line sizes upon renewal or renegotiation of existing agreements.

a. Business credit card accounts

| | All Respondents | |
|------------------------------|-----------------|---------|
| | Banks | Percent |
| Increased considerably | 0 | 0.0 |
| Increased somewhat | 0 | 0.0 |
| Remained basically unchanged | 3 | 100.0 |
| Decreased somewhat | 0 | 0.0 |
| Decreased considerably | 0 | 0.0 |
| Total | 3 | 100.0 |

b. C&I credit lines (excluding business credit card accounts)

| | All Respondents | |
|------------------------------|-----------------|---------|
| | Banks | Percent |
| Increased considerably | 0 | 0.0 |
| Increased somewhat | 8 | 38.1 |
| Remained basically unchanged | 13 | 61.9 |
| Decreased somewhat | 0 | 0.0 |
| Decreased considerably | 0 | 0.0 |
| Total | 21 | 100.0 |

c. Commercial construction lines of credit

| | All Respondents | |
|------------------------------|-----------------|---------|
| | Banks | Percent |
| Increased considerably | 0 | 0.0 |
| Increased somewhat | 0 | 0.0 |
| Remained basically unchanged | 10 | 83.3 |
| Decreased somewhat | 1 | 8.3 |
| Decreased considerably | 1 | 8.3 |
| Total | 12 | 100.0 |

d. Lines of credit for financial firms

| | All Respondents | |
|------------------------------|-----------------|---------|
| | Banks | Percent |
| Increased considerably | 0 | 0.0 |
| Increased somewhat | 2 | 14.3 |
| Remained basically unchanged | 10 | 71.4 |
| Decreased somewhat | 2 | 14.3 |
| Decreased considerably | 0 | 0.0 |
| Total | 14 | 100.0 |

1. As of March 31, 2010, the 23 respondents had combined assets of \$1.0 trillion, compared to \$1.9 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.