EUROPEAN CENTRAL BANK
EUROSYSTEM

Survey on credit terms and conditions in euro-denominated securities financing and over-the-counter derivatives markets (SESFOD)

September 2021

Four times a year, the Eurosystem conducts a qualitative survey on credit terms and conditions in euro-denominated securities financing and over-the-counter (OTC) derivatives markets. This survey follows up on a recommendation made in the Committee on the Global Financial System report on the role of margin requirements and haircuts in procyclicality, which was published in March 2010.[1] The survey is part of an international initiative aimed at collecting information on trends in the credit terms offered by firms in the wholesale markets and insights into the main drivers of these trends. The information collected is valuable for financial stability, market functioning and monetary policy objectives.

The survey questions are grouped into three sections:

1) **counterparty types** – credit terms and conditions for various counterparty types in both securities financing and OTC derivatives markets;

2) **securities financing** – financing conditions for various collateral types;

3) **non-centrally cleared OTC derivatives** – credit terms and conditions for various derivatives types.

The survey focuses on **euro-denominated** instruments in securities financing and OTC derivatives markets. For securities financing, this refers to the euro-denominated securities against which financing is provided, rather than the currency of the loan. For OTC derivatives, at least one of the legs of the contract should be denominated in euro.

Survey participants are **large banks and dealers** active in targeted euro-denominated markets.

Reporting institutions should report on their **global credit terms**, with the survey aimed at senior credit officers responsible for maintaining an overview of the management of credit risks. Where material differences exist across different business areas, for example between traditional prime brokerage and OTC

1 Committee on the Global Financial System, "The role of margin requirements and haircuts in procyclicality", *CGFS Papers*, No 36, March 2010.

derivatives, answers should refer to the business area generating the most exposure.

Credit terms are reported from the perspective of the firm as a **supplier of credit to customers** (rather than as a receiver of credit from other firms).

The questions focus on (i) how terms have tightened or eased over the past three months (regardless of longer-term trends), (ii) why these terms have changed and (iii) what expectations for the future look like. Firms are encouraged to answer all questions, unless specific market segments are of only marginal importance for the firm's business.

The font colour of the reported net percentage of respondents in the tables of this document, either blue or red, reflects, respectively, **tightening/deterioration** or **easing/improvement** of credit terms and conditions in targeted markets.

September 2021 SESFOD results

(Reference period from June 2021 to August 2021)

The September 2021 survey on credit terms and conditions in euro-denominated securities financing and OTC derivatives markets (SESFOD) reports qualitative changes in credit terms between June 2021 and August 2021. Responses were collected from a panel of 26 large banks, comprising 14 euro area banks and 12 banks with head offices outside the euro area.

Highlights

Overall credit terms and conditions tightened slightly over the June 2021 to August 2021 review period. Survey respondents reported a tightening of overall credit terms for all counterparty types. Both price and non-price terms tightened somewhat for all counterparty types, and in particular for investment funds, hedge funds and insurance companies.

Survey respondents attributed the less favourable price terms mainly to a general deterioration in market liquidity and functioning, a decreased willingness of institutions to take on risk and internal treasury charges for funding. They attributed the less favourable non-price terms mainly to a decreased willingness of institutions to take on risk, greater competitive pressures from other institutions, a general deterioration in market liquidity and functioning and a reduced availability of balance sheet or capital.

With regard to securities financing transactions, respondents reported an ongoing easing of credit terms in securities financing markets across most collateral types, with increased maximum amounts of funding, increased maximum maturity of funding, decreased haircuts to collateral and, most notably, a continued decrease in financing rates/spreads for funding against almost all collateral types. Demand continued to weaken for funding against almost all collateral types, but in particular against government bonds and asset-backet securities.

With regard to non-centrally cleared derivatives markets, respondents reported increased initial margin requirements for OTC derivatives, while liquidity and trading was broadly unchanged for the most part. Valuation disputes showed a moderate increase in volume as well as in duration and persistence.

The September 2021 survey included a number of special questions aimed at determining the main purposes for which counterparties use OTC derivatives and securities financing transactions. Counterparties use OTC derivatives for a variety of purposes, depending on counterparty type, but they use securities financing transactions mainly for yield enhancement. While non-financial corporations, sovereigns, and bank and dealers use OTC derivatives almost exclusively for hedging purposes, hedge funds use them predominantly for speculation.

For those counterparties that use OTC derivatives for yield enhancement and/or speculation, interest rate derivatives are the instrument of choice, while for those counterparties that use securities financing transactions for yield enhancement and/or speculation, high-quality government, sub-national and supra-national bonds are preferred.

Counterparty types

Overall credit terms and conditions in both securities financing and OTC derivatives markets tightened slightly over the June 2021 to August 2021 review period. Respondents reported a tightening of overall credit terms for all counterparty types (see Chart A). Both price and non-price terms tightened somewhat in net terms for all counterparty types, but in a marginally more pronounced way for investment funds, hedge funds and insurance companies. The net tightening of overall terms and conditions was in line with the expectation expressed in the June 2021 survey that terms and conditions for all counterparties would generally tighten somewhat over the review period.

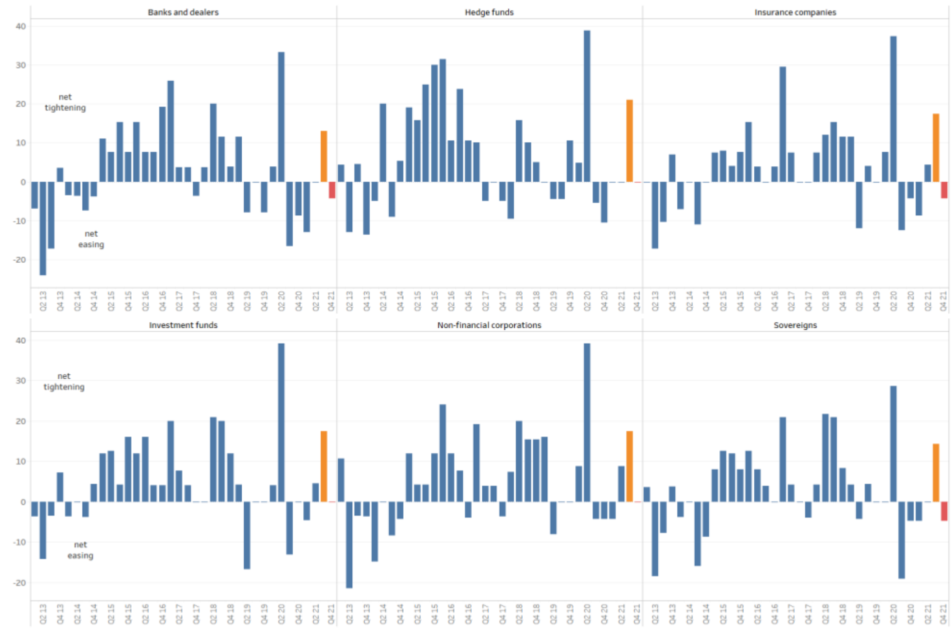
Survey respondents attributed the less favourable price terms mainly to a general deterioration in market liquidity and functioning, a decreased willingness of institutions to take on risk and a reduced availability of balance sheet or capital. They attributed the less favourable non-price terms mainly to a decreased willingness of institutions to take on risk, greater competitive pressures from other institutions, a general deterioration in market liquidity and functioning and a reduced availability of balance sheet or capital.

Respondents expected overall terms to ease somewhat over the September 2021 to November 2021 review period. At the level of counterparty type, respondents expected overall terms to remain, on balance, unchanged for hedge funds, investment funds and non-financial corporations but to ease somewhat for all other counterparty types (see Chart A). Differentiating between price and non-price terms, a small net percentage of respondents expected an easing in price terms for all counterparty types except hedge funds as well as an easing in non-price terms for all counterparty types except hedge funds, investment funds and non-financial corporations, for which non-price terms are expected to remain unchanged.

Chart A

Observed and expected changes in overall credit terms offered to counterparties across all transaction types

(Q1 2013 – Q3 2021 for observed changes, with Q3 2021 reporting shown as orange bars; Q4 2021 for expected changes shown as red bars; net percentages of survey respondents)



Source: ECB.
Note: Net percentages are defined as the difference between the percentage of respondents reporting “tightened somewhat” or “tightened considerably” and the percentage reporting “eased somewhat” or “eased considerably”.

Most respondents reported that CCP practices had a neutral influence on credit terms for bilateral transactions which are not cleared. One respondent reported that the practices of central counterparties (CCPs), which included margin requirements and haircuts, contributed somewhat to tighter credit terms for the June 2021 to August 2021 review period.

Respondents reported only very slight changes to resources and attention devoted to the management of concentrated credit exposures. A small net percentage of respondents reported an increase in the resources and attention devoted to managing concentrated credit exposures to large banks during the reference period. However, on balance resources devoted to managing concentrated credit exposures to CCPs decreased.

A net percentage of respondents reported that the availability and use of financial leverage decreased somewhat for hedge funds. The use of leverage by insurance companies and investment firms remained unchanged over the reference period.

There was increased pressure from all counterparty types to obtain more favourable conditions – most notably from non-financial corporations, insurance companies and investment funds. At the same time, there was a net increase in the provision of differential terms to most-favoured clients over the reference period for all counterparty types except hedge funds, for which the provision remained unchanged.

Respondents reported a mixed picture on the volume, duration and persistence of valuation disputes. A small percentage of respondents reported an increase in the volume of valuation disputes for banks and dealers as well as hedge funds, and a decrease for insurance companies and non-financial corporations, while the volume of valuation disputes remained, on balance, unchanged for investment funds. With regard to duration and persistence, a small percentage of respondents reported an increase for banks and dealers, insurance companies and investment funds. They reported unchanged duration and persistence for hedge funds.

Securities financing

The maximum amount of funding against euro-denominated collateral increased for most types of collateral. Participants in the September 2021 survey highlighted a net increase in the maximum amount of funding offered to clients against collateral in the form of euro-denominated high-quality and high-yield corporate bonds, asset-backed securities, non-domestic high-quality and other government bonds, as well as covered bonds. However, a small net share of respondents indicated that the amount of funding offered against domestic government bonds, convertible securities and equities decreased over the reference period.

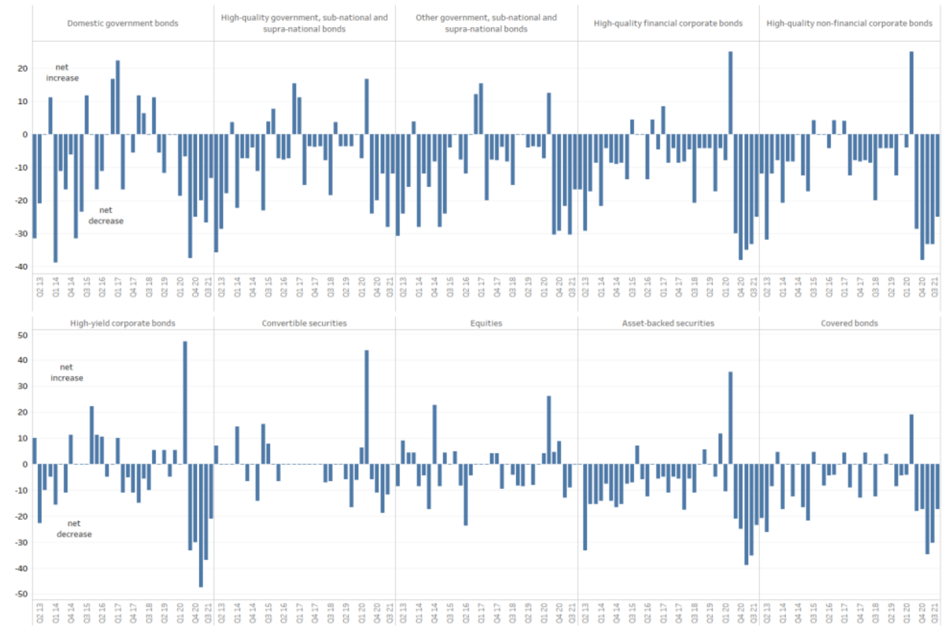
The maximum maturity of funding against euro-denominated collateral increased for most collateral types except domestic government bonds and convertible securities. A significant net percentage of survey respondents reported an increase in the maximum maturity of funding against high-quality and high-yield corporate bonds, asset-backed securities, covered bonds and non-domestic high-quality government bonds.

Haircuts applied to euro-denominated collateral decreased or remained unchanged for the majority of collateral types except equities. In particular, a small net percentage of survey respondents reported decreased haircuts for asset-backed securities, high quality non-financial corporate bonds, high yield corporate bonds, non-domestic government bonds and covered bonds. While respondents reported unchanged haircuts for domestic government bonds, high-quality financial corporate bonds and convertible securities, a small net percentage reported increased haircuts for equities.

Financing rates/spreads continued to decrease for funding secured by all types of collateral except convertible securities and equities. Following the significant decreases reported in the four previous SESFOD summaries, a large share of survey respondents reported further decreases in financing rates/spreads for funding secured by both high-quality and high-yield corporate bonds and asset-backed securities (more than a net one-fifth of respondents) as well as government bonds and covered bonds (more than a net tenth of respondents) (see Chart B). Survey respondents reported unchanged financing rates/spreads for funding secured against convertible securities and equities. An even larger share of responses pointed to decreased financing rates/spreads for most-favoured clients.

Chart B
Financing rate/spreads

(Q1 2013 – Q3 2021; net percentages of survey respondents)



Source: ECB.
Note: Net percentages are defined as the difference between the percentage of respondents reporting "decreased considerably" or "decreased somewhat" and the percentage reporting "increased somewhat" or "increased considerably".

The use of CCPs increased somewhat for government bonds, high-quality corporate bonds and covered bonds but decreased for high-yield corporate bonds and remained broadly unchanged for all other types of collateral. In line with previous surveys, responses to the September 2021 survey indicated only small changes in the use of CCPs for many types of collateral. Respondents reported net increases in the use of CCPs for funding secured by government bonds and high-quality corporate bonds. One respondent reported a decrease in the use of CCPs for funding secured against high-yield corporate bonds. Responses were similar for both average and most-favoured clients.

Covenants and triggers eased somewhat for funding against most collateral types. A small net percentage of survey respondents reported – for both average and most-favoured clients – slightly easier conditions for the covenants and triggers under which all types of collateral except domestic government bonds, convertible securities and equities are funded.

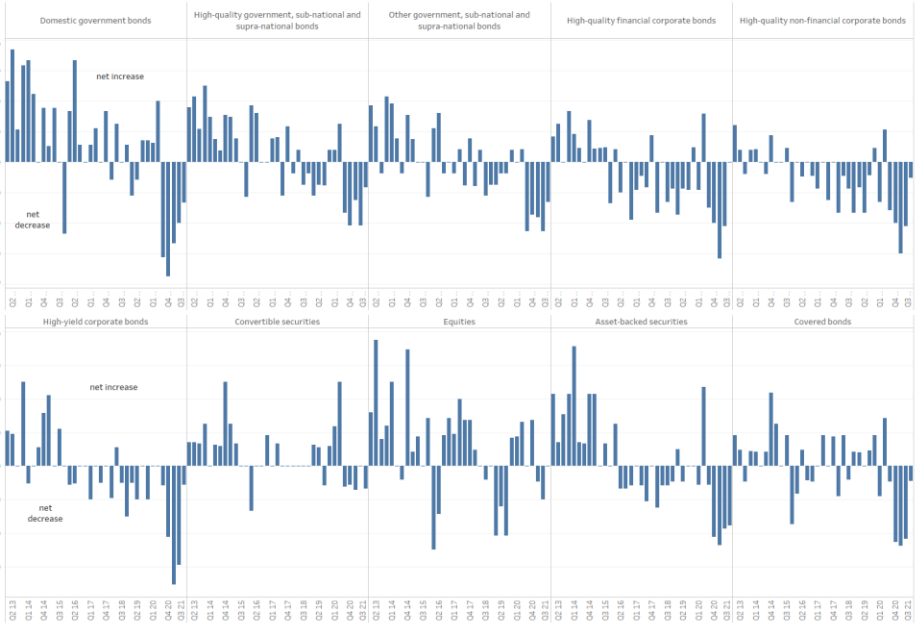
Demand for funding continued to weaken across almost all collateral types. A small net percentage of survey respondents reported weaker demand for funding across nearly all collateral types, with the strongest decrease in demand reported for funding against government bonds and asset-backed securities (see Chart C).

However, a small net percentage of survey respondents reported unchanged demand for funding against high-quality financial corporate bonds and equities. While survey respondents reported unchanged overall demand for funding against equities collateral, a small net percentage saw an increased demand for term funding of this collateral type.

Chart C

Demand for funding

(Q1 2013 – Q3 2021; net percentages of survey respondents)



Source: ECB.
Note: Net percentages are defined as the difference between the percentage of respondents reporting “decreased considerably” or “decreased somewhat” and the percentage reporting “increased somewhat” and “increased considerably”.

On balance, the liquidity of collateral remained unchanged. A net percentage of survey respondents reported a deterioration in the liquidity and functioning of the markets for corporate bonds in particular, but also for convertible securities and equities. Survey respondents reported unchanged liquidity and functioning for all other collateral markets except high-quality government bonds, for which they reported a small net improvement.

Collateral valuation disputes remained unchanged for all collateral types. For the review period from June 2021 to August 2021 and for the fourth review period in a row, all survey respondents reported, for all collateral types, no change to the volume and duration of collateral valuation disputes.

Non-centrally cleared OTC derivatives

Initial margin requirements increased for all OTC derivatives except foreign exchange derivatives and total return swaps, for which they remained

unchanged. For interest rates, credit, equity and commodity derivatives, a small net percentage of respondents reported, for both average and most-favoured clients, an increase in initial margins. This net increase in initial margins was slightly more pronounced for equity derivatives as well as for credit derivatives referencing sovereigns and corporates.

Only small changes were reported for the maximum amount of exposure and survey responses for the maximum maturity of trades were mixed. A small percentage of respondents reported that the maximum amount of exposure to interest rates, credit derivatives referencing structured credit products and equity derivatives increased somewhat in net terms, while it decreased in net terms for credit derivatives referencing sovereigns and commodity derivatives. It remained unchanged for all other derivative types. A small percentage of respondents reported that the maximum maturity of trades increased somewhat in net terms for credit derivatives referencing corporates and for equity derivatives while remaining unchanged for all other derivative types.

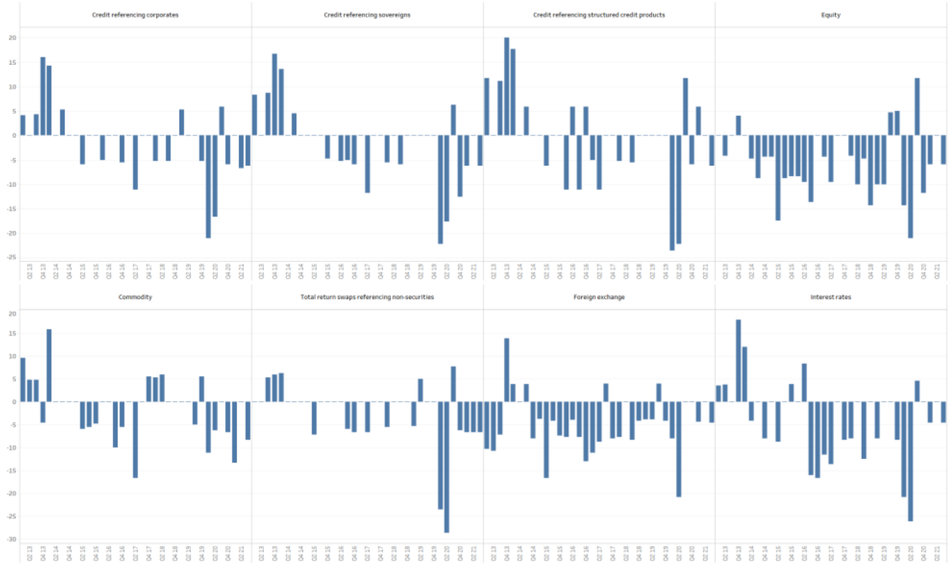
Liquidity and trading remained broadly unchanged for almost all OTC derivatives. A small net percentage of survey respondents reported a slight deterioration in liquidity and trading for credit derivatives referencing corporates and structured credit products.

Valuation disputes increased in volume as well as in duration and persistence (see Chart D). In particular, survey respondents reported a net increase in the duration and persistence of valuation disputes for credit derivatives referencing structured credit products, for total return swaps referencing non-securities and for equity derivatives.

Chart D

Valuation disputes derivatives – duration and persistence

(Q1 2013 – Q3 2021; net percentages of survey respondents)



Source: ECB.
Note: Net percentages are defined as the difference between the percentage of respondents reporting “decreased considerably” or “decreased somewhat” and the percentage reporting “increased somewhat” and “increased considerably”.

Respondents reported very few changes in new or renegotiated master agreements. A small percentage of respondents reported slightly tighter criteria for margin call practices incorporated into new or renegotiated master agreements and for other documentation features (e.g. CSA amendments to address the discount rate switch from EONIA to the €STR). A small percentage of respondents also reported slightly easier conditions for acceptable collateral.

Non-standard collateral posting decreased somewhat. A small net percentage of respondents reported that the posting of non-standard collateral (for example, other than cash and high-quality government bonds) had decreased somewhat.

Special questions

The September 2021 survey included a number of special questions aimed at determining the main purposes for which counterparties use OTC derivatives and securities financing transactions, as well as the extent to which above-average liquidity risks, the use of leverage and the concentration of exposures influence the terms and conditions offered to counterparties in such transactions.

Counterparties use OTC derivatives for a variety of reasons, depending on counterparty type (see Chart E – panel a). At the counterparty level survey participants reported that non-financial corporations, sovereigns as well as banks and dealers use OTC derivatives almost exclusively for hedging purposes (see Chart E – panel b). Survey participants reported that only hedge funds primarily use OTC derivatives for speculation, followed by hedging or yield enhancement. They also reported that hedging and yield enhancement have an equal weight for insurance companies and investment funds in their use of OTC derivatives. Finally, survey respondents also revealed that a significant share of counterparties (15%) would not disclose their reasons for using OTC derivatives.

For those counterparties that use OTC derivatives for yield enhancement and/or speculation, survey respondents reported that interest rate derivatives are most commonly the instrument of choice. Respondents stated that only hedge funds actively use total return swaps on single securities or equity indices for yield enhancement and/or speculation. They also pointed to the fact that insurance companies and non-financial corporations use equity derivatives and foreign exchange derivatives for yield enhancement and/or speculation purposes. Survey respondents did not report any counterparty use of credit derivatives referencing sovereigns, corporates or structured products, commodity derivatives or total return swaps referencing non-securities (e.g. bank loans) for yield enhancement and/or speculation.

Above-average liquidity risks, the use of leverage and the concentration of exposures all have a significant tightening impact on the terms and conditions offered to counterparties in OTC derivative transactions.

Counterparties use securities financing transactions mainly for the purposes of yield enhancement (see Chart E – panel a). At the counterparty level survey respondents reported that the use of securities financing transactions for yield enhancement purposes is particularly pronounced for insurance companies and investment funds, and is also important for hedge funds (see Chart E – panel b). Banks and dealers as well as – to a lesser extent – non-financial corporations and sovereigns use securities financing mainly for hedging purposes. Insurance companies and investment funds – and also hedge funds – use securities financing mainly for yield enhancement. Only hedge funds use securities financing for speculation purposes. Survey respondents also reported that a significant share of counterparties use securities financing for other (i.e. a mix of) purposes including (1) (short-term) liquidity or cash management (in the case of banks and dealers, insurance companies and non-financial corporations), (2) collateral management, short-coverage and inventory refinancing financing (in the case of banks and dealers as well as hedge funds), (3) yield enhancement (in the case of banks, insurance companies, investment funds and sovereigns, (4) leverage (in the case of hedge funds), and (5) market functioning (in the case of sovereigns or central banks). Finally, survey respondents reported that around a quarter of counterparties do not disclose their reasons for using securities financing.

Of those counterparties that use securities financing for yield enhancement and/or speculation, high-quality government, sub-national and supra-national bonds are most commonly used as collateral in securities financing transactions. Counterparties use domestic government bonds, high-yield corporate bonds and equities to a significantly lesser extent. Survey respondents stated that only investment funds use high-quality non-financial corporate bonds, only non-financial corporations and sovereigns use other government bonds, and only investment funds and hedge funds use asset-backed securities in securities financing transactions for yield enhancement and/or speculation purposes. They also pointed to a somewhat higher use of high-yield corporate bonds in securities financing transactions for yield enhancement and/or speculation by hedge funds, banks and dealers as well as non-financial corporations. Survey respondents did not report any counterparty use of convertible securities or covered bonds in securities financing transactions for yield enhancement and/or speculation.

Above-average liquidity risks, the use of leverage and the concentration of exposures all have a significant tightening impact on the terms and conditions offered to counterparties in securities financing transactions.

Chart E

Reasons for using OTC derivatives and securities financing transactions

Source: ECB.

1 Counterparty types

1.1 Realised and expected changes in price and non-price credit terms

Over the past three months, how have the [price] terms offered to [counterparty type/ all counterparties above] as reflected across the entire spectrum of securities financing and OTC derivatives transaction types changed, regardless of [non-price] terms?

Over the past three months, how have the [non-price] terms offered to [counterparty type/ all counterparties above] as reflected across the entire spectrum of securities financing and OTC derivatives transaction types changed, regardless of [price] terms?

Over the past three months, how have the [price and non-price] terms offered to [counterparty type/ all counterparties above] as reflected across the entire spectrum of securities financing and OTC derivatives transaction types changed [overall]?

Table 1

(in percentages, except for the total number of answers)

Realised changes	Tightened considerably	Tightened somewhat	Remained basically unchanged	Eased somewhat	Eased considerably	Net percentage		Total number of answers
						Jun. 2021	Sep. 2021	
Banks and dealers								
Price terms	0	21	75	4	0	+8	+17	24
Non-price terms	0	17	79	4	0	0	+13	24
Overall	0	17	78	4	0	0	+13	23
Hedge funds								
Price terms	0	21	79	0	0	+11	+21	19
Non-price terms	0	21	79	0	0	0	+21	19
Overall	0	21	79	0	0	0	+21	19
Insurance companies								
Price terms	0	17	83	0	0	+8	+17	24
Non-price terms	0	17	83	0	0	+4	+17	24
Overall	0	17	83	0	0	+4	+17	23
Investment funds (incl. ETFs), pension plans and other institutional investment pools								
Price terms	0	21	79	0	0	+8	+21	24
Non-price terms	0	17	83	0	0	+4	+17	24
Overall	0	17	83	0	0	+5	+17	23
Non-financial corporations								
Price terms	0	17	83	0	0	+12	+17	24
Non-price terms	0	13	88	0	0	+8	+13	24
Overall	0	17	83	0	0	+9	+17	23
Sovereigns								
Price terms	0	14	86	0	0	+5	+14	22
Non-price terms	0	14	86	0	0	+5	+14	22
Overall	0	14	86	0	0	0	+14	21
All counterparties above								
Price terms	0	16	84	0	0	+8	+16	25
Non-price terms	0	12	88	0	0	+4	+12	25
Overall	0	13	88	0	0	+8	+13	24

Note: The net percentage is defined as the difference between the percentage of respondents reporting "tightened considerably" or "tightened somewhat" and those reporting "eased somewhat" and "eased considerably".

1.1 Realised and expected changes in price and non-price credit terms (continued)

Over the next three months, how are the [price] terms offered to [counterparty type/ all counterparties above] as reflected across the entire spectrum of securities financing and OTC derivatives transaction types likely to change, regardless of [non-price] terms?

Over the next three months, how are the [non-price] terms offered to [counterparty type/ all counterparties above] as reflected across the entire spectrum of securities financing and OTC derivatives transaction types likely to change, regardless of [price] terms?

Over the next three months, how are the [price and non-price] terms offered to [counterparty type/ all counterparties above] as reflected across the entire spectrum of securities financing and OTC derivatives transaction types likely to change [overall]?

Table 2

(in percentages, except for the total number of answers)

Expected changes	Likely to tighten considerably	Likely to tighten somewhat	Likely to remain unchanged	Likely to ease somewhat	Likely to ease considerably	Net percentage		Total number of answers
						Jun. 2021	Sep. 2021	
Banks and dealers								
Price terms	0	0	91	9	0	+4	-9	23
Non-price terms	0	0	96	4	0	0	-4	23
Overall	0	0	96	4	0	+4	-4	23
Hedge funds								
Price terms	0	5	90	5	0	0	0	20
Non-price terms	0	5	90	5	0	0	0	20
Overall	0	5	90	5	0	0	0	20
Insurance companies								
Price terms	0	0	91	9	0	+4	-9	23
Non-price terms	0	0	96	4	0	0	-4	23
Overall	0	0	96	4	0	+4	-4	23
Investment funds (incl. ETFs), pension plans and other institutional investment pools								
Price terms	0	4	87	9	0	+5	-4	23
Non-price terms	0	4	91	4	0	0	0	23
Overall	0	4	91	4	0	+5	0	23
Non-financial corporations								
Price terms	0	4	87	9	0	+9	-4	23
Non-price terms	0	4	91	4	0	+4	0	23
Overall	0	4	91	4	0	+9	0	23
Sovereigns								
Price terms	0	0	90	10	0	+5	-10	21
Non-price terms	0	0	95	5	0	0	-5	21
Overall	0	0	95	5	0	+5	-5	21
All counterparties above								
Price terms	0	0	92	8	0	+4	-8	24
Non-price terms	0	0	96	4	0	0	-4	24
Overall	0	0	96	4	0	+4	-4	24

Note: The net percentage is defined as the difference between the percentage of respondents reporting "likely to tighten considerably" or "likely to tighten somewhat" and those reporting "likely to ease somewhat" and "likely to ease considerably".

1.2 Reasons for changes in price and non-price credit terms

To the extent that [price/ non-price] terms applied to [banks and dealers] have tightened or eased over the past three months (as reflected in your responses in Section 1.1), what was the [first/ second/ third] most important reason for the change?

Table 3

(in percentages, except for the total number of answers)

Banks and dealers	First reason	Second reason	Third reason	Either first, second or third reason Jun. 2021	Either first, second or third reason Sep. 2021
Price terms					
Possible reasons for tightening					
Current or expected financial strength of counterparties	0	0	0	0	0
Willingness of your institution to take on risk	20	25	33	33	25
Adoption of new market conventions (e.g. ISDA protocols)	0	0	0	0	0
Internal treasury charges for funding	0	0	0	33	0
Availability of balance sheet or capital at your institution	0	25	0	0	8
General market liquidity and functioning	60	0	0	33	25
Competition from other institutions	0	25	33	0	17
Other	20	25	33	0	25
Total number of answers	5	4	3	3	12
Possible reasons for easing					
Current or expected financial strength of counterparties	0	0	0	0	0
Willingness of your institution to take on risk	0	0	0	0	0
Adoption of new market conventions (e.g. ISDA protocols)	0	0	0	0	0
Internal treasury charges for funding	0	0	0	0	0
Availability of balance sheet or capital at your institution	100	0	0	0	50
General market liquidity and functioning	0	100	0	0	50
Competition from other institutions	0	0	0	0	0
Other	0	0	0	0	0
Total number of answers	1	1	0	0	2
Non-price terms					
Possible reasons for tightening					
Current or expected financial strength of counterparties	0	0	0	0	0
Willingness of your institution to take on risk	33	33	33	0	33
Adoption of new market conventions (e.g. ISDA protocols)	0	0	0	0	0
Internal treasury charges for funding	0	0	0	0	0
Availability of balance sheet or capital at your institution	0	33	0	0	11
General market liquidity and functioning	33	0	0	100	11
Competition from other institutions	0	0	33	0	11
Other	33	33	33	0	33
Total number of answers	3	3	3	1	9
Possible reasons for easing					
Current or expected financial strength of counterparties	0	0	0	0	0
Willingness of your institution to take on risk	0	0	0	0	0
Adoption of new market conventions (e.g. ISDA protocols)	0	0	0	0	0
Internal treasury charges for funding	0	0	0	0	0
Availability of balance sheet or capital at your institution	0	0	0	0	0
General market liquidity and functioning	0	0	0	50	0
Competition from other institutions	0	0	0	50	0
Other	0	0	0	0	0
Total number of answers	0	0	0	2	0

1.2 Reasons for changes in price and non-price credit terms (continued)

To the extent that [price/ non-price] terms applied to [hedge funds] have tightened or eased over the past three months (as reflected in your responses in Section 1.1), what was the [first/ second/ third] most important reason for the change?

Table 4

(in percentages, except for the total number of answers)

Hedge funds	First reason	Second reason	Third reason	Either first, second or third reason	
				Jun. 2021	Sep. 2021
Price terms					
Possible reasons for tightening					
Current or expected financial strength of counterparties	0	25	0	0	8
Willingness of your institution to take on risk	25	25	50	33	33
Adoption of new market conventions (e.g. ISDA protocols)	0	0	0	0	0
Internal treasury charges for funding	0	0	0	33	0
Availability of balance sheet or capital at your institution	0	25	0	0	8
General market liquidity and functioning	25	0	0	33	8
Competition from other institutions	25	0	25	0	17
Other	25	25	25	0	25
Total number of answers	4	4	4	3	12
Possible reasons for easing					
Current or expected financial strength of counterparties	0	0	0	0	0
Willingness of your institution to take on risk	0	0	0	0	0
Adoption of new market conventions (e.g. ISDA protocols)	0	0	0	0	0
Internal treasury charges for funding	0	0	0	0	0
Availability of balance sheet or capital at your institution	0	0	0	0	0
General market liquidity and functioning	0	0	0	0	0
Competition from other institutions	0	0	0	0	0
Other	0	0	0	0	0
Total number of answers	0	0	0	0	0
Non-price terms					
Possible reasons for tightening					
Current or expected financial strength of counterparties	0	25	0	0	8
Willingness of your institution to take on risk	25	25	50	0	33
Adoption of new market conventions (e.g. ISDA protocols)	0	0	0	0	0
Internal treasury charges for funding	0	0	0	0	0
Availability of balance sheet or capital at your institution	0	25	0	0	8
General market liquidity and functioning	25	0	0	100	8
Competition from other institutions	25	0	25	0	17
Other	25	25	25	0	25
Total number of answers	4	4	4	1	12
Possible reasons for easing					
Current or expected financial strength of counterparties	0	0	0	0	0
Willingness of your institution to take on risk	0	0	0	0	0
Adoption of new market conventions (e.g. ISDA protocols)	0	0	0	0	0
Internal treasury charges for funding	0	0	0	0	0
Availability of balance sheet or capital at your institution	0	0	0	0	0
General market liquidity and functioning	0	0	0	50	0
Competition from other institutions	0	0	0	50	0
Other	0	0	0	0	0
Total number of answers	0	0	0	2	0

1.2 Reasons for changes in price and non-price credit terms (continued)

To the extent that [price/ non-price] terms applied to [insurance companies] have tightened or eased over the past three months (as reflected in your responses in Section 1.1), what was the [first/ second/ third] most important reason for the change?

Table 5

(in percentages, except for the total number of answers)

Insurance companies	First reason	Second reason	Third reason	Either first, second or third reason Jun. 2021	Either first, second or third reason Sep. 2021
Price terms					
Possible reasons for tightening					
Current or expected financial strength of counterparties	0	0	0	0	0
Willingness of your institution to take on risk	0	0	0	33	0
Adoption of new market conventions (e.g. ISDA protocols)	0	0	0	0	0
Internal treasury charges for funding	0	0	0	33	0
Availability of balance sheet or capital at your institution	0	33	0	0	11
General market liquidity and functioning	75	0	0	33	33
Competition from other institutions	0	33	50	0	22
Other	25	33	50	0	33
Total number of answers	4	3	2	3	9
Possible reasons for easing					
Current or expected financial strength of counterparties	0	0	0	0	0
Willingness of your institution to take on risk	0	0	0	0	0
Adoption of new market conventions (e.g. ISDA protocols)	0	0	0	0	0
Internal treasury charges for funding	0	0	0	0	0
Availability of balance sheet or capital at your institution	0	0	0	0	0
General market liquidity and functioning	0	0	0	0	0
Competition from other institutions	0	0	0	0	0
Other	0	0	0	0	0
Total number of answers	0	0	0	0	0
Non-price terms					
Possible reasons for tightening					
Current or expected financial strength of counterparties	0	0	0	0	0
Willingness of your institution to take on risk	33	33	33	0	33
Adoption of new market conventions (e.g. ISDA protocols)	0	0	0	0	0
Internal treasury charges for funding	0	0	0	0	0
Availability of balance sheet or capital at your institution	0	33	0	0	11
General market liquidity and functioning	33	0	0	100	11
Competition from other institutions	0	0	33	0	11
Other	33	33	33	0	33
Total number of answers	3	3	3	1	9
Possible reasons for easing					
Current or expected financial strength of counterparties	0	0	0	0	0
Willingness of your institution to take on risk	0	0	0	0	0
Adoption of new market conventions (e.g. ISDA protocols)	0	0	0	0	0
Internal treasury charges for funding	0	0	0	0	0
Availability of balance sheet or capital at your institution	0	0	0	0	0
General market liquidity and functioning	0	0	0	0	0
Competition from other institutions	0	0	0	0	0
Other	0	0	0	0	0
Total number of answers	0	0	0	0	0

1.2 Reasons for changes in price and non-price credit terms (continued)

To the extent that [price/ non-price] terms applied to [investment funds (incl. ETFs), pension plans and other institutional investment pools] have tightened or eased over the past three months (as reflected in your responses in Section 1.1), what was the [first/ second/ third] most important reason for the change?

Table 6

(in percentages, except for the total number of answers)

Investment funds (incl. ETFs), pension plans and other institutional investment pools	First reason	Second reason	Third reason	Either first, second or third reason	
				Jun. 2021	Sep. 2021
Price terms					
Possible reasons for tightening					
Current or expected financial strength of counterparties	0	0	0	0	0
Willingness of your institution to take on risk	0	0	0	33	0
Adoption of new market conventions (e.g. ISDA protocols)	0	0	0	0	0
Internal treasury charges for funding	0	0	0	33	0
Availability of balance sheet or capital at your institution	0	50	0	0	11
General market liquidity and functioning	60	0	0	33	33
Competition from other institutions	20	0	50	0	22
Other	20	50	50	0	33
Total number of answers	5	2	2	3	9
Possible reasons for easing					
Current or expected financial strength of counterparties	0	0	0	0	0
Willingness of your institution to take on risk	0	0	0	0	0
Adoption of new market conventions (e.g. ISDA protocols)	0	0	0	0	0
Internal treasury charges for funding	0	0	0	0	0
Availability of balance sheet or capital at your institution	0	0	0	0	0
General market liquidity and functioning	0	0	0	0	0
Competition from other institutions	0	0	0	0	0
Other	0	0	0	0	0
Total number of answers	0	0	0	0	0
Non-price terms					
Possible reasons for tightening					
Current or expected financial strength of counterparties	0	0	0	0	0
Willingness of your institution to take on risk	25	33	33	0	30
Adoption of new market conventions (e.g. ISDA protocols)	0	0	0	0	0
Internal treasury charges for funding	0	0	0	0	0
Availability of balance sheet or capital at your institution	0	33	0	0	10
General market liquidity and functioning	25	0	0	100	10
Competition from other institutions	25	0	33	0	20
Other	25	33	33	0	30
Total number of answers	4	3	3	1	10
Possible reasons for easing					
Current or expected financial strength of counterparties	0	0	0	0	0
Willingness of your institution to take on risk	0	0	0	0	0
Adoption of new market conventions (e.g. ISDA protocols)	0	0	0	0	0
Internal treasury charges for funding	0	0	0	0	0
Availability of balance sheet or capital at your institution	0	0	0	0	0
General market liquidity and functioning	0	0	0	0	0
Competition from other institutions	0	0	0	0	0
Other	0	0	0	0	0
Total number of answers	0	0	0	0	0

1.2 Reasons for changes in price and non-price credit terms (continued)

To the extent that [price/ non-price] terms applied to [non-financial corporations] have tightened or eased over the past three months (as reflected in your responses in Section 1.1), what was the [first/ second/ third] most important reason for the change?

Table 7

(in percentages, except for the total number of answers)

Non-financial corporations	First reason	Second reason	Third reason	Either first, second or third reason	
				Jun. 2021	Sep. 2021
Price terms					
Possible reasons for tightening					
Current or expected financial strength of counterparties	25	0	0	17	13
Willingness of your institution to take on risk	0	0	50	33	13
Adoption of new market conventions (e.g. ISDA protocols)	0	0	0	0	0
Internal treasury charges for funding	0	0	0	17	0
Availability of balance sheet or capital at your institution	0	0	0	0	0
General market liquidity and functioning	25	50	0	33	25
Competition from other institutions	25	0	0	0	13
Other	25	50	50	0	38
Total number of answers	4	2	2	6	8
Possible reasons for easing					
Current or expected financial strength of counterparties	0	0	0	0	0
Willingness of your institution to take on risk	0	0	0	0	0
Adoption of new market conventions (e.g. ISDA protocols)	0	0	0	0	0
Internal treasury charges for funding	0	0	0	0	0
Availability of balance sheet or capital at your institution	0	0	0	0	0
General market liquidity and functioning	0	0	0	0	0
Competition from other institutions	0	0	0	0	0
Other	0	0	0	0	0
Total number of answers	0	0	0	0	0
Non-price terms					
Possible reasons for tightening					
Current or expected financial strength of counterparties	33	0	0	25	11
Willingness of your institution to take on risk	33	33	67	25	44
Adoption of new market conventions (e.g. ISDA protocols)	0	0	0	0	0
Internal treasury charges for funding	0	0	0	0	0
Availability of balance sheet or capital at your institution	0	0	0	0	0
General market liquidity and functioning	0	33	0	50	11
Competition from other institutions	0	0	0	0	0
Other	33	33	33	0	33
Total number of answers	3	3	3	4	9
Possible reasons for easing					
Current or expected financial strength of counterparties	0	0	0	0	0
Willingness of your institution to take on risk	0	0	0	0	0
Adoption of new market conventions (e.g. ISDA protocols)	0	0	0	0	0
Internal treasury charges for funding	0	0	0	0	0
Availability of balance sheet or capital at your institution	0	0	0	0	0
General market liquidity and functioning	0	0	0	0	0
Competition from other institutions	0	0	0	0	0
Other	0	0	0	0	0
Total number of answers	0	0	0	0	0

1.2 Reasons for changes in price and non-price credit terms (continued)

To the extent that [price/ non-price] terms applied to [sovereigns] have tightened or eased over the past three months (as reflected in your responses in Section 1.1), what was the [first/ second/ third] most important reason for the change?

Table 8

(in percentages, except for the total number of answers)

Sovereigns	First reason	Second reason	Third reason	Either first, second or third reason Jun. 2021	Either first, second or third reason Sep. 2021
Price terms					
Possible reasons for tightening					
Current or expected financial strength of counterparties	0	0	0	0	0
Willingness of your institution to take on risk	0	0	0	0	0
Adoption of new market conventions (e.g. ISDA protocols)	0	0	0	0	0
Internal treasury charges for funding	0	0	0	0	0
Availability of balance sheet or capital at your institution	0	50	0	0	14
General market liquidity and functioning	67	0	0	100	29
Competition from other institutions	0	0	50	0	14
Other	33	50	50	0	43
Total number of answers	3	2	2	1	7
Possible reasons for easing					
Current or expected financial strength of counterparties	0	0	0	0	0
Willingness of your institution to take on risk	0	0	0	0	0
Adoption of new market conventions (e.g. ISDA protocols)	0	0	0	0	0
Internal treasury charges for funding	0	0	0	0	0
Availability of balance sheet or capital at your institution	0	0	0	0	0
General market liquidity and functioning	0	0	0	0	0
Competition from other institutions	0	0	0	0	0
Other	0	0	0	0	0
Total number of answers	0	0	0	0	0
Non-price terms					
Possible reasons for tightening					
Current or expected financial strength of counterparties	0	0	0	0	0
Willingness of your institution to take on risk	33	33	33	0	33
Adoption of new market conventions (e.g. ISDA protocols)	0	0	0	0	0
Internal treasury charges for funding	0	0	0	0	0
Availability of balance sheet or capital at your institution	0	33	0	0	11
General market liquidity and functioning	33	0	0	100	11
Competition from other institutions	0	0	33	0	11
Other	33	33	33	0	33
Total number of answers	3	3	3	1	9
Possible reasons for easing					
Current or expected financial strength of counterparties	0	0	0	0	0
Willingness of your institution to take on risk	0	0	0	0	0
Adoption of new market conventions (e.g. ISDA protocols)	0	0	0	0	0
Internal treasury charges for funding	0	0	0	0	0
Availability of balance sheet or capital at your institution	0	0	0	0	0
General market liquidity and functioning	0	0	0	0	0
Competition from other institutions	0	0	0	0	0
Other	0	0	0	0	0
Total number of answers	0	0	0	0	0

1.2 Reasons for changes in price and non-price credit terms (continued)

To what extent have changes in the practices of [central counterparties], including margin requirements and haircuts, influenced the credit terms your institution applies to clients on bilateral transactions which are not cleared?

Table 9

(in percentages, except for the total number of answers)

Price and non-price terms	Contributed considerably to tightening	Contributed somewhat to tightening	Neutral contribution	Contributed somewhat to easing	Contributed considerably to easing	Net percentage Jun. 2021	Net percentage Sep. 2021	Total number of answers
Practices of CCPs	0	8	92	0	0	**0**	**+8**	12

Note: The net percentage is defined as the difference between the percentage of respondents reporting "contributed considerably to tightening" or "contributed somewhat to tightening" and those reporting "contributed somewhat to easing" and "contributed considerably to easing".

1.3 Resources and attention to the management of concentrated credit exposures

Over the past three months, how has the amount of resources and attention your firm devotes to the management of concentrated credit exposures to [large banks and dealers/ central counterparties] changed?

Table 10

(in percentages, except for the total number of answers)

Management of credit exposures	Decreased considerably	Decreased somewhat	Remained basically unchanged	Increased somewhat	Increased considerably	Net percentage Jun. 2021	Net percentage Sep. 2021	Total number of answers
Banks and dealers	0	4	88	8	0	**0**	**-4**	24
Central counterparties	0	4	96	0	0	**-8**	**+4**	24

Note: The net percentage is defined as the difference between the percentage of respondents reporting "decreased considerably" or "decreased somewhat" and those reporting "increased somewhat" and "increased considerably".

1.4 Leverage

Considering the entire range of transactions facilitated by your institution for such clients, how has the use of financial leverage by [hedge funds/ insurance companies/ investment funds (incl. ETFs), pension plans and other institutional investment pools] changed over the past three months?

Considering the entire range of transactions facilitated by your institution for [hedge funds], how has the availability of additional (and currently unutilised) financial leverage under agreements currently in place (for example, under prime brokerage agreements and other committed but undrawn or partly drawn facilities) changed over the past three months?

Table 11

(in percentages, except for the total number of answers)

Financial leverage	Decreased considerably	Decreased somewhat	Remained basically unchanged	Increased somewhat	Increased considerably	Net percentage Jun. 2021	Net percentage Sep. 2021	Total number of answers
Hedge funds								
Use of financial leverage	0	6	94	0	0	**+6**	**+6**	18
Availability of unutilised leverage	0	6	94	0	0	**+13**	**+6**	18
Insurance companies								
Use of financial leverage	0	0	100	0	0	**0**	**0**	22
Investment funds (incl. ETFs), pension plans and other institutional investment pools								
Use of financial leverage	0	0	100	0	0	**0**	**0**	22

Note: The net percentage is defined as the difference between the percentage of respondents reporting "decreased considerably" or "decreased somewhat" and those reporting "increased somewhat" and "increased considerably".

1.5 Client pressure and differential terms for most-favoured clients

How has the intensity of efforts by [counterparty type] to negotiate more favourable price and non-price terms changed over the past three months?

How has the provision of differential terms by your institution to most-favoured (as a consequence of breadth, duration, and extent of relationship) [counterparty type] changed over the past three months?

Table 12

(in percentages, except for the total number of answers)

Client pressure	Decreased considerably	Decreased somewhat	Remained basically unchanged	Increased somewhat	Increased considerably	Net percentage		Total number of answers
						Jun. 2021	Sep. 2021	
Banks and dealers								
Intensity of efforts to negotiate more favourable terms	0	0	96	4	0	-8	-4	23
Provision of differential terms to most-favoured clients	0	0	95	5	0	-4	-5	22
Hedge funds								
Intensity of efforts to negotiate more favourable terms	0	0	95	5	0	-11	-5	19
Provision of differential terms to most-favoured clients	0	0	100	0	0	0	0	19
Insurance companies								
Intensity of efforts to negotiate more favourable terms	0	0	91	9	0	-13	-9	23
Provision of differential terms to most-favoured clients	0	0	95	5	0	-4	-5	22
Investment funds (incl. ETFs), pension plans and other institutional investment pools								
Intensity of efforts to negotiate more favourable terms	0	0	91	9	0	-17	-9	22
Provision of differential terms to most-favoured clients	0	0	95	5	0	-5	-5	21
Non-financial corporations								
Intensity of efforts to negotiate more favourable terms	0	0	88	13	0	-16	-13	24
Provision of differential terms to most-favoured clients	0	0	96	4	0	-4	-4	23

Note: The net percentage is defined as the difference between the percentage of respondents reporting "decreased considerably" or "decreased somewhat" and those reporting "increased somewhat" and "increased considerably".

1.6 Valuation disputes

Over the past three months, how has the [volume/ duration and persistence] of valuation disputes with [counterparty type] changed?

Table 13

(in percentages, except for the total number of answers)

Valuation disputes	Decreased considerably	Decreased somewhat	Remained basically unchanged	Increased somewhat	Increased considerably	Net percentage		Total number of answers
						Jun. 2021	Sep. 2021	
Banks and dealers								
Volume	0	0	96	4	0	+4	-4	23
Duration and persistence	0	0	95	5	0	+9	-5	22
Hedge funds								
Volume	0	0	95	5	0	+11	-5	19
Duration and persistence	0	0	100	0	0	+6	0	18
Insurance companies								
Volume	0	4	96	0	0	0	+4	23
Duration and persistence	0	0	95	5	0	0	-5	22
Investment funds (incl. ETFs), pension plans and other institutional investment pools								
Volume	0	5	91	5	0	+5	0	22
Duration and persistence	0	0	95	5	0	0	-5	21
Non-financial corporations								
Volume	0	4	96	0	0	0	+4	24
Duration and persistence	0	4	96	0	0	+9	+4	23

Note: The net percentage is defined as the difference between the percentage of respondents reporting "decreased considerably" or "decreased somewhat" and those reporting "increased somewhat" and "increased considerably".

2 Securities financing

2.1 Credit terms by collateral type for average and most-favoured clients

Over the past three months, how have the [maximum amount of funding/ maximum maturity of funding/ haircuts/ financing rate/spreads/ use of CCPs] under which [collateral type] are funded changed for [average] clients (as a consequence of breadth, duration, and extent of relationship)?

Table 14

(in percentages, except for the total number of answers)

Terms for average clients	Decreased considerably	Decreased somewhat	Remained basically unchanged	Increased somewhat	Increased considerably	Net percentage		Total number of answers
						Jun. 2021	Sep. 2021	
Domestic government bonds								
Maximum amount of funding	0	7	93	0	0	0	+7	15
Maximum maturity of funding	0	0	100	0	0	-7	0	15
Haircuts	0	0	100	0	0	0	0	15
Financing rate/spread	0	20	73	7	0	+27	+13	15
Use of CCPs	0	7	80	13	0	-13	-7	15
High-quality government, sub-national and supra-national bonds								
Maximum amount of funding	0	0	92	8	0	-16	-8	25
Maximum maturity of funding	0	0	88	12	0	0	-12	25
Haircuts	0	4	96	0	0	+8	+4	25
Financing rate/spread	0	16	80	4	0	+28	+12	25
Use of CCPs	0	0	91	9	0	+4	-9	23
Other government, sub-national and supra-national bonds								
Maximum amount of funding	0	4	88	8	0	-17	-4	24
Maximum maturity of funding	0	4	88	8	0	0	-4	24
Haircuts	0	4	96	0	0	+9	+4	24
Financing rate/spread	0	17	83	0	0	+30	+17	24
Use of CCPs	0	0	95	5	0	0	-5	22
High-quality financial corporate bonds								
Maximum amount of funding	0	5	75	20	0	-5	-15	20
Maximum maturity of funding	0	0	70	30	0	-14	-30	20
Haircuts	0	5	90	5	0	+14	0	20
Financing rate/spread	0	25	75	0	0	+33	+25	20
Use of CCPs	0	0	93	7	0	-7	-7	15
High-quality non-financial corporate bonds								
Maximum amount of funding	0	5	80	15	0	-10	-10	20
Maximum maturity of funding	0	0	75	25	0	-14	-25	20
Haircuts	0	5	95	0	0	+10	+5	20
Financing rate/spread	0	25	75	0	0	+33	+25	20
Use of CCPs	0	0	93	7	0	0	-7	15
High-yield corporate bonds								
Maximum amount of funding	0	5	74	21	0	-11	-16	19
Maximum maturity of funding	0	0	79	21	0	-5	-21	19
Haircuts	0	5	95	0	0	+21	+5	19
Financing rate/spread	0	26	68	5	0	+37	+21	19
Use of CCPs	0	8	92	0	0	0	+8	13

Note: The net percentage is defined as the difference between the percentage of respondents reporting "decreased considerably" or "decreased somewhat" and those reporting "increased somewhat" and "increased considerably". "Domestic government bonds" are euro-denominated government bonds issued by the government of the country where a respondent's head office is.

2.1 Credit terms by collateral type for average and most-favoured clients (continued)

Over the past three months, how have the [maximum amount of funding/ maximum maturity of funding/ haircuts/ financing rate/spreads/ use of CCPs] under which [collateral type] are funded changed for [average] clients (as a consequence of breadth, duration, and extent of relationship)?

Table 15

(in percentages, except for the total number of answers)

Terms for average clients	Decreased considerably	Decreased somewhat	Remained basically unchanged	Increased somewhat	Increased considerably	Net percentage Jun. 2021	Net percentage Sep. 2021	Total number of answers
Convertible securities								
Maximum amount of funding	0	13	80	7	0	**0**	**+7**	15
Maximum maturity of funding	0	0	100	0	0	**-6**	**0**	15
Haircuts	0	0	100	0	0	**0**	**0**	15
Financing rate/spread	0	7	87	7	0	**+12**	**0**	15
Use of CCPs	0	0	100	0	0	**0**	**0**	12
Equities								
Maximum amount of funding	0	9	86	5	0	**-5**	**+5**	22
Maximum maturity of funding	0	0	91	9	0	**-5**	**-9**	22
Haircuts	0	0	95	5	0	**0**	**-5**	22
Financing rate/spread	0	9	82	5	5	**+9**	**0**	22
Use of CCPs	0	0	100	0	0	**0**	**0**	15
Asset-backed securities								
Maximum amount of funding	0	0	88	12	0	**-18**	**-12**	17
Maximum maturity of funding	0	6	71	24	0	**-18**	**-18**	17
Haircuts	0	6	94	0	0	**+12**	**+6**	17
Financing rate/spread	0	24	76	0	0	**+35**	**+24**	17
Use of CCPs	0	0	100	0	0	**0**	**0**	12
Covered bonds								
Maximum amount of funding	0	4	87	9	0	**-9**	**-4**	23
Maximum maturity of funding	0	0	87	13	0	**-9**	**-13**	23
Haircuts	0	9	87	4	0	**+13**	**+4**	23
Financing rate/spread	0	17	83	0	0	**+30**	**+17**	23
Use of CCPs	0	0	95	5	0	**0**	**-5**	20

Note: The net percentage is defined as the difference between the percentage of respondents reporting "decreased considerably" or "decreased somewhat" and those reporting "increased somewhat" and "increased considerably".

2.1 Credit terms by collateral type for average and most-favoured clients (continued)

Over the past three months, how have the [maximum amount of funding/ maximum maturity of funding/ haircuts/ financing rate/spreads/ use of CCPs] under which [collateral type] are funded changed for [most-favoured] clients (as a consequence of breadth, duration, and extent of relationship)?

Table 16

(in percentages, except for the total number of answers)

Terms for most-favoured clients	Decreased considerably	Decreased somewhat	Remained basically unchanged	Increased somewhat	Increased considerably	Net percentage Jun. 2021	Net percentage Sep. 2021	Total number of answers
Domestic government bonds								
Maximum amount of funding	0	7	93	0	0	-7	+7	15
Maximum maturity of funding	0	0	100	0	0	-7	0	15
Haircuts	0	0	100	0	0	0	0	15
Financing rate/spread	0	33	67	0	0	+40	+33	15
Use of CCPs	0	7	87	7	0	-13	0	15
High-quality government, sub-national and supra-national bonds								
Maximum amount of funding	0	4	88	8	0	-16	-4	25
Maximum maturity of funding	0	0	88	12	0	0	-12	25
Haircuts	0	4	96	0	0	+8	+4	25
Financing rate/spread	4	24	72	0	0	+40	+28	25
Use of CCPs	0	0	96	4	0	+4	-4	23
Other government, sub-national and supra-national bonds								
Maximum amount of funding	0	13	83	4	0	-9	+8	24
Maximum maturity of funding	0	4	88	8	0	0	-4	24
Haircuts	0	4	96	0	0	+9	+4	24
Financing rate/spread	0	25	75	0	0	+39	+25	24
Use of CCPs	0	0	95	5	0	0	-5	22
High-quality financial corporate bonds								
Maximum amount of funding	0	10	75	15	0	0	-5	20
Maximum maturity of funding	0	0	80	20	0	-5	-20	20
Haircuts	0	5	90	5	0	+14	0	20
Financing rate/spread	0	35	65	0	0	+43	+35	20
Use of CCPs	0	0	94	6	0	-7	-6	16
High-quality non-financial corporate bonds								
Maximum amount of funding	0	10	80	10	0	-10	0	20
Maximum maturity of funding	0	0	80	20	0	0	-20	20
Haircuts	0	5	95	0	0	+10	+5	20
Financing rate/spread	0	35	65	0	0	+43	+35	20
Use of CCPs	0	0	94	6	0	0	-6	16
High-yield corporate bonds								
Maximum amount of funding	0	5	79	16	0	-11	-11	19
Maximum maturity of funding	0	0	84	16	0	0	-16	19
Haircuts	0	5	95	0	0	+21	+5	19
Financing rate/spread	5	26	68	0	0	+42	+32	19
Use of CCPs	0	7	93	0	0	0	+7	15

Note: The net percentage is defined as the difference between the percentage of respondents reporting "decreased considerably" or "decreased somewhat" and those reporting "increased somewhat" and "increased considerably". "Domestic government bonds" are euro-denominated government bonds issued by the government of the country where a respondent's head office is.

2.1 Credit terms by collateral type for average and most-favoured clients (continued)

Over the past three months, how have the [maximum amount of funding/ maximum maturity of funding/ haircuts/ financing rate/spreads/ use of CCPs] under which [collateral type] are funded changed for [most-favoured] clients (as a consequence of breadth, duration, and extent of relationship)?

Table 17

(in percentages, except for the total number of answers)

Terms for most-favoured clients	Decreased considerably	Decreased somewhat	Remained basically unchanged	Increased somewhat	Increased considerably	Net percentage Jun. 2021	Net percentage Sep. 2021	Total number of answers
Convertible securities								
Maximum amount of funding	0	15	85	0	0	**0**	**+15**	13
Maximum maturity of funding	0	0	100	0	0	**-6**	**0**	13
Haircuts	0	0	100	0	0	**+6**	**0**	13
Financing rate/spread	0	8	85	8	0	**+12**	**0**	13
Use of CCPs	0	0	100	0	0	**0**	**0**	11
Equities								
Maximum amount of funding	0	5	90	5	0	**-4**	**0**	20
Maximum maturity of funding	0	0	90	10	0	**-4**	**-10**	20
Haircuts	0	0	95	5	0	**+4**	**-5**	20
Financing rate/spread	0	10	80	10	0	**+9**	**0**	20
Use of CCPs	0	0	100	0	0	**0**	**0**	14
Asset-backed securities								
Maximum amount of funding	0	0	89	11	0	**-18**	**-11**	18
Maximum maturity of funding	0	6	78	17	0	**-24**	**-11**	18
Haircuts	0	6	94	0	0	**0**	**+6**	18
Financing rate/spread	0	28	72	0	0	**+24**	**+28**	18
Use of CCPs	0	0	100	0	0	**0**	**0**	13
Covered bonds								
Maximum amount of funding	0	4	83	13	0	**-9**	**-8**	24
Maximum maturity of funding	0	0	88	13	0	**-5**	**-13**	24
Haircuts	0	8	88	4	0	**+9**	**+4**	24
Financing rate/spread	4	21	75	0	0	**+27**	**+25**	24
Use of CCPs	0	0	95	5	0	**0**	**-5**	21

Note: The net percentage is defined as the difference between the percentage of respondents reporting "decreased considerably" or "decreased somewhat" and those reporting "increased somewhat" and "increased considerably".

2.1 Credit terms by collateral type for average and most-favoured clients (continued)

Over the past three months, how have the [covenants and triggers] under which [collateral type] are funded changed for [average/ most-favoured] clients (as a consequence of breadth, duration, and extent of relationship)?

Table 18

(in percentages, except for the total number of answers)

Covenants and triggers	Tightened considerably	Tightened somewhat	Remained basically unchanged	Eased somewhat	Eased considerably	Net percentage Jun. 2021	Net percentage Sep. 2021	Total number of answers
Domestic government bonds								
Terms for average clients	0	0	100	0	0	**0**	**0**	13
Terms for most-favoured clients	0	0	100	0	0	**0**	**0**	13
High-quality government, sub-national and supra-national bonds								
Terms for average clients	0	0	95	5	0	**-5**	**-5**	21
Terms for most-favoured clients	0	0	95	5	0	**-5**	**-5**	21
Other government, sub-national and supra-national bonds								
Terms for average clients	0	0	95	5	0	**-5**	**-5**	20
Terms for most-favoured clients	0	0	95	5	0	**-5**	**-5**	20
High-quality financial corporate bonds								
Terms for average clients	0	0	94	6	0	**-6**	**-6**	16
Terms for most-favoured clients	0	0	94	6	0	**-6**	**-6**	16
High-quality non-financial corporate bonds								
Terms for average clients	0	0	94	6	0	**-6**	**-6**	16
Terms for most-favoured clients	0	0	94	6	0	**-6**	**-6**	16
High-yield corporate bonds								
Terms for average clients	0	0	93	7	0	**-7**	**-7**	15
Terms for most-favoured clients	0	0	94	6	0	**-6**	**-6**	16
Convertible securities								
Terms for average clients	0	0	100	0	0	**-6**	**0**	14
Terms for most-favoured clients	0	0	100	0	0	**-6**	**0**	12
Equities								
Terms for average clients	0	0	100	0	0	**-6**	**0**	17
Terms for most-favoured clients	0	0	100	0	0	**-6**	**0**	15
Asset-backed securities								
Terms for average clients	0	0	92	8	0	**-8**	**-8**	13
Terms for most-favoured clients	0	0	93	7	0	**-8**	**-7**	14
Covered bonds								
Terms for average clients	0	0	95	5	0	**-5**	**-5**	19
Terms for most-favoured clients	0	0	95	5	0	**-5**	**-5**	20

Note: The net percentage is defined as the difference between the percentage of respondents reporting "tightened considerably" or "tightened somewhat" and those reporting "eased somewhat" and "eased considerably". "Domestic government bonds" are euro-denominated government bonds issued by the government of the country where a respondent's head office is.

2.2 Demand for funding, liquidity and disputes by collateral type

Over the past three months, how has demand for funding of [collateral type/ all collateral types above] by your institution's clients changed?

Over the past three months, how has demand for [term funding with a maturity greater than 30 days] of [collateral type/ all collateral types above] by your institution's clients changed?

Table 19

(in percentages, except for the total number of answers)

Demand for lending against collateral	Decreased considerably	Decreased somewhat	Remained basically unchanged	Increased somewhat	Increased considerably	Net percentage		Total number of answers
						Jun. 2021	Sep. 2021	
Domestic government bonds								
Overall demand	0	13	87	0	0	+20	+13	15
With a maturity greater than 30 days	0	13	87	0	0	+7	+13	15
High-quality government, sub-national and supra-national bonds								
Overall demand	0	8	92	0	0	+21	+8	24
With a maturity greater than 30 days	0	8	88	4	0	+17	+4	24
Other government, sub-national and supra-national bonds								
Overall demand	0	13	87	0	0	+23	+13	23
With a maturity greater than 30 days	0	13	87	0	0	+23	+13	23
High-quality financial corporate bonds								
Overall demand	0	11	79	11	0	+21	0	19
With a maturity greater than 30 days	0	11	89	0	0	+26	+11	19
High-quality non-financial corporate bonds								
Overall demand	0	11	84	5	0	+21	+5	19
With a maturity greater than 30 days	0	11	89	0	0	+26	+11	19
High-yield corporate bonds								
Overall demand	0	11	83	6	0	+29	+6	18
With a maturity greater than 30 days	0	11	89	0	0	+35	+11	18
Convertible securities								
Overall demand	7	0	93	0	0	0	+7	15
With a maturity greater than 30 days	7	0	93	0	0	0	+7	15
Equities								
Overall demand	0	5	90	5	0	+10	0	20
With a maturity greater than 30 days	5	0	85	10	0	+5	-5	20
Asset-backed securities								
Overall demand	0	18	82	0	0	+19	+18	17
With a maturity greater than 30 days	0	12	88	0	0	+19	+12	17
Covered bonds								
Overall demand	0	9	86	5	0	+22	+5	22
With a maturity greater than 30 days	0	9	91	0	0	+22	+9	22
All collateral types above								
Overall demand	0	9	86	5	0	+15	+5	22
With a maturity greater than 30 days	0	9	91	0	0	+15	+9	22

Note: The net percentage is defined as the difference between the percentage of respondents reporting "decreased considerably" or "decreased somewhat" and those reporting "increased somewhat" and "increased considerably". "Domestic government bonds" are euro-denominated government bonds issued by the government of the country where a respondent's head office is.

2.2 Demand for funding, liquidity and disputes by collateral type (continued)

Over the past three months, how have liquidity and functioning of the [collateral type/ all collateral types above] market changed?

Table 20

(in percentages, except for the total number of answers)

Liquidity and functioning of the collateral market	Deteriorated considerably	Deteriorated somewhat	Remained basically unchanged	Improved somewhat	Improved considerably	Net percentage		Total number of answers
						Jun. 2021	Sep. 2021	
Domestic government bonds								
Liquidity and functioning	0	7	87	7	0	**0**	**0**	15
High-quality government, sub-national and supra-national bonds								
Liquidity and functioning	0	0	96	4	0	**+8**	**-4**	24
Other government, sub-national and supra-national bonds								
Liquidity and functioning	0	4	91	4	0	**+9**	**0**	23
High-quality financial corporate bonds								
Liquidity and functioning	0	5	95	0	0	**0**	**+5**	19
High-quality non-financial corporate bonds								
Liquidity and functioning	0	11	89	0	0	**+5**	**+11**	19
High-yield corporate bonds								
Liquidity and functioning	6	6	89	0	0	**+6**	**+11**	18
Convertible securities								
Liquidity and functioning	0	7	93	0	0	**+7**	**+7**	15
Equities								
Liquidity and functioning	0	5	95	0	0	**+10**	**+5**	20
Asset-backed securities								
Liquidity and functioning	6	0	88	6	0	**+6**	**0**	17
Covered bonds								
Liquidity and functioning	0	5	91	5	0	**+13**	**0**	22
All collateral types above								
Liquidity and functioning	0	4	91	4	0	**+10**	**0**	23

Note: The net percentage is defined as the difference between the percentage of respondents reporting "deteriorated considerably" or "deteriorated somewhat" and those reporting "improved somewhat" and "improved considerably". "Domestic government bonds" are euro-denominated government bonds issued by the government of the country where a respondent's head office is.

2.2 Demand for funding, liquidity and disputes by collateral type (continued)

Over the past three months, how has the [volume/ duration and persistence] of collateral valuation disputes relating to lending against [collateral type/ all collateral types above] changed?

Table 21

(in percentages, except for the total number of answers)

Collateral valuation disputes	Decreased considerably	Decreased somewhat	Remained basically unchanged	Increased somewhat	Increased considerably	Net percentage		Total number of answers
						Jun. 2021	Sep. 2021	
Domestic government bonds								
Volume	0	0	100	0	0	**0**	**0**	14
Duration and persistence	0	0	100	0	0	**0**	**0**	14
High-quality government, sub-national and supra-national bonds								
Volume	0	0	100	0	0	**0**	**0**	22
Duration and persistence	0	0	100	0	0	**0**	**0**	22
Other government, sub-national and supra-national bonds								
Volume	0	0	100	0	0	**0**	**0**	21
Duration and persistence	0	0	100	0	0	**0**	**0**	21
High-quality financial corporate bonds								
Volume	0	0	100	0	0	**0**	**0**	17
Duration and persistence	0	0	100	0	0	**0**	**0**	17
High-quality non-financial corporate bonds								
Volume	0	0	100	0	0	**0**	**0**	17
Duration and persistence	0	0	100	0	0	**0**	**0**	17
High-yield corporate bonds								
Volume	0	0	100	0	0	**0**	**0**	16
Duration and persistence	0	0	100	0	0	**0**	**0**	16
Convertible securities								
Volume	0	0	100	0	0	**0**	**0**	13
Duration and persistence	0	0	100	0	0	**0**	**0**	13
Equities								
Volume	0	0	100	0	0	**0**	**0**	17
Duration and persistence	0	0	100	0	0	**0**	**0**	17
Asset-backed securities								
Volume	0	0	100	0	0	**0**	**0**	15
Duration and persistence	0	0	100	0	0	**0**	**0**	15
Covered bonds								
Volume	0	0	100	0	0	**0**	**0**	19
Duration and persistence	0	0	100	0	0	**0**	**0**	19
All collateral types above								
Volume	0	0	100	0	0	**0**	**0**	21
Duration and persistence	0	0	100	0	0	**0**	**0**	21

Note: The net percentage is defined as the difference between the percentage of respondents reporting "decreased considerably" or "decreased somewhat" and those reporting "increased somewhat" and "increased considerably". "Domestic government bonds" are euro-denominated government bonds issued by the government of the country where a respondent's head office is.

3 Non-centrally cleared OTC derivatives

3.1 Initial margin requirements, credit limits, liquidity and disputes by type of derivatives

Over the past three months, how have [initial margin requirements] set by your institution with respect to OTC [type of derivatives] changed for [average/ most-favoured] clients?

Table 22

(in percentages, except for the total number of answers)

Initial margin requirements	Decreased considerably	Decreased somewhat	Remained basically unchanged	Increased somewhat	Increased considerably	Net percentage Jun. 2021	Net percentage Sep. 2021	Total number of answers
Foreign exchange								
Average clients	0	5	91	5	0	**-14**	**0**	22
Most-favoured clients	0	5	91	5	0	**-9**	**0**	22
Interest rates								
Average clients	0	0	95	5	0	**-14**	**-5**	21
Most-favoured clients	0	0	95	5	0	**-14**	**-5**	21
Credit referencing sovereigns								
Average clients	0	0	88	12	0	**-13**	**-12**	17
Most-favoured clients	0	0	88	12	0	**-13**	**-12**	17
Credit referencing corporates								
Average clients	0	0	89	11	0	**-11**	**-11**	19
Most-favoured clients	0	0	89	11	0	**-11**	**-11**	19
Credit referencing structured credit products								
Average clients	0	0	94	0	6	**-13**	**-6**	17
Most-favoured clients	0	0	94	0	6	**-13**	**-6**	17
Equity								
Average clients	0	0	84	16	0	**-17**	**-16**	19
Most-favoured clients	0	0	89	11	0	**-17**	**-11**	19
Commodity								
Average clients	0	0	92	8	0	**-19**	**-8**	13
Most-favoured clients	0	0	92	8	0	**-13**	**-8**	13
Total return swaps referencing non-securities								
Average clients	0	0	100	0	0	**-13**	**0**	15
Most-favoured clients	0	0	100	0	0	**-13**	**0**	15

Note: The net percentage is defined as the difference between the percentage of respondents reporting "decreased considerably" or "decreased somewhat" and those reporting "increased somewhat" and "increased considerably".

3.1 Initial margin requirements, credit limits, liquidity and disputes by type of derivatives

Over the past three months, how has the [maximum amount of exposure/ maximum maturity of trades] set by your institution with respect to OTC [type of derivatives] changed?

Table 23

(in percentages, except for the total number of answers)

Credit limits	Decreased considerably	Decreased somewhat	Remained basically unchanged	Increased somewhat	Increased considerably	Net percentage Jun. 2021	Net percentage Sep. 2021	Total number of answers
Foreign exchange								
Maximum amount of exposure	0	0	100	0	0	-9	0	23
Maximum maturity of trades	0	0	100	0	0	0	0	23
Interest rates								
Maximum amount of exposure	0	0	96	4	0	-14	-4	23
Maximum maturity of trades	0	0	100	0	0	-5	0	23
Credit referencing sovereigns								
Maximum amount of exposure	0	6	94	0	0	0	+6	16
Maximum maturity of trades	0	0	100	0	0	0	0	16
Credit referencing corporates								
Maximum amount of exposure	0	0	100	0	0	+13	0	17
Maximum maturity of trades	0	0	94	6	0	0	-6	17
Credit referencing structured credit products								
Maximum amount of exposure	0	0	93	7	0	+8	-7	15
Maximum maturity of trades	0	0	100	0	0	0	0	15
Equity								
Maximum amount of exposure	0	6	82	12	0	-13	-6	17
Maximum maturity of trades	0	0	94	6	0	-6	-6	18
Commodity								
Maximum amount of exposure	0	8	92	0	0	0	+8	13
Maximum maturity of trades	0	8	85	8	0	+7	0	13
Total return swaps referencing non-securities								
Maximum amount of exposure	0	0	100	0	0	-7	0	15
Maximum maturity of trades	0	0	100	0	0	-7	0	15

Note: The net percentage is defined as the difference between the percentage of respondents reporting "decreased considerably" or "decreased somewhat" and those reporting "increased somewhat" and "increased considerably".

3.1 Initial margin requirements, credit limits, liquidity and disputes by type of derivatives

Over the past three months, how have [liquidity and trading] of OTC [type of derivatives] changed?

Table 24

(in percentages, except for the total number of answers)

Liquidity and trading	Deteriorated considerably	Deteriorated somewhat	Remained basically unchanged	Improved somewhat	Improved considerably	Net percentage Jun. 2021	Net percentage Sep. 2021	Total number of answers
Foreign exchange								
Liquidity and trading	0	0	100	0	0	0	0	24
Interest rates								
Liquidity and trading	0	0	100	0	0	-10	0	24
Credit referencing sovereigns								
Liquidity and trading	0	0	100	0	0	+7	0	17
Credit referencing corporates								
Liquidity and trading	0	6	94	0	0	+6	+6	18
Credit referencing structured credit products								
Liquidity and trading	0	6	94	0	0	+7	+6	16
Equity								
Liquidity and trading	0	5	89	5	0	-6	0	19
Commodity								
Liquidity and trading	0	0	100	0	0	0	0	14
Total return swaps referencing non-securities								
Liquidity and trading	0	0	100	0	0	-7	0	15

Note: The net percentage is defined as the difference between the percentage of respondents reporting "deteriorated considerably" or "deteriorated somewhat" and those reporting "improved somewhat" and "improved considerably".

3.1 Initial margin requirements, credit limits, liquidity and disputes by type of derivatives

Over the past three months, how has the [volume/ duration and persistence] of disputes relating to the valuation of OTC [type of derivatives] contracts changed?

Table 25

(in percentages, except for the total number of answers)

Valuation disputes	Decreased considerably	Decreased somewhat	Remained basically unchanged	Increased somewhat	Increased considerably	Net percentage		Total number of answers
						Jun. 2021	Sep. 2021	
Foreign exchange								
Volume	0	0	95	5	0	**0**	**-5**	22
Duration and persistence	0	0	95	5	0	**+14**	**-5**	22
Interest rates								
Volume	0	0	95	5	0	**0**	**-5**	22
Duration and persistence	0	0	95	5	0	**+14**	**-5**	22
Credit referencing sovereigns								
Volume	0	0	94	6	0	**0**	**-6**	16
Duration and persistence	0	0	94	6	0	**+14**	**-6**	16
Credit referencing corporates								
Volume	0	0	94	6	0	**-7**	**-6**	16
Duration and persistence	0	0	94	6	0	**+13**	**-6**	16
Credit referencing structured credit products								
Volume	0	0	94	6	0	**0**	**-6**	16
Duration and persistence	0	0	88	13	0	**+13**	**-13**	16
Equity								
Volume	0	0	94	6	0	**0**	**-6**	17
Duration and persistence	0	0	88	12	0	**+18**	**-12**	17
Commodity								
Volume	0	0	92	8	0	**0**	**-8**	12
Duration and persistence	0	0	92	8	0	**+21**	**-8**	12
Total return swaps referencing non-securities								
Volume	0	0	93	7	0	**-7**	**-7**	15
Duration and persistence	0	0	87	13	0	**+13**	**-13**	15

Note: The net percentage is defined as the difference between the percentage of respondents reporting "decreased considerably" or "decreased somewhat" and those reporting "increased somewhat" and "increased considerably".

3.2 Changes in new or renegotiated master agreements

Over the past three months, how have [margin call practices/ acceptable collateral/ recognition of portfolio or diversification benefits/ covenants and triggers/ other documentation features] incorporated in new or renegotiated OTC derivatives master agreements put in place with your institution's clients changed?

Table 26

(in percentages, except for the total number of answers)

Changes in agreements	Tightened considerably	Tightened somewhat	Remained basically unchanged	Eased somewhat	Eased considerably	Net percentage		Total number of answers
						Jun. 2021	Sep. 2021	
Margin call practices	0	4	96	0	0	+4	+4	23
Acceptable collateral	0	0	91	9	0	-4	-9	23
Recognition of portfolio or diversification benefits	0	0	100	0	0	0	0	23
Covenants and triggers	0	0	100	0	0	0	0	23
Other documentation features	0	9	91	0	0	+4	+9	22

Note: The net percentage is defined as the difference between the percentage of respondents reporting "tightened considerably" or "tightened somewhat" and those reporting "eased somewhat" and "eased considerably".

3.3 Posting of non-standard collateral

Over the past three months, how has the posting of non-standard collateral (for example, other than cash and high-quality government bonds) as permitted under relevant agreements changed?

Table 27

(in percentages, except for the total number of answers)

Non-standard collateral	Decreased considerably	Decreased somewhat	Remained basically unchanged	Increased somewhat	Increased considerably	Net percentage		Total number of answers
						Jun. 2021	Sep. 2021	
Posting of non-standard collateral	0	10	85	5	0	-5	+5	20

Note: The net percentage is defined as the difference between the percentage of respondents reporting "decreased considerably" or "decreased somewhat" and those reporting "increased somewhat" and "increased considerably".

Special questions
5.1. OTC derivatives

For what main purpose do your counterparties use OTC derivatives?

Table 28

(in percentages, except for the total number of answers)

	Hedging	Yield enhancement (e.g. overwriting)	Speculation	Not disclosed by counterparty	Other, please specify.	Total number of answers
Banks and dealers	82	0	0	18	0	22
Hedge funds	14	9	45	9	23	22
Insurance companies	55	36	5	5	0	22
Investment funds (incl. ETFs), pension plans and other institutional investment pools	50	36	5	5	5	22
Non-financial corporations	91	0	5	5	0	22
Sovereigns	90	0	0	10	0	21
All counterparties above	70	5	0	15	10	20

For those that use OTC derivatives for yield enhancement and/or speculation, which products are most commonly used?

Table 29

(in percentages, except for the total number of answers)

	Banks and dealers	Hedge funds	Insurance companies	Investment funds, pension plans and other*	Non-financial corporations	Sovereigns	All counterparties
Foreign exchange	17	6	0	15	29	17	14
Interest rate	67	56	82	69	29	67	71
Credit referencing sovereigns	0	0	0	0	0	0	0
Credit referencing corporates	0	0	0	0	0	0	0
Credit referencing structured products	0	0	0	0	0	0	0
Equity (excluding totaltReturn swaps)	0	0	9	0	14	0	0
Total return swaps on single securities or equity indexes	0	19	0	0	0	0	0
Commodity	0	0	0	0	0	0	0
Total return swaps referencing non-securities (e.g. bank loans)	0	0	0	0	0	0	0
Other, please specify	17	19	9	15	29	17	14
Total number of answers	6	16	11	13	7	6	7

*Investment funds (including exchange-traded funds), pension plans and other institutional investment pools.

To what extent do the following factors affect the credit terms offered to counterparties in OTC derivative transactions?

Table 30

(in percentages, except for the total number of answers)

Conterparties/factors	Tighten considerably	Tighten somewhat	Basically no change	Ease somewhat	Ease considerably	Not applicable	Net percentage of respondents	Total number of answers
Banks and dealers								
Above-average liquidity risk	0	52	33	0	5	10	**48**	21
Above-average use of leverage	0	48	33	5	0	14	**43**	21
Above-average concentration of exposures	0	41	45	5	0	9	**36**	22
Hedge funds								
Above-average liquidity risk	19	33	19	0	5	24	**48**	21
Above-average use of leverage	14	38	14	5	0	29	**48**	21
Above-average concentration of exposures	14	38	19	5	0	24	**48**	21
Insurance companies								
Above-average liquidity risk	5	25	45	0	5	20	**25**	20
Above-average use of leverage	5	38	29	0	5	24	**38**	21
Above-average concentration of exposures	5	38	38	0	5	14	**38**	21
Investment funds (incl. ETFs), pension plans and other institutional investment pools								
Above-average liquidity risk	0	50	32	0	5	14	**45**	22
Above-average use of leverage	0	50	27	0	5	18	**45**	22
Above-average concentration of exposures	0	55	32	5	0	9	**50**	22
Non-financial corporations								
Above-average liquidity risk	0	45	30	10	0	15	**35**	20
Above-average use of leverage	5	40	15	15	0	25	**30**	20
Above-average concentration of exposures	11	32	26	11	5	16	**26**	19
Sovereigns								
Above-average liquidity risk	0	29	38	5	0	29	**24**	21
Above-average use of leverage	0	29	33	5	0	33	**24**	21
Above-average concentration of exposures	0	35	40	5	0	20	**30**	20
All counterparties above								
Above-average liquidity risk	0	56	31	6	0	6	**50**	16
Above-average use of leverage	0	56	25	6	0	13	**50**	16
Above-average concentration of exposures	0	50	38	6	0	6	**44**	16

Note: The "Net percentage of respondents" is defined as the difference between the percentage of respondents reporting "Tighten considerably" or "Tighten somewhat" and those reporting "Ease somewhat" or "Ease considerably".

5.2 Securities financing transactions

For what main purpose do your counterparties use securities financing?

Table 31

(in percentages, except for the total number of answers)

	Hedging	Yield enhancement (e.g. overwriting)	Speculation	Not disclosed by counterparty	Other, please specify.	Total number of answers
Banks and dealers						
	38	24	0	10	29	21
Hedge funds						
	16	42	21	0	21	19
Insurance companies						
	14	67	0	5	14	21
Investment funds (incl. ETFs), pension plans and other institutional investment pools						
	10	67	0	10	14	21
Non-financial corporations						
	22	28	0	28	22	18
Sovereigns						
	22	28	0	28	22	18
All counterparties above						
	7	43	0	29	21	14

Which collateral types are most commonly used in securities financing transactions for the purposes of yield enhancement and/or speculation?

Table 32

(in percentages, except for the total number of answers)

	Banks and dealers	Hedge funds	Insurance companies	Investment funds, pension plans and other*	Non-financial corporations	Sovereigns	All counterparties
Domestic government bonds	25	6	33	13	9	27	17
High-quality government, sub-national and supra-national bonds	50	44	47	44	55	45	58
Other govt, sub-national and supra national bonds	0	0	0	0	9	9	0
High quality financial corporate bonds	0	0	7	0	0	9	0
High quality non-financial corporate bonds	0	0	0	13	0	0	0
High-yield corporate bonds	17	19	7	6	18	9	8
Convertible securities	0	0	0	0	0	0	0
Equities	0	6	7	6	9	0	8
Asset-backed securities	0	6	0	6	0	0	0
Covered bonds	0	0	0	0	0	0	0
Other, please specify	8	19	0	13	0	0	8
Total number of answers	12	16	15	16	11	11	12

*Investment funds (including Eexchange-traded funds), pension plans and other institutional investment pools.

To what extent do the following factors affect the credit terms offered to counterparties in securities financing transactions?

Table 33

(in percentages, except for the total number of answers)

Conterparties/factors	Tighten considerably	Tighten somewhat	Basically no change	Ease somewhat	Ease considerably	Not applicable	Net percentage of respondents	Total number of answers
Banks and dealers								
Above-average liquidity risk	0	63	26	11	0	0	53	19
Above-average use of leverage	0	58	32	5	0	5	53	19
Above-average concentration of exposures	0	47	53	0	0	0	47	19
Hedge funds								
Above-average liquidity risk	37	26	11	11	0	16	53	19
Above-average use of leverage	32	32	11	5	0	21	58	19
Above-average concentration of exposures	32	32	21	0	0	16	63	19
Insurance companies								
Above-average liquidity risk	0	53	32	11	0	5	42	19
Above-average use of leverage	0	58	32	5	0	5	53	19
Above-average concentration of exposures	0	53	47	0	0	0	53	19
Investment funds (incl. ETFs), pension plans and other institutional investment pools								
Above-average liquidity risk	0	65	25	10	0	0	55	20
Above-average use of leverage	0	65	25	5	0	5	60	20
Above-average concentration of exposures	0	60	40	0	0	0	60	20
Non-financial corporations								
Above-average liquidity risk	0	41	29	12	0	18	29	17
Above-average use of leverage	0	41	29	6	0	24	35	17
Above-average concentration of exposures	0	41	41	0	0	18	41	17
Sovereigns								
Above-average liquidity risk	0	39	39	6	0	17	33	18
Above-average use of leverage	0	39	33	6	0	22	33	18
Above-average concentration of exposures	0	44	44	0	0	11	44	18
All counterparties above								
Above-average liquidity risk	0	53	27	13	0	7	40	15
Above-average use of leverage	0	60	27	7	0	7	53	15
Above-average concentration of exposures	0	56	38	0	0	6	56	16

Note: The "Net percentage of respondents" is defined as the difference between the percentage of respondents reporting "Tighten considerably" or "Tighten somewhat" and those reporting "Ease somewhat" or "Ease considerably".

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