

Bank Lending Survey in Kosovo and Inflation Expectations

Enterprises

- Over the latest quarter, how have your bank's credit standards as applied to the approval of loans or credit lines to enterprises changed relative to the previous quarter? And how do you expect them to change over the next quarter relative to the latest quarter?

Please use the following scale:

- Tightened considerably
- Tightened somewhat
- Remained basically unchanged
- Eased somewhat
- Eased considerably

	How have they changed over the last quarter?	How do you expect them to change over the next quarter?
Overall		
Loans to small and medium-sized enterprises		
Loans to large enterprises		
Short-term loans		
Long-term loans		
Local Currency		
Foreign Currency		

- Factors affecting your bank's credit standards (credit supply). Over the latest quarter, how have the following factors affected your bank's credit standards as applied to the approval of loans or credit lines to enterprises? And how do you expect them to contribute over the next quarter relative to the latest quarter?

Please rate the contribution of the following factors to the tightening or easing of credit standards using the scale below:

- Contributed considerably to tightening
- Contributed somewhat to tightening
- Contributed to basically unchanged
- Contributed somewhat to easing
- Contributed considerably to easing

	Over the last quarter	Over the next quarter
A) Perception of risk		
i) Local market outlook		
ii) Local bank outlook		
iii) Risk on collateral demanded		
iv) Change in local regulation		
B) Cost of funds and balance sheet constraints		
i) Local banks access to total funding		
i.a) of which: domestic		

<i>i.b) of which: international/intra-group</i>		
ii) Local bank capital constraints		
iii) Bank's liquidity position		
C) Loan quality		
i) Credit quality (NPLs)		
D) Pressure from competition		
i) Competition from other banks		
ii) Competition from non-bank institutions		
E) Your bank's risk tolerance		
i) Your bank's risk tolerance		
F) International Factors - affecting your subsidiary		
i) Group Company outlook		
ii) Global market outlook		
iii) Overall group access to funding		
iv) EU Regulation		
v) Group capital constraints		
vi) Global Competition		
vii) Credit quality (NPLs)		
G) Other factors (not included above)		
i) Support of Kosovo Credit Guarantee Fund		
ii) Increase in EURIBOR rates		

3. How has the proportion of enterprise loan applications being approved changed over the latest quarter relative to the previous quarter? How do you expect your approval rate to change over the next quarter relative to the latest quarter?

Please use the following scale:

- *Decreased considerably*
- *Decreased somewhat*
- *Remained basically unchanged*
- *Increased somewhat*
- *Increased considerably*

	How has it changed over the last quarter?	How do you expect it to change over the next quarter?
Overall		
Loans to small and medium-sized enterprises		
Loans to large enterprises		
Short-term loans		
Long-term loans		
Local Currency		
Foreign Currency		

4. Over the latest quarter, how have your bank's terms and conditions for new loans or credit lines to enterprises changed? How do you expect them to change over the next quarter relative to the latest quarter?

Please use the following scales:

- *Tightened considerably*
- *Tightened somewhat*
- *Remained basically unchanged*
- *Eased somewhat*
- *Eased considerably*

Over the last quarter			
	Overall	Loans to SMEs	Loans to large companies
A) Your bank's margin on average loan			
B) Size of the average loan or credit line			
C) Maturity			
D) Non-interest rate charges			
E) Collateral requirements			
Over the next quarter			
	Overall	Loans to SMEs	Loans to large companies
A) Your bank's margin on average loan			
B) Size of the average loan or credit line			
C) Maturity			
D) Non-interest rate charges			
E) Collateral requirements			

5. Factors affecting your bank's credit terms and conditions. Over the latest quarter, how have the following factors affected your bank's credit terms and conditions as applied to new loans or credit lines to enterprises? How do you expect them to contribute over the next quarter relative to the latest quarter?

Please rate the contribution of the following factors to the tightening or easing of credit terms and conditions using the scale below:

- *Contributed considerably to tightening*
- *Contributed somewhat to tightening*
- *Contributed to basically unchanged*
- *Contributed somewhat to easing*
- *Contributed considerably to easing*

	Over the last quarter	Over the next quarter
A) Perception of risk		
i) Local market outlook		
ii) Local bank outlook		
iii) Risk on collateral demanded		
iv) Change in local regulation		
B) Cost of funds and balance sheet constraints		
i) Local banks access to total funding		

<i>i.a) of which: domestic</i>		
<i>i.b) of which: international/intra-group</i>		
ii) Local bank capital constraints		
iii) Bank's liquidity position		
C) Loan quality		
i) Credit quality (NPLs)		
D) Pressure from competition		
i) Competition from other banks		
ii) Competition from non-bank institutions		
E) Your bank's risk tolerance		
i) Your bank's risk tolerance		
F) International Factors - affecting your subsidiary		
i) Group Company outlook		
ii) Global market outlook		
iii) Overall group access to funding		
iv) EU Regulation		
v) Group capital constraints		
vi) Global Competition		
vii) Credit quality (NPLs)		
G) Other factors (not included above)		
i) Support of Kosovo Credit Guarantee Fund		
ii) Increase in EURIBOR rates		

6. Loan Applications: Over the latest quarter, how has the demand for loans or credit lines to enterprises changed at your bank? And how do you expect it to change over the next quarter relative to the latest quarter?

Please use the following scale:

- *Decreased considerably*
- *Decreased somewhat*
- *Remained basically unchanged*
- *Increased somewhat*
- *Increased considerably*

	How has it changed over the last quarter?	How do you expect it to change over the next quarter?
Overall		
Loans to small and medium-sized enterprises		
Loans to large enterprises		
Short-term loans		
Long-term loans		
Local Currency		
Foreign Currency		

7. Over the latest quarter, how has the quality of loan applications from enterprises changed? How do you expect it to change over the next quarter relative to the latest quarter?

Please use the following scale:

- *Decreased considerably*
- *Decreased somewhat*
- *Remained basically unchanged*
- *Increased somewhat*
- *Increased considerably*

	How has it changed over the last quarter?	How do you expect it to change over the next quarter?
Overall		
Applications from small and medium-sized enterprises		
Applications from large enterprises		
Applications for short-term loans		
Applications for long-term loans		
Applications for Local Currency		
Applications for Foreign Currency		

8. Over the latest quarter, how have the following factors affected the overall demand for loans or credit lines to enterprises? How do you expect them to contribute over the next quarter relative to the latest quarter?

Please rate the contribution of the following factors to credit demand using the scale below:

- *Contributed considerably to lower demand*
- *Contributed somewhat to lower demand*
- *Contributed to basically unchanged demand*
- *Contributed somewhat to higher demand*
- *Contributed considerably to higher demand*

	Over the last quarter	Over the next quarter
Fixed Investments		
Inventories and working capital		
M&A and corporate restructuring		
Debt restructuring		

9. Over the latest quarter, how has the non-performing loans ratio for enterprises changed? How do you expect it to change over the next quarter relative to the latest quarter?

Please use the following scale:

- *Decreased*
- *No change*
- *Increased*

	Has the non-performing loans ratio changed over the last quarter?	How do you expect the non-performing loans ratio to change over the next quarter?
Total		
Enterprises		

Households

- Over the latest quarter, how have your bank’s credit standards as applied to the approval of loans or credit lines to households changed relative to the previous quarter? How do you expect them to change over the next quarter relative to the latest quarter?

Please use the following scale:

- Tightened considerably
- Tightened somewhat
- Remained basically unchanged
- Eased somewhat
- Eased considerably

	How have they changed over the last quarter?	How do you expect them to change over the next quarter?
Overall		
Loans to households for house purchase		
Consumer credit (other than loans for house purchase)		
Short-term loans		
Long-term loans		
Local Currency		
Foreign Currency		

- Factors affecting your bank's credit standards (credit supply). Over the latest quarter, how have the following factors affected your bank’s credit standards as applied to the approval of loans or credit lines to households? How do you expect them to contribute over the next quarter relative to the latest quarter?

Please rate the contribution of the following factors to the tightening or easing of credit standards using the scale below:

- Contributed considerably to tightening
- Contributed somewhat to tightening
- Contributed to basically unchanged
- Contributed somewhat to easing
- Contributed considerably to easing

	Over the last quarter	Over the next quarter
A) Perception of risk		
i) Local market outlook		
ii) Local bank outlook		
iii) Risk on collateral demanded		
iv) Housing market prospects, including expected house price developments		
v) Borrower’s creditworthiness		
vi) Change in local regulation		
B) Cost of funds and balance sheet constraints		
i) Local banks access to total funding		
i.a) of which: domestic		

<i>i.b) of which: international/intra-group</i>		
ii) Local bank capital constraints		
iii) Bank's liquidity position		
C) Loan quality		
i) Credit quality (NPLs)		
D) Pressure from competition		
i) Competition from other banks		
ii) Competition from non-bank institutions		
E) Your bank's risk tolerance		
i) Your bank's risk tolerance		
F) International Factors - affecting your subsidiary		
i) Group Company outlook		
ii) Global market outlook		
iii) Overall group access to funding		
iv) EU Regulation		
v) Group capital constraints		
vi) Global Competition		
vii) Credit quality (NPLs)		
G) Other factors (not included above)		
i) Increase in EURIBOR rates		

3. How has the proportion of household loan applications being approved changed over the latest quarter relative to the previous quarter? How do you expect your approval rate to change over the next quarter relative to the latest quarter?

Please use the following scale:

- *Decreased considerably*
- *Decreased somewhat*
- *Remained basically unchanged*
- *Increased somewhat*
- *Increased considerably*

	How has it changed over the last quarter?	How do you expect it to change over the next quarter?
Overall		
Loans to households for house purchase		
Consumer credit (other than loans for house purchase)		
Short-term loans		
Long-term loans		
Local Currency		
Foreign Currency		

4. Over the latest quarter, how have your bank's terms and conditions for new loans or credit lines to households changed? How do you expect them to change over the next quarter relative to the latest quarter?

Please use the following scale:

- *Tightened considerably*
- *Tightened somewhat*
- *Remained basically unchanged*
- *Eased somewhat*
- *Eased considerably*

Over the last quarter			
	Overall	Loans to households for house purchase	Consumer credit (other than loans for house purchase)
A) Your bank's margin on average loan			
B) Size of the average loan or credit line			
C) Maturity			
D) Non-interest rate charges			
E) Collateral requirements			
Over the next quarter			
	Overall	Loans to households for house purchase	Consumer credit (other than loans for house purchase)
A) Your bank's margin on average loan			
B) Size of the average loan or credit line			
C) Maturity			
D) Non-interest rate charges			
E) Collateral requirements			

5. Factors affecting your bank's credit terms and conditions. Over the latest quarter, how have the following factors affected your bank's credit terms and conditions as applied to new loans to households? How do you expect them to contribute over the next quarter relative to the latest quarter?

Please rate the contribution of the following factors to the tightening or easing of credit terms and conditions using the scale below:

- *Contributed considerably to tightening*
- *Contributed somewhat to tightening*
- *Contributed to basically unchanged*
- *Contributed somewhat to easing*
- *Contributed considerably to easing*

	Over the last quarter	Over the next quarter
A) Perception of risk		
i) Local market outlook		
ii) Local bank outlook		
iii) Risk on collateral demanded		
iv) Housing market prospects, including expected house price developments		
v) Borrower's creditworthiness		
vi) Change in local regulation		

B) Cost of funds and balance sheet constraints		
i) Local banks access to total funding		
<i>i.a) of which: domestic</i>		
<i>i.b) of which: international/intra-group</i>		
ii) Local bank capital constraints		
iii) Bank's liquidity position		
C) Loan quality		
i) Credit quality (NPLs)		
D) Pressure from competition		
i) Competition from other banks		
ii) Competition from non-bank institutions		
E) Your bank's risk tolerance		
i) Your bank's risk tolerance		
F) International Factors - affecting your subsidiary		
i) Group Company outlook		
ii) Global market outlook		
iii) Overall group access to funding		
iv) EU Regulation		
v) Group capital constraints		
vi) Global Competition		
vii) Credit quality (NPLs)		
G) Other factors (not included above)		
i) Increase in EURIBOR rates		

6. Loan Applications: Over the latest quarter, how has the demand for loans or credit lines to household changed at your bank? How do you expect it to change over the next quarter relative to the latest quarter?

Please use the following scale:

- *Decreased considerably*
- *Decreased somewhat*
- *Remained basically unchanged*
- *Increased somewhat*
- *Increased considerably*

	How has it changed over the last quarter?	How do you expect it to change over the next quarter?
Overall		
Loans to households for house purchase		
Consumer credit (other than loans for house purchase)		
Short-term loans		
Long-term loans		
Local Currency		
Foreign Currency		

7. Over the latest quarter, how has the quality of loan applications from households changed? How do you expect it to change over the next quarter relative to the latest quarter?

Please use the following scale:

- *Decreased considerably*
- *Decreased somewhat*
- *Remained basically unchanged*
- *Increased somewhat*
- *Increased considerably*

	How has it changed over the last quarter?	How do you expect it to change over the next quarter?
Overall		
Applications from households for house purchase		
Applications for consumer credit (other than loans for house purchase)		
Applications for short-term loans		
Applications for long-term loans		
Applications for Local Currency		
Applications for Foreign Currency		

8. Over the latest quarter, how have the following factors affected the overall demand for loans or credit lines to households? How do you expect them to contribute over the next quarter relative to the latest quarter?

Please rate the contribution of the following factors to credit demand using the scale below:

- *Contributed considerably to lower demand*
- *Contributed somewhat to lower demand*
- *Contributed to basically unchanged demand*
- *Contributed somewhat to higher demand*
- *Contributed considerably to higher demand*

	Over the last quarter	Over the next quarter
Housing market prospects		
Consumer Confidence		
Non-housing related consumption expenditure		
Debt restructuring		

9. Over the latest quarter, how has the non-performing loans ratio for households changed? How do you expect it to change over the next quarter relative to the latest quarter?

Please use the following scale:

- *Decreased*
- *No change*
- *Increased*

	Has the non-performing loans ratio changed over the last quarter?	How do you expect the non-performing loans ratio to change over the next quarter?
Total		
Households		

Funding

1. In terms of funding: Over the latest quarter, how has access to funding changed? How do you expect it to change over the next quarter relative to the latest quarter?

Please use the following scale:

- *Decreased considerably*
- *Decreased somewhat*
- *Remained basically unchanged*
- *Increased somewhat*
- *Increased considerably*

	Over the last quarter	Over the next quarter
Total funding		
Intra Group Funding		
IFIs (international financial institutions) funding		
Retail funding (deposits and bonds to clients)		
Corporate funding (deposits and bonds to clients)		
Inter-bank unsecured money market		
Local currency funding		
<i>a) Short term (less than 1 year)</i>		
<i>b) Long term (more than 1 year)</i>		
Foreign currencies funding		

Open-ended question

1. Over the latest quarter, which circumstances/ events/ factors significant for your bank's behavior have emerged in the area of enterprise and household lending and are not covered by this survey?
2. Over the next quarter, which circumstances/ events/ factors significant for your bank's behavior you expect to emerge in the area of enterprise and household lending that are not covered by this survey?

Inflation Expectations

1. Assessment of inflation expectations in Kosovo for the current quarter, expectations for the next quarter and for the whole current year:

	Over the LAST quarter	Over the NEXT quarter	Over the ACTUAL year
HICP inflation (%)			
Defined according to the Harmonized Index of Consumer Prices by KAS			

2. Probability of inflation expectations

	Over the LAST quarter	Over the NEXT quarter	Over the ACTUAL year
<-1.0%			
-1.0 to -0.6%			
-0.5 to -0.1%			
0.0 - 0.4%			
0.5 - 0.9%			
1.0 - 1.4%			
1.5 - 1.9%			
2.0 - 2.4%			
2.5 - 2.9%			
3.0 - 3.4%			
3.5 - 3.9%			
4.0 - 4.9%			
5.0 - 5.9%			
6.0 - 6.9%			
7.0 - 7.9%			
8.0 - 8.9%			
9.0 - 9.9%			
≥ 10.0%			
Gjithsej			
The total probability should result in 100%. Example: If you are 100% sure that inflation will be at the rate of 2.5-2.9%, then put 100% in the appropriate cell. If you are unsure and think that inflation could be between 2.5-2.9% and 3.0-3.4%, then set the percentage split between these two options according to your expectations.			

3. Specify the key economic factors that influenced your inflation expectations in the country:

Ad-hoc Questions

- Over the latest quarter, how have your bank’s credit standards, terms and conditions on new loans, and demand for loans changed across main economic sectors? How do you expect them to change over the next quarter?

Please use the respective scale from the standard questions.

	Over last quarter	Over next quarter
Credit standards		
Manufacturing		
Construction		
Services		
Wholesale and retail trade		
Real estate		
a) Residential real estate		
b) Commercial real estate		
Terms and conditions		
Manufacturing		
Construction		
Services		
Wholesale and retail trade		
Real estate		
a) Residential real estate		
b) Commercial real estate		
Credit demand		
Manufacturing		
Construction		
Services		
Wholesale and retail trade		
Real estate		
a) Residential real estate		
b) Commercial real estate		

- The effect of visa liberalization - during the next six months, what are the expectations for credit demand, both from enterprises and households?
- What will be the bank's policies in financing the real estate sector, both for enterprises and households? Will there be an increase/decrease in loan demand expected in this sector in the first half of the year, as well prospect for 2024 in general?
- How much will the bank be exposed to liquidity risk in the next six months? What measures will the bank undertake to manage this risk?