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Cerebro Non-Bank Lending Survey - 4Q20

Surveys fielded: October 2020 and January 2021
Audience: Non-Bank lenders in Cerebro Network
Reference: Federal Reserve Senior Loan Officer Survey Jan 2021; Table 1

Survey Note:
Cerebro questions focused only on Middle Market C&I loans and were compared to Fed survey responses for large and mid-size businesses

Cerebro Survey Questions:

1. **Looking back over the past three months, how have your lending institution's credit standards changed for C&I loans?**

	Federal Reserve 3Q20 Commercial Banks		Cerebro 3Q20 Non-Banks		Federal Reserve 4Q20 Commercial Banks		Cerebro 4Q20 Non-Banks	
	Bank Results	Bank%	Non-bank Results	Non-bank %	Bank Results	Bank%	Non-bank Results	Non-bank %
Tightened considerably	0	0%	6	7.79%	0	0%	2	3.13%
Tightened somewhat	28	40.6%	32	41.56%	13	17.8%	11	17.19%
Remained basically unchanged	39	56.5%	35	45.45%	51	69.9%	37	57.81%
Eased somewhat	2	2.9%	4	5.19%	9	12.3%	13	20.31%
Eased considerably	0	0%	0	0.00%	0	0%	1	1.56%
TOTAL	69	100%	77	100%	73	100%	64	100%

Corresponding Federal Reserve Question
Over the past three months, how have your bank's credit standards for approving applications for C&I loans or credit lines—other than those to be used to finance mergers and acquisitions—to large and middle-market firms and to small firms changed?

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1a. Because your lending institution has tightened its credit standards for C&I loans over the past three months, how important have the following possible reasons been for the change?

Deterioration in your lending institution's current or expected capital position

	Federal Reserve 3Q20 Commercial Banks		Cerebro 3Q20 Non-Banks		Federal Reserve 4Q20 Commercial Banks		Cerebro 4Q20 Non-Banks	
	Bank Results	**Bank%**	**Non-bank Results**	**Non-bank %**	**Bank Results**	**Bank%**	**Non-bank Results**	**Non-bank %**
Not Important	31	73.8%	22	64.71%	26	83.9%	8	72.73%
Somewhat Important	10	23.8%	8	23.53%	4	12.9%	3	27.27%
Very Important	1	2.4%	4	11.76%	1	3.2%	0	0%
TOTAL	42	100%	34	100%	31	100%	11	100%

Less favorable or more uncertain economic outlook

	Federal Reserve 3Q20 Commercial Banks		Cerebro 3Q20 Non-Banks		Federal Reserve 4Q20 Commercial Banks		Cerebro 4Q20 Non-Banks	
	Bank Results	**Bank%**	**Non-bank Results**	**Non-bank %**	**Bank Results**	**Bank%**	**Non-bank Results**	**Non-bank %**
Not Important	4	8.7%	2	5.88%	1	3.4%	1	9.09%
Somewhat Important	13	28.3%	15	44.12.%	12	41.4%	7	63.64%
Very Important	29	63%	17	50%	16	55.2%	3	27.27%
TOTAL	46	100%	34	100%	29	100%	11	100%

Worsening of industry-specific problems

	Federal Reserve 3Q20 Commercial Banks		Cerebro 3Q20 Non-Banks		Federal Reserve 4Q20 Commercial Banks		Cerebro 4Q20 Non-Banks	
	Bank Results	**Bank%**	**Non-bank Results**	**Non-bank %**	**Bank Results**	**Bank%**	**Non-bank Results**	**Non-bank %**
Not Important	2	4.4%	0	0%	6	20.7%	1	9.09%
Somewhat Important	12	26.7%	18	52.94%	6	20.7%	4	36.36%
Very Important	31	68.9%	16	47.06%	17	58.6%	6	54.55%
TOTAL	45	100%	34	100%	29	100%	11	100%

Less aggressive competition from other lenders (other financial intermediaries or the capital markets)

	Federal Reserve 3Q20 Commercial Banks		Cerebro 3Q20 Non-Banks		Federal Reserve 4Q20 Commercial Banks		Cerebro 4Q20 Non-Banks	
	Bank Results	**Bank%**	**Non-bank Results**	**Non-bank %**	**Bank Results**	**Bank%**	**Non-bank Results**	**Non-bank %**
Not Important	33	73.3%	16	47.06%	21	67.7%	4	36.36%
Somewhat Important	11	24.4%	16	47.06%	9	29%	5	45.45%
Very Important	1	2.2%	2	5.88%	1	3.2%	2	18.18%
TOTAL	45	100%	34	100%	31	100%	11	100%

Reduced tolerance for risk

	Federal Reserve 3Q20 Commercial Banks		Cerebro 3Q20 Non-Banks		Federal Reserve 4Q20 Commercial Banks		Cerebro 4Q20 Non-Banks	
	Bank Results	**Bank%**	**Non-bank Results**	**Non-bank %**	**Bank Results**	**Bank%**	**Non-bank Results**	**Non-bank %**
Not Important	14	31.1%	6	17.65%	11	35.5%	1	9.09%
Somewhat Important	25	55.6%	23	67.65%	19	61.3%	8	72.73%
Very Important	6	13.3%	5	14.71%	1	3.2%	2	18.18%
TOTAL	45	100%	34	100%	31	100%	11	100%

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Decreased liquidity in the secondary market for these loans

	Federal Reserve 3Q20 Commercial Banks		Cerebro 3Q20 Non-Banks		Federal Reserve 4Q20 Commercial Banks		Cerebro 4Q20 Non-Banks	
	Bank Results	**Bank%**	**Non-bank Results**	**Non-bank %**	**Bank Results**	**Bank%**	**Non-bank Results**	**Non-bank %**
Not Important	37	82.2%	26	76.47%	23	74.2%	9	81.82%
Somewhat Important	7	15.6%	7	20.59%	7	22.6%	2	18.18%
Very Important	1	2.2%	1	2.94%	1	3.2%	0	0%
TOTAL	45	100%	34	100%	31	100%	11	100%

Deterioration in your lending institution's current or expected liquidity position

	Federal Reserve 3Q20 Commercial Banks		Cerebro 3Q20 Non-Banks		Federal Reserve 4Q20 Commercial Banks		Cerebro 4Q20 Non-Banks	
	Bank Results	**Bank%**	**Non-bank Results**	**Non-bank %**	**Bank Results**	**Bank%**	**Non-bank Results**	**Non-bank %**
Not Important	39	88.6%	24	70.59%	28	93.3%	10	90.91%
Somewhat Important	5	11.4%	6	17.65%	1	3.3%	1	9.09%
Very Important	0	0%	4	11.76%	1	3.3%	0	0%
TOTAL	44	100%	34	100%	30	100%	11	100%

Increased concerns about the effects of legislative changes, supervisory actions, or changes in accounting standards

	Federal Reserve 3Q20 Commercial Banks		Cerebro 3Q20 Non-Banks		Federal Reserve 4Q20 Commercial Banks		Cerebro 4Q20 Non-Banks	
	Bank Results	**Bank%**	**Non-bank Results**	**Non-bank %**	**Bank Results**	**Bank%**	**Non-bank Results**	**Non-bank %**
Not Important	32	71.1%	13	38.24%	18	58.1%	5	45.45%
Somewhat Important	10	22.2%	18	52.94%	11	35.5%	5	45.45%
Very Important	3	6.7%	3	8.882%	2	6.5%	1	9.09%
TOTAL	45	100%	34	100%	31	100%	11	100%

Corresponding Federal Reserve Question
If your bank has tightened or eased its credit standards or its terms for C&I loans or credit lines over the past three months (as described in questions 1 and 2), how important have been the following possible reasons for the change?
A. Possible reasons for tightening credit standards or loan terms

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1b. Because your lending institution has eased its credit standards for C&I loans over the past three months, how important have the following possible reasons been for the change?

Improvement in your lending institution's current or expected capital position

	Federal Reserve 3Q20 Commercial Banks		Cerebro 3Q20 Non-Banks		Federal Reserve 4Q20 Commercial Banks		Cerebro 4Q20 Non-Banks	
	Bank Results	**Bank%**	**Non-bank Results**	**Non-bank %**	**Bank Results**	**Bank%**	**Non-bank Results**	**Non-bank %**
Not Important	14	87.5%	1	25%	13	76.5%	7	50%
Somewhat Important	2	12.5%	2	50%	4	23.5%	5	35.71%
Very Important	0	0%	1	25%	0	0%	2	14.29%
TOTAL	16	100%	4	100%	17	100%	14	100%

More favorable or less uncertain economic outlook

	Federal Reserve 3Q20 Commercial Banks		Cerebro 3Q20 Non-Banks		Federal Reserve 4Q20 Commercial Banks		Cerebro 4Q20 Non-Banks	
	Bank Results	**Bank%**	**Non-bank Results**	**Non-bank %**	**Bank Results**	**Bank%**	**Non-bank Results**	**Non-bank %**
Not Important	10	62.5%	0	0%	3	16.7%	0	0%
Somewhat Important	4	25%	2	50%	9	50%	10	71.43%
Very Important	2	12.5%	2	50%	6	33.3%	4	28.57%
TOTAL	16	100%	4	100%	18	100%	14	100%

Improvement in industry-specific problems

	Federal Reserve 3Q20 Commercial Banks		Cerebro 3Q20 Non-Banks		Federal Reserve 4Q20 Commercial Banks		Cerebro 4Q20 Non-Banks	
	Bank Results	**Bank%**	**Non-bank Results**	**Non-bank %**	**Bank Results**	**Bank%**	**Non-bank Results**	**Non-bank %**
Not Important	9	64.3%	0	0%	9	56.2%	3	21.43%
Somewhat Important	4	28.6%	3	75%	5	31.2%	8	57.14%
Very Important	1	7.1%	1	25%	2	12.5%	3	21.43%
TOTAL	14	100%	4	100%	16	100%	14	100%

More aggressive competition from other lenders (other financial intermediaries or the capital markets)

	Federal Reserve 3Q20 Commercial Banks		**Cerebro 3Q20** Non-Banks		**Federal Reserve 4Q20** Commercial Banks		**Cerebro 4Q20** Non-Banks	
	Bank Results	**Bank%**	**Non-bank Results**	**Non-bank %**	**Bank Results**	**Bank%**	**Non-bank Results**	**Non-bank %**
Not Important	4	25%	0	0%	5	27.8%	4	28.57%
Somewhat Important	7	43.8%	1	25%	8	44.4%	5	35.71%
Very Important	5	31.2%	3	75%	5	27.8%	5	35.71%
TOTAL	16	100%	4	100%	18	100%	14	100%

Increased tolerance for risk

	Federal Reserve 3Q20 Commercial Banks		**Cerebro 3Q20** Non-Banks		**Federal Reserve 4Q20** Commercial Banks		**Cerebro 4Q20** Non-Banks	
	Bank Results	**Bank%**	**Non-bank Results**	**Non-bank %**	**Bank Results**	**Bank%**	**Non-bank Results**	**Non-bank %**
Not Important	14	87.5%	2	50%	16	94.1%	1	7.14%
Somewhat Important	2	12.5%	2	50%	1	5.9%	9	64.29%
Very Important	0	0%	0	0%	0	0%	4	28.57%
TOTAL	16	100%	4	100%	17	100%	14	100%

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Increased liquidity in the secondary market for these loans

	Federal Reserve 3Q20 Commercial Banks		Cerebro 3Q20 Non-Banks		Federal Reserve 4Q20 Commercial Banks		Cerebro 4Q20 Non-Banks	
	Bank Results	**Bank%**	**Non-bank Results**	**Non-bank %**	**Bank Results**	**Bank%**	**Non-bank Results**	**Non-bank %**
Not Important	12	75%	2	50%	10	58.8%	11	78.57%
Somewhat Important	4	25%	2	50%	7	41.2%	3	21.43%
Very Important	0	0%	0	0%	0	0%	0	0%
TOTAL	16	100%	4	100%	17	100%	14	100%

Improvement in your lending institution's current or expected liquidity position

	Federal Reserve 3Q20 Commercial Banks		Cerebro 3Q20 Non-Banks		Federal Reserve 4Q20 Commercial Banks		Cerebro 4Q20 Non-Banks	
	Bank Results	**Bank%**	**Non-bank Results**	**Non-bank %**	**Bank Results**	**Bank%**	**Non-bank Results**	**Non-bank %**
Not Important	12	80%	0	0%	12	70.6%	6	42.86%
Somewhat Important	3	20%	3	75%	4	23.5%	6	42.86%
Very Important	0	0%	1	25%	1	5.9%	2	14.29%
TOTAL	15	100%	4	100%	17	100%	14	100%

Reduced concerns about the effects of legislative changes, supervisory actions, or changes in accounting standards

	Federal Reserve 3Q20 Commercial Banks		**Cerebro 3Q20** Non-Banks		**Federal Reserve 4Q20** Commercial Banks		**Cerebro 4Q20** Non-Banks	
	Bank Results	**Bank%**	**Non-bank Results**	**Non-bank %**	**Bank Results**	**Bank%**	**Non-bank Results**	**Non-bank %**
Not Important	15	93.8%	2	50%	13	81.2%	8	57.14%
Somewhat Important	1	6.2%	1	25%	3	18.8%	5	35.71%
Very Important	0	0%	1	25%	0	0%	1	7.14%
TOTAL	16	100%	4	100%	16	100%	14	100%

Corresponding Federal Reserve Question
If your bank has tightened or eased its credit standards or its terms for C&I loans or credit lines over the past three months (as described in questions 1 and 2), how important have been the following possible reasons for the change?
B. Possible reasons for easing credit standards or loan terms:

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2. Looking back over the past three months, how has demand for draws on existing C&I term loan commitments and/or draws on (existing) lines of credit changed?

	Federal Reserve 3Q20 Commercial Banks		Cerebro 3Q20 Non-Banks		Federal Reserve 4Q20 Commercial Banks		DID NOT ASK THE SAME QUESTION IN Q4 BUT A VARIATION OF IT (SEE BELOW)	
	Bank Results	**Bank%**	**Non-bank Results**	**Non-bank %**	**Bank Results**	**Bank%**		
Substantially stronger	2	2.9%	8	11.27%	1	1.4%		
Moderately stronger	10	14.7%	17	23.94%	19	26.4%		
About the same	20	29.4%	33	46.48%	24	33.3%		
Moderately weaker	33	48.5%	9	12.68%	27	37.5%		
Substantially weaker	3	4.4%	4	5.3%	1	1.4%		
TOTAL	68	100%	71	100%	72			

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

2. (Q4 Survey) Looking back over the past three months, how has the number of inquiries from potential corporate borrowers regarding the availability and terms of new credit lines or increases in existing lines changed?

	Federal Reserve 4Q20 Commercial Banks		Cerebro 4Q20 Non-Banks	
	Bank Results	**Bank%**	**Non-bank Results**	**Non-bank %**
The number of inquiries has increased substantially	0	0%	9	14.75%
The number of inquiries has increased moderately	19	26.4%	34	55.74%
The number of inquiries has stayed about the same	31	43.1%	13	21.31%
The number of inquiries has decreased moderately	21	29.2%	4	6.56%
The number of inquiries has decreased substantially	1	1.4%	1	1.64%
TOTAL	72	100%	61	100%

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

2a. If demand for C&I loans has strengthened over the past three months, how important have the following possible reasons been for the change?

Customer inventory financing needs increased

	Federal Reserve 3Q20 Commercial Banks		Cerebro 3Q20 Non-Banks		Federal Reserve 4Q20 Commercial Banks		Cerebro 4Q20 Non-Banks	
	Bank Results	**Bank%**	**Non-bank Results**	**Non-bank %**	**Bank Results**	**Bank%**	**Non-bank Results**	**Non-bank %**
Not Important	11	73.3%	7	28%	12	63.2%	16	37.21%
Somewhat Important	3	20%	16	64%	7	36.8%	20	46.51%
Very Important	1	6.7%	2	8%	0	0%	7	16.28%
TOTAL	15	100%	25	100%	19	100%	43	100%

Customer accounts receivable financing needs increased

	Federal Reserve 3Q20 Commercial Banks		Cerebro 3Q20 Non-Banks		Federal Reserve 4Q20 Commercial Banks		Cerebro 4Q20 Non-Banks	
	Bank Results	**Bank%**	**Non-bank Results**	**Non-bank %**	**Bank Results**	**Bank%**	**Non-bank Results**	**Non-bank %**
Not Important	11	73.3%	9	36%	13	68.4%	17	39.53%
Somewhat Important	3	20%	10	40%	4	21.1%	19	44.19%
Very Important	1	6.7%	6	24%	2	10.5%	7	16.28%
TOTAL	15	100%	25	100%	19	100%	43	100%

Customer investment in plant or equipment increased

	Federal Reserve 3Q20 Commercial Banks		**Cerebro 3Q20** Non-Banks		**Federal Reserve 4Q20** Commercial Banks		**Cerebro 4Q20** Non-Banks	
	Bank Results	**Bank%**	**Non-bank Results**	**Non-bank %**	**Bank Results**	**Bank%**	**Non-bank Results**	**Non-bank %**
Not Important	11	73.3%	18	72%	11	57.9%	22	51.16%
Somewhat Important	4	26.7%	5	20%	7	36.8%	15	34.88%
Very Important	0	0%	2	8%	1	5.3%	6	13.95%
TOTAL	15	100%	25	100%	19	100%	43	100%

Customer internally generated funds decreased

	Federal Reserve 3Q20 Commercial Banks		**Cerebro 3Q20** Non-Banks		**Federal Reserve 4Q20** Commercial Banks		**Cerebro 4Q20** Non-Banks	
	Bank Results	**Bank%**	**Non-bank Results**	**Non-bank %**	**Bank Results**	**Bank%**	**Non-bank Results**	**Non-bank %**
Not Important	7	46.7%	8	32%	11	57.9%	13	30.23%
Somewhat Important	6	40%	7	28%	8	42.1%	20	46.51%
Very Important	2	13.3%	10	40%	0	0%	10	23.26%
TOTAL	15	100%	25	100%	19	100%	43	100%

Customer merger or acquisition financing needs increased

	Federal Reserve 3Q20 Commercial Banks		Cerebro 3Q20 Non-Banks		Federal Reserve 4Q20 Commercial Banks		Cerebro 4Q20 Non-Banks	
	Bank Results	**Bank%**	**Non-bank Results**	**Non-bank %**	**Bank Results**	**Bank%**	**Non-bank Results**	**Non-bank %**
Not Important	7	46.7%	13	52%	4	21.1%	12	27.91%
Somewhat Important	5	33.3%	8	32%	9	47.4%	16	37.21%
Very Important	3	20%	4	16%	6	31.6%	15	34.88%
TOTAL	15	100%	25	100%	19	100%	43	100%

Customer borrowing shifted to your lending institution from other lender sources because these other sources became less attractive

	Federal Reserve 3Q20 Commercial Banks		Cerebro 3Q20 Non-Banks		Federal Reserve 4Q20 Commercial Banks		Cerebro 4Q20 Non-Banks	
	Bank Results	**Bank%**	**Non-bank Results**	**Non-bank %**	**Bank Results**	**Bank%**	**Non-bank Results**	**Non-bank %**
Not Important	9	60%	5	20%	9	47.4%	9	20.93%
Somewhat Important	5	33.3%	10	40%	7	36.8%	19	44.19%
Very Important	1	6.7%	10	40%	3	15.8%	15	34.88%
TOTAL	15	100%	25	100%	19	100%	43	100%

Customer precautionary demand for cash and liquidity increased

	Federal Reserve 3Q20 Commercial Banks		Cerebro 3Q20 Non-Banks		Federal Reserve 4Q20 Commercial Banks		Cerebro 4Q20 Non-Banks	
	Bank Results	**Bank%**	**Non-bank Results**	**Non-bank %**	**Bank Results**	**Bank%**	**Non-bank Results**	**Non-bank %**
Not Important	5	33.3%	5	20%	15	83.3%	8	18.60%
Somewhat Important	9	60%	7	28%	3	16.7%	24	55.81%
Very Important	1	6.7%	13	52%	0	0%	11	25.58%
TOTAL	15	100%	25	100%	18	100%	43	100%

Corresponding Federal Reserve Question
If demand for C&I loans has strengthened or weakened over the past three months (as described in question 4), how important have been the following possible reasons for the change?

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

2b. If demand for C&I loans has weakened over the past three months, how important have the following possible reasons been for the change?

Customer inventory financing needs decreased

	Federal Reserve 3Q20 Commercial Banks		Cerebro 3Q20 Non-Banks		Federal Reserve 4Q20 Commercial Banks		Cerebro 4Q20 Non-Banks	
	Bank Results	**Bank%**	**Non-bank Results**	**Non-bank %**	**Bank Results**	**Bank%**	**Non-bank Results**	**Non-bank %**
Not Important	12	30.8%	5	41.67%	5	33.3%	3	60%
Somewhat Important	19	48.7%	5	41.67%	8	51.9%	1	20%
Very Important	8	20.5%	2	16.67%	2	14.8%	1	20%
TOTAL	39	100%	12	100%	15	100%	5	100%

Customer accounts receivable financing needs decreased

	Federal Reserve 3Q20 Commercial Banks		Cerebro 3Q20 Non-Banks		Federal Reserve 4Q20 Commercial Banks		Cerebro 4Q20 Non-Banks	
	Bank Results	**Bank%**	**Non-bank Results**	**Non-bank %**	**Bank Results**	**Bank%**	**Non-bank Results**	**Non-bank %**
Not Important	14	36.8%	1	8.33%	10	37%	2	40%
Somewhat Important	16	42.1%	7	58.33%	14	51.9%	1	20%
Very Important	8	21.1%	4	33.33%	3	11.1%	2	40%
TOTAL	38	100%	12	100%	27	100%	5	100%

Customer investment in plant or equipment decreased

	Federal Reserve 3Q20 Commercial Banks		**Cerebro 3Q20** Non-Banks		**Federal Reserve 4Q20** Commercial Banks		**Cerebro 4Q20** Non-Banks	
	Bank Results	**Bank%**	**Non-bank Results**	**Non-bank %**	**Bank Results**	**Bank%**	**Non-bank Results**	**Non-bank %**
Not Important	6	15%	6	50%	6	21.4%	4	80%
Somewhat Important	23	57.5%	4	33.33%	15	53.6%	1	20%
Very Important	11	27.5%	2	16.67%	7	25%	0	0%
TOTAL	40	100%	12	100%	28	100%	5	100%

Customer internally generated funds increased

	Federal Reserve 3Q20 Commercial Banks		**Cerebro 3Q20** Non-Banks		**Federal Reserve 4Q20** Commercial Banks		**Cerebro 4Q20** Non-Banks	
	Bank Results	**Bank%**	**Non-bank Results**	**Non-bank %**	**Bank Results**	**Bank%**	**Non-bank Results**	**Non-bank %**
Not Important	21	53.8%	6	50%	13	46.4%	1	20%
Somewhat Important	17	43.6%	2	16.67%	15	53.6%	3	60%
Very Important	1	2.6%	6	33.33%	0	0%	1	20%
TOTAL	39	100%	12	100%	28	100%	5	100%

Customer merger or acquisition financing needs decreased

	Federal Reserve 3Q20 Commercial Banks		Cerebro 3Q20 Non-Banks		Federal Reserve 4Q20 Commercial Banks		Cerebro 4Q20 Non-Banks	
	Bank Results	**Bank%**	**Non-bank Results**	**Non-bank %**	**Bank Results**	**Bank%**	**Non-bank Results**	**Non-bank %**
Not Important	17	44.7%	8	66.67%	16	59.3%	1	20%
Somewhat Important	14	36.8%	0	0%	10	37%	3	60%
Very Important	7	18.4%	4	33.33%	1	3.7%	1	20%
TOTAL	38	100%	12	100%	27	100%	5	100%

Customer borrowing shifted from your lending institution to other lender sources because these other sources became more attractive

	Federal Reserve 3Q20 Commercial Banks		Cerebro 3Q20 Non-Banks		Federal Reserve 4Q20 Commercial Banks		Cerebro 4Q20 Non-Banks	
	Bank Results	**Bank%**	**Non-bank Results**	**Non-bank %**	**Bank Results**	**Bank%**	**Non-bank Results**	**Non-bank %**
Not Important	31	81.6%	3	25%	22	80%	1	20%
Somewhat Important	6	15.8%	4	33.33%	5	20%	4	80%
Very Important	1	2.6%	5	41.67%	0	0%	0	0%
TOTAL	38	100%	12	100%	27	100%	5	100%

Customer precautionary demand for cash and liquidity decreased

	Federal Reserve 3Q20 Commercial Banks		Cerebro 3Q20 Non-Banks		Federal Reserve 4Q20 Commercial Banks		Cerebro 4Q20 Non-Banks	
	Bank Results	**Bank%**	**Non-bank Results**	**Non-bank %**	**Bank Results**	**Bank%**	**Non-bank Results**	**Non-bank %**
Not Important	21	52.5%	3	25%	12	42.9%	0	0%
Somewhat Important	9	22.5%	6	50%	11	39.3%	3	60%
Very Important	10	25%	3	25%	5	17.9%	2	40%
TOTAL	40	100%	12	100%	28	100%	5	100%

Corresponding Federal Reserve Question
If demand for C&I loans has strengthened or weakened over the past three months (as described in question 4), how important have been the following possible reasons for the change?

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

3. Looking back over the past three months, for applications for C&I loans that your lending institution is currently willing to approve, how have the terms of those loans changed?

Maximum size of loans

	Federal Reserve 3Q20 Commercial Banks		Cerebro 3Q20 Non-Banks		Federal Reserve 4Q20 Commercial Banks		Cerebro 4Q20 Non-Banks	
	Bank Results	**Bank%**	**Non-bank Results**	**Non-bank %**	**Bank Results**	**Bank%**	**Non-bank Results**	**Non-bank %**
Tightened considerably	2	2.9%	2	2.86%	0	0%	1	1.67%
Tightened somewhat	7	10.3%	15	21.43%	8	11%	7	11.67%
Remained basically unchanged	55	80.9%	47	67.14%	57	78.1%	38	63.33%
Eased somewhat	4	5.9%	6	8.57%	8	11%	12	20%
Eased considerably	0	0%	0	0%	0	0%	2	3.33%
TOTAL	68	100%	70	100%	73	100%	60	100%

Maximum maturity of loans

	Federal Reserve 3Q20 Commercial Banks		Cerebro 3Q20 Non-Banks		Federal Reserve 4Q20 Commercial Banks		Cerebro 4Q20 Non-Banks	
	Bank Results	**Bank%**	**Non-bank Results**	**Non-bank %**	**Bank Results**	**Bank%**	**Non-bank Results**	**Non-bank %**
Tightened considerably	0	0%	1	1.43%	0	0%	2	3.33%
Tightened somewhat	10	14.7%	6	8.57%	7	9.6%	2	3.33%
Remained basically unchanged	55	80.9%	60	85.71%	61	83.6%	46	76.67%
Eased somewhat	3	4.4%	2	2.86%	5	6.8%	7	11.67%
Eased considerably	0	0%	1	1.43%	0	0%	3	5%
TOTAL	68	100%	70	100%	73	100%	60	100%

Costs of loans

	Federal Reserve 3Q20 Commercial Banks		Cerebro 3Q20 Non-Banks		Federal Reserve 4Q20 Commercial Banks		Cerebro 4Q20 Non-Banks	
	Bank Results	**Bank%**	**Non-bank Results**	**Non-bank %**	**Bank Results**	**Bank%**	**Non-bank Results**	**Non-bank %**
Tightened considerably	0	0%	1	1.43%	0	0%	1	1.67%
Tightened somewhat	18	26.5%	24	34.29%	9	12.5%	11	18.33%
Remained basically unchanged	43	63.2%	32	45.71%	58	80.6%	31	51.67%
Eased somewhat	7	10.3%	12	17.14%	5	6.9%	15	25%
Eased considerably	0	0%	1	1.43%	0	0%	2	3.33%
TOTAL	68	100%	70	100%	72	100%	60	100%

Spreads of loan rates over your lending institution's cost of funds (wider spreads=tightened, narrower spreads=eased)

	Federal Reserve 3Q20 Commercial Banks		Cerebro 3Q20 Non-Banks		Federal Reserve 4Q20 Commercial Banks		Cerebro 4Q20 Non-Banks	
	Bank Results	**Bank%**	**Non-bank Results**	**Non-bank %**	**Bank Results**	**Bank%**	**Non-bank Results**	**Non-bank %**
Tightened considerably	0	0%	2	2.86%	0	0%	2	3.33%
Tightened somewhat	20	29.4%	21	30%	14	19.4%	14	23.33%
Remained basically unchanged	37	54.4%	39	55.71%	43	59.7%	30	50%
Eased somewhat	11	16.2%	6	8.57%	15	20.8%	13	21.67%
Eased considerably	0	0%	2	2.86%	0	0%	1	1.67%
TOTAL	68	100%	70	100%	72	100%	60	100%

Premiums charged on riskier loans

	Federal Reserve 3Q20 Commercial Banks		Cerebro 3Q20 Non-Banks		Federal Reserve 4Q20 Commercial Banks		Cerebro 4Q20 Non-Banks	
	Bank Results	**Bank%**	**Non-bank Results**	**Non-bank %**	**Bank Results**	**Bank%**	**Non-bank Results**	**Non-bank %**
Tightened considerably	4	5.8%	7	10%	1	1.4%	3	5%
Tightened somewhat	21	30.4%	32	45.71%	16	21.9%	20	33.33%
Remained basically unchanged	39	56.5%	27	38.57%	52	71.2%	28	46.67%
Eased somewhat	5	7.2%	4	5.71%	4	5.5%	9	15%
Eased considerably	0	0%	0	0%	0	0%	0	0%
TOTAL	69	100%	70	100%	73	100%	60	100%

Loan covenants

	Federal Reserve 3Q20 Commercial Banks		Cerebro 3Q20 Non-Banks		Federal Reserve 4Q20 Commercial Banks		Cerebro 4Q20 Non-Banks	
	Bank Results	**Bank%**	**Non-bank Results**	**Non-bank %**	**Bank Results**	**Bank%**	**Non-bank Results**	**Non-bank %**
Tightened considerably	1	1.5%	3	4.29%	0	0%	1	1.67%
Tightened somewhat	23	33.8%	21	30%	10	13.7%	12	20%
Remained basically unchanged	41	60.3%	45	64.29%	57	78.1%	38	63.33%
Eased somewhat	3	4.4%	1	1.43%	5	6.8%	9	15%
Eased considerably	0	0%	0	0%	1	1.4%	0	0%
TOTAL	68	100%	70	100%	73	100%	60	100%

Collateralization requirements

	Federal Reserve 3Q20 Commercial Banks		Cerebro 3Q20 Non-Banks		Federal Reserve 4Q20 Commercial Banks		Cerebro 4Q20 Non-Banks	
	Bank Results	**Bank%**	**Non-bank Results**	**Non-bank %**	**Bank Results**	**Bank%**	**Non-bank Results**	**Non-bank %**
Tightened considerably	0	0%	5	7.14%	0	0%	2	3.33%
Tightened somewhat	19	27.9%	12	17.14%	6	8.2%	11	18.33%
Remained basically unchanged	48	70.6%	53	75.71%	65	89%	42	70%
Eased somewhat	1	1.5%	0	0%	2	2.7%	4	6.67%
Eased considerably	0	0%	0	0%	0	0%	1	1.67%
TOTAL	68	100%	70	100%	73	100%	60	100%

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

	Federal Reserve 3Q20 Commercial Banks		Cerebro 3Q20 Non-Banks		Federal Reserve 4Q20 Commercial Banks		Cerebro 4Q20 Non-Banks	
	Bank Results	**Bank%**	**Non-bank Results**	**Non-bank %**	**Bank Results**	**Bank%**	**Non-bank Results**	**Non-bank %**
Tightened considerably	8	11.8%	4	5.71%	2	2.8%	2	3.33%
Tightened somewhat	25	36.8%	8	11.43%	16	22.5%	12	20%
Remained basically unchanged	32	47.1%	54	77.14%	49	69%	41	68.33%
Eased somewhat	3	4.4%	4	5.71%	4	5.6%	3	5%
Eased considerably	0	0%	0	0%	0	0%	2	3.33%
TOTAL	68	100%	70	100%	71	100%	60	100%

Corresponding Federal Reserve Question
For applications for C&I loans or credit lines—other than those to be used to finance mergers and acquisitions—from large and middle-market firms and from small firms that your bank currently is willing to approve, how have the terms of those loans changed over the past three months?

4. How do you anticipate lending standards for C&I loans at your lending institution to change over the next 6 (12) months, compared to its current standards, apart from normal seasonal variation?

	Cerebro 3Q20 (6 months) Non-Banks		Federal Reserve 4Q20 (12 months) Commercial Banks		Cerebro 4Q20 (12 Months) Non-Banks	
	Non-bank Results	Non-bank %	Bank Results	Bank%	Non-bank Results	Non-bank %
Tightened considerably	1	1.45%	0	0%	0	0%
Tightened somewhat	16	23.19%	8	11%	2	3.33%
Remained basically unchanged	36	52.17%	58	79.5%	31	51.67%
Eased somewhat	16	23.19%	7	9.6%	24	40%
Eased considerably	0	0%	0	0%	3	5%
TOTAL	69	100%	73	100%	60	100%

Corresponding Federal Reserve Question
No similar question asked in 3Q20.
4Q20 27. Assuming that economic activity progresses in line with consensus forecasts, how does your bank expect its **lending standards** for the following **C&I loan** categories to change over 2021 compared with its current standards, apart from normal seasonal variation? (Please refer to the definitions of large and middle-market firms suggested in question 1. If your bank defines firm size differently from the categories suggested in question 1, please use your definitions.)
A. Compared with my bank's current lending standards, over 2021, my bank expects its **lending standards** for approving applications for **C&I loans or credit lines to large and middle-market firms** to:

4a. If you expect your lending institution to tighten its credit standards for C&I loans, how important are the following possible reasons for the expected change in standards?

Expected deterioration in your lending institution's capital or liquidity position

	Cerebro 3Q20 Non-Banks		Federal Reserve 4Q20 Commercial Banks		Cerebro 4Q20 Non-Banks	
	Non-bank Results	**Non-bank %**	**Bank Results**	**Bank%**	**Non-bank Results**	**Non-bank %**
Not Important	9	52.94%	13	76.5%	2	100%
Somewhat Important	4	23.53%	4	23.5%	0	0%
Very Important	4	23.54%	0	0%	0	0%
TOTAL	17	100%	17	100%	2	100%

Expected deterioration in collateral values

	Cerebro 3Q20 Non-Banks		Federal Reserve 4Q20 Commercial Banks		Cerebro 4Q20 Non-Banks	
	Non-bank Results	**Non-bank %**	**Bank Results**	**Bank%**	**Non-bank Results**	**Non-bank %**
Not Important	3	17.65%	5	29.4%	1	50%
Somewhat Important	8	47.06%	10	58.8%	1	50%
Very Important	6	35.29%	2	11.8%	0	0%
TOTAL	17	100%	17	100%	2	100%

Expected reduction in competition from other lenders

	Cerebro 3Q20 Non-Banks		Federal Reserve 4Q20 Commercial Banks		Cerebro 4Q20 Non-Banks	
	Non-bank Results	**Non-bank %**	**Bank Results**	**Bank%**	**Non-bank Results**	**Non-bank %**
Not Important	6	35.29%	8	50%	1	50%
Somewhat Important	9	52.94%	8	50%	0	0%
Very Important	2	11.76%	0	0%	1	50%
TOTAL	17	100%	16	100%	2	100%

Expected reduction in risk tolerance

	Cerebro 3Q20 Non-Banks		Federal Reserve 4Q20 Commercial Banks		Cerebro 4Q20 Non-Banks	
	Non-bank Results	**Non-bank %**	**Bank Results**	**Bank%**	**Non-bank Results**	**Non-bank %**
Not Important	2	11.76%	5	29.4%	0	0%
Somewhat Important	10	58.82%	10	58.8%	1	50%
Very Important	5	29.41%	2	11.8%	1	50%
TOTAL	17	100%	17	100%	2	100%

Expected reduction in ease of selling loans in secondary market

	Cerebro 3Q20 Non-Banks		Federal Reserve 4Q20 Commercial Banks		Cerebro 4Q20 Non-Banks	
	Non-bank Results	Non-bank %	Bank Results	Bank%	Non-bank Results	Non-bank %
Not Important	9	52.94%	12	70.6%	1	50%
Somewhat Important	7	41.18%	5	29.4%	1	50%
Very Important	1	5.88%	0	0%	0	0%
TOTAL	17	100%	17	100%	2	100%

Expected deterioration in credit quality of loan portfolio

	Cerebro 3Q20 Non-Banks		Federal Reserve 4Q20 Commercial Banks		Cerebro 4Q20 Non-Banks	
	Non-bank Results	Non-bank %	Bank Results	Bank%	Non-bank Results	Non-bank %
Not Important	3	17.65%	4	23.5%	0	0%
Somewhat Important	9	52.94%	9	52.9%	1	50%
Very Important	5	29.41%	4	23.5%	1	50%
TOTAL	17	100%	17	100%	2	100%

Increased concerns about the effects of legislative changes, supervisory actions, or changes in accounting standards

	Cerebro 3Q20 Non-Banks		Federal Reserve 4Q20 Commercial Banks		Cerebro 4Q20 Non-Banks	
	Non-bank Results	**Non-bank %**	**Bank Results**	**Bank%**	**Non-bank Results**	**Non-bank %**
Not Important	5	29.41%	6	35.3%	0	0%
Somewhat Important	6	35.29%	9	52.9%	1	50%
Very Important	6	35.29%	2	11.8%	1	50%
TOTAL	17	100%	17	100%	2	100%

Corresponding Federal Reserve Question
No similar question asked in 3Q20.
4Q20 31. If your bank expects to tighten or ease its credit standards for any of the loan categories reported in questions 27-30, how important are the following possible reasons for the expected change in standards?
A. Possible reasons for expecting to tighten credit standards:

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4b. If you expect your lending institution to ease its credit standards for C&I loans, how important are the following possible reasons for the expected change in standards?

Expected improvement in your lending institution's capital or liquidity position

	Cerebro 3Q20 Non-Banks		Federal Reserve 4Q20 Commercial Banks		Cerebro 4Q20 Non-Banks	
	Non-bank Results	**Non-bank %**	**Bank Results**	**Bank%**	**Non-bank Results**	**Non-bank %**
Not Important	7	43.75%	15	68.2%	10	37.04%
Somewhat Important	7	43.75%	6	27.3%	9	33.33%
Very Important	2	12.50%	1	4.5%	8	29.63%
TOTAL	16	100%	22	100%	27	100%

Expected increase in collateral values

	Cerebro 3Q20 Non-Banks		Federal Reserve 4Q20 Commercial Banks		Cerebro 4Q20 Non-Banks	
	Non-bank Results	**Non-bank %**	**Bank Results**	**Bank%**	**Non-bank Results**	**Non-bank %**
Not Important	6	37.50%	11	52.4%	11	40.74%
Somewhat Important	6	37.50%	7	33.3%	11	40.74%
Very Important	4	25%	3	14.3%	5	18.52%
TOTAL	16	100%	21	100%	27	100%

Expected increase in competition from other lenders

	Cerebro 3Q20 Non-Banks		Federal Reserve 4Q20 Commercial Banks		Cerebro 4Q20 Non-Banks	
	Non-bank Results	**Non-bank %**	**Bank Results**	**Bank%**	**Non-bank Results**	**Non-bank %**
Not Important	4	25%	13	59.1%	6	22.22%
Somewhat Important	10	62.50%	8	36.4%	7	25.93%
Very Important	2	12.50%	1	4.5%	14	51.85%
TOTAL	16	100%	22	100%	27	100%

Expected increase in risk tolerance

	Cerebro 3Q20 Non-Banks		Federal Reserve 4Q20 Commercial Banks		Cerebro 4Q20 Non-Banks	
	Non-bank Results	**Non-bank %**	**Bank Results**	**Bank%**	**Non-bank Results**	**Non-bank %**
Not Important	4	25%	9	42.9%	2	7.41%
Somewhat Important	11	68.75%	9	42.9%	19	70.37%
Very Important	1	6.25%	3	14.3%	6	22.22%
TOTAL	16	100%	21	100%	27	100%

Expected increase in ease of selling loans in secondary market

	Cerebro 3Q20 Non-Banks		Federal Reserve 4Q20 Commercial Banks		Cerebro 4Q20 Non-Banks	
	Non-bank Results	**Non-bank %**	**Bank Results**	**Bank%**	**Non-bank Results**	**Non-bank %**
Not Important	10	62.50%	17	81%	19	70.37%
Somewhat Important	5	31.25%	4	19%	8	29.63%
Very Important	1	6.25%	0	0%	0	0%
TOTAL	16	100%	21	100%	27	100%

Expected improvement in credit quality of loan portfolio

	Cerebro 3Q20 Non-Banks		Federal Reserve 4Q20 Commercial Banks		Cerebro 4Q20 Non-Banks	
	Non-bank Results	**Non-bank %**	**Bank Results**	**Bank%**	**Non-bank Results**	**Non-bank %**
Not Important	5	31.25%	6	27.3%	8	29.63%
Somewhat Important	8	50%	11	50%	16	59.26%
Very Important	3	18.75%	5	22.7%	3	11.11%
TOTAL	16	100%	22	100%	27	100%

Reduced concerns about the effects of legislative changes, supervisory actions, or changes in accounting standards

	Cerebro 3Q20 Non-Banks		Federal Reserve 4Q20 Commercial Banks		Cerebro 4Q20 Non-Banks	
	Non-bank Results	**Non-bank %**	**Bank Results**	**Bank%**	**Non-bank Results**	**Non-bank %**
Not Important	6	37.50%	16	72.7%	16	59.26%
Somewhat Important	9	56.25%	6	27.3%	9	33.33%
Very Important	1	6.25%	0	0%	2	7.41%
TOTAL	16	100%	22	100%	27	100%

Corresponding Federal Reserve Question
No similar question asked in 3Q20.
4Q20 31. If your bank expects to tighten or ease its credit standards for any of the loan categories reported in questions 27-30, how important are the following possible reasons for the expected change in standards?
A. Possible reasons for expecting to credit standards:

5. Looking ahead over the next six (12) months, how are changes in the macroeconomy likely to impact your lending business? Please check all that you feel apply:

	Cerebro 3Q20 (6 months) Non-Banks		**Cerebro 4Q20 (12 months)** Non-Banks	
	Non-bank Results	**Non-bank %**	**Non-bank Results**	**Non-bank %**
The macroeconomic environment has minimal effect on our lending decisions.	16	23.53%	13	21.67%
We anticipate relaxing our credit standards as the macroeconomy strengthens.	17	25%	17	28.33%
We anticipate tightening our credit standards as the macroeconomy weakens.	21	30.88%	8	13.33%
We are anticipating a weakening economy that will disadvantage our competitors and this, in turn, will provide us with expanding opportunities to extend credit.	43	63.24%	21	35%
We anticipate a strengthening economy that will likely lead to an expanding supply of credit and less attractive opportunities for our institution to extend credit.	8	11.76%	22	36.67%
TOTAL	68	100%	60	

Corresponding Federal Reserve Question
No similar question asked in 3Q20.

6. Over the next 6 (12) months, how do you expect demand for C&I loans from your lending institution to change compared to its current level, apart from normal seasonal variation?

	Cerebro 3Q20 (6 months) Non-Banks		Federal Reserve 4Q20 Commercial Banks		Cerebro 4Q20 (12 months) Non-Banks	
	Non-bank Results	**Non-bank %**	**Bank Results**	**Bank%**	**Non-bank Results**	**Non-bank %**
Strengthen substantially	13	19.12%	0	0%	5	8.33%
Strengthen somewhat	39	57.35%	31	46.3%	39	65%
Remain basically unchanged	15	22.06%	34	50.7%	12	20%
Weaken somewhat	1	1.47%	2	3%	4	6.67%
Weaken substantially	0	0%	0	0%	0	0%
TOTAL	68	100%	67	100%	60	100%

Corresponding Federal Reserve Question
No similar question asked in 3Q20.
4Q20 Q32. Assuming that economic activity progresses in line with consensus forecasts, how does your bank expect **demand** for the following categories of **C&I loans** from your bank to change over 2021 compared with its current level, apart from normal seasonal variation?

A. Compared with its current level, over 2021, my bank expects **demand** for **C&I loans or credit lines to large and middle-market firms** from my bank to:

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7. Over the next 6 (12) months, what is your outlook for delinquencies and charge-offs on your lending institution's C&I loans?

	Cerebro 3Q20 (6 months) Non-Banks		Federal Reserve 4Q20 Commercial Banks		Cerebro 4Q20 (12 months) Non-Banks	
	Non-bank Results	**Non-bank %**	**Bank Results**	**Bank%**	**Non-bank Results**	**Non-bank %**
Improve substantially	2	2.94%	0	0%	6	10%
Improve somewhat	10	14.71%	22	31.4%	10	16.67%
Remain around current levels	41	60.29%	36	51.4%	35	58.33%
Deteriorate somewhat	15	22.06%	12	17.1%	9	15%
Deteriorate substantially	0	0%	0	0%	0	0%
TOTAL	68	100%	70	100%	60	100%

Corresponding Federal Reserve Question
No similar question asked in 3Q20.
4Q20 36. Assuming that economic activity progresses in line with consensus forecasts, what is your outlook for delinquencies and charge-offs on your bank's **C&I loans** in the following categories in 2021? C. The quality of my bank's ***nonsyndicated*** **C&I loans to large and middle-market firms** over 2021, as measured by my bank's outlook for delinquencies and charge-offs on these loans, is likely to: