

# Report on Banks

March 2010



BANCO CENTRAL  
DE LA REPÚBLICA ARGENTINA

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March 2010

Year VII, No. 7



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DE LA REPÚBLICA ARGENTINA**

# Contents

- Page 3 | Summary**
- Page 4 | Activity**  
*The growth rhythm of financial intermediation improved over the first quarter*
- Page 5 | Deposits and liquidity**  
*In a context of increasing deposits, liquidity indicators grew slightly*
- Page 6 | Financing**  
*The expansion of loans to the private sector increased its momentum gradually*
- Page 7 | Solvency**  
*Accrued profitability over the first months of 2010 contributed to improve soundness indicators*
- Page 9 | Latest regulations**
- Page 10 | Methodology and glossary**
- Page 12 | Statistics annex**

Note | Information for March 2010 available by April 27, 2010 is included. This Report is focussed on the performance of the financial system, including breakdowns by homogeneous sub-sectors. The data reported (particularly, those referring to profitability) are provisional and are subject to changes later. Except the opposite was indicated the data included corresponds to BCRA Information Regimes (end of month data).

*Published on May 17, 2010*

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## Summary

- **Financial intermediation with the private sector continued to grow in the first quarter of 2010 within a framework in which levels of the main financial soundness indicators remained in adequate levels.** The volume of checks cleared continues increasing gradually together with a reduction in the ratio of bounced checks by nonsufficient funds in terms of the total cleared.
- **Balance sheet deposit stock rose 6.3% in March (20.9% y.o.y.), influenced mainly by the effects of the increase in public sector deposits.** Private sector deposits stock grew 3.2% over the month mainly driven by sight deposits. Households and companies deposits expanded 18.5% over the last twelve months, with public banks recording the greatest relative momentum (22.4% y.o.y.).
- **Financial entities liquidity levels remain high.** The liquidity ratio (based on items expressed in pesos and in foreign currency) stood at 32% of total deposits during the month, 2.3 p.p. more than in February and 1.2 p.p. above the level recorded one year ago, mainly resulting from the performance shown by items in foreign currency. The broad liquidity indicator (which includes holdings of Lebac and Nobac) stood at 45.8% of deposits recording the highest value over the last twelve months.
- **Balance sheet loans to the private sector stock grew 2.4% in March and ended the first quarter of the year with a rise of 12%a., 5.6 p.p. above the value recorded during the same period in 2009.** The quarterly expansion was largely accounted by foreign private banks and was directed mainly through consumer credit lines. Meanwhile, lending to companies continued rising at the start of the year at a moderate rhythm with a prominent performance in the smaller residual stock range.
- **Non-performing loans to the private sector fell slightly over the month, to 3.3%,** mainly from the achievement recorded at private banks. This indicator decreased 0.5 p.p. from the maximum value reached by mid-2009 mainly from the behavior exhibited by households' consumption credit lines (a drop from 6.4% to 5%), within a framework of stability in non-performing loan stocks at private banks and at non-bank financial entities (NBFE). **The level of non-performing portfolio coverage by provisions in the financial system stood at 133%,** 10 p.p. above that recorded in March 2009.
- **Financial system as a whole improved its solvency indicators.** Financial system consolidated net worth increased 2% during the month (20.8% y.o.y), driven by accounting profits. **Capital compliance reached 19% of risk-weighted assets, almost doubling capital requirement.** The sound capital situation in terms of regulatory requirement was widespread among financial entities.
- **Book profits accounted for 2.8%a. of assets in March.** Over the month, the growth of financial margin (driven mainly by gains on securities) and of service income margin was partially offset by greater operating costs within a framework of higher wages due to new agreements of the banking sector coming into force. Thus, **the results of the banking sector accumulated 2.3%a. of assets during the first quarter of 2010, slightly above those recorded in the same period of 2009.** All group of entities reached a year-on-year profitability increase.

# Activity

*The growth rhythm of financial intermediation improved over the first quarter*

Financial intermediation with the private sector continued growing over the first quarter of 2010, maintaining the improvement trend evidenced at the end of 2009. At the start of the year, the growth rhythm of credit to the private sector exhibited a greater momentum than that recorded over the same period in 2009; while the annualized growth of companies and households deposits fell slightly (see Chart 1).

The main sources of fund of the financial system during the first three months of the year (based on the variations of balance stocks) were the increase of public sector deposits (\$18 billion) and, to a lesser extent, those of the private sector (\$5.5 billion). Regarding the uses, the increases in the stock of liquid assets (\$16.6 billion), in Lebac and Nobac holdings (\$6.1 billion) and in lending to the private sector (\$4.6 billion) were the most significant. The main source and use of funds over the quarter were accounted for public banks<sup>1</sup>, while private banks led the growth of loans to companies and households.

In this context, netted assets of all financial entities expanded 18% year-on-year (y.o.y.) mainly resulting from the performance of public banks (see Chart 2). Loans to companies and households slightly reduced their weighting in netted assets against March of 2009, while liquid assets gained share as well as loans to the public sector.

The amount and number of cleared checks by the financial system increased during the first months of 2010, variation that was accompanied by a reduction of bounced checks by nonsufficient funds in terms of the total. The number of bounced checks by nonsufficient funds in April (latest available information) amounted to 0.4% of the total for the financial system (0.3 p.p. less than in the same month of 2009) (see Chart 3).

Financial system foreign currency mismatching, which includes assets and liabilities items as well as net undelivered purchases of foreign currency, was at US\$4.9 billion in March, equal to 40% of net worth, recording a 7 p.p. fall over the month (see Chart 4). This movement was mainly driven by the decrease in net forward purchases of foreign currencies and a greater

Chart 1

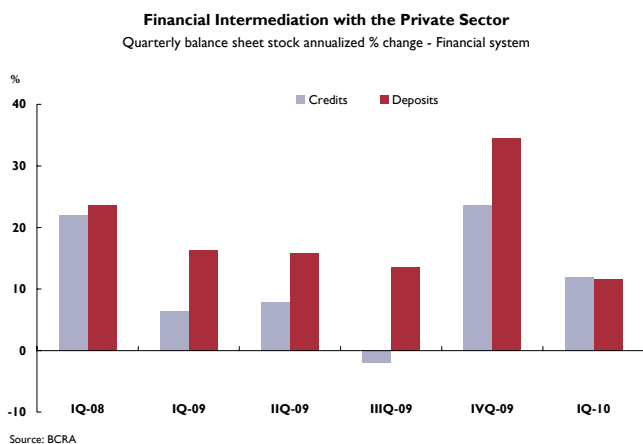


Chart 2

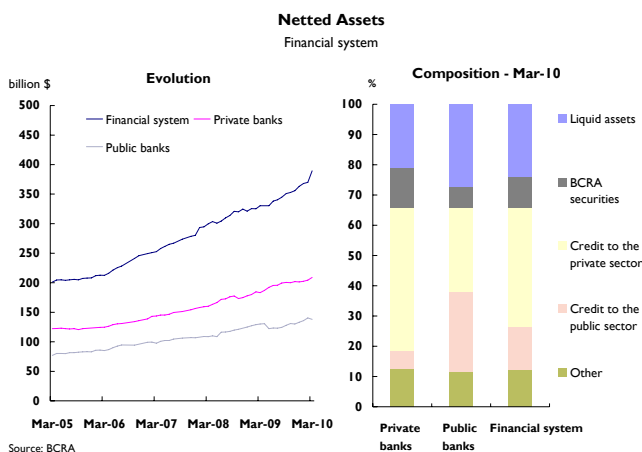
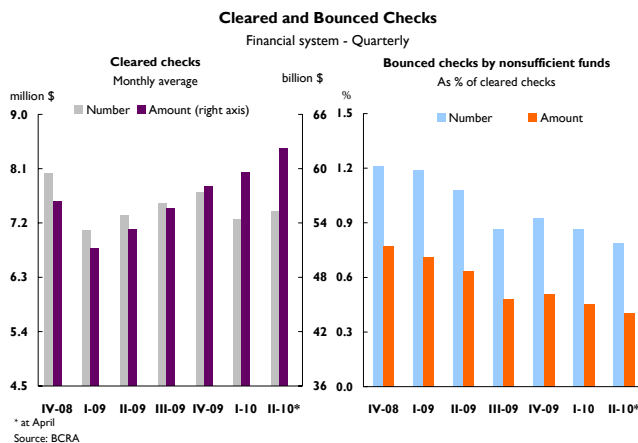
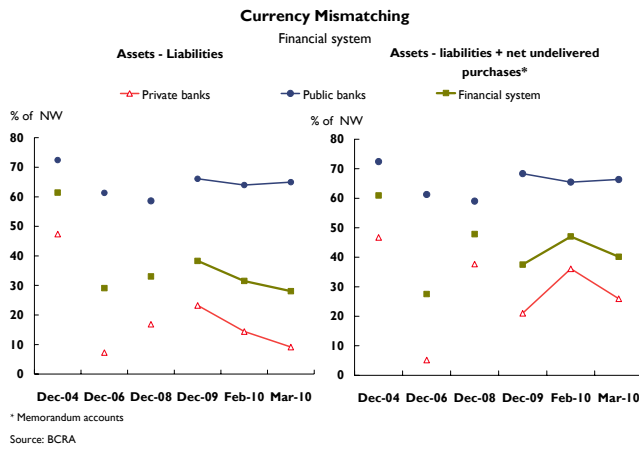


Chart 3



<sup>1</sup> Part of these resources is the result of a transaction carried out by one public bank and the National Treasury.

**Chart 4**



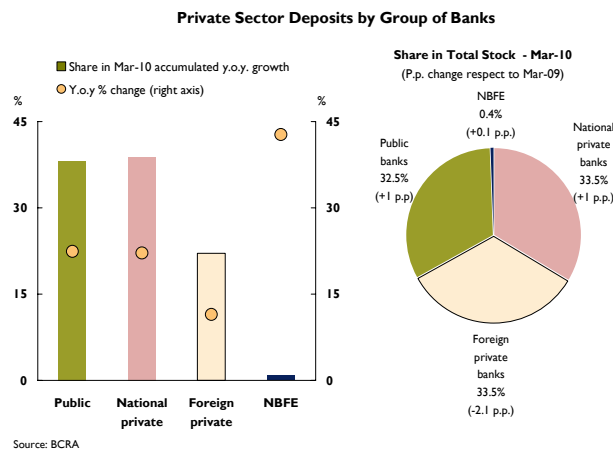
increase in liabilities (deposits) compared to assets (export loans) by private financial entities.

## Deposits and liquidity

*In a context of increasing deposits, liquidity indicators grew slightly*

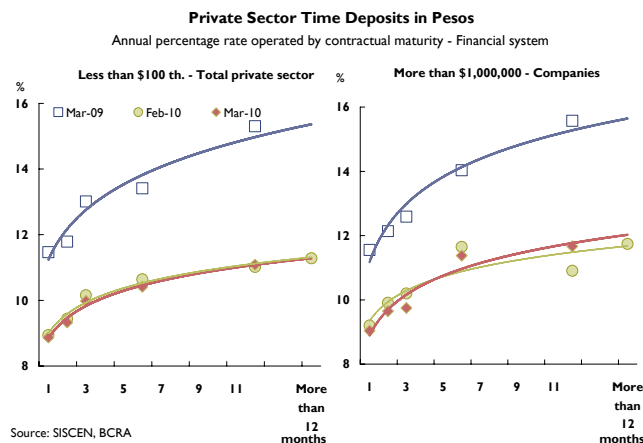
**Total financial system deposit stock rose 6.3% in March (20.9% y.o.y.), mainly from the performance exhibited by public sector deposits<sup>2</sup> which grew 15.7% over the month (27.4% y.o.y).** The monthly increase of total deposits was verified primarily in foreign currency deposits (34%) and, to a lesser extent, in peso deposits (1.1%). Meanwhile, **the stock of private sector deposits expanded 3.2% against February (18.5% y.o.y.),** driven mainly by sight deposits.

**Chart 5**



**Private sector deposits over the last twelve months showed greater relative momentum in public financial entities (22.4% y.o.y.) and in domestic private banks (22.2% y.o.y.); thus, these groups gained share in the total stock** (see Chart 5). During this period, 86% of financial entities recorded funding increases through private sector deposits (accounting for 99% of the total stock). Nominal interest rates for time deposits in pesos did not record significant changes against the previous month, even though they keep evidencing a reduction considering the last twelve months both in the retail and wholesale segment (see Chart 6).

**Chart 6**

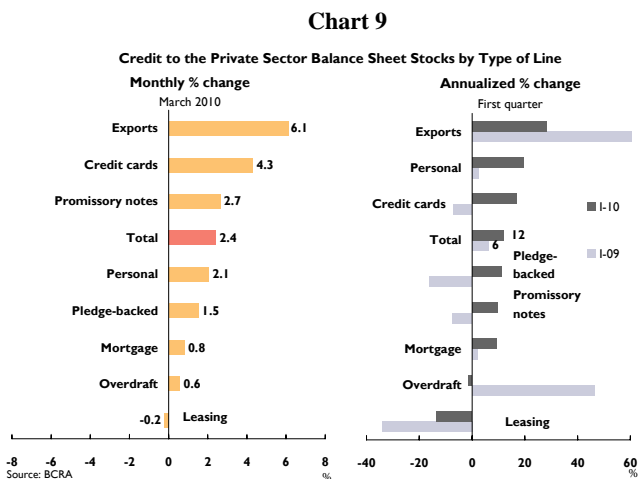
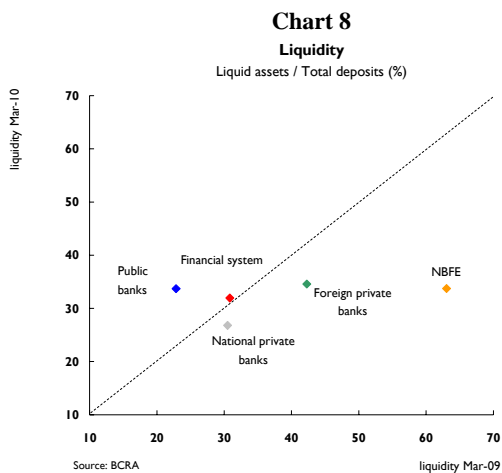
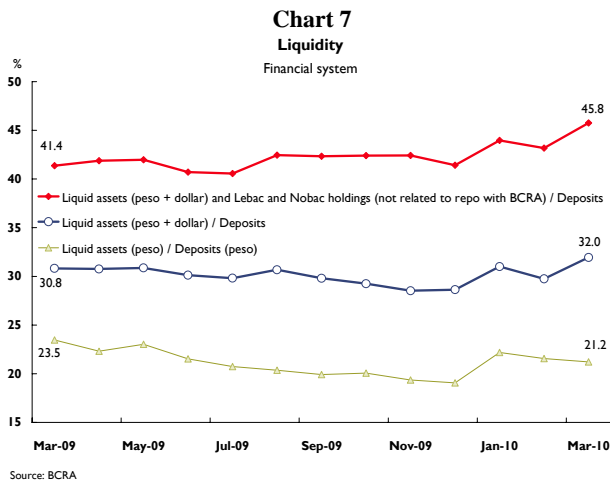


**Financial system liquid assets** (cash, current accounts with the Central Bank and Lebac and Nobac net repos with this Institution, both in domestic and foreign currency) **were at 32% of total deposits by late March, growing slightly over the month** (see Chart 7). This monthly hike resulted mainly from the increase in minimum cash compliance in foreign currency, which was partially offset by the reduction of the net repo with the Central Bank stock. By the end of the first quarter, financial entities' liquidity in pesos was at 21.2% of deposits in that currency. **Considering Lebac and Nobac holdings not related to repo transactions, the financial system total liquidity reached 45.8% of deposits.**

**Both the monthly<sup>3</sup> and the year-on-year increase of liquidity indicators were accounted for by public banks.** Over the last 12 months, private financial entities

<sup>2</sup> See note 1.

<sup>3</sup> See note 1.



reduced their liquidity indicators (see Chart 8). Therefore, there currently exists a smaller dispersion of liquidity levels per group of entities regarding the average evidenced at a system level.

In this context, **the call money market continues recovering. The daily average amount traded in the call money market grew in March reaching the highest volume recorded over the last 12 months.** The weighted average interest rate was at 8.6%, falling 2.1 p.p. against March of 2009.

## Financing

*The expansion of loans to the private sector increased its momentum gradually*

**Balance sheet lending to the private sector grew \$3.55 billion (2.4%) in March<sup>4</sup>.** Loans to exports, credit cards, and promissory notes grew over the month average. The monthly rise observed in the case of loans to the private sector was driven mainly by private banks and, to a lesser extent, by official entities.

**Thus, lending to households and companies totaled 12%a. increase over the first quarter of 2010, up 5.6 p.p. compared with the same period last year** (see Chart 9). This change was primarily boosted by loans to exports and those aimed at consumption (personal and credit cards). **The quarterly growth was driven mainly by foreign private banks, which raised their share in total financing** (see Chart 10). On the other hand, national private banks kept the greatest weighting in total stock.

**Lending interest rates fell slightly against the levels of last February, mainly in the case of mortgage loans, promissory notes, and credit cards.** The spread<sup>5</sup> fell in all credit lines over the last quarter except for mortgage loans.

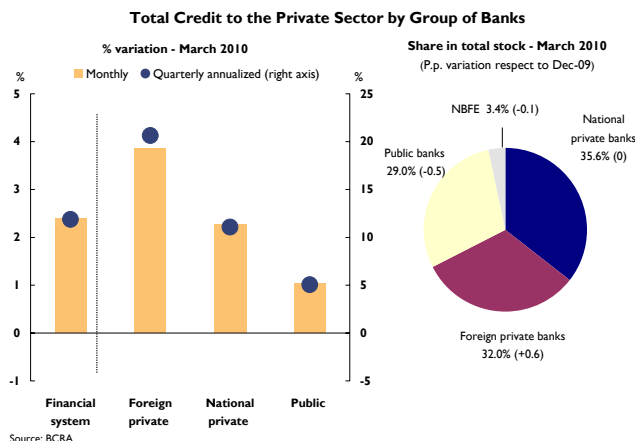
Lending to households<sup>6</sup> recorded an 8.9% y.o.y. growth (as of February, latest information available) and it was slightly greater than the one corresponding to total private sector lending. **While consumption lines aimed at households grew 17% y.o.y., the remaining lines evidenced a slight reduction.**

<sup>4</sup> If loans stocks were adjusted for financial trust issues during the month, the financing change would amount to 2.5% over the month. Three financial trust issues were recorded in March with bank loan portfolios as underlying assets for a total of \$160 million. The total corresponded to consumption-related loan securitizations.

<sup>5</sup> The spread is calculated on the basis of the difference between the lending interest rate traded corresponding to each credit line and the average interest rate weighted by amount of total time deposits in pesos, taking into account minimum cash requirements.

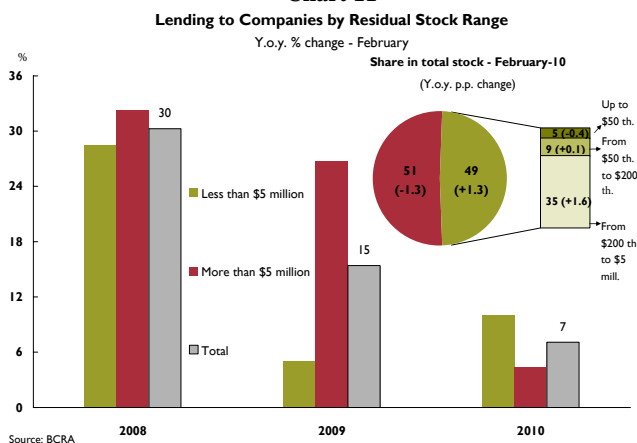
<sup>6</sup> Loans to households are those granted to individuals, except for commercial loans. The later is added to loans to legal persons and treated as lending to companies.

**Chart 10**



On the other hand, bank lending to the corporate sector increased 7.1% y.o.y. in February. **Loans with residual stock up to \$5 million** (primarily related to micro-entrepreneurship and small and medium enterprises) **driven the increase of lending to companies over the last 12 months and also improved their momentum against a year ago** (see Chart 11). These lines account for almost half of the credit to companies.

**Chart 11**

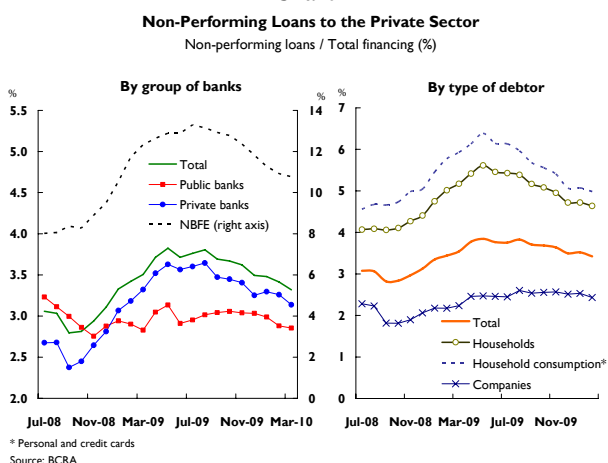


**Non-performing loans to the private sector fell 0.1 p.p. over the month down to 3.3%**, mainly at private banks (see Chart 12). This indicator dropped 0.5 p.p. since the maximum value reached by mid-2009, mainly resulting from the performance of household consumer credit lines (whose ratio went from 6.4% to 5%), **in a context where the stock of non-performing loans remained stable at private banks and NBFE** (see Chart 13). Meanwhile, the delinquency ratio of lending to the corporate sector remained practically unchanged over the last months and a slight fall regarding the delinquency of financing with lower residual stock range was recorded, even though they exhibit a relatively higher level. **The non-performing loans to the private sector coverage ratio by provisions stood at 133% at a system level over the month**, 10 p.p. above the level recorded one year earlier.

## Solvency

*Accrued profitability over the first months of 2010 contributed to improve soundness indicators*

**Chart 12**

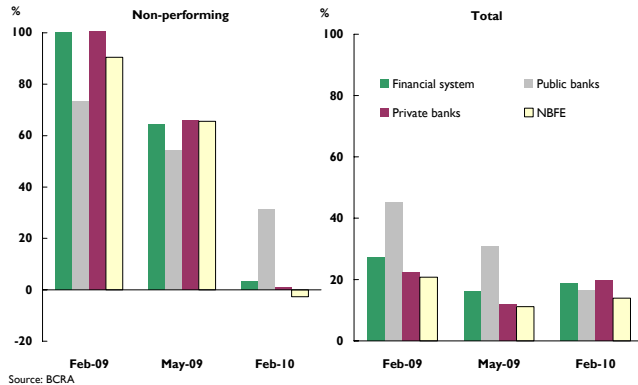


**Financial system consolidated net worth rose 2% in March**, accumulating a 20.8% y.o.y. increase. This rise was mainly driven by private banks. In regulatory terms, **financial system capital compliance stood at 19% of risk-weighted assets (RWA) over the month**, 1.6 p.p. above the level recorded a year ago, mainly from the performance of private banks and NBFE. Capital compliance of the financial system continued doubling the capital requirement exhibiting a sound position in all homogeneous groups of financial entities.

**Capital compliance for private sector credit risk** (somewhat over \$13 billion) **represented the highest relative weighting regarding the total capital requirement of almost \$24 billion in March** (see Chart 14). This situation may be seen in all groups of financial entities. Capital requirement for public sector credit risk (about \$4 billion) takes the second position with regard to the relative share in regulatory requirements and is mainly concentrated on public banks.



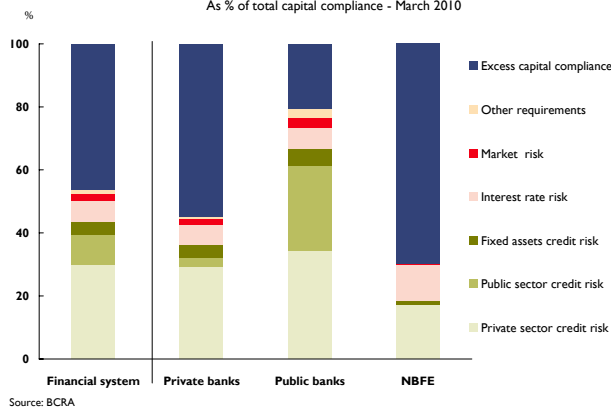
**Chart 13**  
**Financing to Household Consumption**  
 Y.o.y. % stock change - Financial system



**Book profits for financial entities as a whole stood at 2.8%a. of assets in March**, 1.2 p.p. more than last month. The monthly growth of the financial margin and of service income margin was partially offset by greater operating costs. Therefore, **bank results accumulated 2.3%a. of assets in the first quarter of 2010**, 0.2 p.p. more than in the same period of 2009 (see Chart 15). All groups of financial entities recorded a quarterly profitability rise in a year-on-year comparison. Specifically, 87% of financial entities recorded profits during the first quarter of 2010 (accounting for 96% of netted assets).

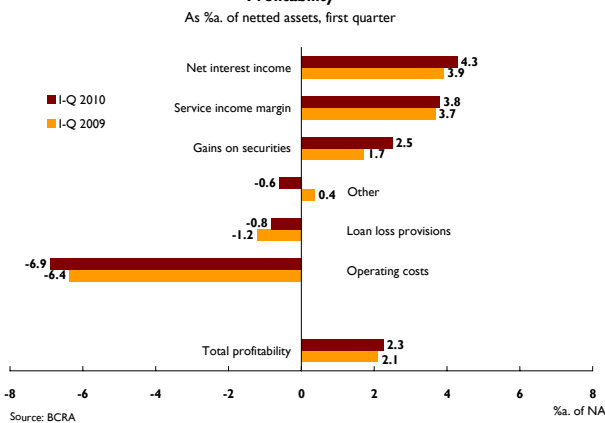
**The financial margin reached 9.5%a. of assets over the month**, recording a rise against February driven mainly by gains on securities (in a context of generalized improvement in the prices of the main instruments as from the progresses recorded in the definition process of the new public debt swap offer) and, to a lesser extent, the increase of net interest income. However, the quarterly financial margin remained stable against a year ago: greater gains on securities and net interest income were offset by lower profits derived from foreign exchange price adjustments and other financial income within a framework where the foreign currency mismatch dropped and there was lower foreign exchange volatility.

**Chart 14**  
**Requirement and Capital Compliance**  
 As % of total capital compliance - March 2010



**Service income margin increased slightly to 4%a. of assets in March**. The greater intermediation activity continued driving the service income margin during the quarter, which amounted to 3.8%a. of assets, 0.1 p.p. higher than the level recorded in the same period last year mainly derived from the performance of private banks.

**Chart 15**  
**Profitability**



**Among the main costs statement headings in March**, the monthly increase of operating costs, to 7.6%a. of assets in March, is to be highlighted within a framework where new wage agreements are to enter in effect while loan loss provisions remained stable at 0.8%a. of assets. During the first three months of 2010, **loan loss provisions fell against the same period of 2009** (in a context where loans portfolio quality improved), **while operating costs continued growing**.

In a context of growing financial intermediation levels with the private sector, **financial entities are expected to continue improving their solvency indicators in April**. Gains on securities could reduce their contribution in the month partly due to a lower increase of prices. **More stable sources of income are expected to continue driving the financial system's profitability over the rest of the year**.

## Latest regulations

This section contains a summary of the main regulations related to the business of financial intermediation issued during the month (referenced by the date on which they came into force).

**Note:** In March 2010 there were no regulatory developments to be highlighted in relation to the business of financial intermediation.

## Methodology

- (a) Aggregate balance sheet information is taken from the monthly accounting information system (unconsolidated balance sheets). In order to calculate aggregate data for the financial system, for financial entities that have not provided data for the month reviewed, the most recent information available is repeated in the aggregate balance sheet. On the other hand, for profitability analysis only the banks providing data for that month are considered.
- (b) Due to possible lack of data for some banks at the time this Report was drafted, and due to possible corrections to the data provided by financial entities later, the data included is of a preliminary nature –particularly for the last month included-. Therefore, and due to the fact that the most recent data available always used, data in connection with earlier periods may not match what was mentioned in earlier issues of the Report. In such cases, the latter release should be regarded as being of better quality.
- (c) Unless otherwise indicated, data about deposits and loans refer to balance sheet information, and do not necessarily agree with those compiled by the Centralized Information Requirement System (SISCEN). Reasons for discrepancies include the precise date considered in order to calculate monthly changes and the items included in the definition adopted in either case.
- (d) Profit ratio calculations are based on monthly results estimated from changes in the aggregate result amounts during the current fiscal year. Unless otherwise specified, profit ratios are annualized.
- (e) Initially, the breakdown by group of banks was determined based on majority decision making role –in terms of voting rights at shareholder meetings - distinguishing between private sector financial entities and public sector banks. In order to increase depth of the analysis, private sector entities were also classed according to the geographic and business scope of their operations. Wholesale banks were therefore defined as those specializing in the large corporations and investor sector, which in general do not rely on deposits from the private sector for their funding. On the other hand, retail banks were divided into those carrying out business nationwide, those located in certain geographic regions –municipalities, provinces, or regions- and entities that specialize in a financial sector niche market –usually smaller entities-. Finally, it is worth noting that the classifications defined above are solely for analytical purposes and does not mean it is the only methodology criteria by which to group them; while on the other hand, the listing of features for each financial entity group has been established in a general manner.
- (f) Indicators exhibited in Tables 1 and 5 of Statistical Appendix: 1.-  $(\text{Paid in liquidity at the BCRA} + \text{Other cash holding} + \text{Holdings of BCRA securities for repo transactions in cash}) / \text{Total deposits}$ ; 2.-  $(\text{Position in government securities (not including Lebac nor Nobac)} + \text{Loans to the public sector} + \text{Compensations to be received}) / \text{Total assets}$ ; 3.-  $(\text{Loans to the non-financial private sector} + \text{Leasing operations}) / \text{Total assets}$ ; 4.-  $\text{Irregular portfolio with the non-financial private sector} / \text{Loans to the non-financial private sector}$ ; 5.-  $(\text{Total irregular portfolio} - \text{Bad loan provisions}) / \text{Equity}$ . The irregular portfolio includes loans classed in situations 3, 4, 5 and 6; 6.-  $\text{Cumulative annual result} / \text{Average monthly netted assets} - \% \text{ annualized}$ ; 8.-  $(\text{Financial margin (Net interest income} + \text{CER and CVS adjustments} + \text{Gains on securities} + \text{Foreign exchange price adjustments} + \text{Other financial income)} + \text{Service income margin}) / \text{Cumulative annual operating costs}$ ; 9.-  $\text{Paid in capital (Calculated Equity Requirement)} / \text{Risk weighted assets, according to the BCRA rule on minimum capital}$ ; 10.-  $\text{Total capital position (Paid in capital less requirement, including flexibilities)} / \text{Capital requirement}$ .

# Glossary

**%a.:** annualized percentage.

**%i.a.:** interannual percentage.

**Adjusted profit:** Total profit excluding payments made due to court-ordered releases and adjustments to the valuation of public sector assets according to Com. "A" 3911 and modifications.

**ASE:** Adjusted stockholders' equity, for RPC in Spanish. The measure for compliance with bank capital regulations.

**Consolidated (or aggregate) assets and liabilities:** Those arising from excluding operations between financial entities.

**Consolidated result:** Excludes results related to shares and participations in other local financial entities.

**CEDRO:** Certificado de Depósito Reprogramado. Rescheduled Stabilization Coefficient.

**Financial margin:** Income less outlays of a financial nature. Includes interest income, gains from securities, CER/CVS adjustments, exchange rate differences and other financial results. Does not include the items affected by Com. A 3911.

**Gains from securities:** Includes income from government securities, short-term investments, corporate bonds, subordinated debt, options and from other income from financial intermediation. In the case of government securities, it includes the results accrued from income, quotation differences, exponential increase on the basis of the internal rate of return (IRR), and from sales, as well as the charge for impairment to value.

**Income from services:** Commissions collected less commissions paid. Includes commissions on liabilities, credits, securities, guarantees granted, rental of safe deposits boxes and foreign trade and exchange transactions, excluding in the case of the latter results from the trading of foreign currency, which are recorded in the "Exchange difference" accounts (here included under the heading "Other financial results"). Outflows include commissions paid, contributions to the Banking Social Services Institute (ISSB), other contributions on service income and charges accrued for gross income tax.

**Interest income (interest margin):** Interest collected less interest paid on financial intermediation, on an accrual basis – taken from balance sheet – rather than on a cash basis. Includes interest on loans of government securities and premiums on repos and reverse repos.

**Lebac and Nobac:** Bills and notes of the BCRA.

**Liquid assets:** Minimum cash compliance – cash, current account at BCRA and special accounts in guarantee – and other liquid items (mainly correspondent accounts) plus repo position in cash with the BCRA.

**Liquidity ratio:** Liquid assets as a percentage of total deposits.

**mill.:** million.

**NBFE:** Non-banking financial entity.

**Netted assets (NA) and liabilities:** Those net of accounting duplications inherent to the recording of repurchase agreements, term transactions or unsettled spot transactions.

**Net worth exposure to counterpart risk:** Non-performing portfolio net of allowances in terms of net worth.

**Non-performing portfolio:** Portfolio in categories 3 to 6, as per the debtor classification system.

**Operating costs:** Includes remuneration, social security payments, services and fees, miscellaneous expenses, taxes and amortization.

**ON:** Corporate bonds (Obligaciones Negociables).

**OS:** Subordinated debt (Obligaciones Subordinadas).

**Other financial results:** Income from financial leasing, adjustments to valuation of credit to the public sector, contribution to the deposit guarantee fund, interest on liquid funds, difference in market price of gold and foreign exchange, premiums on the sale of foreign currency and other unidentified income (net).

**PN:** Net worth (Patrimonio Neto).

**p.p.:** percentage points.

**Private sector credit:** Loans to the private sector and private sector securities.

**Public sector credit:** Loans to the public sector, holdings of government securities, compensation receivable from the Federal Government and other credits to the public sector.

**Quotation differences:** Income from the monthly updating of foreign currency-denominated assets and liabilities. The heading also includes income arising from the purchase and sale of foreign currency, arising from the difference in the price agreed (net of direct costs generated by the transaction) and the book value.

**ROA:** Net profits as a percentage of netted assets. When referring to accumulated results the denominator includes the average netted assets for the reference months.

**ROE:** Net profits as a percentage of net worth. When referring to accumulated results the denominator includes the average net worth for the reference months.

**RPC:** Adjusted stockholder's equity, calculated towards meeting capital regulations. (Responsabilidad Patrimonial Computable)

**RWA:** Risk weighted assets.

**SME:** Small and Medium Enterprises.

**US\$:** United States dollars.

# Statistics annex | Financial system

## Chart 1 | Financial Soundness Indicators (see Methodology)

As %	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	Mar 2009	2009	Feb 2010	Mar 2010
1.- Liquidity	22.3	26.1	23.1	25.0	23.4	19.6	22.8	29.1	29.6	20.1	22.5	23.0	27.9	30.8	28.6	29.7	32.0
2.- Credit to the public sector	16.9	16.2	16.2	18.0	17.3	23.0	48.9	47.0	40.9	31.5	22.5	16.3	12.7	12.3	14.5	14.3	13.7
3.- Credit to the private sector	50.8	47.7	48.4	44.9	39.9	42.7	20.8	18.1	19.6	25.8	31.0	38.2	39.4	38.7	38.4	37.5	37.0
4.- Private non-performing loans	16.2	13.8	12.2	14.0	16.0	19.1	38.6	33.5	18.6	7.6	4.5	3.2	3.1	3.6	3.5	3.4	3.3
5.- Net worth exposure to the private sector	24.9	22.5	20.6	24.7	26.2	21.9	17.3	12.4	-1.0	-4.1	-3.3	-3.0	-3.3	-2.5	-2.8	-3.2	-3.3
6.- ROA	0.6	1.0	0.5	0.2	0.0	0.0	-8.9	-2.9	-0.5	0.9	1.9	1.5	1.6	2.1	2.3	2.0	2.3
7.- ROE	4.1	6.3	3.9	1.7	0.0	-0.2	-59.2	-22.7	-4.2	7.0	14.3	11.0	13.4	17.7	19.2	15.5	18.2
8.- Efficiency	142	136	138	142	147	143	189	69	125	151	167	160	167	181	185	165	170
9.- Capital compliance	23.8	20.8	20.3	21.0	20.1	21.4	-	14.5	14.0	15.3	16.8	16.9	16.8	17.4	18.6	19.0	19.0
10.- Excess capital compliance	64	73	49	54	58	54	-	116	185	173	134	93	90	87	98	101	98

Source: BCRA

## Chart 2 | Balance Sheet

In million of current pesos	Dec 00	Dec 01	Dec 02	Dec 03	Dec 04	Dec 05	Dec 06	Dec 07	Dec 08	Mar 09	Dec 09	Feb 10	Mar 10	Change (in %)			
														Last month	2010	Last 12 months	
<b>Assets</b>	<b>163,550</b>	<b>123,743</b>	<b>187,532</b>	<b>186,873</b>	<b>212,562</b>	<b>221,962</b>	<b>258,384</b>	<b>297,963</b>	<b>346,762</b>	<b>359,309</b>	<b>385,905</b>	<b>397,218</b>	<b>411,572</b>	<b>3.6</b>	<b>6.7</b>	<b>14.5</b>	
Liquid assets <sup>1</sup>	20,278	13,005	17,138	27,575	29,154	20,819	37,991	46,320	58,676	58,413	71,067	66,518	84,619	27.2	19.1	44.9	
Public bonds	10,474	3,694	31,418	45,062	55,382	66,733	64,592	62,678	65,255	75,516	84,851	93,045	90,540	-2.7	6.7	19.9	
Lebac/Nobac	-	-	-	-	17,755	28,340	29,289	36,022	37,093	44,192	43,867	55,253	51,766	-6.3	18.0	17.1	
Portfolio	-	-	-	-	11,803	21,067	25,767	31,598	25,652	25,791	34,748	37,324	40,810	9.3	17.4	58.2	
Repo <sup>2</sup>	-	-	-	-	5,953	7,273	3,521	4,424	11,442	18,400	9,119	17,930	10,956	-38.9	20.2	-40.5	
Private bonds	633	543	332	198	387	389	813	382	203	186	308	220	228	3.7	-25.9	22.6	
Loans	83,277	77,351	84,792	68,042	73,617	84,171	103,668	132,157	154,719	152,258	169,882	172,424	176,008	2.1	3.6	15.6	
Public sector	15,164	22,694	44,337	33,228	30,866	25,836	20,874	16,772	17,083	12,746	20,570	22,556	22,557	0.0	9.7	77.0	
Private sector	64,464	52,039	38,470	33,398	41,054	55,885	77,832	110,355	132,844	135,392	145,261	146,026	149,583	2.4	3.0	10.5	
Financial sector	3,649	2,617	1,985	1,417	1,697	2,450	4,962	5,030	4,793	4,119	4,052	3,842	3,869	0.7	-4.5	-6.1	
Provisions over loans	-6,907	-6,987	-11,952	-9,374	-7,500	-4,930	-3,728	-4,089	-4,744	-5,146	-5,828	-5,861	-5,847	-0.2	0.3	13.6	
Other netted credits due to financial intermediation	42,361	21,485	39,089	27,030	32,554	26,721	26,039	29,712	38,152	42,734	33,484	38,243	33,115	-13.4	-1.1	-22.5	
Corporate bonds and subordinated debt	794	751	1,708	1,569	1,018	873	773	606	912	1,083	1,146	1,124	1,343	19.5	17.3	24.0	
Unquoted trusts	2,053	2,065	6,698	4,133	3,145	3,883	4,881	5,023	5,714	6,123	5,928	6,043	6,077	0.6	2.5	-0.7	
Compensation receivable	0	0	17,111	14,937	15,467	5,841	763	377	357	383	16	16	16	0.0	0.0	-95.9	
Other	39,514	18,669	13,572	6,392	12,924	16,124	19,622	23,706	31,169	35,145	26,395	31,061	25,679	-17.3	-2.7	-26.9	
Leasing	786	771	567	397	611	1,384	2,262	3,469	3,935	3,545	2,933	2,835	2,830	-0.2	-3.5	-20.2	
Shares in other companies	2,645	2,688	4,653	4,591	3,871	4,532	6,392	6,430	7,236	7,516	6,817	6,970	7,095	1.8	4.1	-5.6	
Fixed assets and miscellaneous	4,939	4,804	8,636	8,164	7,782	7,546	7,619	7,643	7,903	8,011	8,239	8,352	8,364	0.1	1.5	4.4	
Foreign branches	1,115	1,057	3,522	3,144	3,524	3,647	2,782	2,912	3,153	3,485	3,926	3,972	4,002	0.8	1.9	14.8	
Other assets	3,950	5,334	9,338	12,043	13,180	10,950	9,953	10,347	12,275	12,791	10,227	10,498	10,618	1.1	3.8	-17.0	
<b>Liabilities</b>	<b>146,267</b>	<b>107,261</b>	<b>161,446</b>	<b>164,923</b>	<b>188,683</b>	<b>195,044</b>	<b>225,369</b>	<b>261,143</b>	<b>305,382</b>	<b>316,069</b>	<b>337,567</b>	<b>347,693</b>	<b>361,064</b>	<b>3.8</b>	<b>7.0</b>	<b>14.2</b>	
Deposits	86,506	66,458	75,001	94,635	116,655	136,492	170,898	205,550	236,217	244,303	271,796	277,863	295,458	6.3	8.7	20.9	
Public sector <sup>3</sup>	7,204	950	8,381	16,040	31,649	34,019	45,410	48,340	67,151	68,389	69,127	75,317	87,123	15.7	26.0	27.4	
Private sector <sup>3</sup>	78,397	43,270	59,698	74,951	83,000	100,809	123,431	155,048	166,378	172,787	199,237	198,443	204,766	3.2	2.8	18.5	
Current account	6,438	7,158	11,462	15,071	18,219	23,487	26,900	35,245	39,619	37,998	45,752	44,737	46,410	3.7	1.4	22.1	
Savings account	13,008	14,757	10,523	16,809	23,866	29,078	36,442	47,109	50,966	51,337	62,807	60,604	63,076	4.1	0.4	22.9	
Time deposit	53,915	18,012	19,080	33,285	34,944	42,822	54,338	65,952	69,484	76,899	83,926	86,169	88,189	2.3	5.1	14.7	
CEDRO	0	0	12,328	3,217	1,046	17	13	0	0	0	0	0	0	-	-	-	
Other netted liabilities due to financial intermediation	55,297	36,019	75,737	61,690	64,928	52,072	46,037	46,225	57,662	59,959	50,647	54,704	49,743	-9.1	-1.8	-17.0	
Interbanking obligations	3,545	2,550	1,649	1,317	1,461	2,164	4,578	4,310	3,895	3,356	3,251	3,060	3,083	0.8	-5.2	-8.1	
BCRA lines	102	4,470	27,837	27,491	27,726	17,005	7,686	2,362	1,885	1,440	270	261	262	0.2	-3.0	-81.8	
Outstanding bonds	4,954	3,777	9,096	6,675	7,922	6,548	6,603	6,938	5,984	5,746	5,033	4,516	4,554	0.8	-9.5	-20.7	
Foreign lines of credit	8,813	7,927	25,199	15,196	8,884	4,684	4,240	3,864	4,541	3,999	3,369	3,143	3,232	2.8	-4.1	-19.2	
Other	37,883	17,295	11,955	11,012	18,934	21,671	22,930	28,752	41,357	45,417	38,724	43,723	38,612	-11.7	-0.3	-15.0	
Subordinated debts	2,255	2,260	3,712	2,028	1,415	1,381	1,642	1,672	1,763	1,883	1,922	1,919	1,943	1.2	1.1	3.2	
Other liabilities	2,210	2,524	6,997	6,569	5,685	5,099	6,792	7,695	9,740	9,924	13,203	13,207	13,921	5.4	5.4	40.3	
<b>Net worth</b>	<b>17,283</b>	<b>16,483</b>	<b>26,086</b>	<b>21,950</b>	<b>23,879</b>	<b>26,918</b>	<b>33,014</b>	<b>36,819</b>	<b>41,380</b>	<b>43,240</b>	<b>48,337</b>	<b>49,525</b>	<b>50,507</b>	<b>2.0</b>	<b>4.5</b>	<b>16.8</b>	
<b>Memo</b>																	
Netted assets	129,815	110,275	185,356	184,371	202,447	208,275	244,791	280,336	321,075	330,281	363,249	369,877	389,581	5.3	7.2	18.0	
Consolidated netted assets	125,093	106,576	181,253	181,077	198,462	203,286	235,845	271,652	312,002	321,625	355,641	362,338	382,022	5.4	7.4	18.8	

(<sup>1</sup>) Includes margin accounts with the BCRA and excludes financial entities repos against BCRA. (<sup>2</sup>) Booked value from balance sheet. (<sup>3</sup>) Does not include accrual on interest or CER.

Source: BCRA

# Statistics annex | Financial system (cont.)

## Chart 3 | Profitability Structure

Amount in million of pesos	Annual										First 3 months		Monthly			Last
	2000	2001	2002 <sup>1</sup>	2003	2004	2005	2006	2007	2008	2009	2009	2010	Jan-10	Feb-10	Mar-10	12 months
Financial margin	7,291	6,943	13,991	1,965	6,075	9,475	13,262	15,134	20,526	28,858	6,352	7,393	2,261	2,063	3,069	29,899
Net interest income	5,106	4,625	-3,624	-943	1,753	3,069	4,150	5,744	9,574	13,917	3,160	3,993	1,402	1,215	1,376	14,750
CER and CVS adjustments	0	0	8,298	2,315	1,944	3,051	3,012	2,624	2,822	1,196	284	542	155	163	224	1,454
Foreign exchange price adjustments	185	268	5,977	-890	866	751	944	1,357	2,304	2,278	783	557	173	212	172	2,052
Gains on securities	1,481	1,490	3,639	1,962	1,887	2,371	4,923	5,144	4,462	11,003	1,396	2,329	498	482	1,349	11,936
Other financial income	519	559	-299	-480	-375	233	235	264	1,363	463	729	-28	34	-9	-53	-294
Service income margin	3,582	3,604	4,011	3,415	3,904	4,781	6,243	8,248	10,868	13,057	2,971	3,545	1,155	1,116	1,274	13,631
Loan loss provisions	-3,056	-3,096	-10,007	-2,089	-1,511	-1,173	-1,198	-1,894	-2,832	-3,818	-985	-774	-259	-254	-261	-3,608
Operating costs	-7,375	-7,362	-9,520	-7,760	-7,998	-9,437	-11,655	-14,634	-18,748	-22,699	-5,142	-6,426	-2,055	-1,933	-2,438	-23,983
Tax charges	-528	-571	-691	-473	-584	-737	-1,090	-1,537	-2,315	-3,268	-754	-877	-296	-277	-304	-3,392
Income tax	-446	-262	-509	-305	-275	-581	-595	-1,032	-1,342	-4,038	-778	-892	-182	-241	-469	-4,151
Adjust. to the valuation of gov. securities <sup>2</sup>	0	0	0	-701	-320	-410	-752	-837	-1,757	-184	-66	-73	-24	-25	-24	-191
Amort. payments for court-ordered releases	0	0	0	-1,124	-1,686	-1,867	-2,573	-1,922	-994	-460	62	-121	-31	-36	-54	-643
Other	535	702	-3,880	1,738	1,497	1,729	2,664	2,380	1,366	472	46	331	118	91	122	756
Monetary results	0	0	-12,558	69	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total results<sup>3</sup></b>	<b>3</b>	<b>-42</b>	<b>-19,162</b>	<b>-5,265</b>	<b>-898</b>	<b>1,780</b>	<b>4,306</b>	<b>3,905</b>	<b>4,773</b>	<b>7,920</b>	<b>1,705</b>	<b>2,104</b>	<b>687</b>	<b>503</b>	<b>913</b>	<b>8,319</b>
Adjusted results <sup>4</sup>	-	-	-	-3,440	1,337	4,057	7,631	6,665	7,523	8,563	1,709	2,298	742	565	991	9,152
<b>Annualized indicators - As % of netted assets</b>																
Financial margin	5.7	5.7	6.5	1.1	3.1	4.6	5.8	5.7	6.7	8.5	7.9	7.9	7.4	6.8	9.5	8.5
Net interest income	4.0	3.8	-1.7	-0.5	0.9	1.5	1.8	2.2	3.1	4.1	3.9	4.3	4.6	4.0	4.3	4.2
CER and CVS adjustments	0.0	0.0	3.9	1.3	1.0	1.5	1.3	1.0	0.9	0.4	0.4	0.6	0.5	0.5	0.7	0.4
Foreign exchange price adjustments	0.1	0.2	2.8	-0.5	0.4	0.4	0.4	0.5	0.8	0.7	1.0	0.6	0.6	0.7	0.5	0.6
Gains on securities	1.2	1.2	1.7	1.1	1.0	1.2	2.2	1.9	1.5	3.3	1.7	2.5	1.6	1.6	4.2	3.4
Other financial income	0.4	0.5	-0.1	-0.3	-0.2	0.1	0.1	0.1	0.4	0.1	0.9	0.0	0.1	0.0	-0.2	-0.1
Service income margin	2.8	3.0	1.9	1.9	2.0	2.3	2.7	3.1	3.6	3.9	3.7	3.8	3.8	3.7	4.0	3.9
Loan loss provisions	-2.4	-2.6	-4.7	-1.1	-0.8	-0.6	-0.5	-0.7	-0.9	-1.1	-1.2	-0.8	-0.9	-0.8	-0.8	-1.0
Operating costs	-5.8	-6.1	-4.4	-4.2	-4.1	-4.6	-5.1	-5.5	-6.1	-6.7	-6.4	-6.9	-6.8	-6.3	-7.6	-6.8
Tax charges	-0.4	-0.5	-0.3	-0.3	-0.3	-0.4	-0.5	-0.6	-0.8	-1.0	-0.9	-0.9	-1.0	-0.9	-0.9	-1.0
Income tax	-0.3	-0.2	-0.2	-0.2	-0.1	-0.3	-0.3	-0.4	-0.4	-1.2	-1.0	-1.0	-0.6	-0.8	-1.5	-1.2
Adjust. to the valuation of gov. securities <sup>2</sup>	0.0	0.0	0.0	-0.4	-0.2	-0.2	-0.3	-0.3	-0.6	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1
Amort. payments for court-ordered releases	0.0	0.0	0.0	-0.6	-0.9	-0.9	-1.1	-0.7	-0.3	-0.1	0.1	-0.1	-0.1	-0.1	-0.2	-0.2
Other	0.4	0.6	-1.8	0.9	0.8	0.8	1.2	0.9	0.4	0.1	0.1	0.4	0.4	0.3	0.4	0.2
Monetary results	0.0	0.0	-5.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>ROA<sup>3</sup></b>	<b>0.0</b>	<b>0.0</b>	<b>-8.9</b>	<b>-2.9</b>	<b>-0.5</b>	<b>0.9</b>	<b>1.9</b>	<b>1.5</b>	<b>1.6</b>	<b>2.3</b>	<b>2.1</b>	<b>2.3</b>	<b>2.3</b>	<b>1.6</b>	<b>2.8</b>	<b>2.4</b>
ROA adjusted <sup>4</sup>	0.0	0.0	-8.9	-1.9	0.7	2.0	3.4	2.5	2.5	2.5	2.1	2.5	2.4	1.8	3.1	2.6
ROE <sup>3</sup>	0.0	-0.2	-59.2	-22.7	-4.2	7.0	14.3	11.0	13.4	19.2	17.7	18.2	18.0	13.1	23.3	19.3

(1) Data at December 2002 currency (2) Com. "A" 3911. Adjustments to the valuation of government unlisted securities according to Com. "A" 4084 are included under the "gains from securities" heading.

(3) As of January 2008, data to calculate financial system consolidated result is available. This indicator excludes results and asset headings related to shares and participation in other local financial entities.

(4) Excluding amortization of payments for court-ordered releases and the effects of Com. "A" 3911 and 4084.

Source: BCRA

(4) Al resultado total se le excluyen la amortización de amparos y los efectos de la Com. "A" 3911 y 4084.

Fuente: BCRA

## Chart 4 | Portfolio Quality

As percentage	Dec 02	Dec 03	Dec 04	Dec 05	Dec 06	Dec 07	Oct 08	Dec 08	Mar 09	Dec 09	Feb 10	Mar 10
Non-performing loans (overall)	18.1	17.7	10.7	5.2	3.4	2.7	2.4	2.7	3.1	3.0	2.9	2.8
<b>Non-performing loans to the non-financial private sector</b>	<b>38.6</b>	<b>33.5</b>	<b>18.6</b>	<b>7.6</b>	<b>4.5</b>	<b>3.2</b>	<b>2.8</b>	<b>3.1</b>	<b>3.5</b>	<b>3.5</b>	<b>3.4</b>	<b>3.3</b>
Provisions / Non-performing loans	73.8	79.2	102.9	124.5	129.9	133.7	131.4	125.0	125.7	131.1	132.1	132.1
(Total non-performing - Provisions) / Overall financing	4.7	3.7	-0.3	-1.3	-1.0	-0.8	-0.8	-0.7	-0.8	-0.9	-0.9	-0.9
(Total non-performing - Provisions) / Net worth	17.2	11.9	-1.0	-4.1	-3.3	-3.0	-3.3	-3.3	-2.5	-2.8	-3.2	-3.3

(\*) Include commercial loans treated as consumer loans for classification purposes.

Source: BCRA

# Statistics annex | Private banks

## Chart 5 | Financial Soundness Indicators (see Methodology)

As %	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	Mar 2009	2009	Feb 2010	Mar 2010
1.- Liquidity	23.6	26.9	22.8	24.3	24.1	23.6	24.8	27.6	29.2	21.5	23.7	25.7	34.1	36.4	29.8	30.1	30.4
2.- Credit to the public sector	13.5	13.7	13.6	16.1	14.7	20.8	50.0	47.7	41.6	28.5	16.3	9.5	6.3	6.0	6.2	6.1	5.8
3.- Credit to the private sector	51.0	46.7	47.6	44.6	38.4	45.4	22.4	19.9	22.5	31.1	37.9	46.6	44.0	42.0	43.3	44.2	43.6
4.- Private non-performing loans	11.1	8.5	7.7	8.9	9.8	14.0	37.4	30.4	15.3	6.3	3.6	2.5	2.8	3.3	3.3	3.3	3.1
5.- Net worth exposure to the private sector	21.6	14.3	13.2	11.5	13.4	11.4	18.6	11.2	1.9	-2.2	-3.0	-3.6	-3.4	-2.6	-3.1	-3.2	-3.3
6.- ROA	0.6	0.7	0.5	0.3	0.1	0.2	-11.3	-2.5	-1.0	0.5	2.2	1.6	1.9	2.6	3.0	2.2	2.7
7.- ROE	4.1	6.3	4.3	2.3	0.8	1.4	-79.0	-19.1	-8.1	4.1	15.3	10.9	15.2	20.5	22.9	16.0	19.7
8.- Efficiency	144	135	139	146	152	151	168	93	115	136	158	152	166	190	195	171	175
9.- Capital compliance	15.9	15.4	14.6	18.9	18.0	17.6	-	14.0	15.1	17.8	18.6	19.2	18.3	19.5	22.5	22.6	22.9
10.- Excess capital compliance	33	47	27	60	49	43	-	88	157	155	116	87	86	91	120	124	121

Source: BCRA

## Chart 6 | Balance Sheet

In million of current pesos	Dec 00	Dec 01	Dec 02	Dec 03	Dec 04	Dec 05	Dec 06	Dec 07	Dec 08	Mar 09	Dec 09	Feb 10	Mar 10	Change (in %)			
														Last month	2010	Last 12 months	
<b>Assets</b>	<b>119,371</b>	<b>82,344</b>	<b>118,906</b>	<b>116,633</b>	<b>128,065</b>	<b>129,680</b>	<b>152,414</b>	<b>175,509</b>	<b>208,888</b>	<b>220,293</b>	<b>229,549</b>	<b>226,021</b>	<b>236,371</b>	<b>4.6</b>	<b>3.0</b>	<b>7.3</b>	
Liquid assets <sup>1</sup>	13,920	10,576	11,044	14,500	15,893	14,074	22,226	29,418	37,044	38,061	43,562	39,993	42,175	5.5	-3.2	10.8	
Public bonds	7,583	1,627	19,751	22,260	24,817	29,966	27,663	24,444	29,552	38,655	47,949	48,028	50,751	5.7	5.8	31.3	
Lebac/Nobac	0	0	-	-	8,359	15,227	15,952	17,684	23,457	28,328	31,575	34,657	36,578	5.5	15.8	29.1	
Portfolio	0	0	-	-	5,611	12,899	14,220	15,639	12,858	13,654	27,413	28,198	29,671	5.2	8.2	117.3	
Repo <sup>2</sup>	0	0	-	-	2,749	2,328	1,732	2,045	10,598	14,674	4,161	6,459	6,907	6.9	66.0	-52.9	
Private bonds	563	451	273	172	333	307	683	310	127	114	233	147	155	5.4	-33.5	36.2	
Loans	56,035	52,319	51,774	47,017	50,741	56,565	69,294	88,898	98,529	94,963	101,722	102,423	105,398	2.9	3.6	11.0	
Public sector	8,172	13,803	25,056	23,571	21,420	15,954	10,036	6,413	6,249	2,171	1,694	1,957	1,961	0.2	15.8	-9.7	
Private sector	45,103	36,636	26,074	22,816	28,213	39,031	55,632	78,587	88,426	89,465	96,790	97,508	100,523	3.1	3.9	12.4	
Financial sector	2,760	1,880	644	630	1,107	1,580	3,626	3,898	3,854	3,327	3,238	2,959	2,915	-1.5	-10.0	-12.4	
Provisions over loans	-3,248	-3,957	-7,463	-5,225	-3,717	-2,482	-2,227	-2,365	-2,871	-3,196	-3,653	-3,699	-3,670	-0.8	0.5	14.8	
Other netted credits due to financial intermediation	36,600	13,037	27,212	22,148	25,753	16,873	18,387	17,084	25,265	30,077	21,258	20,302	22,510	10.9	5.9	-25.2	
Corporate bonds and subordinated debt	724	665	1,514	1,394	829	675	618	430	699	796	734	709	860	21.2	17.1	8.0	
Unquoted trusts	1,609	1,637	6,205	3,571	2,362	2,444	2,982	3,456	3,869	4,237	4,198	4,293	4,361	1.6	3.9	2.9	
Compensation receivable	0	0	15,971	13,812	14,657	5,575	760	377	357	383	16	16	16	0.0	0.0	-95.9	
Other	34,267	10,735	3,523	3,370	7,905	8,179	14,027	12,822	20,339	24,661	16,311	15,284	17,274	13.0	5.9	-30.0	
Leasing	776	752	553	387	592	1,356	2,126	3,149	3,451	3,092	2,569	2,482	2,478	-0.2	-3.6	-19.9	
Shares in other companies	1,651	1,703	3,123	2,791	1,892	2,416	4,042	3,762	4,538	4,817	4,067	4,211	4,283	1.7	5.3	-11.1	
Fixed assets and miscellaneous	3,225	3,150	5,198	4,902	4,678	4,575	4,677	4,685	4,926	4,973	5,096	5,183	5,195	0.2	1.9	4.5	
Foreign branches	75	112	-109	-136	-53	-148	-139	-154	-178	-193	-202	-207	-208	0.7	2.9	7.8	
Other assets	2,190	2,574	7,549	7,816	7,137	6,178	5,682	6,277	8,505	8,931	6,946	7,159	7,303	2.0	5.1	-18.2	
<b>Liabilities</b>	<b>107,193</b>	<b>70,829</b>	<b>103,079</b>	<b>101,732</b>	<b>113,285</b>	<b>112,600</b>	<b>131,476</b>	<b>152,153</b>	<b>182,596</b>	<b>192,595</b>	<b>198,438</b>	<b>194,056</b>	<b>203,642</b>	<b>4.9</b>	<b>2.6</b>	<b>5.7</b>	
Deposits	57,833	44,863	44,445	52,625	62,685	75,668	94,095	116,719	135,711	141,991	154,387	151,715	158,627	4.6	2.7	11.7	
Public sector <sup>3</sup>	1,276	950	1,636	3,077	6,039	6,946	7,029	7,564	19,600	22,134	17,757	17,270	18,963	9.8	6.8	-14.3	
Private sector <sup>3</sup>	55,917	43,270	38,289	47,097	55,384	67,859	85,714	107,671	114,176	117,756	134,426	132,161	137,257	3.9	2.1	16.6	
Current account	4,960	7,158	8,905	11,588	13,966	17,946	20,604	27,132	30,188	28,775	35,127	33,838	35,621	5.3	1.4	23.8	
Savings account	9,409	14,757	6,309	10,547	14,842	18,362	23,165	30,169	32,778	32,965	40,999	39,005	41,038	5.2	0.1	24.5	
Time deposit	39,030	18,012	11,083	18,710	22,729	27,736	38,043	45,770	46,990	51,589	54,058	54,923	56,352	2.6	4.2	9.2	
CEDRO	0	0	9,016	2,409	798	3	1	0	0	0	0	0	0	-	-	-	
Other netted liabilities due to financial intermediation	46,271	22,629	49,341	42,367	45,083	32,349	31,750	29,323	39,298	42,610	34,235	32,514	34,710	6.8	1.4	-18.5	
Interbanking obligations	2,293	1,514	836	726	1,070	1,488	3,383	1,979	1,160	1,209	1,668	1,488	1,469	-1.3	-12.0	21.4	
BCRA lines	83	1,758	16,624	17,030	17,768	10,088	3,689	675	649	327	41	39	37	-4.8	-9.8	-88.7	
Outstanding bonds	4,939	3,703	9,073	6,674	7,922	6,548	6,413	6,686	5,672	5,448	4,626	4,155	4,192	0.9	-9.4	-23.0	
Foreign lines of credit	5,491	4,644	15,434	9,998	5,444	2,696	2,249	1,833	2,261	1,596	1,262	1,057	1,145	8.3	-9.3	-28.3	
Other	33,466	11,010	7,374	7,939	12,878	11,530	16,015	18,150	29,555	34,030	26,638	25,776	27,868	8.1	4.6	-18.1	
Subordinated debts	1,668	1,700	3,622	1,850	1,304	1,319	1,642	1,668	1,759	1,879	1,918	1,916	1,940	1.2	1.1	3.3	
Other liabilities	1,420	1,637	5,671	4,890	4,213	3,264	3,989	4,443	5,828	6,116	7,897	7,910	8,365	5.7	5.9	36.8	
<b>Net worth</b>	<b>12,178</b>	<b>11,515</b>	<b>15,827</b>	<b>14,900</b>	<b>14,780</b>	<b>17,080</b>	<b>20,938</b>	<b>23,356</b>	<b>26,292</b>	<b>27,698</b>	<b>31,111</b>	<b>31,965</b>	<b>32,729</b>	<b>2.4</b>	<b>5.2</b>	<b>18.2</b>	
<b>Memo</b>																	
<b>Netted assets</b>	<b>88,501</b>	<b>73,796</b>	<b>117,928</b>	<b>115,091</b>	<b>121,889</b>	<b>123,271</b>	<b>143,807</b>	<b>166,231</b>	<b>192,074</b>	<b>199,501</b>	<b>216,100</b>	<b>213,635</b>	<b>221,991</b>	<b>3.9</b>	<b>2.7</b>	<b>11.3</b>	

(<sup>1</sup>) Includes margin accounts with the BCRA and excludes financial entities repos against BCRA. (<sup>2</sup>) Booked value from balance sheet. (<sup>3</sup>) Does not include accrual on interest or CER.

Source: BCRA

## Statistics annex | Private banks (cont.)

### Chart 7 | Profitability Structure

Amount in million of pesos	Annual										First 3 months		Monthly			Last
	2000	2001	2002 <sup>1</sup>	2003	2004	2005	2006	2007	2008	2009	2009	2010	Jan-10	Feb-10	Mar-10	12 months
Financial margin	5,441	5,282	10,628	2,575	3,415	5,253	7,778	8,960	12,964	19,720	4,325	4,811	1,443	1,357	2,010	20,205
Net interest income	3,598	3,519	-304	107	1,214	2,069	2,826	4,191	7,727	10,068	2,418	2,680	873	853	954	10,330
CER and CVS adjustments	0	0	1,476	1,082	900	1,215	858	662	651	185	60	55	16	21	18	179
Foreign exchange price adjustments	160	256	6,189	-312	666	576	740	990	1,620	1,509	434	375	128	127	119	1,449
Gains on securities	1,232	962	3,464	1,892	959	1,259	3,154	2,888	1,637	7,343	777	1,691	379	353	959	8,257
Other financial income	450	546	-197	-195	-322	134	199	229	1,329	616	635	10	47	2	-39	-9
Service income margin	2,554	2,598	2,782	2,341	2,774	3,350	4,459	5,881	7,632	9,198	2,107	2,548	834	799	916	9,639
Loan loss provisions	-2,173	-2,464	-6,923	-1,461	-1,036	-714	-737	-1,174	-1,863	-2,751	-679	-530	-179	-170	-181	-2,602
Operating costs	-5,263	-5,224	-6,726	-5,310	-5,382	-6,303	-7,741	-9,735	-12,401	-14,807	-3,378	-4,195	-1,321	-1,275	-1,599	-15,625
Tax charges	-379	-418	-512	-366	-393	-509	-769	-1,105	-1,715	-2,380	-555	-631	-210	-201	-220	-2,456
Income tax	-393	-216	-337	-295	-202	-217	-365	-380	-1,168	-3,001	-530	-710	-163	-224	-323	-3,181
Adjust. to the valuation of gov. securities <sup>2</sup>	0	0	0	-665	-51	-201	-170	-100	-267	3	-14	5	-1	-1	7	22
Amort. payments for court-ordered releases	0	0	0	-791	-1,147	-1,168	-1,182	-1,466	-688	-233	53	-69	-19	-25	-25	-356
Other	307	615	-4,164	1,178	846	1,156	1,641	1,576	916	264	-84	248	82	65	101	597
Monetary results	0	0	-10,531	-20	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total results<sup>3</sup></b>	<b>93</b>	<b>174</b>	<b>-15,784</b>	<b>-2,813</b>	<b>-1,176</b>	<b>648</b>	<b>2,915</b>	<b>2,457</b>	<b>3,412</b>	<b>6,014</b>	<b>1,246</b>	<b>1,477</b>	<b>465</b>	<b>325</b>	<b>686</b>	<b>6,244</b>
Adjusted results <sup>4</sup>	-	-	-	-1,357	252	2,016	4,267	4,023	4,367	6,244	1,207	1,541	486	351	704	6,577
<b>Annualized indicators - As % of netted assets</b>																
Financial margin	6.2	6.4	7.6	2.3	2.9	4.3	5.9	5.8	7.3	9.8	8.9	9.0	8.1	7.7	11.0	9.8
Net interest income	4.1	4.3	-0.2	0.1	1.0	1.7	2.1	2.7	4.4	5.0	5.0	5.0	4.9	4.8	5.2	5.0
CER and CVS adjustments	0.0	0.0	1.1	0.9	0.8	1.0	0.6	0.4	0.4	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Foreign exchange price adjustments	0.2	0.3	4.4	-0.3	0.6	0.5	0.6	0.6	0.9	0.8	0.9	0.7	0.7	0.7	0.7	0.7
Gains on securities	1.4	1.2	2.5	1.7	0.8	1.0	2.4	1.9	0.9	3.7	1.6	3.1	2.1	2.0	5.2	4.0
Other financial income	0.5	0.7	-0.1	-0.2	-0.3	0.1	0.2	0.1	0.8	0.3	1.3	0.0	0.3	0.0	-0.2	0.0
Service income margin	2.9	3.2	2.0	2.0	2.4	2.7	3.4	3.8	4.3	4.6	4.3	4.7	4.7	4.5	5.0	4.7
Loan loss provisions	-2.5	-3.0	-5.0	-1.3	-0.9	-0.6	-0.6	-0.8	-1.1	-1.4	-1.4	-1.0	-1.0	-1.0	-1.0	-1.3
Operating costs	-6.0	-6.4	-4.8	-4.6	-4.6	-5.1	-5.9	-6.3	-7.0	-7.4	-7.0	-7.8	-7.4	-7.2	-8.7	-7.6
Tax charges	-0.4	-0.5	-0.4	-0.3	-0.3	-0.4	-0.6	-0.7	-1.0	-1.2	-1.1	-1.2	-1.2	-1.1	-1.2	-1.2
Income tax	-0.4	-0.3	-0.2	-0.3	-0.2	-0.2	-0.3	-0.2	-0.7	-1.5	-1.1	-1.3	-0.9	-1.3	-1.8	-1.5
Adjust. to the valuation of gov. securities <sup>2</sup>	0.0	0.0	0.0	-0.6	0.0	-0.2	-0.1	-0.1	-0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amort. payments for court-ordered releases	0.0	0.0	0.0	-0.7	-1.0	-1.0	-0.9	-0.9	-0.4	-0.1	0.1	-0.1	-0.1	-0.1	-0.1	-0.2
Other	0.4	0.7	-3.0	1.0	0.7	0.9	1.2	1.0	0.5	0.1	-0.2	0.5	0.5	0.4	0.6	0.3
Monetary results	0.0	0.0	-7.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>ROA<sup>3</sup></b>	<b>0.1</b>	<b>0.2</b>	<b>-11.3</b>	<b>-2.5</b>	<b>-1.0</b>	<b>0.5</b>	<b>2.2</b>	<b>1.6</b>	<b>1.9</b>	<b>3.0</b>	<b>2.6</b>	<b>2.7</b>	<b>2.6</b>	<b>1.8</b>	<b>3.7</b>	<b>3.0</b>
ROA adjusted <sup>4</sup>	0.1	0.2	-11.3	-1.2	0.2	1.6	3.2	2.6	2.5	3.1	2.5	2.9	2.7	2.0	3.8	3.2
ROE <sup>3</sup>	0.8	1.4	-79.0	-19.1	-8.1	4.1	15.3	10.9	15.2	22.9	20.5	19.7	18.9	13.1	27.0	22.6

(1) Data at December 2002 currency (2) Com. "A" 391 I. Adjustments to the valuation of government unlisted securities according to Com. "A" 4084 are included under the "gains from securities" heading.

(3) As of January 2008, data to calculate financial system consolidated result is available. This indicator excludes results and asset headings related to shares and participation in other local financial entities.

(4) Excluding amortization of payments for court-ordered releases and the effects of Com. "A" 391 I and 4084.

Source: BCRA

### Chart 8 | Portfolio Quality

As percentage	Dec 02	Dec 03	Dec 04	Dec 05	Dec 06	Dec 07	Dec 08	Mar 09	Dec 09	Feb 10	Mar 10
Non-performing loans (overall)	19.8	15.7	8.9	4.4	2.9	2.2	2.5	3.1	3.1	3.1	3.0
<b>Non-performing loans to the non-financial private sector</b>	<b>37.4</b>	<b>30.4</b>	<b>15.3</b>	<b>6.3</b>	<b>3.6</b>	<b>2.5</b>	<b>2.8</b>	<b>3.3</b>	<b>3.3</b>	<b>3.3</b>	<b>3.1</b>
Provisions / Non-performing loans	73.4	79.0	97.0	114.3	129.3	141.3	134.1	123.5	128.9	131.4	133.1
(Total non-performing - Provisions) / Overall financing	5.3	3.3	0.4	-0.6	-0.9	-0.9	-0.9	-0.7	-0.9	-1.0	-1.0
(Total non-performing - Provisions) / Net worth	18.6	11.2	1.3	-2.2	-3.0	-3.6	-3.4	-2.6	-3.1	-3.2	-3.3

(\*) Include commercial loans treated as consumer loans for classification purposes.

Source: BCRA