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Senior Credit Officer Opinion Survey on Dealer Financing Terms

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September 2011

The September 2011 Senior Credit Officer Opinion Survey on Dealer Financing Terms

Summary

The September 2011 Senior Credit Officer Opinion Survey on Dealer Financing Terms collected qualitative information on changes over the previous three months in credit terms and conditions in securities financing and over-the-counter (OTC) derivatives markets. In addition to the core set of questions, this survey included special questions dealing with three topics of current interest. The first set of special questions queried respondents about conditions in funding markets for U.S. Treasury securities. The second set of special questions focused on changes in the risk appetite of various client types over the past three months and since the beginning of the year. A final set of special questions asked about changes in the use of leverage and in the financing of different asset types by trading real estate investment trusts (trading REITs) since the beginning of the year.[1] The 21 institutions participating in the survey account for almost all of the dealer financing of dollar-denominated securities for nondealers and are the most active intermediaries in OTC derivatives markets. The survey was conducted during the period from August 22, 2011, to September 2, 2011. The core questions asked about changes between June 2011 and August 2011.

Although the overall structure of the survey was not altered, the September survey reflected several enhancements introduced in response to feedback from respondents and survey users. For example, additional detail was added with respect to the coverage by counterparty and collateral type.[2] At the same time, the number of questions that focused on OTC derivatives was reduced to better reflect the current market practice of relying on

[1] Trading REITs invest in assets backed by real estate rather than directly in real estate.

[2] Prior surveys asked about four types of counterparties: dealers and other financial intermediaries; hedge funds, private equity firms, and other similar private pools of capital; insurance companies, pension funds, and other institutional investors; and nonfinancial corporations. Beginning with the current survey, the survey will include questions regarding eight categories of counterparties: dealers and other financial intermediaries; central counterparties and other financial utilities; hedge funds; trading REITs; mutual funds, exchange-traded funds, pension plans, and endowments; insurance companies; separately managed accounts established with investment advisers; and nonfinancial corporations. Similarly, prior surveys considered lending collateralized by four distinct classes of assets: high-grade corporate bonds, equities, agency residential mortgage-backed securities (RMBS), and other asset-backed securities (ABS). Starting with the current survey, the survey will be expanded by the addition of high-yield corporate bonds. In addition, other ABS will be replaced with three narrower categories: non-agency RMBS, commercial mortgage-backed securities, and consumer ABS.

master agreements, which specify many of the material credit terms and apply across multiple transaction types.

Overall, responses to the September survey pointed to small changes in credit terms across major classes of counterparties with no clear overall bias toward either easing or tightening over the past three months, in contrast with the broad-based easing that had been seen since the inaugural survey in June 2010.[3] On balance, credit terms offered to most major counterparty types were little changed. However, nonprice terms applied to hedge funds continued to ease further while price terms applicable to trading REITs and nonfinancial firms tightened a bit. A significant majority of dealers reported an increase in the amount of resources and attention their firm had devoted to the management of concentrated exposures to dealers and other financial intermediaries, as well as to central counterparties and other financial utilities, over the past three months.

Regarding OTC derivatives, respondents to the September survey indicated that nonprice terms incorporated in new or renegotiated OTC derivatives master agreements were little changed over the past three months. Initial margin requirements, which fall generally outside the scope of the master agreements and are set individually for transactions of differing types, were also little changed across most underlying collateral types (underlyings), both for average customers and for most-favored customers.

Responses to questions on securities financing pointed to a tightening of some of the terms under which a broad spectrum of securities were financed, although terms on equities financing were little changed. These responses stood in contrast with prior surveys in which responses had generally indicated an easing of terms. The reported tightening of terms over the past three months was generally evident for both average and most-favored clients. Dealers further noted that demand for funding corporate bonds and agency and non-agency residential mortgage-backed securities (RMBS) increased over the past three months. Demand for term funding with a maturity in excess of 30 days also increased for these asset categories. In contrast with prior surveys, respondents indicated that the liquidity and functioning of markets in which the collateral types covered by the survey trade (with the exception of the equity market) had deteriorated over the past three months.

Turning to the special questions, in response to those focused on the funding of U.S. Treasury securities, dealers reported little change in funding terms over the past three months. However, respondents did note some increase in demand for the funding of those securities as well as some deterioration in the liquidity and functioning of the

[3] For questions that ask about credit terms, reported net percentages equal the percentage of institutions that reported tightening terms (“tightened considerably” or “tightened somewhat”) minus the percentage of institutions that reported easing terms (“eased considerably” or “eased somewhat”). For questions that ask about demand, reported net fractions equal the percentage of institutions that reported increased demand (“increased considerably” or “increased somewhat”) minus the percentage of institutions that reported decreased demand (“decreased considerably” or “decreased somewhat”).

funding market for this type of collateral. In response to the second set of special questions on risk appetite, dealers indicated that their clients' willingness to bear risk had decreased somewhat, on net, over the past three months. By contrast, risk appetite was reported as little changed since the start of 2011 for most client types except hedge funds, which exhibited a more pronounced decline. A final set of special questions found that the use of leverage by trading REITs had increased somewhat since the beginning of the year.

Counterparty Types

(*Questions 1–39*)

Dealers and other financial intermediaries. In the September survey, three-fourths of respondents reported that the amount of resources and attention devoted to management of concentrated exposures to dealers and other financial intermediaries had increased over the past three months.

Central counterparties and other financial utilities. More than one-half of respondents indicated that the amount of resources and attention devoted to management of concentrated exposures to central counterparties and other financial utilities had increased over the past three months. Several of these entities were downgraded as a direct consequence of the U.S. sovereign downgrade by Standard & Poor's, perhaps contributing to the increase in resources and attention reportedly brought to bear.

Hedge funds. The survey responses reflected, on balance, a slowing over the past three months in the easing of credit terms offered to hedge funds that had been evident since the inaugural survey in June 2010.[4] In contrast with previous surveys, responses did not indicate any net easing of price terms. However, a net fraction of almost one-fourth of respondents, a significantly smaller share than in the June 2011 survey, reported having eased nonprice terms offered to hedge funds (including haircuts, maximum maturity, covenants, cure periods, cross-default provisions, or other documentation features) across all types of transactions covered in the survey. The institutions that reported an easing of terms pointed to more-aggressive competition from other institutions as the main reason for the changes.[5] About one-half of dealers continued to note an increase in the intensity of efforts by hedge funds to negotiate more-favorable price and nonprice terms over the past three months. Forty percent of respondents, on net, reported that the use of financial

[4] In previous surveys, hedge funds were grouped together with private equity firms and "other similar private pools of capital."

[5] An ordinal ranking of reasons for loosening or tightening is produced by adding the number of respondents characterizing each reason as "very important" to the number characterizing the reason as "somewhat important" and then sorting the sums in descending order. For reasons with the same ranking based on the sums, the response that the greater number of dealers characterizes as "very important" takes priority.

leverage by hedge funds, considering the entire range of transactions facilitated, had decreased somewhat over the past three months. Dealers also reported that the availability of additional unutilized financial leverage under agreements currently in place with hedge funds was little changed over the past three months. This response stands in contrast with the June survey, which indicated that hedge funds' unused financing capacity had increased since the beginning of 2011.

Trading real estate investment trusts. The survey responses indicated that, on balance, credit terms offered to trading REITs were little changed over the past three months, although a small net fraction of respondents noted that they had tightened price terms for such counterparties, citing worsening market liquidity and functioning as the most important reason for the change.

Mutual funds, exchange-traded funds, pension plans, and endowments. The survey responses showed that, on balance, there had been little change in the price and nonprice credit terms provided to mutual funds, exchange-traded funds, pension plans, and endowments over the past three months, as well as in the use of leverage by such clients.

Insurance companies. The survey responses indicated that, on balance, price and nonprice credit terms provided to insurance companies were basically unchanged over the past three months despite a continued increase in the intensity of the efforts of such clients to negotiate more-favorable terms. A small fraction of dealers, on net, noted that the use of financial leverage by insurance companies had increased somewhat.

Investment advisers to separately managed accounts. The survey responses indicated that, on balance, price and nonprice credit terms negotiated by investment advisers on behalf of separately managed accounts were little changed over the past three months. Although a small net fraction of respondents reported that the intensity of efforts by these advisers to negotiate more-favorable price and nonprice terms had increased during the survey period, dealers reported that their use of financial leverage was basically unchanged.

Nonfinancial corporations. Contrary to most other categories of counterparties, a small net fraction of respondents indicated that, on balance, credit terms offered to nonfinancial corporations had tightened somewhat over the past three months despite increased efforts by those clients to negotiate more-favorable terms. The tightening was mostly reflected in price terms. Dealers cited a worsening in market liquidity and functioning as the most important explanation for the change in lending posture.

Mark and collateral disputes. Against the backdrop of increased market volatility and heightened concerns about developments in Europe, one-fifth of dealers reported that the volume of mark and collateral disputes with other dealers and hedge funds increased somewhat over the past three months. A similar fraction of respondents also indicated an increase in the duration and persistence of such disputes with other dealers. For all other counterparty types covered by the survey, the volume, duration, and persistence of mark and collateral disputes were little changed.

Over-the-Counter Derivatives
(Questions 40–50)

Over the past three months, nonprice terms incorporated in new or renegotiated OTC derivatives master agreements (such as requirements for posting additional margins, acceptable collateral, recognition of portfolio or diversification benefits, triggers and covenants, and other documentation features including cure periods and cross-default provisions) were little changed. Initial margin requirements across most underlyings were also little changed over the same period; however, small net fractions of respondents indicated that initial margin requirements for average clients had increased somewhat for foreign exchange and equity derivatives. Nearly one-third of dealers active in those markets reported that the volume of mark and collateral disputes relating to credit derivatives (referencing both corporate and securitized products) increased somewhat.

Securities Financing
(*Questions 51–78*)[6]

In contrast with previous surveys, responses to questions focused on securities financing pointed to a tightening of some of the terms under which all specified types of securities except equities were financed. The reported tightening of terms over the past three months was generally evident for both average and most-favored clients and was most visible in the increase in haircuts and widening of financing spreads over benchmark rates.

Modest net fractions of survey respondents indicated that demand for funding of corporate bonds (high grade and high yield) as well as RMBS (agency and non-agency) had increased over the past three months. Indeed, notable net fractions ranging from one-fourth to nearly one-half of dealers reported an increase in demand for term funding with a maturity of greater than 30 days for high-grade corporate bonds and agency and non-agency RMBS. A smaller net fraction noted an increase in demand for term funding for high-yield corporate bonds. By contrast, a small share of respondents pointed to a decline in demand for funding of commercial mortgage-backed securities (CMBS).

In contrast with recent surveys, respondents indicated that liquidity and functioning of all underlying asset markets covered by the survey (with the exception of

[6] Question 79, not discussed here, was optional and allowed respondents to provide additional comments.

equities) had deteriorated over the past three months.[7] Nearly two-thirds of respondents reported a deterioration in markets trading high-yield corporate bonds and CMBS, while around one-third of dealers noted a decline in market liquidity and functioning with respect to high-grade corporate bonds, RMBS, and consumer asset-backed securities. Modest portions of survey respondents reported an increase in the volume of mark and collateral disputes related to non-agency RMBS and CMBS.

Special Questions on Funding of U.S. Treasury Securities

(*Questions 80–82)*

In light of volatility in funding markets of late, one set of special questions asked survey participants about conditions in the market for financing U.S. Treasury securities. Dealers reported little change, over the past three months, in terms under which U.S. Treasury securities were funded for both average and most-favored clients. About 15 percent of respondents, on net, noted an increase in demand for funding of U.S. Treasury securities. A similar net percentage reported a deterioration in the liquidity and functioning of the markets for funding those securities.

Special Questions on Client Risk Appetite

(*Questions 83–84*)

In view of reports that investor risk appetite had declined in recent months, a second set of special questions asked respondents to assess the current risk appetite of their clients of various types, relative both to three months earlier and to the start of 2011, considering activities across the entire range of transactions included in the survey. Respondents indicated that appetite to bear risk had generally declined somewhat over the past three months for all types of clients. The most pronounced decreases were reported with respect to most-favored hedge funds and other hedge funds, with nearly 40 percent and 50 percent of dealers, respectively, pointing to such a decline. For other client types, while a small net fraction of dealers reported a decrease, the vast majority of respondents noted that risk appetite had remained basically unchanged over the past three months. A similar trend in risk appetite is visible over the longer horizon. One-fifth of dealers, with respect to most-favored hedge fund clients, and one-third of dealers, with respect to other hedge fund clients, reported a decrease in risk appetite since the beginning of 2011. Small net fractions of respondents indicated that, for other client types, risk appetite had declined, although most dealers pointed to no change.

[7] Note that survey respondents are instructed to report changes in liquidity and functioning in the market for the underlying collateral to be funded through repurchase agreements and similar secured financing transactions, not changes in the conditions in the funding market itself.

Special Question on Use of Leverage by Trading Real Estate Investment Trusts

(*Questions 85–86*)

Trading REITs have raised significant amounts of equity capital in recent quarters and reportedly represent an important source of demand for real estate–related assets. The final set of special questions sought information on changes in trading REITs' use of leverage, both in the amounts deployed and for the types of assets being financed, since the beginning of the year. About one-fourth of survey respondents, on net, reported that use of leverage by trading REITs had increased somewhat since the beginning of 2011. Net fractions of respondents ranging from 30 to 45 percent noted that additional funding capacity was used primarily to finance purchases of agency pass-through securities and agency collateralized mortgage obligations. Survey responses did not indicate any increase in the warehousing of whole loans for eventual securitization since the beginning of the year.

This document was prepared by Jennifer Dlugosz, Division of Monetary Affairs, Board of Governors of the Federal Reserve System. Assistance in developing and administering the survey was provided by staff members in the Statistics Function and the Markets Group at the Federal Reserve Bank of New York.

Results of the September 2011 Senior Credit Officer Opinion Survey on Dealer Financing Terms

The following results include the original instructions provided to the survey respondents. Please note that percentages are based on the number of financial institutions that gave responses other than "Not applicable." Components may not add to totals due to rounding.

Counterparty Types

Questions 1 through 39 ask about credit terms applicable to, and mark and collateral disputes with, different counterparty types, considering the entire range of securities financing and over-the-counter (OTC) derivatives transactions. Question 1 focuses on dealers and other financial intermediaries as counterparties; questions 2 and 3 on central counterparties and other financial utilities; questions 4 through 10 focus on hedge funds; questions 11 through 15 on trading real estate investment trusts (REITs); questions 16 through 21 on mutual funds, exchange-traded funds (ETFs), pension plans, and endowments; questions 22 through 27 on insurance companies; questions 28 through 33 on investment advisers to separately managed accounts; and questions 34 through 37 on nonfinancial corporations. Questions 38 and 39 ask about mark and collateral disputes for each of the aforementioned counterparty types.

In some questions, the survey differentiates between the compensation demanded for bearing credit risk (price terms) and the contractual provisions used to mitigate exposures (nonprice terms). If your institution's terms have tightened or eased over the past three months, please so report them regardless of how they stand relative to longer-term norms. Please focus your response on dollar-denominated instruments; if material differences exist with respect to instruments denominated in other currencies, please explain in the appropriate comment space. Where material differences exist across different business areas—for example, between traditional prime brokerage and OTC derivatives—please answer with regard to the business area generating the most exposure and explain in the appropriate comment space.

Dealers and Other Financial Intermediaries

1. Over the past three months, how has the amount of resources and attention your firm devotes to management of concentrated credit exposure to dealers and other financial intermediaries (such as large banking institutions) changed?

	Number of Respondents	Percent
Increased considerably	2	9.5
Increased somewhat	14	66.7
Remained basically unchanged	5	23.8
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**21**	**100.0**

Central Counterparties and Other Financial Utilities

2. Over the past three months, how has the amount of resources and attention your firm devotes to management of concentrated credit exposure to central counterparties and other financial utilities changed?

	Number of Respondents	Percent
Increased considerably	3	14.3
Increased somewhat	10	47.6
Remained basically unchanged	7	33.3
Decreased somewhat	1	4.8
Decreased considerably	0	0.0
Total	**21**	**100.0**

3. 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?

	Number of Respondents	**Percent**
To a considerable extent	0	0.0
To some extent	6	28.6
To a minimal extent	8	38.1
Not at all	7	33.3
Total	**21**	**100.0**

Hedge Funds

4. Over the past three months, how have the price terms (for example, financing rates) offered to hedge funds as reflected across the entire spectrum of securities financing and OTC derivatives transaction types changed, regardless of nonprice terms? (Please indicate tightening if terms have become more stringent—for example, if financing rates have risen.)

	Number of Respondents	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	2	9.5
Remained basically unchanged	18	85.7
Eased somewhat	1	4.8
Eased considerably	0	0.0
Total	**21**	**100.0**

5. Over the past three months, how has your use of nonprice terms (for example, haircuts, maximum maturity, covenants, cure periods, cross-default provisions or other documentation features) with respect to hedge funds across the entire spectrum of securities financing and OTC derivatives transaction types changed, regardless of price terms? (Please indicate tightening if terms have become more stringent—for example, if haircuts have been increased.)

	Number of Respondents	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	2	9.5
Remained basically unchanged	12	57.1
Eased somewhat	7	33.3
Eased considerably	0	0.0
Total	**21**	**100.0**

6. To the extent that the price or nonprice terms applied to hedge funds have tightened or eased over the past three months (as reflected in your responses to questions 4 and 5), what are the most important reasons for the change?

   A. Possible reasons for tightening

      1) Deterioration in current or expected financial strength of counterparties

	Number of Respondents	**Percent**
First in importance	0	0.0
Second in importance	0	0.0
Third in importance	0	0.0
Total	**0**	**0.0**

      2) Reduced willingness of your institution to take on risk

	Number of Respondents	**Percent**
First in importance	1	100.0
Second in importance	0	0.0
Third in importance	0	0.0
Total	**1**	**100.0**

3) Adoption of more-stringent market conventions (that is, collateral terms and agreements, ISDA protocols)

	Number of Respondents	Percent
First in importance	0	0.0
Second in importance	0	0.0
Third in importance	0	0.0
Total	**0**	**0.0**

4) Higher internal treasury charges for funding

	Number of Respondents	Percent
First in importance	0	0.0
Second in importance	0	0.0
Third in importance	0	0.0
Total	**0**	**0.0**

5) Diminished availability of balance sheet or capital at your institution

	Number of Respondents	Percent
First in importance	0	0.0
Second in importance	0	0.0
Third in importance	1	100.0
Total	**1**	**100.0**

6) Worsening in general market liquidity and functioning

	Number of Respondents	Percent
First in importance	1	50.0
Second in importance	1	50.0
Third in importance	0	0.0
Total	**2**	**100.0**

7) Less-aggressive competition from other institutions

	Number of Respondents	Percent
First in importance	0	0.0
Second in importance	0	0.0
Third in importance	0	0.0
Total	**0**	**0.0**

B. Possible reasons for easing

1) Improvement in current or expected financial strength of counterparties

	Number of Respondents	Percent
First in importance	0	0.0
Second in importance	0	0.0
Third in importance	0	0.0
Total	**0**	**0.0**

2) Increased willingness of your institution to take on risk

	Number of Respondents	Percent
First in importance	0	0.0
Second in importance	0	0.0
Third in importance	1	100.0
Total	**1**	**100.0**

3) Adoption of less-stringent market conventions (that is, collateral terms and agreements, ISDA protocols)

	Number of Respondents	Percent
First in importance	1	25.0
Second in importance	2	50.0
Third in importance	1	25.0
Total	**4**	**100.0**

4) Lower internal treasury charges for funding

	Number of Respondents	Percent
First in importance	0	0.0
Second in importance	0	0.0
Third in importance	0	0.0
Total	**0**	**0.0**

5) Increased availability of balance sheet or capital at your institution

	Number of Respondents	Percent
First in importance	0	0.0
Second in importance	1	100.0
Third in importance	0	0.0
Total	**1**	**100.0**

6) Improvement in general market liquidity and functioning

	Number of Respondents	Percent
First in importance	1	100.0
Second in importance	0	0.0
Third in importance	0	0.0
Total	**1**	**100.0**

7) More-aggressive competition from other institutions

	Number of Respondents	Percent
First in importance	5	83.3
Second in importance	1	16.7
Third in importance	0	0.0
Total	**6**	**100.0**

7. How has the intensity of efforts by hedge funds to negotiate more-favorable price and nonprice terms changed over the past three months?

	Number of Respondents	Percent
Increased considerably	1	4.8
Increased somewhat	11	52.4
Remained basically unchanged	8	38.1
Decreased somewhat	1	4.8
Decreased considerably	0	0.0
Total	**21**	**100.0**

8. Considering the entire range of transactions facilitated by your institution for such clients, how has the use of financial leverage by hedge funds changed over the past three months?

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	1	4.8
Remained basically unchanged	10	47.6
Decreased somewhat	10	47.6
Decreased considerably	0	0.0
Total	**21**	**100.0**

9. Considering the entire range of transactions facilitated by your institution for such clients, how has the availability of additional (and currently unutilized) financial leverage under agreements currently in place with hedge funds (for example, under prime broker, warehouse agreements, and other committed but undrawn or partly drawn facilities) changed over the past three months?

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	1	4.8
Remained basically unchanged	19	90.5
Decreased somewhat	1	4.8
Decreased considerably	0	0.0
Total	**21**	**100.0**

10. How has the provision of differential terms by your institution to most-favored (as a function of breadth, duration, and extent of relationship) hedge funds changed over the past three months?

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	3	14.3
Remained basically unchanged	17	81.0
Decreased somewhat	1	4.8
Decreased considerably	0	0.0
Total	**21**	**100.0**

Trading Real Estate Investment Trusts

11. Over the past three months, how have the price terms (for example, financing rates) offered to trading REITs as reflected across the entire spectrum of securities financing and OTC derivatives transaction types changed, regardless of nonprice terms? (Please indicate tightening if terms have become more stringent—for example, if financing rates have risen.)

	Number of Respondents	Percent
Tightened considerably	0	0.0
Tightened somewhat	4	22.2
Remained basically unchanged	13	72.2
Eased somewhat	1	5.6
Eased considerably	0	0.0
Total	**18**	**100.0**

12. Over the past three months, how has your use of nonprice terms (for example, haircuts, maximum maturity, covenants, cure periods, cross-default provisions or other documentation features) with respect to trading REITs across the entire spectrum of securities financing and OTC derivatives transaction types changed, regardless of price terms? (Please indicate tightening if terms have become more stringent—for example, if haircuts have been increased.)

	Number of Respondents	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	4	21.1
Remained basically unchanged	12	63.2
Eased somewhat	3	15.8
Eased considerably	0	0.0
Total	**19**	**100.0**

13. To the extent that the price or nonprice terms applied to trading REITs have tightened or eased over the past three months (as reflected in your responses to questions 11 and 12), what are the most important reasons for the change?

A. Possible reasons for tightening

1) Deterioration in current or expected financial strength of counterparties

	Number of Respondents	**Percent**
First in importance	0	0.0
Second in importance	1	50.0
Third in importance	1	50.0
Total	**2**	**100.0**

2) Reduced willingness of your institution to take on risk

	Number of Respondents	**Percent**
First in importance	1	100.0
Second in importance	0	0.0
Third in importance	0	0.0
Total	**1**	**100.0**

3) Adoption of more-stringent market conventions (that is, collateral terms and agreements, ISDA protocols)

	Number of Respondents	Percent
First in importance	0	0.0
Second in importance	1	100.0
Third in importance	0	0.0
Total	**1**	**100.0**

4) Higher internal treasury charges for funding

	Number of Respondents	Percent
First in importance	0	0.0
Second in importance	0	0.0
Third in importance	0	0.0
Total	**0**	**0.0**

5) Diminished availability of balance sheet or capital at your institution

	Number of Respondents	Percent
First in importance	0	0.0
Second in importance	0	0.0
Third in importance	0	0.0
Total	**0**	**0.0**

6) Worsening in general market liquidity and functioning

	Number of Respondents	Percent
First in importance	3	75.0
Second in importance	1	25.0
Third in importance	0	0.0
Total	**4**	**100.0**

7) Less-aggressive competition from other institutions

	Number of Respondents	Percent
First in importance	0	0.0
Second in importance	0	0.0
Third in importance	0	0.0
Total	**0**	**0.0**

B. Possible reasons for easing

1) Improvement in current or expected financial strength of counterparties

	Number of Respondents	Percent
First in importance	0	0.0
Second in importance	1	100.0
Third in importance	0	0.0
Total	**1**	**100.0**

2) Increased willingness of your institution to take on risk

	Number of Respondents	Percent
First in importance	0	0.0
Second in importance	0	0.0
Third in importance	1	100.0
Total	**1**	**100.0**

3) Adoption of less-stringent market conventions (that is, collateral terms and agreements, ISDA protocols)

	Number of Respondents	Percent
First in importance	0	0.0
Second in importance	0	0.0
Third in importance	0	0.0
Total	**0**	**0.0**

4) Lower internal treasury charges for funding

	Number of Respondents	**Percent**
First in importance	0	0.0
Second in importance	0	0.0
Third in importance	0	0.0
Total	**0**	**0.0**

5) Increased availability of balance sheet or capital at your institution

	Number of Respondents	**Percent**
First in importance	0	0.0
Second in importance	0	0.0
Third in importance	0	0.0
Total	**0**	**0.0**

6) Improvement in general market liquidity and functioning

	Number of Respondents	**Percent**
First in importance	2	100.0
Second in importance	0	0.0
Third in importance	0	0.0
Total	**2**	**100.0**

7) More-aggressive competition from other institutions

	Number of Respondents	**Percent**
First in importance	1	50.0
Second in importance	1	50.0
Third in importance	0	0.0
Total	**2**	**100.0**

14. How has the intensity of efforts by trading REITs to negotiate more-favorable price and nonprice terms changed over the past three months?

	Number of Respondents	**Percent**
Increased considerably	0	0.0
Increased somewhat	2	10.5
Remained basically unchanged	13	68.4
Decreased somewhat	4	21.1
Decreased considerably	0	0.0
Total	**19**	**100.0**

15. How has the provision of differential terms by your institution to most-favored (as a function of breadth, duration, and extent of relationship) trading REITs changed over the past three months?

	Number of Respondents	**Percent**
Increased considerably	0	0.0
Increased somewhat	3	16.7
Remained basically unchanged	14	77.8
Decreased somewhat	1	5.6
Decreased considerably	0	0.0
Total	**18**	**100.0**

Mutual Funds, Exchange-Traded Funds, Pension Plans, and Endowments

16. Over the past three months, how have the price terms (for example, financing rates) offered to mutual funds, ETFs, pension plans, and endowments as reflected across the entire spectrum of securities financing and OTC derivatives transaction types changed, regardless of nonprice terms? (Please indicate tightening if terms have become more stringent—for example, if financing rates have risen.)

	Number of Respondents	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	3	14.3
Remained basically unchanged	15	71.4
Eased somewhat	3	14.3
Eased considerably	0	0.0
Total	**21**	**100.0**

17. Over the past three months, how has your use of nonprice terms (for example, haircuts, maximum maturity, covenants, cure periods, cross-default provisions or other documentation features) with respect to mutual funds, ETFs, pension plans, and endowments across the entire spectrum of securities financing and OTC derivatives transaction types changed, regardless of price terms? (Please indicate tightening if terms have become more stringent—for example, if haircuts have been increased.)

	Number of Respondents	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	1	4.8
Remained basically unchanged	17	81.0
Eased somewhat	3	14.3
Eased considerably	0	0.0
Total	**21**	**100.0**

18. To the extent that the price or nonprice terms applied to mutual funds, ETFs, pension plans, and endowments have tightened or eased over the past three months (as reflected in your responses to questions 16 and 17), what are the most important reasons for the change?

A. Possible reasons for tightening

1) Deterioration in current or expected financial strength of counterparties

	Number of Respondents	Percent
First in importance	0	0.0
Second in importance	0	0.0
Third in importance	0	0.0
Total	**0**	**0.0**

2) Reduced willingness of your institution to take on risk

	Number of Respondents	Percent
First in importance	1	100.0
Second in importance	0	0.0
Third in importance	0	0.0
Total	**1**	**100.0**

3) Adoption of more-stringent market conventions (that is, collateral terms and agreements, ISDA protocols)

	Number of Respondents	Percent
First in importance	0	0.0
Second in importance	0	0.0
Third in importance	0	0.0
Total	**0**	**0.0**

4) Higher internal treasury charges for funding

	Number of Respondents	Percent
First in importance	0	0.0
Second in importance	0	0.0
Third in importance	0	0.0
Total	**0**	**0.0**

5) Diminished availability of balance sheet or capital at your institution

	Number of Respondents	Percent
First in importance	0	0.0
Second in importance	1	50.0
Third in importance	1	50.0
Total	**2**	**100.0**

6) Worsening in general market liquidity and functioning

	Number of Respondents	Percent
First in importance	2	66.7
Second in importance	1	33.3
Third in importance	0	0.0
Total	**3**	**100.0**

7) Less-aggressive competition from other institutions

	Number of Respondents	Percent
First in importance	0	0.0
Second in importance	0	0.0
Third in importance	1	100.0
Total	**1**	**100.0**

B. Possible reasons for easing

1) Improvement in current or expected financial strength of counterparties

	Number of Respondents	Percent
First in importance	2	100.0
Second in importance	0	0.0
Third in importance	0	0.0
Total	**2**	**100.0**

2) Increased willingness of your institution to take on risk

	Number of Respondents	Percent
First in importance	0	0.0
Second in importance	0	0.0
Third in importance	0	0.0
Total	**0**	**0.0**

3) Adoption of less-stringent market conventions (that is, collateral terms and agreements, ISDA protocols)

	Number of Respondents	Percent
First in importance	0	0.0
Second in importance	0	0.0
Third in importance	0	0.0
Total	**0**	**0.0**

4) Lower internal treasury charges for funding

	Number of Respondents	Percent
First in importance	0	0.0
Second in importance	0	0.0
Third in importance	0	0.0
Total	**0**	**0.0**

5) Increased availability of balance sheet or capital at your institution

	Number of Respondents	Percent
First in importance	0	0.0
Second in importance	1	100.0
Third in importance	0	0.0
Total	**1**	**100.0**

6) Improvement in general market liquidity and functioning

	Number of Respondents	Percent
First in importance	0	0.0
Second in importance	0	0.0
Third in importance	1	100.0
Total	**1**	**100.0**

7) More-aggressive competition from other institutions

	Number of Respondents	Percent
First in importance	2	100.0
Second in importance	0	0.0
Third in importance	0	0.0
Total	**2**	**100.0**

19. How has the intensity of efforts by mutual funds, ETFs, pension plans, and endowments to negotiate more-favorable price and nonprice terms changed over the past three months?

	Number of Respondents	**Percent**
Increased considerably	0	0.0
Increased somewhat	2	9.5
Remained basically unchanged	19	90.5
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**21**	**100.0**

20. Considering the entire range of transactions facilitated by your institution, how has the use of financial leverage by each of the following types of clients changed over the past three months?

A. Mutual funds

	Number of Respondents	**Percent**
Increased considerably	0	0.0
Increased somewhat	1	5.0
Remained basically unchanged	19	95.0
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**20**	**100.0**

B. ETFs

	Number of Respondents	**Percent**
Increased considerably	0	0.0
Increased somewhat	1	6.3
Remained basically unchanged	15	93.8
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**16**	**100.0**

C. Pension plans

	Number of Respondents	**Percent**
Increased considerably	0	0.0
Increased somewhat	0	0.0
Remained basically unchanged	20	100.0
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**20**	**100.0**

D. Endowments

	Number of Respondents	**Percent**
Increased considerably	0	0.0
Increased somewhat	0	0.0
Remained basically unchanged	19	100.0
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**19**	**100.0**

21. How has the provision of differential terms by your institution to most-favored (as a function of breadth, duration, and extent of relationship) mutual funds, ETFs, pension plans, and endowments changed over the past three months?

	Number of Respondents	**Percent**
Increased considerably	0	0.0
Increased somewhat	2	10.5
Remained basically unchanged	17	89.5
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**19**	**100.0**

Insurance Companies

22. Over the past three months, how have the price terms (for example, financing rates) offered to insurance companies as reflected across the entire spectrum of securities financing and OTC derivatives transaction types changed, regardless of nonprice terms? (Please indicate tightening if terms have become more stringent—for example, if financing rates have risen.)

	Number of Respondents	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	2	9.5
Remained basically unchanged	18	85.7
Eased somewhat	1	4.8
Eased considerably	0	0.0
Total	**21**	**100.0**

23. Over the past three months, how has your use of nonprice terms (for example, haircuts, maximum maturity, covenants, cure periods, cross-default provisions or other documentation features) with respect to insurance companies across the entire spectrum of securities financing and OTC derivatives transaction types changed, regardless of price terms? (Please indicate tightening if terms have become more stringent—for example, if haircuts have been increased.)

	Number of Respondents	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	4	19.0
Remained basically unchanged	13	61.9
Eased somewhat	4	19.0
Eased considerably	0	0.0
Total	**21**	**100.0**

24. To the extent that the price or nonprice terms applied to insurance companies have tightened or eased over the past three months (as reflected in your responses to questions 22 and 23), what are the most important reasons for the change?

A. Possible reasons for tightening

1) Deterioration in current or expected financial strength of counterparties

	Number of Respondents	Percent
First in importance	0	0.0
Second in importance	0	0.0
Third in importance	0	0.0
Total	**0**	**0.0**

2) Reduced willingness of your institution to take on risk

	Number of Respondents	Percent
First in importance	1	100.0
Second in importance	0	0.0
Third in importance	0	0.0
Total	**1**	**100.0**

3) Adoption of more-stringent market conventions (that is, collateral terms and agreements, ISDA protocols)

	Number of Respondents	Percent
First in importance	0	0.0
Second in importance	1	100.0
Third in importance	0	0.0
Total	**1**	**100.0**

4) Higher internal treasury charges for funding

	Number of Respondents	Percent
First in importance	0	0.0
Second in importance	0	0.0
Third in importance	1	100.0
Total	**1**	**100.0**

5) Diminished availability of balance sheet or capital at your institution

	Number of Respondents	Percent
First in importance	0	0.0
Second in importance	0	0.0
Third in importance	1	100.0
Total	**1**	**100.0**

6) Worsening in general market liquidity and functioning

	Number of Respondents	Percent
First in importance	3	75.0
Second in importance	1	25.0
Third in importance	0	0.0
Total	**4**	**100.0**

7) Less-aggressive competition from other institutions

	Number of Respondents	Percent
First in importance	0	0.0
Second in importance	0	0.0
Third in importance	0	0.0
Total	**0**	**0.0**

B. Possible reasons for easing

1) Improvement in current or expected financial strength of counterparties

	Number of Respondents	Percent
First in importance	3	100.0
Second in importance	0	0.0
Third in importance	0	0.0
Total	**3**	**100.0**

2) Increased willingness of your institution to take on risk

	Number of Respondents	Percent
First in importance	0	0.0
Second in importance	0	0.0
Third in importance	0	0.0
Total	**0**	**0.0**

3) Adoption of less-stringent market conventions (that is, collateral terms and agreements, ISDA protocols)

	Number of Respondents	Percent
First in importance	1	100.0
Second in importance	0	0.0
Third in importance	0	0.0
Total	**1**	**100.0**

4) Lower internal treasury charges for funding

	Number of Respondents	Percent
First in importance	0	0.0
Second in importance	0	0.0
Third in importance	0	0.0
Total	**0**	**0.0**

5) Increased availability of balance sheet or capital at your institution

	Number of Respondents	Percent
First in importance	0	0.0
Second in importance	1	100.0
Third in importance	0	0.0
Total	**1**	**100.0**

6) Improvement in general market liquidity and functioning

	Number of Respondents	Percent
First in importance	0	0.0
Second in importance	0	0.0
Third in importance	1	100.0
Total	**1**	**100.0**

7) More-aggressive competition from other institutions

	Number of Respondents	Percent
First in importance	0	0.0
Second in importance	2	100.0
Third in importance	0	0.0
Total	**2**	**100.0**

25. How has the intensity of efforts by insurance companies to negotiate more-favorable price and nonprice terms changed over the past three months?

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	5	25.0
Remained basically unchanged	14	70.0
Decreased somewhat	1	5.0
Decreased considerably	0	0.0
Total	**20**	**100.0**

26. Considering the entire range of transactions facilitated by your institution for such clients, how has the use of financial leverage by insurance companies changed over the past three months?

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	3	15.0
Remained basically unchanged	17	85.0
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**20**	**100.0**

27. How has the provision of differential terms by your institution to most-favored (as a function of breadth, duration, and extent of relationship) insurance companies changed over the past three months?

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	2	11.1
Remained basically unchanged	16	88.9
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**18**	**100.0**

Investment Advisers to Separately Managed Accounts

28. Over the past three months, how have the price terms (for example, financing rates) offered to investment advisers to separately managed accounts as reflected across the entire spectrum of securities financing and OTC derivatives transaction types changed, regardless of nonprice terms? (Please indicate tightening if terms have become more stringent—for example, if financing rates have risen.)

	Number of Respondents	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	2	9.5
Remained basically unchanged	17	81.0
Eased somewhat	2	9.5
Eased considerably	0	0.0
Total	**21**	**100.0**

29. Over the past three months, how has your use of nonprice terms (for example, haircuts, maximum maturity, covenants, cure periods, cross-default provisions or other documentation features) with respect to investment advisers to separately managed accounts across the entire spectrum of securities financing and OTC derivatives transaction types changed, regardless of price terms? (Please indicate tightening if terms have become more stringent—for example, if haircuts have been increased.)

	Number of Respondents	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	3	14.3
Remained basically unchanged	14	66.7
Eased somewhat	4	19.0
Eased considerably	0	0.0
Total	**21**	**100.0**

30. To the extent that the price or nonprice terms applied to investment advisers to separately managed accounts have tightened or eased over the past three months (as reflected in your responses to questions 28 and 29), what are the most important reasons for the change?

A. Possible reasons for tightening

1) Deterioration in current or expected financial strength of counterparties

	Number of Respondents	Percent
First in importance	0	0.0
Second in importance	0	0.0
Third in importance	0	0.0
Total	**0**	**0.0**

2) Reduced willingness of your institution to take on risk

	Number of Respondents	Percent
First in importance	1	100.0
Second in importance	0	0.0
Third in importance	0	0.0
Total	**1**	**100.0**

3) Adoption of more-stringent market conventions (that is, collateral terms and agreements, ISDA protocols)

	Number of Respondents	Percent
First in importance	0	0.0
Second in importance	1	100.0
Third in importance	0	0.0
Total	**1**	**100.0**

4) Higher internal treasury charges for funding

	Number of Respondents	Percent
First in importance	0	0.0
Second in importance	0	0.0
Third in importance	0	0.0
Total	**0**	**0.0**

5) Diminished availability of balance sheet or capital at your institution

	Number of Respondents	Percent
First in importance	0	0.0
Second in importance	0	0.0
Third in importance	1	100.0
Total	**1**	**100.0**

6) Worsening in general market liquidity and functioning

	Number of Respondents	Percent
First in importance	2	66.7
Second in importance	1	33.3
Third in importance	0	0.0
Total	**3**	**100.0**

7) Less-aggressive competition from other institutions

	Number of Respondents	Percent
First in importance	0	0.0
Second in importance	0	0.0
Third in importance	1	100.0
Total	**1**	**100.0**

B. Possible reasons for easing

1) Improvement in current or expected financial strength of counterparties

	Number of Respondents	Percent
First in importance	1	100.0
Second in importance	0	0.0
Third in importance	0	0.0
Total	**1**	**100.0**

2) Increased willingness of your institution to take on risk

	Number of Respondents	Percent
First in importance	0	0.0
Second in importance	0	0.0
Third in importance	0	0.0
Total	**0**	**0.0**

3) Adoption of less-stringent market conventions (that is, collateral terms and agreements, ISDA protocols)

	Number of Respondents	Percent
First in importance	1	100.0
Second in importance	0	0.0
Third in importance	0	0.0
Total	**1**	**100.0**

4) Lower internal treasury charges for funding

	Number of Respondents	Percent
First in importance	0	0.0
Second in importance	0	0.0
Third in importance	0	0.0
Total	**0**	**0.0**

5) Increased availability of balance sheet or capital at your institution

	Number of Respondents	Percent
First in importance	0	0.0
Second in importance	0	0.0
Third in importance	0	0.0
Total	**0**	**0.0**

6) Improvement in general market liquidity and functioning

	Number of Respondents	Percent
First in importance	0	0.0
Second in importance	0	0.0
Third in importance	0	0.0
Total	**0**	**0.0**

7) More-aggressive competition from other institutions

	Number of Respondents	Percent
First in importance	2	100.0
Second in importance	0	0.0
Third in importance	0	0.0
Total	**2**	**100.0**

31. How has the intensity of efforts by investment advisers to separately managed accounts to negotiate more-favorable price and nonprice terms changed over the past three months?

	Number of Respondents	**Percent**
Increased considerably	1	4.8
Increased somewhat	3	14.3
Remained basically unchanged	16	76.2
Decreased somewhat	1	4.8
Decreased considerably	0	0.0
Total	**21**	**100.0**

32. Considering the entire range of transactions facilitated by your institution for such clients, how has the use of financial leverage by investment advisers to separately managed accounts changed over the past three months?

	Number of Respondents	**Percent**
Increased considerably	0	0.0
Increased somewhat	1	4.8
Remained basically unchanged	20	95.2
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**21**	**100.0**

33. How has the provision of differential terms by your institution to most-favored (as a function of breadth, duration, and extent of relationship) investment advisers to separately managed accounts changed over the past three months?

	Number of Respondents	**Percent**
Increased considerably	0	0.0
Increased somewhat	2	9.5
Remained basically unchanged	19	90.5
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**21**	**100.0**

Nonfinancial Corporations

34. Over the past three months, how have the price terms (for example, financing rates) offered to nonfinancial corporations as reflected across the entire spectrum of securities financing and OTC derivatives transaction types changed, regardless of nonprice terms? (Please indicate tightening if terms have become more stringent—for example, if financing rates have risen.)

	Number of Respondents	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	5	23.8
Remained basically unchanged	15	71.4
Eased somewhat	1	4.8
Eased considerably	0	0.0
Total	**21**	**100.0**

35. Over the past three months, how has your use of nonprice terms (for example, haircuts, maximum maturity, covenants, cure periods, cross-default provisions or other documentation features) with respect to nonfinancial corporations across the entire spectrum of securities financing and OTC derivatives transaction types changed, regardless of price terms? (Please indicate tightening if terms have become more stringent—for example, if haircuts have been increased.)

	Number of Respondents	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	3	14.3
Remained basically unchanged	17	81.0
Eased somewhat	1	4.8
Eased considerably	0	0.0
Total	**21**	**100.0**

36. To the extent that the price or nonprice terms applied to nonfinancial corporations have tightened or eased over the past three months (as reflected in your responses to questions 34 and 35), what are the most important reasons for the change?

A. Possible reasons for tightening

1) Deterioration in current or expected financial strength of counterparties

	Number of Respondents	**Percent**
First in importance	1	50.0
Second in importance	1	50.0
Third in importance	0	0.0
Total	**2**	**100.0**

2) Reduced willingness of your institution to take on risk

	Number of Respondents	**Percent**
First in importance	0	0.0
Second in importance	0	0.0
Third in importance	1	100.0
Total	**1**	**100.0**

3) Adoption of more-stringent market conventions (that is, collateral terms and agreements, ISDA protocols)

	Number of Respondents	**Percent**
First in importance	0	0.0
Second in importance	0	0.0
Third in importance	0	0.0
Total	**0**	**0.0**

4) Higher internal treasury charges for funding

	Number of Respondents	**Percent**
First in importance	0	0.0
Second in importance	0	0.0
Third in importance	0	0.0
Total	**0**	**0.0**

5) Diminished availability of balance sheet or capital at your institution

	Number of Respondents	**Percent**
First in importance	0	0.0
Second in importance	0	0.0
Third in importance	1	100.0
Total	**1**	**100.0**

6) Worsening in general market liquidity and functioning

	Number of Respondents	**Percent**
First in importance	4	66.7
Second in importance	2	33.3
Third in importance	0	0.0
Total	**6**	**100.0**

7) Less-aggressive competition from other institutions

	Number of Respondents	**Percent**
First in importance	0	0.0
Second in importance	2	100.0
Third in importance	0	0.0
Total	**2**	**100.0**

B. Possible reasons for easing

1) Improvement in current or expected financial strength of counterparties

	Number of Respondents	Percent
First in importance	0	0.0
Second in importance	0	0.0
Third in importance	0	0.0
Total	**0**	**0.0**

2) Increased willingness of your institution to take on risk

	Number of Respondents	Percent
First in importance	1	100.0
Second in importance	0	0.0
Third in importance	0	0.0
Total	**1**	**100.0**

3) Adoption of less-stringent market conventions (that is, collateral terms and agreements, ISDA protocols)

	Number of Respondents	Percent
First in importance	1	50.0
Second in importance	1	50.0
Third in importance	0	0.0
Total	**2**	**100.0**

4) Lower internal treasury charges for funding

	Number of Respondents	Percent
First in importance	0	0.0
Second in importance	0	0.0
Third in importance	0	0.0
Total	**0**	**0.0**

5) Increased availability of balance sheet or capital at your institution

	Number of Respondents	**Percent**
First in importance	0	0.0
Second in importance	0	0.0
Third in importance	0	0.0
Total	**0**	**0.0**

6) Improvement in general market liquidity and functioning

	Number of Respondents	**Percent**
First in importance	0	0.0
Second in importance	0	0.0
Third in importance	1	100.0
Total	**1**	**100.0**

7) More-aggressive competition from other institutions

	Number of Respondents	**Percent**
First in importance	0	0.0
Second in importance	1	100.0
Third in importance	0	0.0
Total	**1**	**100.0**

37. How has the intensity of efforts by nonfinancial corporations to negotiate more-favorable price and nonprice terms changed over the past three months?

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	5	23.8
Remained basically unchanged	16	76.2
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**21**	**100.0**

Mark and Collateral Disputes

38. Over the past three months, how has the volume of mark and collateral disputes with clients of each of the following types changed?

A. Dealers and other financial intermediaries

	Number of Respondents	Percent
Increased considerably	1	5.0
Increased somewhat	4	20.0
Remained basically unchanged	14	70.0
Decreased somewhat	1	5.0
Decreased considerably	0	0.0
Total	**20**	**100.0**

B. Hedge funds

	Number of Respondents	Percent
Increased considerably	1	5.0
Increased somewhat	3	15.0
Remained basically unchanged	16	80.0
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**20**	**100.0**

C. Trading REITs

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	0	0.0
Remained basically unchanged	17	94.4
Decreased somewhat	1	5.6
Decreased considerably	0	0.0
Total	**18**	**100.0**

D. Mutual funds, ETFs, pension plans, and endowments

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	2	11.1
Remained basically unchanged	16	88.9
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**18**	**100.0**

E. Insurance companies

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	2	10.5
Remained basically unchanged	17	89.5
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**19**	**100.0**

F. Investment advisers to separately managed accounts

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	1	5.0
Remained basically unchanged	19	95.0
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**20**	**100.0**

G. Nonfinancial corporations

	Number of Respondents	Percent
Increased considerably	1	5.0
Increased somewhat	1	5.0
Remained basically unchanged	18	90.0
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**20**	**100.0**

39. Over the past three months, how has the duration and persistence of mark and collateral disputes with clients of each of the following types changed?

A. Dealers and other financial intermediaries

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	5	25.0
Remained basically unchanged	13	65.0
Decreased somewhat	2	10.0
Decreased considerably	0	0.0
Total	**20**	**100.0**

B. Hedge funds

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	0	0.0
Remained basically unchanged	19	95.0
Decreased somewhat	1	5.0
Decreased considerably	0	0.0
Total	**20**	**100.0**

C. Trading REITs

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	0	0.0
Remained basically unchanged	17	94.4
Decreased somewhat	1	5.6
Decreased considerably	0	0.0
Total	**18**	**100.0**

D. Mutual funds, ETFs, pension plans, and endowments

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	0	0.0
Remained basically unchanged	18	100.0
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**18**	**100.0**

E. Insurance companies

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	0	0.0
Remained basically unchanged	18	94.7
Decreased somewhat	1	5.3
Decreased considerably	0	0.0
Total	**19**	**100.0**

F. Investment advisers to separately managed accounts

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	0	0.0
Remained basically unchanged	20	100.0
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**20**	**100.0**

G. Nonfinancial corporations

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	0	0.0
Remained basically unchanged	19	95.0
Decreased somewhat	1	5.0
Decreased considerably	0	0.0
Total	**20**	**100.0**

Over-the-Counter Derivatives

Questions 40 through 50 ask about OTC derivatives trades. Question 40 focuses on nonprice terms applicable to new and renegotiated master agreements. Questions 41 through 47 ask about the initial margin requirements for most-favored and average clients applicable to different types of contracts: Question 41 focuses on foreign exchange (FX); question 42 on interest rates; question 43 on equity; question 44 on contracts referencing corporate credits (single-name and indexes); question 45 on credit derivatives referencing structured products such as mortgage-backed securities (MBS) and asset-backed securities (ABS) (specific tranches and indexes); question 46 on commodities; and question 47 on total return swaps (TRS) referencing nonsecurities (such as bank loans, including, for example, commercial and industrial loans and mortgage whole loans). Question 48 asks about posting of nonstandard collateral pursuant to OTC derivative contracts. Questions 49 and 50 focus on mark and collateral disputes involving contracts of each of the aforementioned types.

If your institution's terms have tightened or eased over the past three months, please so report them regardless of how they stand relative to longer-term norms. Please focus your response on dollar-denominated instruments; if material differences exist with respect to instruments denominated in other currencies, please explain in the appropriate comment space.

New and Renegotiated Master Agreements

40. Over the past three months, how have nonprice terms incorporated in new or renegotiated OTC derivatives master agreements put in place with your institution's client changed?

    A. Requirements, timelines, and thresholds for posting additional margin

	Number of Respondents	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	2	10.5
Remained basically unchanged	16	84.2
Eased somewhat	1	5.3
Eased considerably	0	0.0
Total	**19**	**100.0**

B. Acceptable collateral

	Number of Respondents	Percent
Tightened considerably	0	0.0
Tightened somewhat	3	15.8
Remained basically unchanged	14	73.7
Eased somewhat	2	10.5
Eased considerably	0	0.0
Total	**19**	**100.0**

C. Recognition of portfolio or diversification benefits (including from securities financing trades where appropriate agreements are in place)

	Number of Respondents	Percent
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	17	100.0
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	**17**	**100.0**

D. Triggers and covenants

	Number of Respondents	Percent
Tightened considerably	0	0.0
Tightened somewhat	1	5.6
Remained basically unchanged	15	83.3
Eased somewhat	2	11.1
Eased considerably	0	0.0
Total	**18**	**100.0**

E. Other documentation features (including cure periods and cross-default provisions)

	Number of Respondents	Percent
Tightened considerably	0	0.0
Tightened somewhat	2	10.5
Remained basically unchanged	15	78.9
Eased somewhat	2	10.5
Eased considerably	0	0.0
Total	**19**	**100.0**

Initial Margin

41. Over the past three months, how have initial margin requirements set by your institution with respect to OTC FX derivatives changed?

A. Initial margin requirements for average clients

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	3	16.7
Remained basically unchanged	15	83.3
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**18**	**100.0**

B. Initial margin requirements for most-favored clients, as a consequence of breadth, duration, and/or extent of relationship

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	1	5.6
Remained basically unchanged	15	83.3
Decreased somewhat	2	11.1
Decreased considerably	0	0.0
Total	**18**	**100.0**

42. Over the past three months, how have initial margin requirements set by your institution with respect to OTC interest rate derivatives changed?

A. Initial margin requirements for average clients

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	1	5.6
Remained basically unchanged	17	94.4
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**18**	**100.0**

B. Initial margin requirements for most-favored clients, as a consequence of breadth, duration, and/or extent of relationship

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	1	5.6
Remained basically unchanged	17	94.4
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**18**	**100.0**

43. Over the past three months, how have initial margin requirements set by your institution with respect to OTC equity derivatives changed?

A. Initial margin requirements for average clients

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	3	16.7
Remained basically unchanged	15	83.3
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**18**	**100.0**

B. Initial margin requirements for most-favored clients, as a consequence of breadth, duration, and/or extent of relationship

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	2	11.1
Remained basically unchanged	15	83.3
Decreased somewhat	1	5.6
Decreased considerably	0	0.0
Total	**18**	**100.0**

44. Over the past three months, how have initial margin requirements set by your institution with respect to OTC credit derivatives referencing corporates (single-name corporates or corporate indexes) changed?

A. Initial margin requirements for average clients

	Number of Respondents	**Percent**
Increased considerably	0	0.0
Increased somewhat	2	13.3
Remained basically unchanged	13	86.7
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**15**	**100.0**

B. Initial margin requirements for most-favored clients, as a consequence of breadth, duration, and/or extent of relationship

	Number of Respondents	**Percent**
Increased considerably	0	0.0
Increased somewhat	1	6.7
Remained basically unchanged	14	93.3
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**15**	**100.0**

45. Over the past three months, how have initial margin requirements set by your institution with respect to OTC credit derivatives referencing securitized products (such as specific ABS or MBS tranches and associated indexes) changed?

A. Initial margin requirements for average clients

	Number of Respondents	**Percent**
Increased considerably	0	0.0
Increased somewhat	2	15.4
Remained basically unchanged	11	84.6
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**13**	**100.0**

B. Initial margin requirements for most-favored clients, as a consequence of breadth, duration, and/or extent of relationship

	Number of Respondents	**Percent**
Increased considerably	0	0.0
Increased somewhat	1	7.7
Remained basically unchanged	12	92.3
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**13**	**100.0**

46. Over the past three months, how have initial margin requirements set by your institution with respect to OTC commodity derivatives changed?

A. Initial margin requirements for average clients

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	2	13.3
Remained basically unchanged	13	86.7
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**15**	**100.0**

B. Initial margin requirements for most-favored clients, as a consequence of breadth, duration, and/or extent of relationship

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	1	7.1
Remained basically unchanged	13	92.9
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**14**	**100.0**

47. Over the past three months, how have initial margin requirements set by your institution with respect to TRS referencing nonsecurities (such as bank loans, including, for example, commercial and industrial loans and mortgage whole loans) changed?

A. Initial margin requirements for average clients

	Number of Respondents	**Percent**
Increased considerably	0	0.0
Increased somewhat	2	18.2
Remained basically unchanged	9	81.8
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**11**	**100.0**

B. Initial margin requirements for most-favored clients, as a consequence of breadth, duration, and/or extent of relationship

	Number of Respondents	**Percent**
Increased considerably	0	0.0
Increased somewhat	1	9.1
Remained basically unchanged	10	90.9
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**11**	**100.0**

Nonstandard Collateral

48. Over the past three months, how has the posting of nonstandard collateral (that is, other than cash and U.S. Treasury securities) as permitted under relevant agreements changed?

	Number of Respondents	**Percent**
Increased considerably	0	0.0
Increased somewhat	3	14.3
Remained basically unchanged	17	81.0
Decreased somewhat	1	4.8
Decreased considerably	0	0.0
Total	**21**	**100.0**

Mark and Collateral Disputes

49. Over the past three months, how has the volume of mark and collateral disputes relating to contracts of each of the following types changed?

A. FX

	Number of Respondents	**Percent**
Increased considerably	0	0.0
Increased somewhat	2	11.8
Remained basically unchanged	15	88.2
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**17**	**100.0**

B. Interest rate

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	2	11.8
Remained basically unchanged	14	82.4
Decreased somewhat	1	5.9
Decreased considerably	0	0.0
Total	**17**	**100.0**

C. Equity

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	2	10.5
Remained basically unchanged	17	89.5
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**19**	**100.0**

D. Credit referencing corporates

	Number of Respondents	Percent
Increased considerably	1	6.7
Increased somewhat	3	20.0
Remained basically unchanged	11	73.3
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**15**	**100.0**

E. Credit referencing securitized products including MBS and ABS

	Number of Respondents	**Percent**
Increased considerably	1	7.1
Increased somewhat	3	21.4
Remained basically unchanged	10	71.4
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**14**	**100.0**

F. Commodity

	Number of Respondents	**Percent**
Increased considerably	0	0.0
Increased somewhat	2	13.3
Remained basically unchanged	13	86.7
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**15**	**100.0**

G. TRS referencing nonsecurities (such as bank loans, including, for example, commercial and industrial loans and mortgage whole loans)

	Number of Respondents	**Percent**
Increased considerably	1	9.1
Increased somewhat	1	9.1
Remained basically unchanged	9	81.8
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**11**	**100.0**

50. Over the past three months, how has the duration and persistence of mark and collateral disputes relating to contracts of each of the following types changed?

A. FX

	Number of Respondents	**Percent**
Increased considerably	0	0.0
Increased somewhat	1	5.9
Remained basically unchanged	16	94.1
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**17**	**100.0**

B. Interest rate

	Number of Respondents	**Percent**
Increased considerably	0	0.0
Increased somewhat	1	5.9
Remained basically unchanged	16	94.1
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**17**	**100.0**

C. Equity

	Number of Respondents	**Percent**
Increased considerably	0	0.0
Increased somewhat	1	5.3
Remained basically unchanged	18	94.7
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**19**	**100.0**

D. Credit referencing corporates

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	2	13.3
Remained basically unchanged	13	86.7
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**15**	**100.0**

E. Credit referencing securitized products including MBS and ABS

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	2	14.3
Remained basically unchanged	12	85.7
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**14**	**100.0**

F. Commodity

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	0	0.0
Remained basically unchanged	15	100.0
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**15**	**100.0**

G. TRS referencing nonsecurities (such as bank loans, including, for example, commercial and industrial loans and mortgage whole loans)

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	1	9.1
Remained basically unchanged	10	90.9
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**11**	**100.0**

Securities Financing

Questions 51 through 78 ask about securities funding at your institution—that is, lending to clients collateralized by securities. Such activities may be conducted on a “repo” desk, on a trading desk engaged in facilitation for institutional clients and/or proprietary transactions, on a funding desk, or on a prime brokerage platform. Questions 51 through 54 focus on lending against high-grade corporate bonds; questions 55 through 58 on lending against high-yield corporate bonds; questions 59 and 60 on lending against equities (including stock loan); questions 61 through 64 on lending against agency residential mortgage-backed securities (agency RMBS); questions 65 through 68 on lending against non-agency residential mortgage-backed securities (non-agency RMBS); questions 69 through 72 on lending against commercial mortgage-backed securities (CMBS); and questions 73 through 76 on consumer ABS (for example, backed by credit card receivables or auto loans). Questions 77 and 78 ask about mark and collateral disputes for lending backed by each of the aforementioned contract types.

If your institution’s terms have tightened or eased over the past three months, please so report them regardless of how they stand relative to longer-term norms. Please focus your response on dollar-denominated instruments; if material differences exist with respect to instruments denominated in other currencies, please explain in the appropriate comment space.

High-Grade Corporate Bonds

51. Over the past three months, how have the terms under which high-grade corporate bonds are funded changed?

A. Terms for average clients

1) Maximum amount of funding

	Number of Respondents	Percent
Tightened considerably	0	0.0
Tightened somewhat	2	12.5
Remained basically unchanged	12	75.0
Eased somewhat	2	12.5
Eased considerably	0	0.0
Total	**16**	**100.0**

2) Maximum maturity

	Number of Respondents	Percent
Tightened considerably	0	0.0
Tightened somewhat	2	12.5
Remained basically unchanged	14	87.5
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	**16**	**100.0**

3) Haircuts

	Number of Respondents	Percent
Tightened considerably	0	0.0
Tightened somewhat	3	18.8
Remained basically unchanged	13	81.3
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	**16**	**100.0**

4) Collateral spreads over relevant benchmark (effective financing rates)

	Number of Respondents	Percent
Tightened considerably	0	0.0
Tightened somewhat	5	33.3
Remained basically unchanged	9	60.0
Eased somewhat	1	6.7
Eased considerably	0	0.0
Total	**15**	**100.0**

B. Terms for most-favored clients, as a consequence of breadth, duration, and/or extent of relationship

1) Maximum amount of funding

	Number of Respondents	Percent
Tightened considerably	0	0.0
Tightened somewhat	1	6.3
Remained basically unchanged	14	87.5
Eased somewhat	1	6.3
Eased considerably	0	0.0
Total	**16**	**100.0**

2) Maximum maturity

	Number of Respondents	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	2	12.5
Remained basically unchanged	12	75.0
Eased somewhat	2	12.5
Eased considerably	0	0.0
Total	**16**	**100.0**

3) Haircuts

	Number of Respondents	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	3	18.8
Remained basically unchanged	13	81.3
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	**16**	**100.0**

4) Collateral spreads over relevant benchmark (effective financing rates)

	Number of Respondents	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	4	26.7
Remained basically unchanged	10	66.7
Eased somewhat	1	6.7
Eased considerably	0	0.0
Total	**15**	**100.0**

52. Over the past three months, how has demand for funding of high-grade corporate bonds by your institution's clients changed?

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	4	25.0
Remained basically unchanged	11	68.8
Decreased somewhat	1	6.3
Decreased considerably	0	0.0
Total	**16**	**100.0**

53. Over the past three months, how has demand for term funding with a maturity greater than 30 days of high-grade corporate bonds by your institution's clients changed?

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	6	40.0
Remained basically unchanged	9	60.0
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**15**	**100.0**

54. Over the past three months, how have liquidity and functioning in the high-grade corporate bond market changed?

	Number of Respondents	Percent
Improved considerably	0	0.0
Improved somewhat	0	0.0
Remained basically unchanged	11	68.8
Deteriorated somewhat	4	25.0
Deteriorated considerably	1	6.3
Total	**16**	**100.0**

High-Yield Corporate Bonds

55. Over the past three months, how have the terms under which high-yield corporate bonds are funded changed?

    A. Terms for average clients

        1) Maximum amount of funding

	Number of Respondents	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	2	15.4
Remained basically unchanged	9	69.2
Eased somewhat	2	15.4
Eased considerably	0	0.0
Total	**13**	**100.0**

        2) Maximum maturity

	Number of Respondents	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	3	23.1
Remained basically unchanged	9	69.2
Eased somewhat	1	7.7
Eased considerably	0	0.0
Total	**13**	**100.0**

3) Haircuts

	Number of Respondents	Percent
Tightened considerably	0	0.0
Tightened somewhat	3	23.1
Remained basically unchanged	8	61.5
Eased somewhat	2	15.4
Eased considerably	0	0.0
Total	**13**	**100.0**

4) Collateral spreads over relevant benchmark (effective financing rates)

	Number of Respondents	Percent
Tightened considerably	0	0.0
Tightened somewhat	4	33.3
Remained basically unchanged	7	58.3
Eased somewhat	1	8.3
Eased considerably	0	0.0
Total	**12**	**100.0**

B. Terms for most-favored clients, as a consequence of breadth, duration, and/or extent of relationship

1) Maximum amount of funding

	Number of Respondents	Percent
Tightened considerably	0	0.0
Tightened somewhat	2	15.4
Remained basically unchanged	9	69.2
Eased somewhat	2	15.4
Eased considerably	0	0.0
Total	**13**	**100.0**

2) Maximum maturity

	Number of Respondents	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	2	15.4
Remained basically unchanged	10	76.9
Eased somewhat	1	7.7
Eased considerably	0	0.0
Total	**13**	**100.0**

3) Haircuts

	Number of Respondents	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	4	30.8
Remained basically unchanged	8	61.5
Eased somewhat	1	7.7
Eased considerably	0	0.0
Total	**13**	**100.0**

4) Collateral spreads over relevant benchmark (effective financing rates)

	Number of Respondents	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	5	41.7
Remained basically unchanged	7	58.3
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	**12**	**100.0**

56. Over the past three months, how has demand for funding of high-yield corporate bonds by your institution's clients changed?

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	4	30.8
Remained basically unchanged	8	61.5
Decreased somewhat	1	7.7
Decreased considerably	0	0.0
Total	**13**	**100.0**

57. Over the past three months, how has demand for term funding with a maturity greater than 30 days of high-yield corporate bonds by your institution's clients changed?

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	2	15.4
Remained basically unchanged	11	84.6
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**13**	**100.0**

58. Over the past three months, how have liquidity and functioning in the high-yield corporate bond market changed?

	Number of Respondents	Percent
Improved considerably	0	0.0
Improved somewhat	0	0.0
Remained basically unchanged	6	42.9
Deteriorated somewhat	7	50.0
Deteriorated considerably	1	7.1
Total	**14**	**100.0**

Equities (Including through Stock Loan)

59. Over the past three months, how have the terms under which equities are funded (including through stock loan) changed?

A. Terms for average clients

1) Maximum amount of funding

	Number of Respondents	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	1	4.8
Remained basically unchanged	20	95.2
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	**21**	**100.0**

2) Maximum maturity

	Number of Respondents	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	1	4.8
Remained basically unchanged	20	95.2
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	**21**	**100.0**

3) Haircuts

	Number of Respondents	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	1	4.8
Remained basically unchanged	20	95.2
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	**21**	**100.0**

4) Collateral spreads over relevant benchmark (effective financing rates)

	Number of Respondents	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	1	5.0
Remained basically unchanged	19	95.0
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	**20**	**100.0**

B. Terms for most-favored clients, as a consequence of breadth, duration, and/or extent of relationship

1) Maximum amount of funding

	Number of Respondents	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	21	100.0
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	**21**	**100.0**

2) Maximum maturity

	Number of Respondents	Percent
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	21	100.0
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	**21**	**100.0**

3) Haircuts

	Number of Respondents	Percent
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	21	100.0
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	**21**	**100.0**

4) Collateral spreads over relevant benchmark (effective financing rates)

	Number of Respondents	Percent
Tightened considerably	0	0.0
Tightened somewhat	1	5.0
Remained basically unchanged	19	95.0
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	**20**	**100.0**

60. Over the past three months, how has demand for funding of equities (including through stock loan) by your institution's clients changed?

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	2	10.0
Remained basically unchanged	15	75.0
Decreased somewhat	3	15.0
Decreased considerably	0	0.0
Total	**20**	**100.0**

Agency Residential Mortgage-Backed Securities

61. Over the past three months, how have the terms under which agency RMBS are funded changed?

A. Terms for average clients

1) Maximum amount of funding

	Number of Respondents	Percent
Tightened considerably	0	0.0
Tightened somewhat	1	5.3
Remained basically unchanged	15	78.9
Eased somewhat	3	15.8
Eased considerably	0	0.0
Total	**19**	**100.0**

2) Maximum maturity

	Number of Respondents	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	3	15.8
Remained basically unchanged	15	78.9
Eased somewhat	1	5.3
Eased considerably	0	0.0
Total	**19**	**100.0**

3) Haircuts

	Number of Respondents	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	4	21.1
Remained basically unchanged	15	78.9
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	**19**	**100.0**

4) Collateral spreads over relevant benchmark (effective financing rates)

	Number of Respondents	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	3	16.7
Remained basically unchanged	15	83.3
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	**18**	**100.0**

B. Terms for most-favored clients, as a consequence of breadth, duration, and/or extent of relationship

1) Maximum amount of funding

	Number of Respondents	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	15	78.9
Eased somewhat	4	21.1
Eased considerably	0	0.0
Total	**19**	**100.0**

2) Maximum maturity

	Number of Respondents	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	2	10.5
Remained basically unchanged	15	78.9
Eased somewhat	2	10.5
Eased considerably	0	0.0
Total	**19**	**100.0**

3) Haircuts

	Number of Respondents	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	4	21.1
Remained basically unchanged	15	78.9
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	**19**	**100.0**

4) Collateral spreads over relevant benchmark (effective financing rates)

	Number of Respondents	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	3	16.7
Remained basically unchanged	15	83.3
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	**18**	**100.0**

62. Over the past three months, how has demand for funding of agency RMBS by your institution's clients changed?

	Number of Respondents	**Percent**
Increased considerably	1	5.3
Increased somewhat	6	31.6
Remained basically unchanged	11	57.9
Decreased somewhat	1	5.3
Decreased considerably	0	0.0
Total	**19**	**100.0**

63. Over the past three months, how has demand for term funding with a maturity greater than 30 days of agency RMBS by your institution's clients changed?

	Number of Respondents	**Percent**
Increased considerably	1	5.3
Increased somewhat	9	47.4
Remained basically unchanged	8	42.1
Decreased somewhat	1	5.3
Decreased considerably	0	0.0
Total	**19**	**100.0**

64. Over the past three months, how have liquidity and functioning in the agency RMBS market changed?

	Number of Respondents	**Percent**
Improved considerably	0	0.0
Improved somewhat	0	0.0
Remained basically unchanged	13	68.4
Deteriorated somewhat	6	31.6
Deteriorated considerably	0	0.0
Total	**19**	**100.0**

Non-agency Residential Mortgage-Backed Securities

65. Over the past three months, how have the terms under which non-agency RMBS are funded changed?

A. Terms for average clients

1) Maximum amount of funding

	Number of Respondents	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	2	13.3
Remained basically unchanged	12	80.0
Eased somewhat	1	6.7
Eased considerably	0	0.0
Total	**15**	**100.0**

2) Maximum maturity

	Number of Respondents	Percent
Tightened considerably	0	0.0
Tightened somewhat	3	20.0
Remained basically unchanged	12	80.0
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	**15**	**100.0**

3) Haircuts

	Number of Respondents	Percent
Tightened considerably	0	0.0
Tightened somewhat	5	33.3
Remained basically unchanged	10	66.7
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	**15**	**100.0**

4) Collateral spreads over relevant benchmark (effective financing rates)

	Number of Respondents	Percent
Tightened considerably	0	0.0
Tightened somewhat	4	26.7
Remained basically unchanged	11	73.3
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	**15**	**100.0**

B. Terms for most-favored clients, as a consequence of breadth, duration, and/or extent of relationship

1) Maximum amount of funding

	Number of Respondents	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	1	6.7
Remained basically unchanged	12	80.0
Eased somewhat	2	13.3
Eased considerably	0	0.0
Total	**15**	**100.0**

2) Maximum maturity

	Number of Respondents	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	2	13.3
Remained basically unchanged	12	80.0
Eased somewhat	1	6.7
Eased considerably	0	0.0
Total	**15**	**100.0**

3) Haircuts

	Number of Respondents	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	5	33.3
Remained basically unchanged	10	66.7
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	**15**	**100.0**

4) Collateral spreads over relevant benchmark (effective financing rates)

	Number of Respondents	Percent
Tightened considerably	0	0.0
Tightened somewhat	4	26.7
Remained basically unchanged	11	73.3
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	**15**	**100.0**

66. Over the past three months, how has demand for funding of non-agency RMBS by your institution's clients changed?

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	5	31.3
Remained basically unchanged	8	50.0
Decreased somewhat	3	18.8
Decreased considerably	0	0.0
Total	**16**	**100.0**

67. Over the past three months, how has demand for term funding with a maturity greater than 30 days of non-agency RMBS by your institution's clients changed?

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	6	37.5
Remained basically unchanged	8	50.0
Decreased somewhat	2	12.5
Decreased considerably	0	0.0
Total	**16**	**100.0**

68. Over the past three months, how have liquidity and functioning in the non-agency RMBS market changed?

	Number of Respondents	Percent
Improved considerably	0	0.0
Improved somewhat	1	6.7
Remained basically unchanged	9	60.0
Deteriorated somewhat	4	26.7
Deteriorated considerably	1	6.7
Total	**15**	**100.0**

Commercial Mortgage-Backed Securities

69. Over the past three months, how have the terms under which CMBS are funded changed?

A. Terms for average clients

1) Maximum amount of funding

	Number of Respondents	Percent
Tightened considerably	0	0.0
Tightened somewhat	1	7.7
Remained basically unchanged	12	92.3
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	**13**	**100.0**

2) Maximum maturity

	Number of Respondents	Percent
Tightened considerably	0	0.0
Tightened somewhat	1	7.7
Remained basically unchanged	12	92.3
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	**13**	**100.0**

3) Haircuts

	Number of Respondents	Percent
Tightened considerably	0	0.0
Tightened somewhat	4	30.8
Remained basically unchanged	9	69.2
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	**13**	**100.0**

4) Collateral spreads over relevant benchmark (effective financing rates)

	Number of Respondents	Percent
Tightened considerably	0	0.0
Tightened somewhat	4	30.8
Remained basically unchanged	9	69.2
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	**13**	**100.0**

B. Terms for most-favored clients, as a consequence of breadth, duration, and/or extent of relationship

1) Maximum amount of funding

	Number of Respondents	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	12	92.3
Eased somewhat	1	7.7
Eased considerably	0	0.0
Total	**13**	**100.0**

2) Maximum maturity

	Number of Respondents	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	1	7.7
Remained basically unchanged	12	92.3
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	**13**	**100.0**

3) Haircuts

	Number of Respondents	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	4	30.8
Remained basically unchanged	9	69.2
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	**13**	**100.0**

4) Collateral spreads over relevant benchmark (effective financing rates)

	Number of Respondents	Percent
Tightened considerably	0	0.0
Tightened somewhat	4	30.8
Remained basically unchanged	9	69.2
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	**13**	**100.0**

70. Over the past three months, how has demand for funding of CMBS by your institution's clients changed?

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	1	7.7
Remained basically unchanged	9	69.2
Decreased somewhat	3	23.1
Decreased considerably	0	0.0
Total	**13**	**100.0**

71. Over the past three months, how has demand for term funding with a maturity greater than 30 days of CMBS by your institution's clients changed?

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	1	7.7
Remained basically unchanged	11	84.6
Decreased somewhat	1	7.7
Decreased considerably	0	0.0
Total	**13**	**100.0**

72. Over the past three months, how have liquidity and functioning in the CMBS market changed?

	Number of Respondents	**Percent**
Improved considerably	0	0.0
Improved somewhat	0	0.0
Remained basically unchanged	5	38.5
Deteriorated somewhat	8	61.5
Deteriorated considerably	0	0.0
Total	**13**	**100.0**

Consumer Asset-Backed Securities

73. Over the past three months, how have the terms under which consumer ABS (for example, backed by credit card receivables or auto loans) are funded changed?

A. Terms for average clients

1) Maximum amount of funding

	Number of Respondents	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	11	100.0
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	**11**	**100.0**

2) Maximum maturity

	Number of Respondents	Percent
Tightened considerably	0	0.0
Tightened somewhat	2	18.2
Remained basically unchanged	9	81.8
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	**11**	**100.0**

3) Haircuts

	Number of Respondents	Percent
Tightened considerably	0	0.0
Tightened somewhat	3	27.3
Remained basically unchanged	8	72.7
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	**11**	**100.0**

4) Collateral spreads over relevant benchmark (effective financing rates)

	Number of Respondents	Percent
Tightened considerably	0	0.0
Tightened somewhat	4	36.4
Remained basically unchanged	7	63.6
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	**11**	**100.0**

B. Terms for most-favored clients, as a consequence of breadth, duration, and/or extent of relationship

1) Maximum amount of funding

	Number of Respondents	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	11	100.0
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	**11**	**100.0**

2) Maximum maturity

	Number of Respondents	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	1	9.1
Remained basically unchanged	10	90.9
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	**11**	**100.0**

3) Haircuts

	Number of Respondents	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	3	27.3
Remained basically unchanged	8	72.7
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	**11**	**100.0**

4) Collateral spreads over relevant benchmark (effective financing rates)

	Number of Respondents	Percent
Tightened considerably	0	0.0
Tightened somewhat	4	36.4
Remained basically unchanged	7	63.6
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	**11**	**100.0**

74. Over the past three months, how has demand for funding of consumer ABS by your institution's clients changed?

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	1	9.1
Remained basically unchanged	9	81.8
Decreased somewhat	1	9.1
Decreased considerably	0	0.0
Total	**11**	**100.0**

75. Over the past three months, how has demand for term funding with a maturity greater than 30 days of consumer ABS by your institution's clients changed?

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	1	9.1
Remained basically unchanged	10	90.9
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**11**	**100.0**

76. Over the past three months, how have liquidity and functioning in the consumer ABS market changed?

	Number of Respondents	Percent
Improved considerably	0	0.0
Improved somewhat	0	0.0
Remained basically unchanged	7	63.6
Deteriorated somewhat	4	36.4
Deteriorated considerably	0	0.0
Total	**11**	**100.0**

Mark and Collateral Disputes

77. Over the past three months, how has the volume of mark and collateral disputes relating to lending against each of the following collateral types changed?

A. High-grade corporate bonds

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	0	0.0
Remained basically unchanged	16	100.0
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**16**	**100.0**

B. High-yield corporate bonds

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	2	12.5
Remained basically unchanged	14	87.5
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**16**	**100.0**

C. Equities

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	0	0.0
Remained basically unchanged	16	100.0
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**16**	**100.0**

D. Agency RMBS

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	1	5.3
Remained basically unchanged	18	94.7
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**19**	**100.0**

E. Non-agency RMBS

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	4	25.0
Remained basically unchanged	12	75.0
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**16**	**100.0**

F. CMBS

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	3	18.8
Remained basically unchanged	13	81.3
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**16**	**100.0**

G. Consumer ABS

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	2	12.5
Remained basically unchanged	14	87.5
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**16**	**100.0**

78. Over the past three months, how has the duration and persistence of mark and collateral disputes relating to lending against each of the following collateral types changed?

A. High-grade corporate bonds

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	0	0.0
Remained basically unchanged	17	100.0
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**17**	**100.0**

B. High-yield corporate bonds

	Number of Respondents	**Percent**
Increased considerably	0	0.0
Increased somewhat	0	0.0
Remained basically unchanged	16	100.0
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**16**	**100.0**

C. Equities

	Number of Respondents	**Percent**
Increased considerably	0	0.0
Increased somewhat	0	0.0
Remained basically unchanged	16	100.0
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**16**	**100.0**

D. Agency RMBS

	Number of Respondents	**Percent**
Increased considerably	0	0.0
Increased somewhat	0	0.0
Remained basically unchanged	19	100.0
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**19**	**100.0**

E. Non-agency RMBS

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	1	5.9
Remained basically unchanged	16	94.1
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**17**	**100.0**

F. CMBS

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	1	5.9
Remained basically unchanged	16	94.1
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**17**	**100.0**

G. Consumer ABS

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	1	5.9
Remained basically unchanged	16	94.1
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**17**	**100.0**

Optional Question

Question 79 requests feedback on any other issues you judge to be important relating to credit terms applicable to securities financing transactions and OTC derivatives contracts.[8]

Special Questions

The following special questions are intended to provide better context for interpreting the core set of questions appearing above, which focus on changes in credit terms over the preceding three months. Unlike the core questions, these special questions will not be included in the survey on an ongoing basis.

Funding of U.S. Treasury Securities

80. Over the past three months, how have the terms under which U.S. Treasury securities are funded changed?

    A. Terms for average clients

    1) Maximum amount of funding

	Number of Respondents	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	18	94.7
Eased somewhat	1	5.3
Eased considerably	0	0.0
Total	**19**	**100.0**

[8] See note 6 in the Summary.

2) Maximum maturity

	Number of Respondents	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	18	94.7
Eased somewhat	1	5.3
Eased considerably	0	0.0
Total	**19**	**100.0**

3) Haircuts

	Number of Respondents	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	19	100.0
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	**19**	**100.0**

4) Collateral spreads over relevant benchmark (effective financing rates)

	Number of Respondents	**Percent**
Tightened considerably	0	0.0
Tightened somewhat	1	5.6
Remained basically unchanged	16	88.9
Eased somewhat	1	5.6
Eased considerably	0	0.0
Total	**18**	**100.0**

B. Terms for most-favored clients, as a consequence of breadth, duration, and/or extent of relationship

1) Maximum amount of funding

	Number of Respondents	Percent
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	18	94.7
Eased somewhat	1	5.3
Eased considerably	0	0.0
Total	**19**	**100.0**

2) Maximum maturity

	Number of Respondents	Percent
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	17	89.5
Eased somewhat	2	10.5
Eased considerably	0	0.0
Total	**19**	**100.0**

3) Haircuts

	Number of Respondents	Percent
Tightened considerably	0	0.0
Tightened somewhat	0	0.0
Remained basically unchanged	19	100.0
Eased somewhat	0	0.0
Eased considerably	0	0.0
Total	**19**	**100.0**

4) Collateral spreads over relevant benchmark (effective financing rates)

	Number of Respondents	Percent
Tightened considerably	0	0.0
Tightened somewhat	1	5.6
Remained basically unchanged	16	88.9
Eased somewhat	1	5.6
Eased considerably	0	0.0
Total	**18**	**100.0**

81. Over the past three months, how has demand for funding of U.S. Treasury securities by your institution's clients changed?

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	4	21.1
Remained basically unchanged	14	73.7
Decreased somewhat	1	5.3
Decreased considerably	0	0.0
Total	**19**	**100.0**

82. Over the past three months, how have operational conditions in the market for funding U.S. Treasury securities changed?

	Number of Respondents	Percent
Improved considerably	0	0.0
Improved somewhat	0	0.0
Remained basically unchanged	16	84.2
Deteriorated somewhat	3	15.8
Deteriorated considerably	0	0.0
Total	**19**	**100.0**

Client Risk Appetite

83. Over the past three months, how has your overall assessment of the appetite of your institution's clients of each specified type to bear investment risk changed, considering all transactions and activities that involve current or potential credit risk exposure for your firm?

A. Most-favored hedge funds (as a consequence of breadth, duration, and/or extent of relationship)

	Number of Respondents	**Percent**
Increased considerably	0	0.0
Increased somewhat	3	14.3
Remained basically unchanged	7	33.3
Decreased somewhat	11	52.4
Decreased considerably	0	0.0
Total	**21**	**100.0**

B. Other hedge funds

	Number of Respondents	**Percent**
Increased considerably	0	0.0
Increased somewhat	1	4.8
Remained basically unchanged	9	42.9
Decreased somewhat	11	52.4
Decreased considerably	0	0.0
Total	**21**	**100.0**

C. REITs

	Number of Respondents	**Percent**
Increased considerably	0	0.0
Increased somewhat	1	5.9
Remained basically unchanged	13	76.5
Decreased somewhat	3	17.6
Decreased considerably	0	0.0
Total	**17**	**100.0**

D. Mutual funds, ETFs, pension plans, and endowments

	Number of Respondents	**Percent**
Increased considerably	0	0.0
Increased somewhat	0	0.0
Remained basically unchanged	16	84.2
Decreased somewhat	3	15.8
Decreased considerably	0	0.0
Total	**19**	**100.0**

E. Insurance companies

	Number of Respondents	**Percent**
Increased considerably	0	0.0
Increased somewhat	2	10.0
Remained basically unchanged	15	75.0
Decreased somewhat	3	15.0
Decreased considerably	0	0.0
Total	**20**	**100.0**

F. Investment advisers to separately managed accounts

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	0	0.0
Remained basically unchanged	18	85.7
Decreased somewhat	3	14.3
Decreased considerably	0	0.0
Total	**21**	**100.0**

84. Since the beginning of the year, how has your overall assessment of the appetite of your institution's clients of each specified type to bear investment risk changed, considering all transactions and activities that involve current or potential credit risk exposure for your firm?

A. Most-favored hedge funds (as a consequence of breadth, duration, and/or extent of relationship)

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	5	23.8
Remained basically unchanged	7	33.3
Decreased somewhat	9	42.9
Decreased considerably	0	0.0
Total	**21**	**100.0**

B. Other hedge funds

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	1	4.8
Remained basically unchanged	12	57.1
Decreased somewhat	8	38.1
Decreased considerably	0	0.0
Total	**21**	**100.0**

C. REITs

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	2	11.8
Remained basically unchanged	12	70.6
Decreased somewhat	3	17.6
Decreased considerably	0	0.0
Total	**17**	**100.0**

D. Mutual funds, ETFs, pension plans, and endowments

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	0	0.0
Remained basically unchanged	17	89.5
Decreased somewhat	2	10.5
Decreased considerably	0	0.0
Total	**19**	**100.0**

E. Insurance companies

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	2	10.0
Remained basically unchanged	14	70.0
Decreased somewhat	4	20.0
Decreased considerably	0	0.0
Total	**20**	**100.0**

F. Investment advisers to separately managed accounts

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	1	4.8
Remained basically unchanged	17	81.0
Decreased somewhat	3	14.3
Decreased considerably	0	0.0
Total	**21**	**100.0**

Use of Leverage by Trading Real Estate Investment Trusts

85. Since the beginning of 2011, how has the use of leverage by trading REITs changed?

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	6	33.3
Remained basically unchanged	11	61.1
Decreased somewhat	1	5.6
Decreased considerably	0	0.0
Total	**18**	**100.0**

86. Since the beginning of 2011, how has the financing by trading REITs of assets of each of the following type changed?

A. Agency pass-through securities

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	8	44.4
Remained basically unchanged	10	55.6
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**18**	**100.0**

B. Agency collateralized mortgage obligation

	Number of Respondents	**Percent**
Increased considerably	0	0.0
Increased somewhat	6	33.3
Remained basically unchanged	12	66.7
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**18**	**100.0**

C. Non-agency MBS

	Number of Respondents	**Percent**
Increased considerably	0	0.0
Increased somewhat	5	29.4
Remained basically unchanged	12	70.6
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**17**	**100.0**

D. CMBS

	Number of Respondents	**Percent**
Increased considerably	0	0.0
Increased somewhat	1	6.3
Remained basically unchanged	15	93.8
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**16**	**100.0**

E. Residential or commercial whole loans (intended for securitization)

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	1	7.1
Remained basically unchanged	13	92.9
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**14**	**100.0**

F. Residential or commercial whole loans (not explicitly intended for securitization)

	Number of Respondents	Percent
Increased considerably	0	0.0
Increased somewhat	0	0.0
Remained basically unchanged	13	100.0
Decreased somewhat	0	0.0
Decreased considerably	0	0.0
Total	**13**	**100.0**