

Report on Banks

March 2013



BANCO CENTRAL
DE LA REPÚBLICA ARGENTINA

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March 2013

Year X, N° 7



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Note | Information for March 2013 available as of April 29th, 2013 is included. This report is focused on the performance of the financial system, including breakdowns by homogeneous sub-sectors. The data reported (particularly, those referring to profitability) are provisional and subject to changes. Except otherwise provided, end-of-month data is included.

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For comments, enquiries or electronic subscriptions: analisis.financiero@bcra.gov.ar

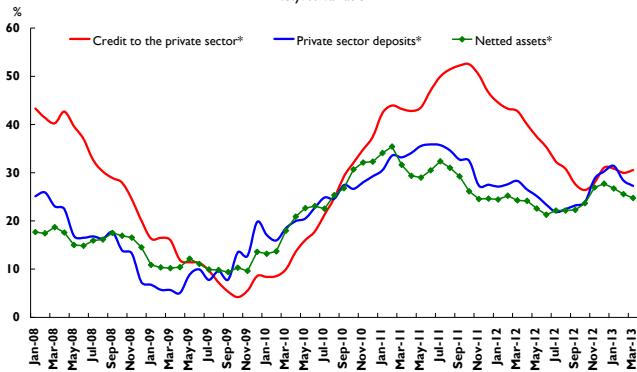
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Summary

- **Once again, there was a remarkable growth in lending to companies in March, mainly due to an increase in private sector deposits and, to a lesser extent, the application of part of the liquidity surplus accumulated in the past years. This performance was observed in a context of low delinquency levels and broad coverage of risks inherent to intermediation.**
- **The total deposit stock (in domestic and foreign currency) in the financial system rose 0.9% (25.8% y.o.y.) in the month, driven by private sector deposits, which grew 2.6% (27.3% y.o.y.). In this segment, the momentum gained by time deposits in domestic currency, which climbed 4.2% in the same period (44% y.o.y.), should be underscored.** The share of these deposits in total private sector stock grew 5 p.p. in the past year and over 8 p.p. since early 2010.
- The liquidity indicator (pesos and dollars) stood at 23.8% of total deposits in March, following a 1.1 p.p. drop in the month. **The broad liquidity ratio (including LEBAC and NOBAC holdings) posted a similar monthly decrease, standing at 37.8% of total deposits for the period.**
- **In March, bank lending stock (pesos and dollars) channeled to companies and households grew 2.2% (30.7% y.o.y.), boosted by financing in domestic currency (2.6% over the month and 41.6% y.o.y.).** The monthly increase in private sector loans was explained by financing to the productive sector, which accounted for more than 65% of the change over the period. Lending to the productive sector increased by 2.4% in March (30.7% y.o.y.), whereas household lending rose 1.6% (31.1% y.o.y.) over the month. **In the accumulated total for the first quarter of 2013, companies' financing with a residual stock below \$5 million (related to micro, small and medium-sized enterprises) stood out, with growth rates above those recorded a year earlier.**
- In addition, **a longer average term on operated loans to companies** has been observed this year, partly as a result of measures implemented by the BCRA with a view to promoting productive investment, including **the Credit Line for Productive Investment and the Bicentenary Productive Financing Program.** In this sense, average interest rates on loans to companies decreased in the first four months of the year compared to the same period of 2012.
- **In March, the non-performance ratio for private sector financing fell to 1.8%. The financial system continued showing high levels of provision coverage.** Coverage of non-performing portfolios with provisions reached 137% in aggregate terms.
- **Consolidated financial system net worth grew 2.6% in March (30.3% y.o.y.), mainly from accrued book profits and, to a lesser extent, from capital contributions.** Financial system regulatory capital compliance totaled 14.2% of risk-weighted assets (RWA) in the month and Tier 1 capital amounted to 12.9% of RWA. In turn, capital position (capital compliance minus capital requirement) stood at 62.5% of the regulatory requirement over the period.
- In March, book profits for the ensemble of financial institutions were 2.9% a. of assets. **The accumulated ROA in the first quarter of 2013 was in line with the monthly figure and with the level reported y.o.y. in 2012.** Broken down by group of banks, the accumulated levels of profitability of public financial institutions increased in year-on-year terms, which was offset by a fall in private banks, while the latter posted a higher ROA.

I. Activity

Chart 1
Financial Intermediation
Y.o.y. % variation

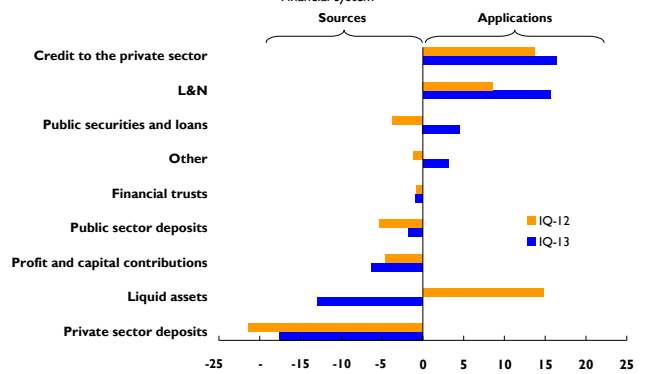


* Financial system. Include national and foreign currency.
Source: BCRA

In March, the financial system expanded its level of intermediation with the private sector. The private sector deposit stock¹ rose 2.6% over the month (27.3% y.o.y.), while lending to companies and households grew 2.2% (30.7% y.o.y.) (see Chart 1). Netted assets² of the ensemble of banks rose 1% (24.8% y.o.y.) over the period.

In March, the main sources of funds for the financial system were an **increase in private sector deposits** (\$11.1 billion) and a **drop in liquid assets** (\$5.7 billion). Banks also obtained funds from their profits and the placing of financial trusts. **These funds were used to increase lending to the private sector** (\$8.4 billion) and, to a lesser extent, lending to the public sector and LEBAC holdings.

Chart 2
Estimation of Main Sources and Applications of Funds
Financial system

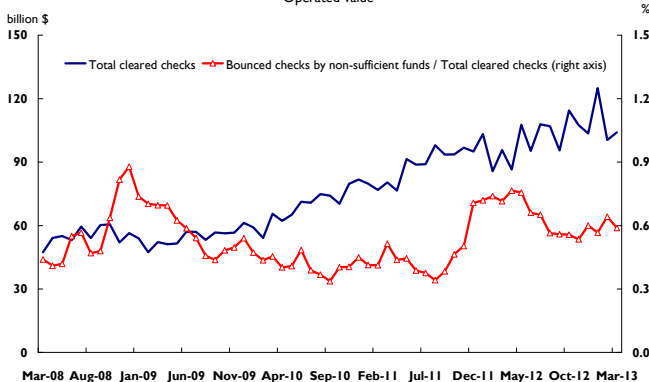


* includes trust funds' issuance
Source: BCRA

In the accumulated total for the first quarter of 2013, the main fund application of financial institutions was the rise in lending to the private sector (\$16.4 billion) (see Chart 2), followed by a rise in LEBAC and NOBAC holdings (\$15.6 billion). During the period, the greatest funding source stemmed from a rise in private sector deposits (\$17.6 billion), followed by a fall in bank liquid assets (\$13 billion), in contrast to the increase observed in the same period of 2012.

The number and value of cleared checks grew 3.8% and 3.7% in March, respectively. Therefore, based on the accumulated levels in the first quarter of 2013, the value of cleared instruments was up 15.8% y.o.y., whereas their number was down 4.7 y.o.y. In turn, the value and number of checks rejected on account of insufficient funds in terms of the total exhibited a decrease over the month and remained below the levels observed last year (see Chart 3).

Chart 3
Cleared and Bounced Checks
Operated value



Source: BCRA

In March the value and number of instant transfers were greater compared to February and accumulated a rise of 73% y.o.y. and 52% y.o.y., respectively. The number of direct debits increased over the month, with a slight decline in the value transacted. The value of these transactions rose 32.2% y.o.y., whereas their number grew 9.6%.

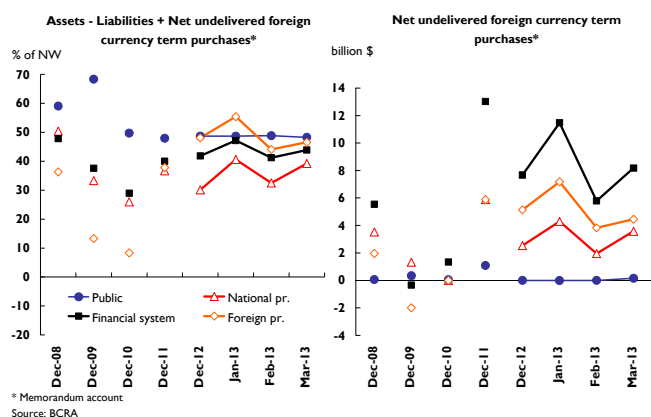
In March financial system foreign currency broad mismatching³ slightly expanded to 43.9% of the net worth. Monthly increases were observed in national private banks and, to a lesser extent, in foreign private

¹ Based on the balance sheet stock corresponding to items in domestic and foreign currency

² Assets are net of accounting duplications inherent to the recording of repurchase agreements, term transactions and unsettled spot transactions

³ Including the difference between assets and liabilities, as well as net term purchases of foreign currency recorded in memorandum accounts (without delivery of underlying assets).

Chart 4
Foreign Currency Mismatching

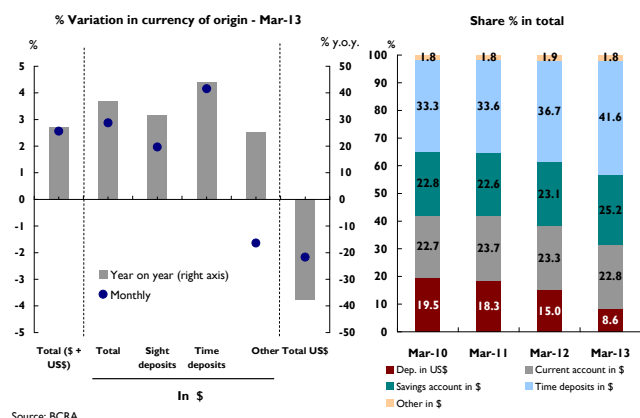


banks, in a context of greater net term purchases of foreign currency (see Chart 4).

II. Deposits and liquidity

The total deposit stock in the financial system (in domestic and foreign currency) climbed 0.9% in March, on account of a growth in private sector deposits (2.6%) (see Chart 5). In this segment, peso-denominated deposits stood out, rising 2.9% over the month, driven by an increase in time deposits (4.2%) and, to a lesser extent, in sight deposits (2%). In contrast, dollar-denominated private sector deposits continued falling, posting a 2.2% decrease in March —currency of origin —.

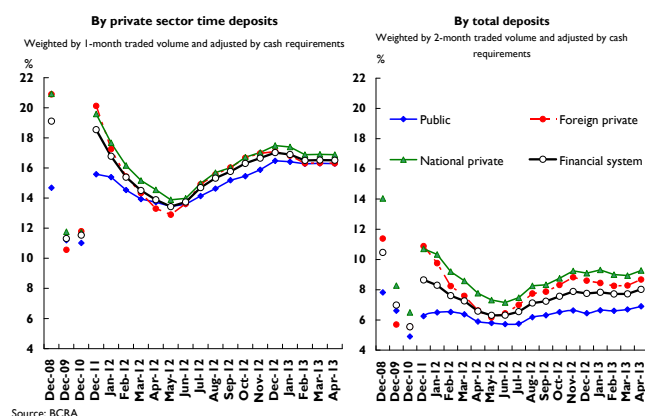
Chart 5
Non-Financial Private Sector Deposits in the Financial System



In the past 12 months, total deposits climbed 25.8%, with an increase in deposits from the private (27.3% y.o.y.) and the public sectors (22.4% y.o.y.). The increase in private sector deposits was mostly driven by time deposits in domestic currency (44% y.o.y.), raising their share in total private sector deposits by almost 5 p.p. in the past year. A trend towards a larger relative share of time deposits has been developing since early 2010, evidencing a 8.3 p.p. growth to date (see Chart 5). In turn, private sector deposits in dollars have shrunk 37.8% —currency of origin— compared to March 2012.

The funding cost for the ensemble of financial institutions estimated on the basis of peso-denominated deposits posted a slight increase of 0.3 p.p. in April 2013 (last available data). This rise was observed in all groups of banks, especially in foreign private financial institutions and, secondly, in national private institutions (see Chart 6). The current funding cost was a little higher than the observed 12 months ago.

Chart 6
Estimation of Average Funding Costs by Deposits in Pesos

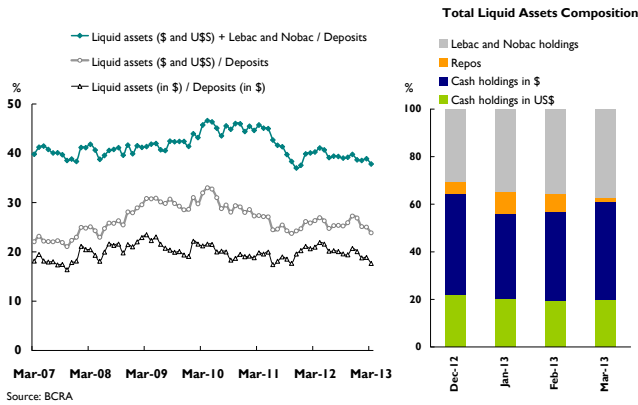


Financial system liquid assets (pesos and dollars) amounted to 23.8% of total deposits in March, following a 1 p.p. decrease over the month. In turn, the broad liquidity indicator (including LEBAC and NOBAC holdings) evidenced a similar reduction, standing at 37.8% of total deposits over the period. The fall in liquidity is mainly explained by a reduction in net repo transactions conducted by public banks with the BCRA. Consequently, a change in liquidity composition was observed, with a lower share of net repo transactions with the BCRA, which was offset by a rise in cash disposal⁴ and, to a lesser extent, by increased LEBAC and NOBAC holdings (see Chart 7). This performance is partly explained by the expiration of the December-February term established to meet minimum cash requirements.

⁴ Cash disposal includes minimum cash compliance, cash in banks and other items, mainly correspondent accounts.

III. Financing

Chart 7
Financial System Liquidity

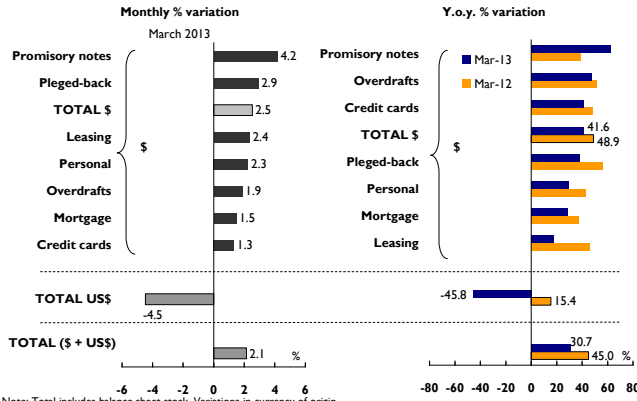


Source: BCRA

In March, the total stock of loans to the private sector expanded by 2.2%⁵. This performance was driven by financing in pesos (+2.6% over the month), promissory notes and pledge-backed loans being the credit lines with the highest relative growth (see Chart 8). Lending in foreign currency continued declining (-4.5% in this period)⁶. Total lending to the private sector posted a 30.7% y.o.y. increase, boosted by loans in pesos (especially, commercial loans and credit cards), which expanded 41.6% y.o.y.

Both in monthly and year-on-year terms, loans to the private sector channeled through public banks posted the highest relative growth (see Chart 9). This group of financial institutions accounted for 37% of the y.o.y. increase in lending to companies and households (above national and foreign private banks' share of 30.3% and 28.7%, respectively), increasing by 1.5 p.p. y.o.y. their share in total stock to 32%.

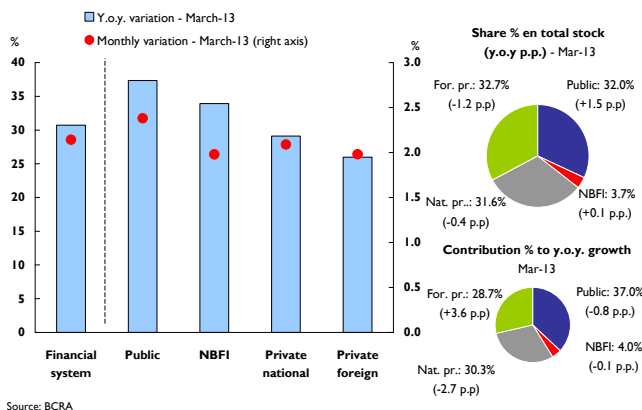
Chart 8
Credit to the Private Sector by Currency of Origin



Note: Total includes balance sheet stock. Variations in currency of origin.
Source: BCRA

The monthly hike in lending to the private sector was driven by loans to companies, which accounted for over 65% of the change in stock of loans in the period. Lending to the productive sector⁷ rose 2.4% in March (30.7% y.o.y.). In the accumulated total for the first quarter of 2013, there was a relative growth in loans to companies similar to that observed in the same period last year. It should be noted that companies' financing with a residual stock under \$5 million (mostly related to micro, small and medium-sized enterprises) exhibited higher growth rates than those recorded one year ago (see Chart 10). In addition, these loans were more dynamic than those with a residual stock over \$5 million. Particularly, loans ranging from \$200,000 to \$5 million grew 19% a. (up 14.8 p.p. y.o.y.) in the first three months of the year, and accounted for most of the quarterly rise. Such performance is in line with a 1.6 p.p. increase in the share of loans to SME in the total stock of loans in pesos granted to legal persons⁸, which reached 30.4% in March 2013.

Chart 9
Credit to the Private Sector by Group of Banks



Source: BCRA

The share of financing to the manufacturing sector in the total stock of loans to companies remarkably rose in the past 2 years. This evolution was particularly observed in the central region of the country and in the City of Buenos Aires. The share of loans to the manufacturing sector in these regions has climbed

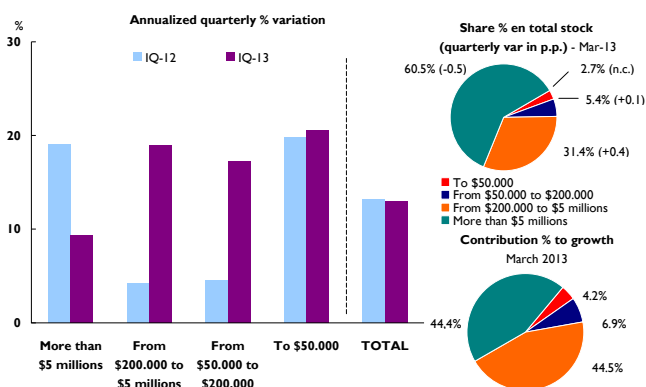
⁵ If the balance sheet stock is adjusted by assets securitized during March (using bank loans as underlying assets), the monthly change in private sector lending would amount to 2.3%. Three financial trusts were issued in the period for a total of \$380 million, with bank personal loans as underlying assets.

⁶ Considering monthly changes in currency of origin.

⁷ Lending to companies includes loans to legal persons and commercial loans granted to individuals. Financing to households are those loans granted to individuals, unless they serve commercial purposes.

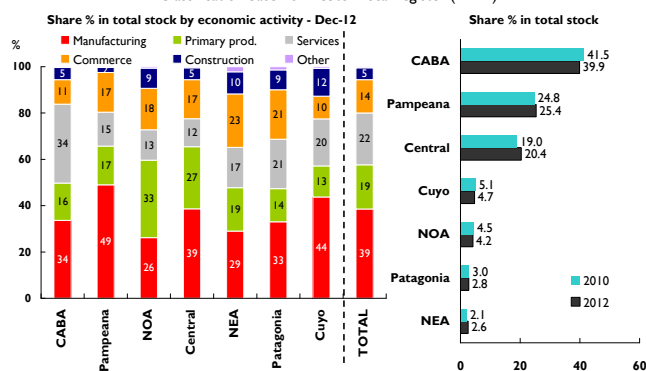
⁸ According to the Centralized Information Requirement System (SiSCEN).

Chart 10
Credit to the Private Sector by Residual Term



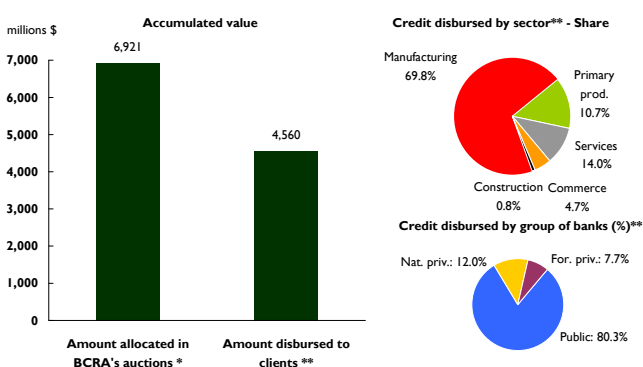
Source: BCRA

Chart 11
Credit to Companies by Region and Economic Activity



*AFIP: Federal Administration of Public Revenues
Fuente: BCRA

Chart 12
Bicentenary Productive Financing Program



* Includes 23 first auctions. **Data up to April 30th, 2013.
Source: BCRA

9.2 p.p. and 7.0 p.p., respectively, since late 2010, reaching 39% and 34% of the total as of the end of 2012 (see Chart 11)⁹. This growth was achieved in a context where the Central Bank has implemented a set of measures aimed at fostering productive investment: **the Credit Line for Productive Investment and the Bicentenary Productive Financing Program**. As regards the Bicentenary Program, the BCRA has awarded \$6.9 billion to date, distributed between 14 financial institutions. Three auctions were held in the first quarter, with \$715 million awarded (11% of the total). By the end of April, participating banks had assisted 289 companies, disbursing \$4.6 billion (more than 70% of the amount awarded). Almost 70% of the amount disbursed was channeled to the manufacturing sector (see Chart 12).

Since the implementation of the **Credit Line for Productive Investment** until the end of 2012, \$16.8 billion were disbursed, with more than half of these funds being channeled to micro, small and medium-sized enterprises. Financing to the manufacturing sector and primary production accounted for nearly 60% of the total amount disbursed.

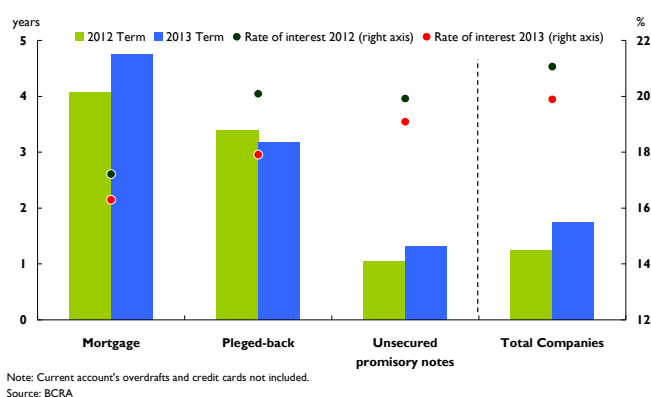
In part as a result of the implementation of these measures to encourage productive investment, **an increase in the average term of loans channeled to companies was observed**, especially in mortgage loans and unsecured promissory notes (see Chart 13). Moreover, lending interest rates on loans to companies fell in the first four months of the year, compared to the same period of 2012.

In March, loans to households expanded 1.6% (31.1% y.o.y.). All credit lines posted an increase over the month, with personal loans standing out, accounting for nearly 74% of the growth in the period. Financing to households thus rose 22.9%^a in the accumulated total for the first quarter of 2013, mainly explained by lending for consumption purposes (see Chart 14). More than 35% of the quarterly change in stock of loans to households was boosted by public banks, followed by national private institutions with 32.7% and foreign private banks with 21.7%.

Most lending interest rates in pesos shrank in April (last available data). In particular, the cost of mortgage loans posted the highest relative drop (-2.2 p.p. against the previous month), with this performance mostly driven by companies, under the new Credit Line for Productive Investment and the Bicentenary Productive

⁹ Country regions: **CABA**: City of Buenos Aires; **Pampeana**: including the provinces of Buenos Aires and La Pampa; **NOA (northwestern region)**: including the provinces of Catamarca, Tucumán, Jujuy, Salta and Santiago del Estero; **Central region**: including the provinces of Córdoba, Santa Fe and Entre Ríos; **NEA (northeastern region)**: including the provinces of Corrientes, Formosa, Chaco and Misiones; **Patagonia**: including the provinces of Santa Cruz, Chubut, Río Negro, Neuquén and Tierra del Fuego; **Cuyo**: including the provinces of Mendoza, San Juan, La Rioja and San Luis.

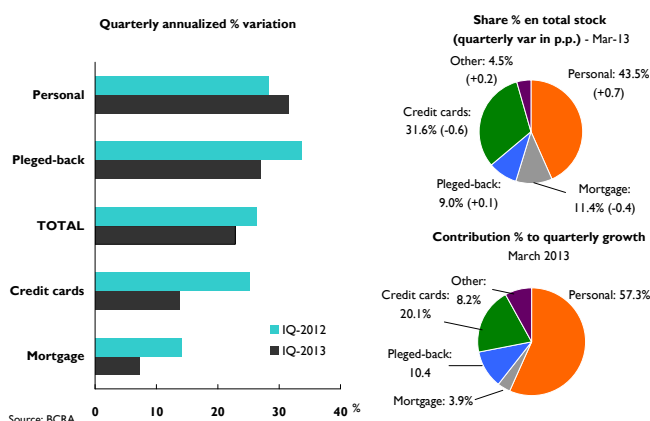
Chart 13
Term and Interest Rate of Loans in Pesos Channeled to Companies
Weighted average by operated value - First 4 months



Financing Program. **Lending interest rates decreased on year-on-year terms in almost all groups of banks**, especially in NBFIs and public banks. Considering this performance and a slight increase in funding costs, **spreads in domestic currency fell in all credit lines and in all groups of financial institutions** (see Chart 15).

In March the delinquency ratio of loans to the private sector dropped to 1.8%. This level was slightly higher than the one recorded in the same period of 2012, mostly on account of the performance of household lending (see Chart 16). **The financial system continued posting high levels of provision coverage**. In March coverage of non-performing loans with provisions amounted to 137% at an aggregate level. In turn excluding minimum regulatory provisions for performing loans, the coverage ratio would stand at 83.7% (almost 12 p.p. below the level recorded a year earlier) for the financial system aggregate.

Chart 14
Credit to Households by Credit Line

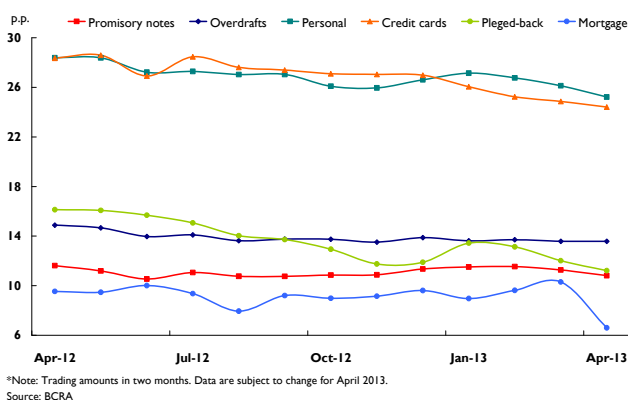


IV. Solvency

The consolidated financial system net worth grew 2.6% in March, mainly from accrued book profits and, to a lesser extent, from new capital contributions. Capitalizations for around \$400 million were made over the month, mostly pooled in a public bank. Thus in the first quarter of 2013 the ensemble of banks received capital contributions for approximately \$900 million, especially channeled to foreign private and public banks. **Banks' net worth grew 30.3% y.o.y.**

By the end of the first quarter of 2013, banking assets totaled 8.7 times the net worth (see Chart 17), **posting a minor monthly reduction and falling 0.4 p.p. against March 2012**. The domestic financial system thus continued recording a leverage level lower than the average level observed in the region and in other emerging and developed economies.

Chart 15
Interest Rate Spreads for Operations in Pesos
Difference between lending interest rate and deposit cost*

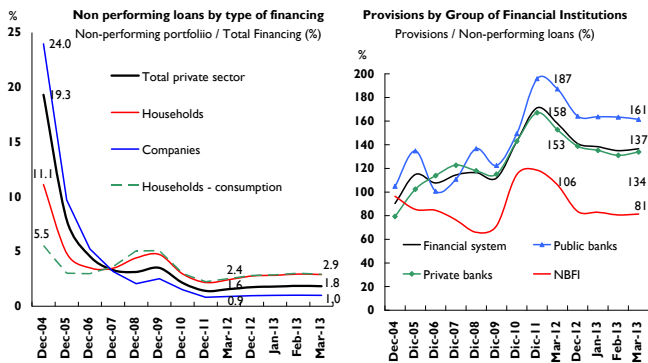


The financial system regulatory capital compliance totaled 14.2% of risk-weighted assets (RWA) in the month¹⁰, remaining similar to February. Likewise, Tier 1 capital compliance amounted to 12.9% of RWA. In turn, **the financial system capital position** (capital compliance minus capital requirement) **stood at 62.5% of the regulatory requirement over the month, evidencing an overall surplus in capital compliance across banks** (see Chart 18).

In March, book profits for the ensemble of financial institutions amounted to 2.9% of assets, up 0.6 p.p. against the previous month. All groups of banks reported

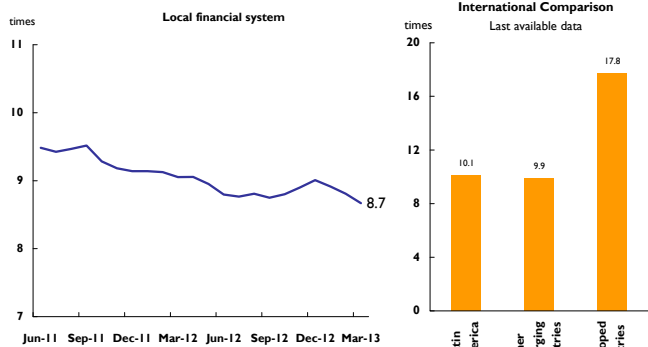
¹⁰ Including regulatory changes set forth by Communication "A" 5369. For more details, see Report on Banks – February 2013.

Chart 16
Private Sector Non Performing Financing and Loan Loss Provisions



Source: BCRA

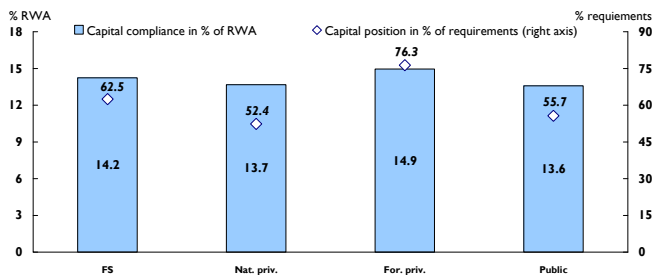
Chart 17
Financial System Leverage
Asset (not weighted) / Net worth



Note: it is considered (i) netted and consolidated asset; (ii) consolidated net worth.
Source: BCRA and IMF (Financial Soundness Indicators)

Chart 18

Capital Requirements and Capital Compliance by Group of Banks
March 2013*



* According to Communication "A" 5369, since February 2013 methodological changes in some indicators were carried out. Among others changes, risk weighing coefficients considered to determine capital requirements were redefined, concepts included in the different segments of capital compliance were rearranged and new minimum limits in terms of the Total Risk Weighted Assets (RWA) were added. A wider definition of RWA is considered since Communication "A" 5369, including not only credit risk, but also market and operational risk. Exemptions are included.

Source: BCRA

a monthly increase in profits, especially foreign private banks. **The ROA for the first quarter of 2013 was in line with the monthly figure and with the level achieved in the same period last year.** Broken down by group of banks, the levels of profitability of public financial institutions increased in y.o.y. terms (+0.3 p.p. to 2.8%a.), whereas those of private banks decreased (-0.3 p.p. to 3%a. for foreign banks, and -0.2 p.p. to 2.6%a. for national banks).

Banks' financial margin climbed 1.6 p.p. of assets over the month, standing at 9.8%a., with a higher relative growth in public financial institutions, mainly explained by a rise in gains from securities and, to a lesser extent, from interest income. **In y.o.y. terms, the financial margin for the quarter expanded 0.5 p.p. of assets to 9.5%a.,** this change being mostly driven by quotation differences. Foreign private banks gathered the greatest year-on-year momentum in financial margin.

Net income from services for the ensemble of financial institutions increased 0.3 p.p. of assets in March up to 4.3%a. **The financial system thus ended the first quarter of 2013 with net income from services amounting to 4.1%a. of assets,** up 0.2 p.p. y.o.y.

In March operating costs for the ensemble of banks rose 0.3 p.p. of assets against February, up to 7.1%a., mainly for private banks. Therefore, these expenditures accumulated 7%a. of assets at an aggregate level in the first three months of the year, slightly above the figure reported for the first quarter last year. In turn, **loan loss provisions posted a minor increase over the month, standing at 1%a. of assets.** In the accumulated total for the year, these expenditures rose 0.2 p.p. y.o.y., amounting to 1%a. of assets, which was mostly observed in both national and foreign private banks.

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).

Communication “A” 5402 – 01/03/2013

Information Regime on Total Financial Cost for Personal Loans. As from April 2013, financial institutions are required to submit information on personal loans actually disbursed on a monthly basis, grouped by total financial cost and based on certain ranges. According to the collected data, the Superintendence of Financial and Exchange Institutions may request financial institutions to provide additional information on the structure of expenses which are a part of total financial costs. Data shall be submitted as an affidavit, and any omission and/or misrepresentation will constitute a major offense subject to the Law on Financial Institutions No. 21,526, section 41.

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 institution 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 institutions 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. Profit ratios are annualized with the exception of those ,.
- (e) Initially, the breakdown by group of banks was determined by the majority of decision making role -in terms of voting rights at shareholder meetings- distinguishing between private sector financial institutions (national or foreign depending on their residence) and public banks. In order to increase depth of the analysis, private sector institutions were also classed according to the geographic coverage and business scope of their operations. Investment banking is defined as those specializing in 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 institutions specialized in a financial sector niche market -usually smaller institutions-. 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.- (Minimum cash compliance at the BCRA in pesos and foreign currency + Other cash holding in pesos and foreign currency + Creditor net balance for BCRA repo transactions with Lebac and Nobac) / Total deposits; 2.- (Position in government securities (without Lebac and Nobac) + Loans to the public sector + Compensations receivable) / Total assets; 3.- (Loans to the non-financial private sector + Leasing) / Total assets; 4.- Non-performing portfolio with the non-financial private sector / Loans to the non-financial private sector; 5.- (Total non-performing portfolio – Loan loss provisions) / Net worth. Non-performing portfolio includes loans classified into situations 3, 4, 5 and 6; 6.- Cumulated annual result / Average monthly netted assets - % annualized; 7.- Cumulated annual result / Average monthly net worth - % annualized; 8.- (Financial margin (Net interest income + CER and CVS adjustments + Gains on securities + Foreign exchange price adjustments + Other financial income) + Service income margin) / Cumulated annual operating costs; 9.- Capital compliance (Responsabilidad Patrimonial Computable) / Risk - adjusted assets according to the regulation of BCRA about Minimum Capital Compliance; 10.- Capital compliance Tier 1 / Risk weighted assets, according to the BCRA rule on minimum capital; 11.- (Capital compliance - Capital requirement) / Capital requirement. Included exemptions.

Glossary

%a.: annualized 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.

CABA: Ciudad Autónoma de Buenos Aires

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

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

CEDRO: Certificado de Depósito Reprogramado. Scheduled Stabilization Coefficient.

Financial margin: Income less outlays of a financial nature. Include 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.

Net 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.

Net 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. Include interest on loans of government securities and premiums on repos and reverse repos.

Lebac and Nobac: Bills and notes of the BCRA.

Liquid assets: Cash disposal (Minimum cash compliance – cash, current account at BCRA and special accounts in guarantee – and other liquid items mainly correspondent accounts) plus Creditor net balance for BCRA repo transactions with Lebac and Nobac.

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

mill.: million.

NBFI: Non-banking financial institution.

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 counterparty 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 annex¹ | Financial system

Chart 1 | Financial Soundness Indicators (see Methodology)

As %	Dec 05	Dec 06	Dec 07	Dec 08	Dec 09	Dec 10	Dec 11	Mar 12	Dec 12	Feb 13	Mar 13
1.- Liquidity	20.1	22.5	23.0	27.9	28.6	28.0	24.7	26.3	26.8	25.0	23.8
2.- Credit to the public sector	31.5	22.5	16.3	12.7	14.4	12.1	10.7	10.1	9.7	9.6	9.9
3.- Credit to the private sector	25.8	31.0	38.2	39.4	38.3	39.8	47.4	46.5	49.5	48.6	50.1
4.- Private non-performing loans	7.6	4.5	3.2	3.1	3.5	2.1	1.4	1.5	1.7	1.9	1.8
5.- Net worth exposure to the private sector	-2.5	-0.8	-1.5	-1.7	-1.3	-3.2	-4.3	-3.8	-3.1	-2.8	-2.9
6.- ROA	0.9	1.9	1.5	1.6	2.3	2.8	2.7	2.9	2.9	2.8	2.9
7.- ROE	7.0	14.3	11.0	13.4	19.2	24.4	25.3	26.4	25.7	24.9	25.1
8.- Efficiency	151	167	160	167	185	179	179	188	190	194	195
9a.- Capital compliance	-	-	-	-	-	-	-	-	-	14.2	14.2
9b.- Capital compliance (credit risk)	15.3	16.9	16.9	16.9	18.8	17.7	15.6	16.1	17.1	-	-
10a.- Capital compliance Tier 1	-	-	-	-	-	-	-	-	-	12.8	12.9
10b.- Capital compliance Tier 1 (credit risk)	14.1	14.1	14.6	14.2	14.5	13.1	10.9	13.1	11.9	-	-
11.- Excess capital compliance	173.5	134.0	92.8	89.8	99.8	86.9	68.6	75.2	58.7	61.5	62.5

Note: According to Communication "A" 5369, since February 2013 methodological changes in some indicators were carried out. Among others changes, risk weighing coefficients considered to determine capital requirements were redefined, concepts included in the different segments of capital compliance were rearranged and new minimum limits in terms of the Total Risk Weighted Assets (RWA) were added. A wider definition of RWA is considered since

Communication "A" 5369, including not only credit risk, but also market and operational risk.

Data subject to changes

Source: BCRA

Chart 2 | Balance Sheet

In million of current pesos	Dec 08	Dec 09	Dec 10	Dec 11	Mar 12	Dec 12	Feb 13	Mar 13	Change (in %)		
									Last month	2013	Last 12 months
Assets	346,762	387,381	510,304	628,381	669,470	790,026	819,261	811,963	-0.9	2.8	21.3
Cash disposal ¹	58,676	71,067	93,085	104,389	110,401	148,254	134,661	142,694	6.0	-3.8	29.3
Public bonds	65,255	86,318	117,951	112,906	125,664	123,491	147,236	135,716	-7.8	9.9	8.0
Lebac/Nobac	37,093	43,867	76,948	71,050	89,005	84,057	104,693	92,163	-12.0	9.6	3.5
Portfolio	25,652	34,748	61,855	59,664	68,255	70,569	84,727	86,197	1.7	22.1	26.3
Repo ²	11,442	9,119	15,093	11,386	20,750	13,488	19,966	5,967	-70.1	-55.8	-71.2
Private bonds	203	307	209	212	190	251	240	285	18.7	13.5	49.6
Loans	154,719	169,868	230,127	332,317	347,064	433,925	440,607	450,016	2.1	3.7	29.7
Public sector	17,083	20,570	25,907	31,346	32,813	39,951	39,392	40,270	2.2	0.8	22.7
Private sector	132,844	145,247	199,202	291,708	304,895	383,674	391,066	399,497	2.2	4.1	31.0
Financial sector	4,793	4,052	5,018	9,263	9,356	10,299	10,148	10,249	1.0	-0.5	9.5
Provisions over loans	-4,744	-5,824	-6,232	-7,173	-7,684	-9,596	-9,999	-10,102	1.0	5.3	31.5
Other netted credits due to financial intermediation	38,152	33,498	39,009	40,805	46,070	38,769	49,167	34,652	-29.5	-10.6	-24.8
Corporate bonds and subordinated debt	912	1,146	1,433	1,657	1,506	2,255	2,167	2,183	0.7	-3.2	45.0
Unquoted trusts	5,714	5,942	6,824	7,967	8,079	10,822	11,064	11,541	4.3	6.6	42.9
Leasing	3,935	2,933	3,936	6,222	6,263	7,203	7,132	7,294	2.3	1.3	16.5
Shares in other companies	7,236	6,711	7,921	9,123	9,786	11,682	12,132	12,463	2.7	6.7	27.4
Fixed assets and miscellaneous	7,903	8,239	9,071	10,111	10,181	11,251	11,337	11,468	1.2	1.9	12.7
Foreign branches	3,153	3,926	3,283	3,525	3,878	4,354	4,479	4,540	1.4	4.3	17.1
Other assets	12,275	10,337	11,943	15,944	17,658	20,441	22,270	22,937	3.0	12.2	29.9
Liabilities	305,382	339,047	452,752	558,264	594,494	699,205	724,114	714,415	-1.3	2.2	20.2
Deposits	236,217	271,853	376,344	462,517	489,845	595,764	610,538	616,142	0.9	3.4	25.8
Public sector ³	67,151	69,143	115,954	129,885	135,238	163,691	171,920	165,556	-3.7	1.1	22.4
Private sector ³	166,378	199,278	257,595	328,463	349,899	427,857	434,170	445,299	2.6	4.1	27.3
Current account	39,619	45,752	61,306	76,804	81,649	103,192	102,276	101,696	-0.6	-1.5	24.6
Savings account	50,966	62,807	82,575	103,636	103,791	125,210	121,747	126,087	3.6	0.7	21.5
Time deposits	69,484	83,967	104,492	135,082	151,904	183,736	195,058	202,492	3.8	10.2	33.3
Other netted liabilities due to financial intermediation	57,662	52,114	60,029	76,038	81,623	75,106	82,981	67,141	-19.1	-10.6	-17.7
Interbanking obligations	3,895	3,251	4,201	7,947	7,956	8,329	8,146	8,075	-0.9	-3.1	1.5
BCRA lines	1,885	270	262	1,920	2,348	3,535	3,880	3,927	1.2	11.1	67.2
Outstanding bonds	5,984	5,033	3,432	6,856	7,459	9,101	9,704	9,551	-1.6	5.0	28.0
Foreign lines of credit	4,541	3,369	3,897	6,467	6,222	4,992	4,563	4,485	-1.7	-10.1	-27.9
Other ¹	13,974	14,891	17,426	24,137	24,132	26,280	23,657	23,724	0.3	-9.7	-1.7
Subordinated debts	1,763	1,922	2,165	2,065	2,411	2,647	2,703	2,462	-8.9	-7.0	2.1
Other liabilities	9,740	13,159	14,213	17,644	20,615	25,688	27,892	28,669	2.8	11.6	39.1
Net worth	41,380	48,335	57,552	70,117	74,976	90,820	95,147	97,548	2.5	7.4	30.1
Memo											
Netted assets	321,075	364,726	482,532	601,380	637,420	767,744	787,468	795,317	1.0	3.6	24.8
Consolidated netted assets	312,002	357,118	472,934	586,805	622,502	750,598	770,441	778,015	1.0	3.7	25.0

(¹) Includes margin accounts with the BCRA. (²) Booked value from balance sheet (it includes all the counterparts)

(³) Does not include accrual on interest or CER.

Source: BCRA

¹ Note | Data available in Excel in www.bcra.gov.ar

Statistics annex¹ | Financial system (cont)

Chart 3 | Profitability Structure

Amount in million of pesos	Annual					First 3 Months		Monthly			Last 12
	2008	2009	2010	2011	2012	2012	2013	Jan-13	Feb-13	Mar-13	Months
Financial margin	20,462	28,937	35,490	43,670	61,667	13,930	18,459	6,662	5,346	6,452	66,197
Net interest income	9,573	14,488	17,963	24,903	38,365	8,867	11,355	4,036	3,501	3,818	40,854
CER and CVS adjustments	2,822	1,196	2,434	1,725	2,080	450	660	290	205	165	2,289
Foreign exchange price adjustments	2,307	2,588	2,100	3,025	4,127	684	1,390	425	448	517	4,834
Gains on securities	4,398	11,004	13,449	14,228	17,356	4,024	5,215	2,025	1,192	1,998	18,547
Other financial income	1,362	-339	-457	-211	-261	-95	-161	-115	0	-47	-327
Service income margin	10,870	13,052	16,089	21,391	28,172	6,135	8,071	2,688	2,574	2,810	30,108
Loan loss provisions	-2,839	-3,814	-3,267	-3,736	-6,127	-1,229	-1,879	-602	-590	-687	-6,777
Operating costs	-18,767	-22,710	-28,756	-36,365	-47,318	-10,649	-13,587	-4,495	-4,423	-4,669	-50,256
Tax charges	-2,318	-3,272	-4,120	-6,047	-8,981	-1,937	-2,957	-971	-956	-1,029	-10,001
Adjust. to the valuation of gov. Securities ¹	-1,757	-262	-214	-336	-338	-79	-105	-35	-36	-34	-363
Amort. payments for court-ordered releases	-994	-703	-635	-290	-274	-41	-35	-5	-9	-20	-267
Other	1,441	918	2,079	2,963	2,475	678	662	163	250	249	2,459
Total results before tax ²	6,100	12,145	16,665	21,251	29,276	6,807	8,630	3,404	2,155	3,071	31,099
Income tax	-1,342	-4,226	-4,904	-6,531	-9,861	-2,310	-3,061	-1,273	-653	-1,135	-10,612
Total result²	4,757	7,920	11,761	14,720	19,415	4,497	5,569	2,132	1,501	1,936	20,487
Adjusted Result ³	7,508	8,885	12,610	15,345	20,027	4,618	5,708	2,171	1,547	1,991	21,118
Annualized indicators - As % of netted assets											
Financial margin	6.7	8.6	8.5	8.0	9.2	9.0	9.5	10.3	8.2	9.8	9.3
Net interest income	3.1	4.3	4.3	4.6	5.7	5.7	5.8	6.3	5.4	5.8	5.7
CER and CVS adjustments	0.9	0.4	0.6	0.3	0.3	0.3	0.3	0.5	0.3	0.3	0.3
Foreign exchange price adjustments	0.8	0.8	0.5	0.6	0.6	0.4	0.7	0.7	0.7	0.8	0.7
Gains on securities	1.4	3.3	3.2	2.6	2.6	2.6	2.7	3.1	1.8	3.0	2.6
Other financial income	0.4	-0.1	-0.1	0.0	0.0	-0.1	-0.1	-0.2	0.0	-0.1	0.0
Service income margin	3.6	3.9	3.8	3.9	4.2	3.9	4.1	4.2	4.0	4.3	4.2
Loan loss provisions	-0.9	-1.1	-0.8	-0.7	-0.9	-0.8	-1.0	-0.9	-0.9	-1.0	-1.0
Operating costs	-6.1	-6.7	-6.9	-6.7	-7.0	-6.9	-7.0	-7.0	-6.8	-7.1	-7.0
Tax charges	-0.8	-1.0	-1.0	-1.1	-1.3	-1.2	-1.5	-1.5	-1.5	-1.6	-1.4
Adjust. to the valuation of gov. Securities ¹	-0.6	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1
Amort. payments for court-ordered releases	-0.3	-0.2	-0.2	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.5	0.3	0.5	0.5	0.4	0.4	0.3	0.3	0.4	0.4	0.3
Total results before tax ²	2.0	3.6	4.0	3.9	4.3	4.4	4.4	5.3	3.3	4.7	4.4
Income tax	-0.4	-1.3	-1.2	-1.2	-1.5	-1.5	-1.6	-2.0	-1.0	-1.7	-1.5
ROA²	1.6	2.3	2.8	2.7	2.9	2.9	2.9	3.3	2.3	2.9	2.9
ROA adjusted ³	2.5	2.6	3.0	2.8	3.0	3.0	2.9	3.4	2.4	3.0	3.0
ROE before tax	17.2	29.5	34.5	36.5	38.8	39.9	38.9	47.1	29.2	40.5	38.6
ROE ²	13.4	19.2	24.4	25.3	25.7	26.4	25.1	29.5	20.3	25.5	25.4

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

(²) 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.

(³) Excluding amortization of payments for court-ordered releases and the effects of Com. "A" 3911 and 4084.

Source: BCRA

Chart 4 | Portfolio Quality

As percentage	Dec 05	Dec 06	Dec 07	Dec 08	Dec 09	Dec 10	Dec 11	Mar 12	Dec 12	Feb 13	Mar 13
Non-performing loans (overall)	5.2	3.4	2.7	2.7	3.0	1.8	1.2	1.4	1.5	1.6	1.6
Provisions / Non-performing loans	115	108	115	117	115	148	176	163	144	138	140
(Total non-performing - Provisions) / Overall financing	-0.8	-0.3	-0.4	-0.5	-0.5	-0.9	-0.9	-0.9	-0.7	-0.6	-0.6
(Total non-performing - Provisions) / Net worth	-2.6	-0.9	-1.6	-1.8	-1.7	-3.6	-4.6	-4.1	-3.4	-3.1	-3.1
Non-performing loans to the non-financial private sector	7.6	4.5	3.2	3.1	3.5	2.1	1.4	1.5	1.7	1.9	1.8
Provisions / Non-performing loans	115	108	114	116	112	143	171	158	141	135	137
(Total non-performing - Provisions) / Overall financing	-1.1	-0.3	-0.5	-0.5	-0.4	-0.9	-1.0	-0.9	-0.7	-0.6	-0.7
(Total non-performing - Provisions) / Net worth	-2.5	-0.8	-1.5	-1.7	-1.3	-3.2	-4.3	-3.8	-3.1	-2.8	-2.9

Source: BCRA

¹ Note | Data available in Excel in www.bcra.gov.ar

Statistics annex¹ | Private banks

Chart 5 | Financial Soundness Indicators (see Methodology)

As %	Dec 05	Dec 06	Dec 07	Dec 08	Dec 09	Dec 10	Dec 11	Mar 12	Dec 12	Feb 13	Mar 13
1.- Liquidity	21.5	23.7	25.7	34.1	29.8	26.0	26.7	29.2	27.6	25.9	26.4
2.- Credit to the public sector	28.5	16.3	9.5	6.3	6.1	4.7	3.4	3.1	3.1	3.4	3.4
3.- Credit to the private sector	31.1	37.9	46.6	44.0	43.3	50.3	54.5	53.9	58.4	57.1	57.9
4.- Private non-performing loans	6.3	3.6	2.5	2.8	3.3	2.0	1.4	1.6	1.8	1.9	1.9
5.- Net worth exposure to the private sector	-0.4	-1.4	-2.0	-1.8	-1.6	-3.4	-4.4	-3.8	-3.1	-2.7	-2.8
6.- ROA	0.5	2.2	1.6	1.9	3.0	3.2	3.0	3.1	3.2	2.8	2.8
7.- ROE	4.1	15.3	10.9	15.2	22.9	24.5	25.6	26.6	26.4	22.4	22.6
8.- Efficiency	136	158	152	166	195	176	178	184	189	185	186
9a.- Capital compliance	-	-	-	-	-	-	-	-	-	14.5	14.3
9b.- Capital compliance (credit risk)	17.8	18.7	19.2	18.4	22.6	20.3	16.8	17.4	18.3	-	-
10a.- Capital compliance Tier I	-	-	-	-	-	-	-	-	-	13.4	13.3
10b.- Capital compliance Tier I (credit risk)	16.1	15.4	16.8	15.0	17.2	15.2	12.5	15.5	13.4	-	-
11.- Excess capital compliance	155.0	116.6	87.4	87.2	121.3	101.5	72.2	80.7	57.5	63.3	64.5

Note: According to Communication "A" 5369, since February 2013 methodological changes in some indicators were carried out. Among others changes, risk weighing coefficients considered to determine capital requirements were redefined, concepts included in the different segments of capital compliance were rearranged and new minimum limits in terms of the Total Risk Weighted Assets (RWVA) were added. A wider definition of RWVA is considered since Communication "A" 5369, including not only credit risk, but also market and operational risk.

Data subject to changes

Source: BCRA

Chart 6 | Balance Sheet

In million of current pesos	Dec 08	Dec 09	Dec 10	Dec 11	Mar 12	Dec 12	Feb 13	Mar 13	Change (in %)		
									Last month	2013	Last 12 months
Assets	208,888	229,549	280,025	364,122	381,060	432,994	449,201	452,123	0.7	4.4	18.6
Cash disposal ¹	37,044	43,562	49,730	58,877	70,278	85,717	75,624	84,770	12.1	-1.1	20.6
Public bonds	29,552	47,949	48,903	50,055	50,357	43,350	55,583	49,339	-11.2	13.8	-2.0
Lebac/Nobac	23,457	31,575	34,422	34,246	40,343	30,531	41,540	35,088	-15.5	14.9	-13.0
Portfolio	12,858	27,413	31,148	23,908	30,645	27,656	32,347	30,941	-4.3	11.9	1.0
Repo ²	10,598	4,161	3,274	10,338	9,698	2,874	9,193	4,147	-54.9	44.3	-57.2
Private bonds	127	233	184	164	144	188	202	197	-2.7	4.7	36.7
Loans	98,529	101,722	143,202	202,117	208,962	256,708	260,212	265,508	2.0	3.4	27.1
Public sector	6,249	1,694	1,625	1,215	1,300	1,601	1,620	1,566	-3.3	-2.2	20.5
Private sector	88,426	96,790	137,308	193,126	199,799	246,560	250,182	255,308	2.0	3.5	27.8
Financial sector	3,854	3,238	4,270	7,777	7,863	8,546	8,410	8,634	2.7	1.0	9.8
Provisions over loans	-2,871	-3,653	-3,926	-4,574	-4,926	-6,193	-6,496	-6,497	0.0	4.9	31.9
Other netted credits due to financial intermediation	25,265	21,258	20,241	29,338	26,459	18,646	28,154	22,330	-20.7	19.8	-15.6
Corporate bonds and subordinated debt	699	734	757	796	644	988	857	871	1.6	-11.8	35.4
Unquoted trusts	3,869	4,198	4,500	5,268	5,398	7,084	7,199	7,555	4.9	6.6	40.0
Leasing	3,451	2,569	3,519	5,452	5,437	6,287	6,227	6,377	2.4	1.4	17.3
Shares in other companies	4,538	4,067	4,934	5,998	6,415	7,920	8,297	8,504	2.5	7.4	32.6
Fixed assets and miscellaneous	4,926	5,096	5,808	6,663	6,668	7,592	7,662	7,756	1.2	2.2	16.3
Foreign branches	-178	-202	-215	-240	0	0	0	0	-	-	-
Other assets	8,505	6,946	7,646	10,271	11,266	12,778	13,736	13,841	0.8	8.3	22.9
Liabilities	182,596	198,438	243,766	321,123	335,143	376,774	390,282	392,052	0.5	4.1	17.0
Deposits	135,711	154,387	198,662	253,705	268,524	317,443	323,193	331,767	2.7	4.5	23.6
Public sector ³	19,600	17,757	23,598	27,664	29,535	33,232	37,552	38,795	3.3	16.7	31.4
Private sector ³	114,176	134,426	173,203	223,141	235,997	281,698	283,072	290,064	2.5	3.0	22.9
Current account	30,188	35,127	46,297	57,586	61,780	77,269	75,809	75,595	-0.3	-2.2	22.4
Savings account	32,778	40,999	53,085	66,891	66,939	76,130	73,106	75,475	3.2	-0.9	12.8
Time deposit	46,990	54,058	67,568	89,924	98,883	117,888	123,703	128,546	3.9	9.0	30.0
Other netted liabilities due to financial intermediation	39,298	34,235	34,427	53,973	51,750	41,780	48,319	41,534	-14.0	-0.6	-19.7
Interbanking obligations	1,160	1,668	1,903	3,524	3,576	3,473	3,252	3,210	-1.3	-7.6	-10.2
BCRA lines	649	41	57	456	567	694	690	682	-1.3	-1.7	20.2
Outstanding bonds	5,672	4,626	2,802	5,119	5,486	6,001	6,282	6,085	-3.1	1.4	10.9
Foreign lines of credit	2,261	1,262	1,716	4,252	3,992	2,168	1,863	1,763	-5.4	-18.7	-55.8
Other	11,125	12,015	13,849	19,059	19,873	21,087	18,708	18,816	0.6	-10.8	-5.3
Subordinated debts	1,759	1,918	2,148	1,948	1,998	2,253	2,316	2,436	5.2	8.1	22.0
Other liabilities	5,828	7,897	8,528	11,497	12,871	15,297	16,455	16,315	-0.9	6.7	26.8
Net worth	26,292	31,111	36,259	42,999	45,918	56,220	58,919	60,071	2.0	6.9	30.8
Memo											
Netted assets	192,074	216,100	267,364	344,101	364,186	425,181	432,406	441,670	2.1	3.9	21.3

(¹) Includes margin accounts with the BCRA. (²) Booked value from balance sheet (it includes all the counterparts).

(³) Does not include accrual on interest or CER.

Source: BCRA

¹ Note | Data available in Excel in www.bcra.gov.ar

Statistics annex¹ | Private banks (cont.)

Chart 7 | Profitability Structure

Amount in million of pesos	Annual					First 3 Months		Monthly			Last 12 Months
	2008	2009	2010	2011	2012	2012	2013	Jan-13	Feb-13	Mar-13	
Financial margin	12,964	19,724	21,837	27,234	38,151	8,629	11,158	3,872	3,363	3,923	40,680
Net interest income	7,727	10,572	12,842	18,518	27,893	6,235	8,079	2,725	2,555	2,799	29,737
CER and CVS adjustments	651	185	244	288	350	78	105	45	33	27	377
Foreign exchange price adjustments	1,620	1,646	1,493	2,064	2,451	436	812	243	263	306	2,828
Gains on securities	1,637	7,343	7,464	6,358	7,426	1,922	2,226	943	482	801	7,731
Other financial income	1,329	-22	-205	6	31	-41	-64	-84	30	-11	7
Service income margin	7,632	9,198	11,345	15,243	20,081	4,458	5,747	1,934	1,846	1,968	21,370
Loan loss provisions	-1,863	-2,751	-2,253	-2,633	-4,416	-852	-1,318	-425	-418	-474	-4,881
Operating costs	-12,401	-14,807	-18,819	-23,821	-30,858	-7,098	-9,103	-2,994	-2,950	-3,159	-32,863
Tax charges	-1,715	-2,380	-2,927	-4,300	-6,450	-1,369	-2,116	-692	-696	-728	-7,197
Adjust. to the valuation of gov. Securities ¹	-267	0	47	-40	0	0	0	0	0	0	0
Amort. payments for court-ordered releases	-688	-367	-441	-133	-199	-22	-18	-1	-4	-12	-195
Other	916	398	1,382	1,723	1,867	470	410	167	115	128	1,807
Total results before tax ²	4,579	9,014	10,171	13,272	18,176	4,217	4,761	1,860	1,256	1,645	18,720
Income tax	-1,168	-3,001	-2,733	-4,293	-6,089	-1,495	-1,729	-636	-491	-601	-6,323
Total result²	3,412	6,014	7,438	8,980	12,086	2,722	3,033	1,224	764	1,044	12,397
Adjusted Result ³	4,367	6,381	7,832	9,153	12,285	2,743	3,051	1,225	769	1,057	12,593
Annualized indicators - As % of netted assets											
Financial margin	7.3	9.8	9.3	9.0	10.2	9.8	10.4	10.9	9.4	10.8	10.3
Net interest income	4.4	5.3	5.5	6.1	7.4	7.1	7.5	7.7	7.2	7.7	7.5
CER and CVS adjustments	0.4	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Foreign exchange price adjustments	0.9	0.8	0.6	0.7	0.7	0.5	0.8	0.7	0.7	0.8	0.7
Gains on securities	0.9	3.7	3.2	2.1	2.0	2.2	2.1	2.7	1.4	2.2	2.0
Other financial income	0.8	0.0	-0.1	0.0	0.0	0.0	-0.1	-0.2	0.1	0.0	0.0
Service income margin	4.3	4.6	4.8	5.0	5.4	5.1	5.4	5.5	5.2	5.4	5.4
Loan loss provisions	-1.1	-1.4	-1.0	-0.9	-1.2	-1.0	-1.2	-1.2	-1.2	-1.3	-1.2
Operating costs	-7.0	-7.4	-8.0	-7.8	-8.2	-8.1	-8.5	-8.4	-8.3	-8.7	-8.3
Tax charges	-1.0	-1.2	-1.2	-1.4	-1.7	-1.6	-2.0	-2.0	-2.0	-2.0	-1.8
Adjust. to the valuation of gov. Securities ¹	-0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amort. payments for court-ordered releases	-0.4	-0.2	-0.2	0.0	-0.1	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.5	0.2	0.6	0.6	0.5	0.5	0.4	0.5	0.3	0.4	0.5
Total results before tax ²	2.6	4.5	4.3	4.4	4.9	4.8	4.4	5.2	3.5	4.5	4.7
Income tax	-0.7	-1.5	-1.2	-1.4	-1.6	-1.7	-1.6	-1.8	-1.4	-1.7	-1.6
ROA²	1.9	3.0	3.2	3.0	3.2	3.1	2.8	3.5	2.1	2.9	3.1
ROA adjusted ³	2.5	3.2	3.3	3.0	3.3	3.1	2.8	3.5	2.2	2.9	3.2
ROE before tax	20.4	34.4	33.5	37.8	39.8	41.1	35.4	42.5	28.0	36.0	38.3
ROE ²	15.2	22.9	24.5	25.6	26.4	26.6	22.6	27.9	17.0	22.8	25.4

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

(²) 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.

(³) Excluding amortization of payments for court-ordered releases and the effects of Com. "A" 3911 and 4084.

Source: BCRA

Chart 8 | Portfolio Quality

As percentage	Dec 05	Dec 06	Dec 07	Dec 08	Dec 09	Dec 10	Dec 11	Mar 12	Dec 12	Feb 13	Mar 13
Non-performing loans (overall)	4.4	2.9	2.2	2.5	3.1	1.9	1.3	1.5	1.7	1.9	1.8
Provisions / Non-performing loans	103	114	123	119	116	144	168	155	140	132	135
(Total non-performing - Provisions) / Overall financing	-0.1	-0.4	-0.5	-0.5	-0.5	-0.8	-0.9	-0.8	-0.7	-0.6	-0.6
(Total non-performing - Provisions) / Net worth	-0.4	-1.4	-2.1	-1.9	-1.7	-3.4	-4.4	-3.9	-3.2	-2.8	-3.0
Non-performing loans to the non-financial private sector	6.3	3.6	2.5	2.8	3.3	2.0	1.4	1.6	1.8	1.9	1.9
Provisions / Non-performing loans	102	114	123	118	115	143	167	153	139	131	134
(Total non-performing - Provisions) / Overall financing	-0.1	-0.5	-0.6	-0.5	-0.5	-0.9	-0.9	-0.8	-0.7	-0.6	-0.6
(Total non-performing - Provisions) / Net worth	-0.4	-1.4	-2.0	-1.8	-1.6	-3.4	-4.4	-3.8	-3.1	-2.7	-2.8

Source: BCRA

¹ Note | Data available in Excel in www.bcr.gov.ar