Senior Loan Officer Opinion Survey on Bank Lending Practices January 2026

Questionnaire for U.S. Branches and Agencies of Foreign Banks

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Commercial and Industrial (C&I) Lending

Questions 1-6 *ask about commercial and industrial (C&I) loans at your bank. Questions 1-3 deal with changes in your bank's lending policies over the past three months. Questions 4-5 deal with changes in demand for C&I loans over the past three months. Question 6 asks about changes in prospective demand for C&I loans at your bank, as indicated by the volume of recent inquiries about the availability of new credit lines or increases in existing lines. If your bank's lending policies have not changed over the past three months, please report them as unchanged even if the policies are either restrictive or accommodative relative to longer-term norms. If your bank's policies have tightened or eased over the past three months, please so report them regardless of how they stand relative to longer-term norms. Also, please report changes in enforcement of existing policies as changes in policies.*

1. Over the past three months, how have your bank's credit standards for approving applications for C&I loans or credit lines—other than those to be used to finance mergers and acquisitions—changed?

    1. Tightened considerably
    2. Tightened somewhat
    3. Remained basically unchanged
    4. Eased somewhat
    5. Eased considerably
    6. My bank does not originate C&I loans or credit lines

2. For applications for C&I loans or credit lines—other than those to be used to finance mergers and acquisitions—that your bank currently is willing to approve, how have the terms of those loans changed over the past three months? (Please assign *each* term a number between 1 and 5 using the following scale: 1=tightened considerably, 2=tightened somewhat, 3=remained basically unchanged, 4=eased somewhat, 5=eased considerably.)

   __ a. Maximum size of credit lines

   __ b. Maximum maturity of loans or credit lines

   __ c. Costs of credit lines

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

   __ e. Premiums charged on riskier loans

   __ f. Loan covenants

   __ g. Collateralization requirements

   __ h. Use of interest rate floors (more use=tightened, less use=eased)

   __ i. Other (please specify)

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 the following possible reasons been for the change? (Please respond to either A, B, or both as appropriate and 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:

      __ a. Deterioration in your bank's current or expected capital position
      __ b. Less favorable or more uncertain economic outlook
      __ c. Worsening of industry-specific problems (please specify industries)
      __ d. Less aggressive competition from other banks or nonbank lenders (other financial intermediaries or the capital markets)
      __ e. Reduced tolerance for risk
      __ f. Decreased liquidity in the secondary market for these loans
      __ g. Deterioration in your bank's current or expected liquidity position
      __ h. Increased concerns about the effects of legislative changes, supervisory actions, or accounting standards
      __ i. Other (please specify)

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

      __ a. Improvement in your bank's current or expected capital position
      __ b. More favorable or less uncertain economic outlook
      __ c. Improvement in industry-specific problems (please specify industries)
      __ d. More aggressive competition from other banks or nonbank lenders (other financial intermediaries or the capital markets)
      __ e. Increased tolerance for risk
      __ f. Increased liquidity in the secondary market for these loans
      __ g. Improvement in your bank's current or expected liquidity position
      __ h. Reduced concerns about the effects of legislative changes, supervisory actions, or accounting standards
      __ i. Other (please specify)

4. Apart from normal seasonal variation, how has demand for C&I loans changed over the past three months? (Please consider only funds actually disbursed as opposed to requests for new or increased lines of credit.)

    1. Substantially stronger
    2. Moderately stronger
    3. About the same
    4. Moderately weaker
    5. Substantially weaker
    6. My bank does not originate C&I loans or credit lines

5. If demand for C&I loans has strengthened or weakened over the past three months (as described in question 4), how important have the following possible reasons been for the change? (Please respond to either A, B, or both as appropriate and 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), possible reasons:

      __ a. Customer inventory financing needs increased
      __ b. Customer accounts receivable financing needs increased
      __ c. Customer investment in plant or equipment increased
      __ d. Customer internally generated funds decreased
      __ e. Customer merger or acquisition financing needs increased
      __ f. Customer borrowing shifted to your bank from other bank or nonbank sources because these other sources became less attractive
      __ g. Customer precautionary demand for cash and liquidity increased
      __ h. Other (please specify)

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

      __ a. Customer inventory financing needs decreased
      __ b. Customer accounts receivable financing needs decreased
      __ c. Customer investment in plant or equipment decreased
      __ d. Customer internally generated funds increased
      __ e. Customer merger or acquisition financing needs decreased
      __ f. Customer borrowing shifted from your bank to other bank or nonbank sources because these other sources became more attractive
      __ g. Customer precautionary demand for cash and liquidity decreased
      __ h. Other (please specify)

6. At your bank, apart from normal seasonal variation, how has the number of inquiries from potential business borrowers regarding the availability and terms of new credit lines or increases in existing lines changed over the past three months? (Please consider only inquiries for additional or increased C&I lines as opposed to the refinancing of existing loans.)

    1. The number of inquiries has increased substantially
    2. The number of inquiries has increased moderately
    3. The number of inquiries has stayed about the same
    4. The number of inquiries has decreased moderately
    5. The number of inquiries has decreased substantially
    6. My bank does not originate C&I lines of credit

Commercial Real Estate (CRE) Lending

Questions 7-8 *ask about commercial real estate (CRE) loans at your bank, including construction and land development loans and loans secured by nonfarm nonresidential properties. Question 7 deals with changes in your bank's standards over the past three months. Question 8 deals with changes in demand. If your bank's lending standards or terms have not changed over the relevant period, please report them as unchanged even if they are either restrictive or accommodative relative to longer-term norms. If your bank's standards or terms have tightened or eased over the relevant period, please so report them regardless of how they stand relative to longer-term norms. Also, please report changes in enforcement of existing standards as changes in standards.*

7. Over the past three months, how have your bank's credit standards for approving applications for CRE loans or credit lines changed?

   1. Tightened considerably
   2. Tightened somewhat
   3. Remained basically unchanged
   4. Eased somewhat
   5. Eased considerably
   6. My bank does not originate CRE loans

8. Apart from normal seasonal variation, how has demand for CRE loans or credit lines changed over the past three months? (Please consider the number of requests for new spot loans, for disbursement of funds under existing loan commitments, and for new or increased credit lines.)

   1. Substantially stronger
   2. Moderately stronger
   3. About the same
   4. Moderately weaker
   5. Substantially weaker
   6. My bank does not originate CRE Loans

Special Questions: Outlook for Lending Standards and Loan Demand over 2026

Questions 9 - 10 *ask how your bank expects its* ***lending standards*** *for select categories of* ***C&I and commercial real estate loans*** *to change over 2026.* ***Question 11*** *asks about the reasons why your bank expects lending standards to change.*

9. Assuming that economic activity progresses in line with consensus forecasts, how does your bank expect its **lending standards** for the following **C&I loan** categories to change over 2026 compared to its current standards, apart from normal seasonal variation?

   A. Compared to my bank's current lending standards, over 2026, my bank expects its **lending standards** for approving applications for **C&I loans or credit lines to large and middle-market firms** to:

      1. Tighten considerably
      2. Tighten somewhat
      3. Remain basically unchanged
      4. Ease somewhat
      5. Ease considerably
      6. My bank does not originate C&I loans or credit lines to large and middle-market firms

   B. Compared to my bank's current lending standards, over 2026, my bank expects its **lending standards** for approving applications for **C&I loans or credit lines to small firms** to:

      1. Tighten considerably
      2. Tighten somewhat
      3. Remain basically unchanged
      4. Ease somewhat
      5. Ease considerably
      6. My bank does not originate C&I loans or credit lines to small firms

10. Assuming that economic activity progresses in line with consensus forecasts, how does your bank expect its **lending standards** for the following **commercial real estate loan** categories to change over 2026 compared to its current standards, apart from normal seasonal variation?

A. Compared to my bank's current lending standards, over 2026, my bank expects its **lending standards** for approving applications for **construction and land development loans** or credit lines to:

1. Tighten considerably
2. Tighten somewhat
3. Remain basically unchanged
4. Ease somewhat
5. Ease considerably
6. My bank does not originate construction and land development loans or credit lines

B. Compared to my bank's current lending standards, over 2026, my bank expects its **lending standards** for approving applications for **loans secured by nonfarm nonresidential properties** to:

1. Tighten considerably
2. Tighten somewhat
3. Remain basically unchanged
4. Ease somewhat
5. Ease considerably
6. My bank does not originate loans secured by nonfarm nonresidential properties

C. Compared to my bank's current lending standards, over 2026, my bank expects its **lending standards** for approving applications for **loans secured by multifamily residential properties** to:

1. Tighten considerably
2. Tighten somewhat
3. Remain basically unchanged
4. Ease somewhat
5. Ease considerably
6. My bank does not originate loans secured by multifamily residential properties

11. If your bank expects to tighten or ease its lending standards for any of the loan categories reported in questions 9-10, how important are the following **possible reasons for the expected change in standards**? (Please respond to either A, B or both as appropriate and rate each possible reason using the following scale: 1=not important, 2=somewhat important, 3=very important.)

A. Possible reasons for expecting to tighten lending standards:

__ a. Less favorable or more uncertain economic outlook
__ b. Expected deterioration in, or desire to improve, your bank's capital or liquidity position
__ c. Expected deterioration in customers' collateral values
__ d. Expected reduction in competition from other banks or nonbank lenders
__ e. Expected reduction in risk tolerance
__ f. Expected reduction in ease of selling loans in the secondary market
__ g. Expected deterioration in credit quality of loan portfolio
__ h. Increased concerns about your bank's funding costs
__ i. Increased concerns about the adverse effects of legislative changes, supervisory actions, or changes in accounting standards
__ j. Other (please specify)

B. Possible reasons for expecting to ease lending standards:

__ a. More favorable or less uncertain economic outlook
__ b. Expected improvement in your bank's capital or liquidity position
__ c. Expected improvement in customers' collateral values
__ d. Expected increase in competition from other banks or nonbank lenders
__ e. Expected increase in risk tolerance
__ f. Expected increase in ease of selling loans in the secondary market
__ g. Expected improvement in credit quality of loan portfolio
__ h. Reduced concerns about your bank's funding costs
__ i. Reduced concerns about the adverse effects of legislative changes, supervisory actions, or changes in accounting standards
__ j. Other (please specify)

Questions 12 - 13 *ask how your bank expects* ***demand*** *for select categories of* ***C&I and commercial real estate loans*** *from your bank to change over 2026.* ***Question 14*** *asks about the reasons why your bank expects demand from your bank to change.*

12. Assuming that economic activity progresses in line with consensus forecasts, how does your bank expect **demand** for the following categories of **C&I loans** from your bank to change over 2026 compared to its current level, apart from normal seasonal variation?

    A. Compared to its current level, over 2026, my bank expects **demand** for **C&I loans or credit lines to large and middle-market firms** from my bank to:

    1. Strengthen substantially
    2. Strengthen somewhat
    3. Remain basically unchanged
    4. Weaken somewhat
    5. Weaken substantially

    B. Compared to its current level, over 2026, my bank expects **demand** for **C&I loans or credit lines to small firms** from my bank to:

    1. Strengthen substantially
    2. Strengthen somewhat
    3. Remain basically unchanged
    4. Weaken somewhat
    5. Weaken substantially

13. Assuming that economic activity progresses in line with consensus forecasts, how does your bank expect **demand** for the following categories of **commercial real estate loans** from your bank to change over 2026 compared to its current level, apart from normal seasonal variation?

    A. Compared to its current level, over 2026, my bank expects **demand** for **construction and land development loans** or credit lines from my bank to:

    1. Strengthen substantially
    2. Strengthen somewhat
    3. Remain basically unchanged
    4. Weaken somewhat
    5. Weaken substantially

    B. Compared to its current level, over 2026, my bank expects **demand** for **loans secured by nonfarm nonresidential properties** from my bank to:

    1. Strengthen substantially
    2. Strengthen somewhat
    3. Remain basically unchanged
    4. Weaken somewhat
    5. Weaken substantially

    C. Compared to its current level, over 2026, my bank expects **demand** for **loans secured by multifamily residential properties** from my bank to:

    1. Strengthen substantially
    2. Strengthen somewhat
    3. Remain basically unchanged
    4. Weaken somewhat
    5. Weaken substantially

14. If your bank expects demand from your bank to change over 2026 compared to its current level and apart from normal seasonal variation for any of the loan categories reported in **Questions 12 - 13**, how important are the following **possible reasons for the expected change in demand**? (Please respond to either A, B or both as appropriate and rate *each* possible reason using the following scale: 1=not important, 2=somewhat important, 3=very important.)

A. Possible reasons for expecting stronger loan demand:

__ a. Customers are expected to face higher spending or investment needs due to more favorable or less uncertain income prospects

__ b. Customer precautionary demand for cash and liquidity is expected to increase

__ c. Interest rates are expected to decline, strengthening loan demand

__ d. More favorable terms other than interest rates are expected to increase loan demand

__ e. Customer spending or investment needs are expected to increase for reasons not listed above

__ f. Customer borrowing is expected to shift to your bank from other *bank* sources because these other sources become less attractive

__ g. Customer borrowing is expected to shift to your bank from other *nonbank* sources because these other sources become less attractive

__ h. Other (please specify)

B. Possible reasons for expecting weaker loan demand:

__ a. Customers are expected to face lower spending or investment needs due to less favorable or more uncertain income prospects

__ b. Customer precautionary demand for cash and liquidity is expected to decrease

__ c. Interest rates are expected to increase, weakening loan demand

__ d. Less favorable terms other than interest rates are expected to reduce loan demand

__ e. Customer spending or investment needs are expected to decrease for reasons not listed above

__ f. Customer borrowing is expected to shift from your bank to other *bank* sources because these other sources become more attractive

__ g. Customer borrowing is expected to shift from your bank to other *nonbank* sources because these other sources become more attractive

__ h. Other (please specify)

Special Questions: Outlook for Asset Quality over 2026

Questions 15 - 16 *ask about your bank's expectations for the behavior of loan delinquencies and charge-offs on selected categories of* ***C&I and commercial real estate loans*** *in 2026.*

15. Assuming that economic activity progresses in line with consensus forecasts, what is your outlook for delinquencies and charge-offs on your bank's **C&I loans** in the following categories in 2026?

    A. The quality of my bank's **C&I loans to large and middle-market firms** over 2026, as measured by my bank's outlook for delinquencies and charge-offs on these loans, is likely to:

    1. Improve substantially
    2. Improve somewhat
    3. Remain around current levels
    4. Deteriorate somewhat
    5. Deteriorate substantially

    B. The quality of my bank's **C&I loans to small firms** over 2026, as measured by my bank's outlook for delinquencies and charge-offs on these loans, is likely to:

    1. Improve substantially
    2. Improve somewhat
    3. Remain around current levels
    4. Deteriorate somewhat
    5. Deteriorate substantially

16. Assuming that economic activity progresses in line with consensus forecasts, what is your outlook for delinquencies and charge-offs on your bank's **commercial real estate loans** in the following categories in 2026?

    A. The quality of my bank's **construction and land development loans** over 2026, as measured by my bank's outlook for delinquencies and charge-offs on these loans, is likely to:

    1. Improve substantially
    2. Improve somewhat
    3. Remain around current levels
    4. Deteriorate somewhat
    5. Deteriorate substantially

    B. The quality of my bank's **loans secured by nonfarm nonresidential properties** over 2026, as measured by my bank's outlook for delinquencies and charge-offs on these loans, is likely to:

    1. Improve substantially
    2. Improve somewhat
    3. Remain around current levels
    4. Deteriorate somewhat
    5. Deteriorate substantially

    C. The quality of my bank's **loans secured by multifamily residential properties** over 2026, as measured by my bank's outlook for delinquencies and charge-offs on these loans, is likely to:

    1. Improve substantially
    2. Improve somewhat
    3. Remain around current levels
    4. Deteriorate somewhat
    5. Deteriorate substantially

Special Questions: C&I Lending Standards to Firms with Varying Exposure to AI

Question 17 *asks about any changes in your bank's likelihood of approving C&I loan applications from borrowers in sectors with varying exposures to AI.* ***Question 18*** *asks you to assess how AI affects different sectors. Answer both questions based on your best judgment of borrowers' exposure to AI.*

17. **Relative to January 2025, how much more or less likely is your bank to approve a C&I loan application from borrowers in sectors with varying levels of AI exposure?** In each case, assume that all other borrower characteristics are typical for C&I loan applications from borrowers in that sector. (Please assign each borrower category a number using the following scale: 1=much more likely, 2=somewhat more likely, 3=about as likely, 4=somewhat less likely, 5=much less likely.)

    __ A. C&I loans to firms in sectors **benefiting from high AI exposure.**

    __ B. C&I loans to firms in sectors **adversely affected by high AI exposure.**

    __ C. C&I loans to firms in sectors with **little AI exposure.**

18. **How do you rate the impact of AI on your borrowers operating in the following sectors?** (Please use the following scale: 1=very beneficial, 2=somewhat beneficial, 3=no impact, 4=somewhat harmful, 5=very harmful, 6=my bank does not lend to firms in these sectors.)

    __ A. Firms in **digital infrastructure and hardware manufacturing** sectors (including data processing, software development, telecommunications, computational hardware).

    __ B. Firms in **energy and utility** sectors (including electricity generation and distribution).

    __ C. Firms in **knowledge-intensive business and professional services** sectors (including finance, insurance, scientific, and administrative services).

    __ D. Firms in **transportation, logistics, and commerce** sectors (including transportation and warehousing, wholesale, and retail trade).

    __ E. Firms in **traditional manufacturing and construction** sectors (including machinery, textiles, chemicals, and building construction).

    __ F. Firms in **personal and community service** sectors (including education, healthcare, accommodation, and food services).

Optional Question

Question 19 *requests feedback on any other issues you judge to be important but are not addressed in this survey.*

19. Are there any other 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.