EUROPEAN CENTRAL BANK
EUROSYSTEM

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

June 2024

The Eurosystem conducts a three-monthly qualitative survey on credit terms and conditions in euro-denominated securities financing and over-the-counter (OTC) derivatives markets. This survey is a follow-up to a recommendation by a Committee on the Global Financial System (CGFS) study group.[1] The survey is part of an international initiative to collect information on trends in the credit terms offered by firms operating 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 derivative types.

The survey focuses on **euro-denominated** instruments in securities financing and OTC derivatives markets. For securities financing, the survey 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 the targeted euro-denominated markets.

Reporting institutions should report on their **global credit terms**, so the survey is 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 derivatives – responses should refer to the business area generating the most exposure.

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

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 how terms have tightened or eased over the past three months (regardless of longer-term trends), why terms have changed and expectations for the future. Firms are encouraged to answer all questions, unless specific market segments are of minimal importance to the firm's business.

The font colour for the net percentages of respondents reported in the tables in this document is either blue or red, reflecting, respectively, a **tightening/deterioration** or an **easing/improvement** of credit terms and conditions in targeted markets.

June 2024 SESFOD results

(Review period from March to May 2024)

The June 2024 Survey on credit terms and conditions in euro-denominated securities financing and OTC derivatives markets (SESFOD) reports qualitative changes in credit terms between March and May 2024. Responses were collected from a panel of 25 large banks, comprising 13 euro area banks and 12 banks with head offices outside the euro area.

Overview of results

Overall credit terms and conditions eased somewhat between March and May 2024. This outcome was in line with the expectations of a further easing of overall credit terms and conditions that had been expressed in the March 2024 survey. While overall price terms eased more than expected, non-price terms – contrary to expectations – did not tighten and instead remained unchanged. The overall easing of conditions in general, and of price terms in particular, was reflected across all counterparty types. Respondents mainly attributed the easing of price terms to an improvement in general market liquidity, competition from other institutions and improvements in the current or expected financial strength of counterparties. For the first time since the start of the survey in 2013, survey respondents expected overall, price and non-price terms to remain unchanged across all counterparty types for the three months ahead (in this case for the period from June to August 2024).

Respondents reported that changes in the practices of central counterparties (CCPs), including margin requirements and haircuts, had not affected price and non-price terms. The amount of resources dedicated to managing concentrated credit exposures increased over the review period, while the use of financial leverage declined somewhat. Respondents reported increases in the intensity of efforts to negotiate more favourable terms, in particular for insurance companies.

Turning to financing conditions for funding secured against the various types of collateral, respondents reported increases in the maximum amount and maximum maturity of funding secured against all collateral types. Respondents reported that haircuts had increased for convertible securities. Financing rates/spreads decreased for domestic and high-quality government bonds but increased for funding secured against all other types of collateral. Small net percentages of participants reported decreased use of CCPs for securities financing transactions involving collateral in the form of domestic and high-quality government bonds. Significant net percentages of respondents reported increases in demand for funding secured against many collateral types, particularly for funding secured against equities and domestic government bonds. Respondents reported mixed results as regards the liquidity and functioning of collateral markets.

Looking at credit terms and conditions for the various types of non-centrally cleared OTC derivative, initial margin requirements decreased slightly for commodity derivatives and credit derivatives referencing corporates. Survey respondents reported a mixed picture, with only a few changes as regards the maximum amount of exposure and the maximum maturity of trades. Meanwhile, they reported improved liquidity and trading conditions for foreign exchange, interest rate and credit derivatives referencing both sovereigns and corporates. They also reported that for most derivative types the volume of valuation disputes had decreased, although the duration and persistence of valuation disputes had increased. Terms in new or renegotiated master agreements remained mostly unchanged. Respondents reported no changes as regards the posting of non-standard collateral over the review period.

Credit terms and conditions for various counterparty types in both securities financing and OTC derivatives markets

Overall credit terms and conditions eased somewhat between March and May 2024 (Chart A). This outcome was in line with the expectations of a further easing of overall credit terms and conditions that had been expressed in the March 2024 survey. While overall price terms eased more than expected, non-price terms – contrary to expectations – did not tighten and instead remained unchanged. The overall easing of conditions in general, and of price terms in particular, was reflected across all counterparty types. At the level of individual counterparty types, price terms eased slightly more for investment funds than for other counterparty types, and the easing was least pronounced for non-financial corporations. Non-price terms remained unchanged for all counterparty types.

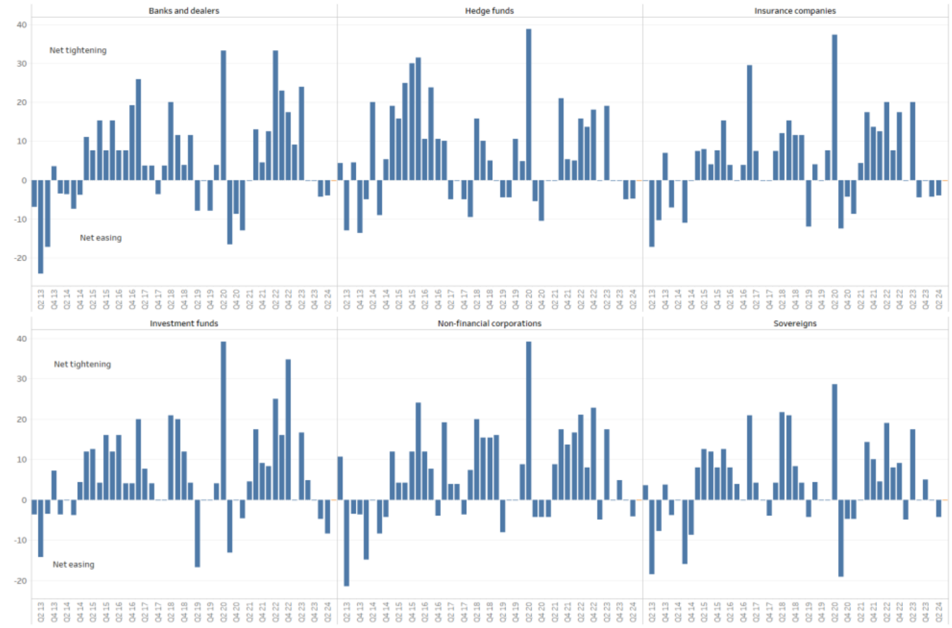
Respondents mainly attributed the easing of price terms to an improvement in general market liquidity, competition from other institutions and improvements in the current or expected financial strength of counterparties.

For the first time since the start of the survey in 2013, survey respondents expected overall, price and non-price terms to remain unchanged across all counterparty types for the three months ahead (in this case for the period from June to August 2024) (Chart A).

Chart A

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

(Q1 2013 to Q2 2024 for observed changes; Q3 2024 for expected changes (orange bars); net percentages of survey respondents)



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

Respondents reported that changes in the practices of CCPs, including margin requirements and haircuts, had not affected price and non-price terms.

The amount of resources dedicated to managing concentrated credit exposures increased over the review period. A small net percentage of survey respondents reported that the resources and attention that their firm devoted to the management of concentrated credit exposures to large banks and dealers and to CCPs had increased somewhat over the review period. Survey respondents have now reported increased attention to the management of concentrated credit exposures to CCPs in each of the last eleven SESFOD rounds.

The use of financial leverage declined over the review period. Whereas two survey participants reported a decrease in the use of financial leverage by hedge funds, survey respondents did not report any change in the use of financial leverage by insurance companies and investment funds. Respondents reported no change in the availability of unutilised leverage for hedge funds over the review period.

Respondents reported increases in the intensity of efforts to negotiate more favourable terms for all counterparties except banks and dealers, for which they remained on balance unchanged. The reported increase in the intensity of efforts to negotiate more favourable price and non-price terms was more pronounced for insurance companies than for other counterparty types. The provision of differential terms remained largely unchanged for all counterparty types, with only one respondent reporting an increase for banks and dealers.

Respondents reported no change in the volume, duration and persistence of valuation disputes across all counterparty types.

Financing conditions for various collateral types

Significant net percentages of respondents reported increases in the maximum amount of funding secured against all collateral types. The maximum amount of funding increased particularly strongly for funding secured against government bonds, corporate bonds and equities.

Respondents also reported an overall increase in the maximum maturity of funding secured against almost all collateral types. The largest net increases in the maximum maturity of funding were reported for funding secured against corporate bonds and “other government bonds”. Respondents reported that the maximum maturity of funding secured against convertible securities remained unchanged. For most-favoured clients, the reported increases were, on balance, slightly more pronounced.

Haircuts were reported to have increased for convertible securities and, to a lesser extent, for high-quality financial corporate bonds, high-yield corporate bonds, “other government bonds” and equities. Haircuts remained unchanged for all other collateral types.

Survey respondents reported that financing rates/spreads had decreased for funding secured against domestic and high-quality government bonds but had increased for funding secured against all other types of collateral. The most pronounced increases were observed for funding secured against equities. On balance, respondents reported smaller increases for “other government bonds”, corporate bonds, convertible securities, asset-backed securities and covered bonds.

Small net percentages of participants reported decreased use of CCPs for securities financing transactions involving collateral in the form of domestic and high-quality government bonds. Respondents reported no change in the use of CCPs for securities financing transactions involving other types of collateral.

Covenants and triggers remained unchanged for funding secured against all collateral types except domestic government bonds, for which they tightened slightly.

Significant net percentages of respondents reported increases in overall demand for funding and demand for funding with a maturity greater than 30 days for many collateral types, particularly for funding secured against equities or domestic government bonds. Respondents reported no change in overall demand for funding secured against high-yield corporate bonds. For funding secured against domestic government bonds, the reported increases in demand for funding with a maturity greater than 30 days exceeded the reported increases in overall demand for funding.

Respondents reported mixed results as regards the liquidity and functioning of collateral markets. On balance, the liquidity and functioning of collateral markets improved slightly for covered bonds, "other government bonds", asset-backed securities and corporate bonds, while small net percentages of survey participants reported deteriorating liquidity conditions for domestic government bonds and convertible securities. No changes were reported for equities.

Respondents reported unchanged volume, duration and persistence of valuation disputes across all collateral types.

Credit terms and conditions for various types of non-centrally cleared OTC derivative

Initial margin requirements decreased slightly for commodity derivatives and credit derivatives referencing corporates. Survey participants reported slightly increased initial margins for equity derivatives and unchanged initial margins for all other types of derivative.

Survey respondents reported a mixed picture, with only a few changes as regards the maximum amount of exposure and the maximum maturity of trades. Small net percentages of survey participants reported increases in the maximum amount of exposure and maximum maturity of trades for equity derivatives and foreign exchange derivatives. On balance, respondents reported no change in the maximum amount of exposure and the maximum maturity of trades for credit derivatives referencing structured credit products, commodity derivatives and total return swaps referencing non-securities. For credit derivatives referencing sovereigns, the maximum amount of exposure decreased, whereas the maximum maturity of trades increased. For interest rate derivatives and credit derivatives referencing corporates, the maximum amount of exposure remained on balance unchanged, while the maximum maturity of trades increased.

A few respondents reported improved liquidity and trading conditions for foreign exchange, interest rate and credit derivatives referencing both sovereigns and corporates. Meanwhile, respondents reported unchanged conditions for credit derivatives referencing structured credit products, equity derivatives, commodity derivatives and total return swaps referencing non-securities.

Respondents reported that for most derivative types the volume of valuation disputes had decreased, although the duration and persistence of valuation disputes had increased. Respondents reported no changes in either the volume or the duration and persistence of valuation disputes for equity derivatives and total return swaps referencing non-securities.

Terms in new or renegotiated master agreements remained mostly unchanged. One respondent reported a tightening of covenants and triggers, one reported a tightening of other documentation features and one reported an easing of acceptable collateral requirements over the review period.

Respondents reported no changes as regards the posting of non-standard collateral over the review period.

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 Mar. 2024	Net percentage Jun. 2024	Total number of answers
Banks and dealers								
Price terms	0	4	84	12	0	-4	-8	25
Non-price terms	0	4	96	0	0	0	+4	26
Overall	0	4	88	8	0	-4	-4	25
Hedge funds								
Price terms	0	0	90	10	0	-11	-10	21
Non-price terms	0	0	100	0	0	-5	0	22
Overall	0	0	95	5	0	-5	-5	21
Insurance companies								
Price terms	0	0	92	8	0	-4	-8	25
Non-price terms	0	0	100	0	0	-4	0	26
Overall	0	0	96	4	0	-4	-4	25
Investment funds (incl. ETFs), pension plans and other institutional investment pools								
Price terms	0	0	88	13	0	-10	-13	24
Non-price terms	0	0	100	0	0	0	0	25
Overall	0	0	92	8	0	-5	-8	24
Non-financial corporations								
Price terms	0	4	88	8	0	0	-4	24
Non-price terms	0	0	100	0	0	0	0	24
Overall	0	0	96	4	0	0	-4	24
Sovereigns								
Price terms	0	0	91	9	0	0	-9	23
Non-price terms	0	0	100	0	0	+4	0	24
Overall	0	0	96	4	0	0	-4	23
All counterparties above								
Price terms	0	0	86	14	0	-10	-14	22
Non-price terms	0	0	100	0	0	-5	0	23
Overall	0	0	95	5	0	-5	-5	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". Percentages may not add up to 100% due to rounding.

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
						Mar. 2024	Jun. 2024	
Banks and dealers								
Price terms	0	4	92	0	4	-13	0	25
Non-price terms	0	4	92	0	4	0	0	26
Overall	0	4	92	4	0	-4	0	25
Hedge funds								
Price terms	0	0	100	0	0	-5	0	21
Non-price terms	0	0	100	0	0	+5	0	22
Overall	0	0	100	0	0	+5	0	21
Insurance companies								
Price terms	0	0	100	0	0	-9	0	24
Non-price terms	0	0	100	0	0	0	0	25
Overall	0	0	100	0	0	0	0	24
Investment funds (incl. ETFs), pension plans and other institutional investment pools								
Price terms	0	0	100	0	0	-5	0	23
Non-price terms	0	0	100	0	0	+5	0	24
Overall	0	0	100	0	0	+5	0	23
Non-financial corporations								
Price terms	0	0	100	0	0	0	0	23
Non-price terms	0	0	100	0	0	0	0	23
Overall	0	0	100	0	0	+5	0	23
Sovereigns								
Price terms	0	0	100	0	0	-5	0	22
Non-price terms	0	0	100	0	0	+9	0	23
Overall	0	0	100	0	0	+5	0	22
All counterparties above								
Price terms	0	0	100	0	0	-5	0	21
Non-price terms	0	0	100	0	0	+5	0	22
Overall	0	0	100	0	0	+5	0	21

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". Percentages may not add up to 100% due to rounding.

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: Mar. 2024	Either first, second or third reason: Jun. 2024
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	0	0	0	0
General market liquidity and functioning	100	0	0	0	100
Competition from other institutions	0	0	0	0	0
Other	0	0	0	0	0
Total number of answers	1	0	0	0	1
Possible reasons for easing					
Current or expected financial strength of counterparties	0	0	100	40	17
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	100	0	0	40	50
Competition from other institutions	0	100	0	20	33
Other	0	0	0	0	0
Total number of answers	3	2	1	5	6
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	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
Possible reasons for easing					
Current or expected financial strength of counterparties	0	0	0	100	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	1	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 Mar. 2024	Either first, second or third reason Jun. 2024
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	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
Possible reasons for easing					
Current or expected financial strength of counterparties	0	0	100	29	25
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	14	0
General market liquidity and functioning	100	0	0	43	50
Competition from other institutions	0	100	0	14	25
Other	0	0	0	0	0
Total number of answers	2	1	1	7	4
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	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
Possible reasons for easing					
Current or expected financial strength of counterparties	0	0	0	25	0
Willingness of your institution to take on risk	0	0	0	25	0
Adoption of new market conventions (e.g. ISDA protocols)	0	0	0	25	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	25	0
Other	0	0	0	0	0
Total number of answers	0	0	0	4	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	
				Mar. 2024	Jun. 2024
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	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
Possible reasons for easing					
Current or expected financial strength of counterparties	0	0	100	40	25
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	100	0	0	40	50
Competition from other institutions	0	100	0	20	25
Other	0	0	0	0	0
Total number of answers	2	1	1	5	4
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	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
Possible reasons for easing					
Current or expected financial strength of counterparties	0	0	0	25	0
Willingness of your institution to take on risk	0	0	0	25	0
Adoption of new market conventions (e.g. ISDA protocols)	0	0	0	25	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	25	0
Other	0	0	0	0	0
Total number of answers	0	0	0	4	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	
				Mar. 2024	Jun. 2024
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	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
Possible reasons for easing					
Current or expected financial strength of counterparties	0	0	50	29	14
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	14	14
General market liquidity and functioning	100	0	0	43	43
Competition from other institutions	0	50	50	14	29
Other	0	0	0	0	0
Total number of answers	3	2	2	7	7
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	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
Possible reasons for easing					
Current or expected financial strength of counterparties	0	0	0	100	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	1	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	
				Mar. 2024	Jun. 2024
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	100	0	33
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	100	0	0	0	33
Competition from other institutions	0	100	0	0	33
Other	0	0	0	0	0
Total number of answers	1	1	1	0	3
Possible reasons for easing					
Current or expected financial strength of counterparties	0	0	100	33	20
Willingness of your institution to take on risk	0	50	0	0	20
Adoption of new market conventions (e.g. ISDA protocols)	0	0	0	0	0
Internal treasury charges for funding	50	0	0	0	20
Availability of balance sheet or capital at your institution	0	0	0	0	0
General market liquidity and functioning	50	0	0	33	20
Competition from other institutions	0	50	0	33	20
Other	0	0	0	0	0
Total number of answers	2	2	1	3	5
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	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
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	100	0
Competition from other institutions	0	0	0	0	0
Other	0	0	0	0	0
Total number of answers	0	0	0	1	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 Mar. 2024	Jun. 2024
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	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
Possible reasons for easing					
Current or expected financial strength of counterparties	0	0	100	33	20
Willingness of your institution to take on risk	0	50	0	0	20
Adoption of new market conventions (e.g. ISDA protocols)	0	0	0	0	0
Internal treasury charges for funding	50	0	0	0	20
Availability of balance sheet or capital at your institution	0	0	0	0	0
General market liquidity and functioning	50	0	0	33	20
Competition from other institutions	0	50	0	33	20
Other	0	0	0	0	0
Total number of answers	2	2	1	3	5
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	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
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 Mar. 2024	Net percentage Jun. 2024	Total number of answers
Practices of CCPs	0	0	100	0	0	-11	**0**	9

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". Percentages may not add up to 100% due to rounding.

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 Mar. 2024	Net percentage Jun. 2024	Total number of answers
Banks and dealers	0	4	88	8	0	-20	-4	24
Central counterparties	0	0	92	8	0	-8	-8	25

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". Percentages may not add up to 100% due to rounding.

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 Mar. 2024	Net percentage Jun. 2024	Total number of answers
Hedge funds								
Use of financial leverage	0	10	90	0	0	+5	+10	20
Availability of unutilised leverage	0	0	100	0	0	+17	**0**	20
Insurance companies								
Use of financial leverage	0	0	100	0	0	+5	**0**	21
Investment funds (incl. ETFs), pension plans and other institutional investment pools								
Use of financial leverage	0	0	100	0	0	+5	**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". Percentages may not add up to 100% due to rounding.

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
						Mar. 2024	Jun. 2024	
Banks and dealers								
Intensity of efforts to negotiate more favourable terms	0	4	92	4	0	-13	0	25
Provision of differential terms to most-favoured clients	0	0	96	4	0	-4	-4	24
Hedge funds								
Intensity of efforts to negotiate more favourable terms	0	0	95	5	0	-5	-5	22
Provision of differential terms to most-favoured clients	0	0	100	0	0	0	0	22
Insurance companies								
Intensity of efforts to negotiate more favourable terms	0	0	92	8	0	-8	-8	25
Provision of differential terms to most-favoured clients	0	0	100	0	0	0	0	25
Investment funds (incl. ETFs), pension plans and other institutional investment pools								
Intensity of efforts to negotiate more favourable terms	0	0	96	4	0	-9	-4	23
Provision of differential terms to most-favoured clients	0	0	100	0	0	0	0	23
Non-financial corporations								
Intensity of efforts to negotiate more favourable terms	0	0	95	5	0	-13	-5	22
Provision of differential terms to most-favoured clients	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". Percentages may not add up to 100% due to rounding.

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
						Mar. 2024	Jun. 2024	
Banks and dealers								
Volume	0	0	100	0	0	+9	0	22
Duration and persistence	0	0	100	0	0	+10	0	21
Hedge funds								
Volume	0	0	100	0	0	+6	0	20
Duration and persistence	0	0	100	0	0	+6	0	19
Insurance companies								
Volume	0	0	100	0	0	+4	0	23
Duration and persistence	0	0	100	0	0	+5	0	22
Investment funds (incl. ETFs), pension plans and other institutional investment pools								
Volume	0	0	100	0	0	+9	0	22
Duration and persistence	0	0	100	0	0	+10	0	21
Non-financial corporations								
Volume	0	0	100	0	0	+9	0	21
Duration and persistence	0	0	100	0	0	+5	0	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". Percentages may not add up to 100% due to rounding.

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
						Mar. 2024	Jun. 2024	
Domestic government bonds								
Maximum amount of funding	0	0	80	20	0	**-13**	**-20**	15
Maximum maturity of funding	0	7	80	7	7	**-13**	**-7**	15
Haircuts	0	7	87	7	0	**0**	**0**	15
Financing rate/spread	0	25	56	19	0	**-31**	**+6**	16
Use of CCPs	0	7	93	0	0	**-13**	**+7**	15
High-quality government, sub-national and supra-national bonds								
Maximum amount of funding	0	0	87	13	0	**-13**	**-13**	23
Maximum maturity of funding	0	0	91	9	0	**-13**	**-9**	23
Haircuts	0	0	100	0	0	**0**	**0**	23
Financing rate/spread	0	13	78	9	0	**-13**	**+4**	23
Use of CCPs	0	5	95	0	0	**0**	**+5**	20
Other government, sub-national and supra-national bonds								
Maximum amount of funding	0	0	77	23	0	**-18**	**-23**	22
Maximum maturity of funding	0	0	86	14	0	**-18**	**-14**	22
Haircuts	0	0	95	5	0	**0**	**-5**	22
Financing rate/spread	0	5	77	18	0	**-23**	**-14**	22
Use of CCPs	0	0	100	0	0	**-5**	**0**	19
High-quality financial corporate bonds								
Maximum amount of funding	0	0	79	21	0	**-11**	**-21**	19
Maximum maturity of funding	0	0	79	21	0	**-11**	**-21**	19
Haircuts	0	0	89	11	0	**-5**	**-11**	19
Financing rate/spread	0	5	74	21	0	**-5**	**-16**	19
Use of CCPs	0	0	100	0	0	**0**	**0**	15
High-quality non-financial corporate bonds								
Maximum amount of funding	0	5	75	20	0	**-15**	**-15**	20
Maximum maturity of funding	0	0	80	20	0	**-10**	**-20**	20
Haircuts	0	5	89	5	0	**-5**	**0**	19
Financing rate/spread	0	5	75	20	0	**-10**	**-15**	20
Use of CCPs	0	0	100	0	0	**0**	**0**	15
High-yield corporate bonds								
Maximum amount of funding	0	0	83	17	0	**-6**	**-17**	18
Maximum maturity of funding	0	0	83	17	0	**-6**	**-17**	18
Haircuts	0	6	82	6	6	**0**	**-6**	17
Financing rate/spread	0	6	72	22	0	**-11**	**-17**	18
Use of CCPs	0	0	100	0	0	**0**	**0**	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". Percentages may not add up to 100% due to rounding. "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		Total number of answers
						Mar. 2024	Jun. 2024	
Convertible securities								
Maximum amount of funding	0	0	92	8	0	-8	-8	13
Maximum maturity of funding	0	0	100	0	0	0	0	13
Haircuts	0	0	85	15	0	-8	-15	13
Financing rate/spread	0	0	83	8	8	-23	-17	12
Use of CCPs	0	0	100	0	0	0	0	12
Equities								
Maximum amount of funding	0	0	85	15	0	-14	-15	20
Maximum maturity of funding	0	0	95	5	0	-9	-5	20
Haircuts	0	0	95	5	0	-9	-5	20
Financing rate/spread	0	0	63	21	16	-14	-37	19
Use of CCPs	0	0	100	0	0	-6	0	15
Asset-backed securities								
Maximum amount of funding	0	0	93	7	0	0	-7	14
Maximum maturity of funding	0	0	93	7	0	-7	-7	14
Haircuts	0	7	86	7	0	0	0	14
Financing rate/spread	0	7	71	21	0	-13	-14	14
Use of CCPs	0	0	100	0	0	0	0	10
Covered bonds								
Maximum amount of funding	0	0	90	10	0	-14	-10	20
Maximum maturity of funding	0	0	90	10	0	-9	-10	20
Haircuts	0	0	100	0	0	-5	0	20
Financing rate/spread	0	5	79	16	0	0	-11	19
Use of CCPs	0	0	100	0	0	0	0	16

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". Percentages may not add up to 100% due to rounding.

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 Mar. 2024	Net percentage Jun. 2024	Total number of answers
Domestic government bonds								
Maximum amount of funding	0	0	80	20	0	-13	-20	15
Maximum maturity of funding	0	0	80	13	7	-19	-20	15
Haircuts	0	7	87	7	0	0	0	15
Financing rate/spread	0	19	69	13	0	-25	+6	16
Use of CCPs	0	13	87	0	0	-7	+13	15
High-quality government, sub-national and supra-national bonds								
Maximum amount of funding	0	0	87	13	0	-21	-13	23
Maximum maturity of funding	0	0	83	17	0	-13	-17	23
Haircuts	0	0	100	0	0	0	0	23
Financing rate/spread	0	13	78	9	0	-17	+4	23
Use of CCPs	0	5	95	0	0	-5	+5	21
Other government, sub-national and supra-national bonds								
Maximum amount of funding	0	0	82	18	0	-14	-18	22
Maximum maturity of funding	0	0	86	14	0	-14	-14	22
Haircuts	0	0	95	5	0	0	-5	22
Financing rate/spread	0	5	86	9	0	-18	-5	22
Use of CCPs	0	0	100	0	0	-5	0	20
High-quality financial corporate bonds								
Maximum amount of funding	0	0	79	21	0	-11	-21	19
Maximum maturity of funding	0	0	79	21	0	-11	-21	19
Haircuts	0	5	89	5	0	0	0	19
Financing rate/spread	0	5	74	21	0	-5	-16	19
Use of CCPs	0	0	100	0	0	0	0	14
High-quality non-financial corporate bonds								
Maximum amount of funding	0	0	75	25	0	-15	-25	20
Maximum maturity of funding	0	0	80	20	0	-10	-20	20
Haircuts	0	10	85	5	0	-5	+5	20
Financing rate/spread	0	5	75	20	0	-10	-15	20
Use of CCPs	0	0	100	0	0	0	0	15
High-yield corporate bonds								
Maximum amount of funding	0	6	78	17	0	-11	-11	18
Maximum maturity of funding	0	0	83	17	0	-11	-17	18
Haircuts	0	11	78	11	0	0	0	18
Financing rate/spread	0	6	72	22	0	-11	-17	18
Use of CCPs	0	0	100	0	0	0	0	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". Percentages may not add up to 100% due to rounding. "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		Total number of answers
						Mar. 2024	Jun. 2024	
Convertible securities								
Maximum amount of funding	0	0	92	8	0	-7	-8	13
Maximum maturity of funding	0	0	100	0	0	0	0	13
Haircuts	0	0	85	15	0	-14	-15	13
Financing rate/spread	0	0	83	8	8	-29	-17	12
Use of CCPs	0	0	100	0	0	0	0	12
Equities								
Maximum amount of funding	0	0	81	19	0	-14	-19	21
Maximum maturity of funding	0	0	86	14	0	-9	-14	21
Haircuts	0	0	90	10	0	-9	-10	21
Financing rate/spread	0	0	65	25	10	-14	-35	20
Use of CCPs	0	0	94	6	0	-6	-6	16
Asset-backed securities								
Maximum amount of funding	0	0	93	7	0	0	-7	14
Maximum maturity of funding	0	0	93	7	0	-7	-7	14
Haircuts	0	7	93	0	0	0	+7	14
Financing rate/spread	0	7	71	21	0	-13	-14	14
Use of CCPs	0	0	91	9	0	0	-9	11
Covered bonds								
Maximum amount of funding	0	0	90	10	0	-14	-10	20
Maximum maturity of funding	0	0	90	10	0	-9	-10	20
Haircuts	0	0	100	0	0	-5	0	19
Financing rate/spread	0	5	80	15	0	0	-10	20
Use of CCPs	0	0	94	6	0	0	-6	16

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". Percentages may not add up to 100% due to rounding.

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		Total number of answers
						Mar. 2024	Jun. 2024	
Domestic government bonds								
Terms for average clients	0	9	91	0	0	**0**	**+9**	11
Terms for most-favoured clients	0	9	91	0	0	**0**	**+9**	11
High-quality government, sub-national and supra-national bonds								
Terms for average clients	0	0	100	0	0	**0**	**0**	18
Terms for most-favoured clients	0	0	100	0	0	**0**	**0**	18
Other government, sub-national and supra-national bonds								
Terms for average clients	0	0	100	0	0	**0**	**0**	17
Terms for most-favoured clients	0	0	100	0	0	**0**	**0**	17
High-quality financial corporate bonds								
Terms for average clients	0	0	100	0	0	**0**	**0**	14
Terms for most-favoured clients	0	0	100	0	0	**0**	**0**	14
High-quality non-financial corporate bonds								
Terms for average clients	0	0	100	0	0	**0**	**0**	15
Terms for most-favoured clients	0	0	100	0	0	**0**	**0**	15
High-yield corporate bonds								
Terms for average clients	0	0	100	0	0	**0**	**0**	14
Terms for most-favoured clients	0	0	100	0	0	**0**	**0**	14
Convertible securities								
Terms for average clients	0	0	100	0	0	**0**	**0**	12
Terms for most-favoured clients	0	0	100	0	0	**0**	**0**	12
Equities								
Terms for average clients	0	0	100	0	0	**+6**	**0**	15
Terms for most-favoured clients	0	6	94	0	0	**+6**	**+6**	16
Asset-backed securities								
Terms for average clients	0	0	100	0	0	**0**	**0**	11
Terms for most-favoured clients	0	0	100	0	0	**0**	**0**	12
Covered bonds								
Terms for average clients	0	0	100	0	0	**0**	**0**	16
Terms for most-favoured clients	0	0	100	0	0	**0**	**0**	16

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". Percentages may not add up to 100% due to rounding. "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
						Mar. 2024	Jun. 2024	
Domestic government bonds								
Overall demand	0	7	73	20	0	-38	-13	15
With a maturity greater than 30 days	0	0	80	13	7	-31	-20	15
High-quality government, sub-national and supra-national bonds								
Overall demand	0	9	78	13	0	-26	-4	23
With a maturity greater than 30 days	0	13	78	4	4	-22	+4	23
Other government, sub-national and supra-national bonds								
Overall demand	0	5	82	14	0	-23	-9	22
With a maturity greater than 30 days	0	5	82	9	5	-27	-9	22
High-quality financial corporate bonds								
Overall demand	0	11	68	21	0	-16	-11	19
With a maturity greater than 30 days	0	16	68	11	5	-21	0	19
High-quality non-financial corporate bonds								
Overall demand	0	10	75	15	0	-20	-5	20
With a maturity greater than 30 days	0	10	70	15	5	-25	-10	20
High-yield corporate bonds								
Overall demand	0	6	88	6	0	0	0	17
With a maturity greater than 30 days	0	6	82	12	0	-6	-6	17
Convertible securities								
Overall demand	0	0	80	20	0	-13	-20	15
With a maturity greater than 30 days	0	0	93	7	0	-7	-7	15
Equities								
Overall demand	0	0	65	30	5	-18	-35	20
With a maturity greater than 30 days	0	0	70	25	5	-9	-30	20
Asset-backed securities								
Overall demand	0	7	80	13	0	+7	-7	15
With a maturity greater than 30 days	0	7	87	7	0	-7	0	15
Covered bonds								
Overall demand	0	11	72	11	6	-15	-6	18
With a maturity greater than 30 days	0	6	83	6	6	-20	-6	18
All collateral types above								
Overall demand	0	0	94	6	0	-5	-6	18
With a maturity greater than 30 days	0	6	94	0	0	0	+6	18

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". Percentages may not add up to 100% due to rounding. "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
						Mar. 2024	Jun. 2024	
Domestic government bonds								
Liquidity and functioning	0	13	81	6	0	+6	+6	16
High-quality government, sub-national and supra-national bonds								
Liquidity and functioning	0	4	87	9	0	-13	-4	23
Other government, sub-national and supra-national bonds								
Liquidity and functioning	0	0	91	9	0	-9	-9	22
High-quality financial corporate bonds								
Liquidity and functioning	0	5	84	11	0	+5	-5	19
High-quality non-financial corporate bonds								
Liquidity and functioning	0	5	85	10	0	0	-5	20
High-yield corporate bonds								
Liquidity and functioning	0	6	82	12	0	+11	-6	17
Convertible securities								
Liquidity and functioning	0	7	93	0	0	+7	+7	15
Equities								
Liquidity and functioning	0	15	70	15	0	-5	0	20
Asset-backed securities								
Liquidity and functioning	0	0	93	7	0	0	-7	15
Covered bonds								
Liquidity and functioning	0	0	83	17	0	0	-17	18
All collateral types above								
Liquidity and functioning	0	0	100	0	0	-5	0	18

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". Percentages may not add up to 100% due to rounding. "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
						Mar. 2024	Jun. 2024	
Domestic government bonds								
Volume	0	0	100	0	0	+7	**0**	14
Duration and persistence	0	0	100	0	0	+7	**0**	14
High-quality government, sub-national and supra-national bonds								
Volume	0	0	100	0	0	+5	**0**	21
Duration and persistence	0	0	100	0	0	+5	**0**	21
Other government, sub-national and supra-national bonds								
Volume	0	0	100	0	0	+5	**0**	20
Duration and persistence	0	0	100	0	0	+5	**0**	20
High-quality financial corporate bonds								
Volume	0	0	100	0	0	0	**0**	16
Duration and persistence	0	0	100	0	0	+6	**0**	16
High-quality non-financial corporate bonds								
Volume	0	0	100	0	0	0	**0**	17
Duration and persistence	0	0	100	0	0	+6	**0**	17
High-yield corporate bonds								
Volume	0	0	100	0	0	0	**0**	15
Duration and persistence	0	0	100	0	0	+6	**0**	15
Convertible securities								
Volume	0	0	100	0	0	+7	**0**	14
Duration and persistence	0	0	100	0	0	+7	**0**	14
Equities								
Volume	0	0	100	0	0	+6	**0**	17
Duration and persistence	0	0	100	0	0	+6	**0**	17
Asset-backed securities								
Volume	0	0	100	0	0	0	**0**	14
Duration and persistence	0	0	100	0	0	+7	**0**	14
Covered bonds								
Volume	0	0	100	0	0	0	**0**	15
Duration and persistence	0	0	100	0	0	+6	**0**	15
All collateral types above								
Volume	0	0	100	0	0	+6	**0**	17
Duration and persistence	0	0	100	0	0	+6	**0**	17

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". Percentages may not add up to 100% due to rounding. "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		Total number of answers
						Mar. 2024	Jun. 2024	
Foreign exchange								
Average clients	0	4	92	4	0	-8	0	25
Most-favoured clients	0	4	96	0	0	-4	+4	25
Interest rates								
Average clients	0	4	91	4	0	-9	0	23
Most-favoured clients	0	4	96	0	0	-4	+4	24
Credit referencing sovereigns								
Average clients	0	5	89	5	0	-11	0	19
Most-favoured clients	0	5	95	0	0	-5	+5	20
Credit referencing corporates								
Average clients	0	5	95	0	0	-10	+5	20
Most-favoured clients	0	5	95	0	0	-10	+5	21
Credit referencing structured credit products								
Average clients	0	0	100	0	0	-12	0	17
Most-favoured clients	0	0	100	0	0	-12	0	18
Equity								
Average clients	0	6	83	11	0	-15	-6	18
Most-favoured clients	0	6	89	6	0	-10	0	18
Commodity								
Average clients	0	12	88	0	0	-6	+12	17
Most-favoured clients	0	12	88	0	0	-6	+12	17
Total return swaps referencing non-securities								
Average clients	0	0	100	0	0	-7	0	12
Most-favoured clients	0	0	100	0	0	-7	0	12

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". Percentages may not add up to 100% due to rounding.

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 Mar. 2024	Net percentage Jun. 2024	Total number of answers
Foreign exchange								
Maximum amount of exposure	0	0	96	4	0	-5	-4	23
Maximum maturity of trades	0	0	96	4	0	0	-4	23
Interest rates								
Maximum amount of exposure	0	5	91	5	0	0	0	22
Maximum maturity of trades	0	0	95	5	0	0	-5	22
Credit referencing sovereigns								
Maximum amount of exposure	0	6	94	0	0	0	+6	18
Maximum maturity of trades	0	0	94	6	0	0	-6	18
Credit referencing corporates								
Maximum amount of exposure	0	5	89	5	0	0	0	19
Maximum maturity of trades	0	0	95	5	0	0	-5	19
Credit referencing structured credit products								
Maximum amount of exposure	0	0	100	0	0	0	0	16
Maximum maturity of trades	0	0	100	0	0	0	0	16
Equity								
Maximum amount of exposure	0	6	82	12	0	-16	-6	17
Maximum maturity of trades	0	0	94	6	0	-5	-6	17
Commodity								
Maximum amount of exposure	0	7	87	7	0	0	0	15
Maximum maturity of trades	0	0	100	0	0	0	0	15
Total return swaps referencing non-securities								
Maximum amount of exposure	0	0	100	0	0	+8	0	11
Maximum maturity of trades	0	0	100	0	0	0	0	11

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". Percentages may not add up to 100% due to rounding.

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 Mar. 2024	Net percentage Jun. 2024	Total number of answers
Foreign exchange								
Liquidity and trading	0	0	95	5	0	-14	-5	22
Interest rates								
Liquidity and trading	0	0	95	5	0	-14	-5	21
Credit referencing sovereigns								
Liquidity and trading	0	0	94	6	0	0	-6	17
Credit referencing corporates								
Liquidity and trading	0	0	94	6	0	+6	-6	18
Credit referencing structured credit products								
Liquidity and trading	0	0	100	0	0	+7	0	15
Equity								
Liquidity and trading	0	7	86	7	0	-11	0	14
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	+8	0	10

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". Percentages may not add up to 100% due to rounding.

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
						Mar. 2024	Jun. 2024	
Foreign exchange								
Volume	0	9	91	0	0	+4	+9	23
Duration and persistence	0	0	91	9	0	+9	-9	23
Interest rates								
Volume	0	9	91	0	0	+9	+9	22
Duration and persistence	0	0	91	9	0	+9	-9	22
Credit referencing sovereigns								
Volume	0	11	89	0	0	0	+11	19
Duration and persistence	0	0	89	11	0	+12	-11	19
Credit referencing corporates								
Volume	0	10	90	0	0	0	+10	20
Duration and persistence	0	0	90	10	0	+11	-10	20
Credit referencing structured credit products								
Volume	0	6	94	0	0	0	+6	18
Duration and persistence	0	0	94	6	0	+12	-6	18
Equity								
Volume	0	6	89	6	0	+15	0	18
Duration and persistence	0	6	89	6	0	+5	0	18
Commodity								
Volume	0	13	88	0	0	+13	+13	16
Duration and persistence	0	0	88	13	0	+13	-13	16
Total return swaps referencing non-securities								
Volume	0	0	100	0	0	+7	0	13
Duration and persistence	0	0	100	0	0	+7	0	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". Percentages may not add up to 100% due to rounding.

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
						Mar. 2024	Jun. 2024	
Margin call practices	0	0	100	0	0	**0**	**0**	22
Acceptable collateral	0	0	95	5	0	**-4**	**-5**	22
Recognition of portfolio or diversification benefits	0	0	100	0	0	**0**	**0**	22
Covenants and triggers	0	5	95	0	0	**0**	**+5**	22
Other documentation features	0	5	95	0	0	**0**	**+5**	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". Percentages may not add up to 100% due to rounding.

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
						Mar. 2024	Jun. 2024	
Posting of non-standard collateral	0	0	100	0	0	**+5**	**0**	19

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". Percentages may not add up to 100% due to rounding.

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