Table 1

SENIOR LOAN OFFICER OPINION SURVEY ON BANK LENDING PRACTICES
AT SELECTED LARGE BANKS IN THE UNITED STATES
(Status of policy as of May 1999)

Note: Data in this table were slightly revised after the May 21 release. Counts for responses to some questions were updated, but the overall conclusions of the survey were not affected. Any numbers that changed are noted by asterisks.

(Number of banks and percentage of banks answering question)
(By volume of total domestic assets as of December 31, 1998[1])

Questions 1-5 *ask about* ***commercial and industrial loans*** *at your bank: Questions 1-3 with changes in your bank's lending policies over the past three months, and questions 4 and 5 deal with changes in demand over the same period. 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 standards as changes in standards.*

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 more than $50 million)

	All Respondents		Large Banks		Other Banks	
	Banks	Pct	Banks	Pct	Banks	Pct
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	6	10.0	3	10.0	3	10.0
Remained basically unchanged	54	90.0	27	90.0	27	90.0
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	60	100.0	30	100.0	30	100.0

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

	All Respondents		Large Banks		Other Banks	
	Banks	Pct	Banks	Pct	Banks	Pct
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	5	8.3	1	3.3	4	13.3
Remained basically unchanged	55	91.7	29	96.7	26	86.7
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	60	100.0	30	100.0	30	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 December 31, 1998. The combined assets of the 30 large banks totaled $1.92 trillion, compared to $2.20 trillion for the entire panel of sixty banks, and $ 4.70 trillion for all domestically chartered, federally insured commercial banks.

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? (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. Terms for large and middle-market firms (annual sales of more than $50 million)

	All Respondents	Large Banks	Other Banks
	Mean	Mean	Mean
Maximum size of credit lines	2.95 *	2.86 *	3.03
Costs of credit lines	2.95	2.96	2.93
Spreads of loan rates over your bank's cost of funds (wider spreads=tightened, narrower spreads=eased)	2.91 *	2.93 *	2.90
The premiums charged on riskier loans	2.79	2.86	2.72
Loan covenants	2.96	2.93	3.00
Collateralization requirements	2.96	3.00	2.93
Other	3.00	3.00	3.00
Number of banks responding	57	28	29

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

	All Respondents	Large Banks	Other Banks
	Mean	Mean	Mean
Maximum size of credit lines	3.04	3.00	3.07
Costs of credit lines	2.96	3.00	2.93
Spreads of loan rates over your bank's cost of funds (wider spreads=tightened, narrower spreads=eased)	2.98 *	2.93 *	3.03
The premiums charged on riskier loans	2.75	2.79	2.72
Loan covenants	2.96	2.89	3.03
Collateralization requirements	3.00	3.00	3.00
Other	3.00	3.00	3.00
Number of banks responding	57	28	29

3. If your bank has tightened or eased its credit standards or its terms for C&I loans or credit lines over the past three months (as described in questions 1 and 2), how important have been the following possible reasons for the change? (Please respond to either A or B or both as appropriate.) (Please rate each possible reason using the following scale: 1=not important, 2=somewhat important, 3=very important.)

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

	All Respondents	Large Banks	Other Banks
	Mean	Mean	Mean
A deterioration in your bank's current or expected capital position	1.11	1.00 *	1.20 *
A less favorable or more uncertain economic outlook	1.67 *	1.75 *	1.60 *
A worsening of industry-specific problems	1.67 *	1.75 *	1.60 *
Less aggressive competition from other banks	1.11	1.08 *	1.13 *
Less aggressive competition from nonbank lenders (other financial intermediaries or the capital markets)	1.07 *	1.08 *	1.07 *
A reduced tolerance for risk	1.85 *	1.67 *	2.00 *
Decreased liquidity in the secondary market for these loans	1.19 *	1.08 *	1.27 *
Other	1.12 *	1.18 *	1.07 *
Number of banks responding	27 *	12 *	15

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

	All Respondents	Large Banks	Other Banks
	Mean	Mean	Mean
An improvement in your bank's current or expected capital position	1.00	1.00 *	1.00 *
A more favorable or less uncertain economic outlook	1.40 *	1.50 *	1.33 *
An improvement in industry-specific problems	1.33 *	1.33 *	1.33 *
More aggressive competition from other banks	2.40 *	2.00 *	2.67 *
More aggressive competition from nonbank lenders (other financial intermediaries or the capital markets)	2.27 *	2.00 *	2.44 *
An increased tolerance for risk	1.20 *	1.00 *	1.33 *
Increased liquidity in the secondary market for these loans	1.27 *	1.50 *	1.11 *
Other	1.13 *	1.13 *	1.22 *
Number of banks responding	15 *	6 *	9

4. How has demand for C&I loans (actual extensions of credit as opposed to undrawn lines) changed over the past three months (apart from normal seasonal variation)?

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

	All Respondents		Large Banks		Other Banks	
	Banks	Pct	Banks	Pct	Banks	Pct
Substantially stronger	1	1.7	0	0.0	1	3.4
Moderately stronger	10	16.9	4	13.3	6	20.7
About the same	37	62.7	21	70.0	16	55.2
Moderately weaker	11	18.6	5	16.7	6	20.7
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	59	100.0	30	100.0	29	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	Pct	Banks	Pct	Banks	Pct
Substantially stronger	1	1.7	0	0.0	1	3.4
Moderately stronger	11	18.6	4	13.3	7	24.1
About the same	41	69.5	24	80.0	17	58.6
Moderately weaker	6	10.2	2	6.7	4	13.8
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	59	100.0	30	100.0	29	100.0

5. If demand for C&I loans has strengthened or weakened over the past three months (as described in questions 4), how important have been the following possible reasons for the change? (Please respond to either A or B or both as appropriate.) (Please rate each possible reason using the following scale: 1=not important, 2=somewhat important, 3=very important.)

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

	All Respondents	Large Banks	Other Banks
	Mean	Mean	Mean
Customer inventory financing needs increased.	1.40 *	1.33 *	1.44 *
Customer investment in plant or equipment increased.	1.80 *	1.50 *	2.00 *
Customer internally generated funds decreased.	1.27 *	1.00 *	1.44 *
Customer borrowing shifted from other sources to your bank because these other sources became less attractive.	1.53 *	1.67 *	1.44 *
Customer merger or acquisition financing increased.	1.80 *	2.17 *	1.56 *
Other	1.13 *	1.00 *	1.22 *
Number of banks responding	15 *	6 *	9

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

	All Respondents	Large Banks	Other Banks
	Mean	Mean	Mean
Customer inventory financing needs decreased.	1.36	1.33	1.38
Customer investment in plant or equipment decreased.	1.57	1.33	1.75
Customer internally generated funds increased.	1.64	1.67	1.63
Customer borrowing shifted from your bank to other sources because these other sources became more attractive.	1.64	1.67	1.63
Customer merger or acquisition financing decreased.	1.64	1.83	1.50
Other	1.36	1.67	1.13
Number of banks responding	14	6	8

Questions 6 and 7 *ask about* ***commercial real estate loans*** *at your bank, including construction and land development loans and loans secured by nonfarm nonresidential real estate: Question 6 deals with changes in your bank's lending policies over the past three months, and question 7 deals with changes in demand over the same period. 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 standards as changes in standards.*

6. Over the past three months, how have your bank's credit standards for approving applications for commercial real estate loans changed?

	All Respondents		Large Banks		Other Banks	
	Banks	Pct	Banks	Pct	Banks	Pct
Tightened considerably	1	1.7	1	3.4	0	0.0
Tightened somewhat	5	8.5	3	10.3	2	6.7
Remained basically unchanged	50	84.7	23	79.3	27	90.0
Eased somewhat	3	5.1	2	6.9	1	3.3
Eased considerably	0	0.0	0	0.0	0	0.0
Total	59	100.0	29	100.0	30	100.0

7. Over the past three months, how has demand for commercial real estate loans changed (apart from normal seasonal variation)?

	All Respondents		Large Banks		Other Banks	
	Banks	Pct	Banks	Pct	Banks	Pct
Substantially stronger	0 *	0.0 *	0 *	0.0 *	0	0.0
Moderately stronger	14	23.7	5	17.2	9	30.0
About the same	37 *	62.7 *	18 *	62.1 *	19	63.3
Moderately weaker	8	13.6	6	20.7	2	6.7
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	59	100.0	29	100.0	30	100.0

Questions 8 and 9 *ask about* ***home mortgage loans*** *at your bank: Question 8 deals with changes in your bank's credit standards over the past three months, and question 9 deals with changes in demand over the same period. If your bank's credit standards have not changed over the past three months, 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 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 standards as changes in standards.*

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

	All Respondents		Large Banks		Other Banks	
	Banks	Pct	Banks	Pct	Banks	Pct
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	1	1.8	1	3.8	0	0.0
Remained basically unchanged	54	96.4	25	96.2	29	96.7
Eased somewhat	1	1.8	0	0.0	1	3.3
Eased considerably	0	0.0	0	0.0	0	0.0
Total	56	100.0	26	100.0	30	100.0

9. Over the past three months, how has demand for mortgage loans to purchase homes (as opposed to refinancing existing mortgages) changed (apart from normal seasonal variation)?

	All Respondents		Large Banks		Other Banks	
	Banks	Pct	Banks	Pct	Banks	Pct
Substantially stronger	4	7.1	1	3.8	3	10.0
Moderately stronger	12 *	21.4 *	6 *	23.1 *	6	20.0
About the same	29 *	51.8 *	14 *	53.8 *	15	50.0
Moderately weaker	11	19.6	5	19.2	6	20.0
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	56	100.0	26	100.0	30	100.0

Questions 10-15 *ask about* ***consumer lending*** *at your bank: Questions 10-12 deal with changes in your bank's willingness to make, and in its credit standards for, consumer loans over the past three months; questions 13 and 14 deal with changes in loan terms over the same period; and question 15 deals with changes in demand over the same period. 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.*

10. 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	Pct	Banks	Pct	Banks	Pct
Much more	0	0.0	0	0.0	0	0.0
Somewhat more	8	14.5	2	7.7	6	20.7
About unchanged	47 *	85.5 *	24 *	92.3 *	23	79.3
Somewhat less	0 *	0.0 *	0 *	0.0 *	0	0.0
Much less	0	0.0	0	0.0	0	0.0
Total	55	100.0	26	100.0	29	100.0

11. 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	Pct	Banks	Pct	Banks	Pct
Tightened considerably	0	0.0	0	0.0	0	0.0
Tightened somewhat	6 *	13.3 *	3 *	13.0 *	3	13.6
Remained basically unchanged	39 *	86.7 *	20 *	87.0 *	19	86.4
Eased somewhat	0	0.0	0	0.0	0	0.0
Eased considerably	0	0.0	0	0.0	0	0.0
Total	45	100.0	23	100.0	22	100.0

12. 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	Pct	Banks	Pct	Banks	Pct
Tightened considerably	1	1.8	1	3.8	0	0.0
Tightened somewhat	6	10.9	3	11.5	3	10.3
Remained basically unchanged	44	80.0	21	80.8	23	79.3
Eased somewhat	4	7.3	1	3.8	3	10.3
Eased considerably	0	0.0	0	0.0	0	0.0
Total	55	100.0	26	100.0	29	100.0

13. Over the past three months, how has your bank changed the following terms on new or existing credit card accounts for individuals or households? (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.)

	All Respondents	Large Banks	Other Banks
	Mean	Mean	Mean
Credit limits	3.02	2.95	3.09
Spreads of interest rates charged on outstanding balances over your bank's cost of funds (wider spreads=tightened, narrower spreads=eased)	3.00	3.00	3.00
Minimum percent of outstanding balances required to be repaid each month	3.02	3.05	3.00
Other	2.98 *	2.95 *	3.00
Number of banks responding	45	23	22

14. Over the past three months, how has your bank changed the following terms on consumer loans excluding credit card loans? (Please assign each term a number between 1 (tightened considerably) and 5 (eased considerably) as in question 18.)

	All Respondents	Large Banks	Other Banks
	Mean	Mean	Mean
Maximum maturity	3.05 *	3.04 *	3.07
Spreads of loan rates over your bank's cost of funds (wider spreads=tightened, narrower spreads=eased)	3.02 *	2.92 *	3.10
Minimum required down payment	3.00 *	3.00 *	3.00
Other	3.06 *	3.04 *	3.07
Number of banks responding	55	26	29

15. Over the past three months, how has demand for consumer loans of all types changed (apart from normal seasonal variation)?

	All Respondents		Large Banks		Other Banks	
	Banks	Pct	Banks	Pct	Banks	Pct
Substantially stronger	1 *	1.9 *	0 *	0.0 *	1	3.4
Moderately stronger	11 *	20.4 *	6 *	24.0 *	5	17.2
About the same	39 *	72.2 *	17 *	68.0 *	22	75.9
Moderately weaker	3	5.6	2	8.0	1	3.4
Substantially weaker	0	0.0	0	0.0	0	0.0
Total	54	100.0	25	100.0	29	100.0

Questions 16-33 *ask about how your bank is managing risks resulting from any Year 2000* ***problems*** *of its customers and about demand for and bank policy regarding business credit over the year-end.*

16. Is your customers' Year 2000 preparedness included as part of your bank's underwriting or loan review standards?

	All Respondents		Large Banks		Other Banks	
	Banks	Pct	Banks	Pct	Banks	Pct
Underwriting standards	4 *	6.8 *	2 *	6.9 *	2	6.7
Loan review standards	0	0.0	0	0.0	0	0.0
Both	54 *	91.5 *	26 *	89.7 *	28	93.3
Neither	1 *	1.7 *	1 *	3.4 *	0	0.0
Total	59	100.0	29	100.0	30	100.0

17. Has your bank rejected any loan applications because of the applicant's inadequate Year 2000 preparedness?

	All Respondents		Large Banks		Other Banks	
	Banks	Pct	Banks	Pct	Banks	Pct
Yes, many times	1	1.7	1	3.4	0	0.0
Yes, a few times	14 *	23.7 *	7 *	24.1 *	7	23.3
Rarely or never	44 *	74.6 *	21 *	72.4 *	23	76.7
Total	59	100.0	29	100.0	30	100.0

18. Does your bank include covenants, conditions, representations, or warranties specifically related to Year 2000 preparedness in any of its loan documentation with business customers that are not already Year 2000 compliant?

	All Respondents		Large Banks		Other Banks	
	Banks	Pct	Banks	Pct	Banks	Pct
Yes, for almost all new loans to such customers	31	52.5	17	58.6	14	46.7
Yes, for some new loans to such customers	14	23.7	8	27.6	6	20.0
Rarely or never	14	23.7	4	13.8	10	33.3
Total	59	100.0	29	100.0	30	100.0

19. At this time, what percentage of your bank's material business customers has been evaluated for Year 2000 preparedness?

	All Respondents		Large Banks		Other Banks	
	Banks	Pct	Banks	Pct	Banks	Pct
Less than 50 percent	0 *	0.0 *	0 *	0.0 *	0	0.0
At least 50 percent but less than 75 percent	4	6.8	2	6.9	2	6.7
At least 75 percent but less than 90 percent	14	23.7	7	24.1	7	23.3
At least 90 percent but less than 95 percent	10 *	16.9 *	6 *	20.7 *	4	13.3
At least 95 percent	31	52.5	14	48.3	17	56.7
Total	59	100.0	29	100.0	30	100.0

20. What percentage of your bank's material business customers that have been evaluated for Year 2000 preparedness was not making satisfactory progress toward achieving Year 2000 preparedness at the time of the most recent evaluation?

	All Respondents		Large Banks		Other Banks	
	Banks	Pct	Banks	Pct	Banks	Pct
Less than 5 percent	39 *	66.1 *	17 *	58.6 *	22	73.3
At least 5 percent but less than 10 percent	11	18.6	8	27.6	3	10.0
At least 10 percent but less than 15 percent	7 *	11.9 *	3 *	10.3 *	4	13.3
At least 15 percent but less than 30 percent	2	3.4	1	3.4	1	3.3
At least 30 percent	0	0.0	0	0.0	0	0.0
Total	59	100.0	29	100.0	30	100.0

21. Among all of your bank's material business customers (including those, if any, that have not yet been evaluated), what percentage has your bank downgraded because of the borrowers' inadequate Year 2000 preparation?

	All Respondents		Large Banks		Other Banks	
	Banks	Pct	Banks	Pct	Banks	Pct
Less than 1 percent	43	72.9	24	82.8	19	63.3
At least 1 percent but less than 3 percent	9	15.3	4	13.8	5	16.7
At least 3 percent but less than 5 percent	6	10.2	1	3.4	5	16.7
At least 5 percent but less than 10 percent	1	1.7	0	0.0	1	3.3
At least 10 percent	0	0.0	0	0.0	0	0.0
Total	59	100.0	29	100.0	30	100.0

22. To date, has your bank experienced any requests from nonfinancial firms for new credit lines or extensions of existing credit lines that are specifically related to firms' Year 2000 contingency preparations? Such lines are sometimes referred to as Year 2000 contingency lines of credit.

	All Respondents		Large Banks		Other Banks	
	Banks	Pct	Banks	Pct	Banks	Pct
A substantial number	0 *	0.0 *	0 *	0.0 *	0	0.0
A moderate number	3	5.1	1	3.4	2	6.7
A negligible number	56 *	94.9 *	28 *	96.6 *	28	93.3
Total	59	100.0	29	100.0	30	100.0

23. To date, has your bank experienced any requests for Year 2000 contingency lines of credit (as defined in question 22) from financial firms?

	All Respondents		Large Banks		Other Banks	
	Banks	Pct	Banks	Pct	Banks	Pct
A substantial number	1 *	1.7 *	0 *	0.0 *	1	3.3
A moderate number	5	8.5	1	3.4	4	13.3
A negligible number	53 *	89.8 *	28 *	96.6 *	25	83.3
Total	59	100.0	29	100.0	30	100.0

24. If your bank has received at least a moderate number of requests from financial firms for Year 2000 contingency lines of credit (answer 1 or 2 to question 23), which of the following are important sources of these requests? (Please select all that apply.)

	All Respondents		Large Banks		Other Banks	
	Banks	Pct	Banks	Pct	Banks	Pct
Insurance companies	1 *	16.7 *	0 *	0.0 *	1	20.0
Finance companies	0 *	0.0 *	0 *	0.0 *	0	0.0
Mutual funds	0 *	0.0 *	0 *	0.0 *	0	0.0
Brokerages	0 *	0.0 *	0 *	0.0 *	0	0.0
REITs	1	16.7 *	1	100.0 *	0	0.0
Domestic banks	5	83.3 *	0	0.0	5	100.0
Branches and agencies of foreign banks	1 *	16.7 *	0 *	0.0 *	1	20.0
Credit unions	2	33.3 *	0	0.0	2	40.0
Savings and loans institutions	1	16.7 *	0	0.0	1	20.0
Other	0	0.0	0	0.0	0	0.0
Total responding to 24	6 *		1 *		5	

25. Looking ahead, does your bank expect to receive requests for Year 2000 contingency lines of credit from either financial or nonfinancial firms?

	All Respondents		Large Banks		Other Banks	
	Banks	Pct	Banks	Pct	Banks	Pct
A substantial number	1 *	1.7 *	0 *	0.0 *	1	3.3
A moderate number	23	39.0	12	41.4	11	36.7
A negligible number	35 *	59.3 *	17 *	58.6 *	18	60.0
Total	59	100.0	29	100.0	30	100.0

26. Is your bank willing to extend Year 2000 contingency lines of credit?

	All Respondents		Large Banks		Other Banks	
	Banks	Pct	Banks	Pct	Banks	Pct
Yes, to existing and new borrowers	29 *	49.2 *	15 *	51.7 *	14	46.7
Yes, but only to existing borrowers	27 *	45.8 *	12 *	41.4 *	15	50.0
No	3	5.1	2	6.9	1	3.3
Total	59	100.0	29	100.0	30	100.0

27. If your bank is not willing to extend Year 2000 contingency lines of credit or is limiting such lines only to existing borrowers (answer 2 or 3 to question 26), why? (Please select all that apply.)

	All Respondents		Large Banks		Other Banks	
	Banks	Pct	Banks	Pct	Banks	Pct
Anticipated difficulty of funding credit lines over year-end	9	32.1	4	33.3	5	31.3
Concerns about the effect of additional lending on capital ratios	11	39.3	5	41.7	6	37.5
Concerns about repayment prospects related to Year 2000 effects on customers	11	39.3	2	16.7	9	56.3
Heightened concerns about credit quality generally	7	25.0	3	25.0	4	25.0
Other	3	10.7 *	3	25.0 *	0	0.0
Total responding to 27	28		12		16	

28. If your bank is willing to extend Year 2000 contingency lines of credit (answer 1 or 2 to question 26), how do your credit standards for these facilities compare to standards for credit lines extended for general business purposes?

	All Respondents		Large Banks		Other Banks	
	Banks	Pct	Banks	Pct	Banks	Pct
Substantially tighter	6	10.7	1	3.6	5	17.9
Moderately tighter	17 *	30.4 *	9 *	32.1 *	8	28.6
Essentially the same	33 *	58.9 *	18 *	64.3 *	15	53.6
Total	56	100.0	28	100.0	28	100.0

29. If your bank is willing to extend Year 2000 contingency lines of credit (answer 1 or 2 to question 26), how will loans taken down under such facilities be priced relative to loans under credit lines extended for general business purposes?

	All Respondents		Large Banks		Other Banks	
	Banks	Pct	Banks	Pct	Banks	Pct
No difference in pricing	36 *	69.2 *	20 *	80.0 *	16	59.3
A premium of 10 basis points or less	2 *	3.8 *	1 *	4.0 *	1	3.7
A premium of 11 to 25 basis points	9 *	17.3 *	4 *	16.0 *	5	18.5
A premium of 26 to 50 basis points	5	9.6	0	0.0	5	18.5
A premium of 51 basis points or more	0	0.0	0	0.0	0	0.0
Total	52	100.0	25	100.0	27	100.0

30. If your bank's credit standards or terms are generally tighter for Year 2000 contingency lines than for other business lines of credit (as described in questions 28 and 29), is the relative tightness applied

	All Respondents		Large Banks		Other Banks	
	Banks	Pct	Banks	Pct	Banks	Pct
Mainly to nonfinancial firms	3	7.9 *	1	6.7 *	2	8.7
Mainly to financial firms	3 *	7.9 *	1 *	6.7 *	2	8.7
About equally to nonfinancial and financial firms	21 *	55.3 *	7 *	46.7 *	14	60.9
Your bank's standards and terms of Year 2000 contingency lines are not generally tighter than the standards and terms of other business lines of credit.	11 *	28.9 *	6 *	40.0 *	5	21.7
Total	38 *	100.0	15 *	100.0	23	100.0

31. How has your bank's strategy to manage its Year 2000 risks affected the standards and terms it applies to customer requests to renew expiring credit lines that would extend over year-end, but are not specifically meant to meet year-end funding needs? (Please select all that apply.)

	All Respondents		Large Banks		Other Banks	
	Banks	Pct	Banks	Pct	Banks	Pct
No effect on either standards or terms	51 *	86.4 *	24 *	82.8 *	27	90.0
Standards are tighter.	6	10.2	3	10.3	3	10.0
The size of lines is smaller.	0	0.0	0	0.0	0	0.0
Spreads over base rates and/or fees are higher.	0	0.0	0	0.0	0	0.0
Advances around year-end will require additional or more liquid collateral.	1	1.7	1	3.4	0	0.0
Usage of the lines around year-end will be limited.	1	1.7	1	3.4	0	0.0
Drawdowns around year-end will entail a rate premium.	2	3.4	1	3.4	1	3.3
Other	3	5.1	2	6.9	1	3.3
Total responding to 31	59 *		29 *		30	

32. How do you expect drawdowns of existing business credit lines at your bank around year-end to compare to normal year-end drawdowns?

	All Respondents		Large Banks		Other Banks	
	Banks	Pct	Banks	Pct	Banks	Pct
Much stronger than normal	2	3.4	1	3.4	1	3.3
Somewhat stronger than normal	37 *	62.7 *	19 *	65.5 *	18	60.0
About normal	20 *	33.9 *	9 *	31.0 *	11	36.7
Somewhat weaker than normal	0	0.0	0	0.0	0	0.0
Much weaker than normal	0	0.0	0	0.0	0	0.0
Total	59	100.0	29	100.0	30	100.0

33. If your bank expects demand for business credit to be stronger than normal around year-end (answer 1 or 2 to question 32), what do you think will be the reasons for the stronger demand? (Please rate each possible reason using the following scale: 1=not a reason, 2=a somewhat important reason, 3=a very important reason.)

	All Respondents	Large Banks	Other Banks
	Mean	Mean	Mean
Increased customer inventory financing needs	1.93 *	2.05 *	1.80 *
Increased customer accounts receivable financing needs	1.80 *	1.81 *	1.80 *
The cost of borrowing elsewhere may exceed the cost of borrowing at your bank.	1.07 *	1.14 *	1.00 *
Market disruptions may make borrowing elsewhere difficult or impossible.	1.67 *	1.71 *	1.62 *
Other	1.15 *	1.14 *	1.16 *
Total	42 *	21 *	21

Optional: Question 34 *requests feedback on any issues you judge to be important but are not addressed on this survey.*

34. Are there any recent developments in lending practices not addressed in this survey that you find particularly significant? Your response will help us stay abreast of breaking issues and in choosing questions for future surveys. There is no need to reply if you have nothing you would like to add.