

# Report on Banks

April 2010



BANCO CENTRAL  
DE LA REPÚBLICA ARGENTINA

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April 2010

Year VII, No. 8



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Note | Information for April 2010 available by May 26, 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).

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## Summary

- **The financial system continued developing its operations within an adequate soundness context during April.** In particular, greater momentum was evidenced in both financial intermediation with the private sector and in the provision of means of payment of the economy.
- **The financial system's balance sheet total deposits rose 4.4% in April (23.9% year-on-year, y.o.y.), mainly reflecting the effect of the increase in public sector deposits.** Private sector deposit stocks grew 2.8% during the month, mainly driven by sight deposits. Private sector deposits expanded 20% over the last 12 months, with national private banks and public banks recording the greatest relative momentum.
- **Financial system's liquidity ratio (both local and foreign currency items) increased 1 percentage point (p.p.) of deposits for the month to 33%,** resulting from the rise of net repos stock with the BCRA and from greater cash disposal. The broad liquidity indicator (with Lebac and Nobac not related to repos with the BCRA) reached 46.6% of total deposits in April. **Public banks mainly accounted for the monthly increase of liquidity levels.**
- **Financing to the private sector rose 3.6% over the month driven mainly by commercial credit lines.** The growth rhythm of balance sheet loan stocks to companies and households amounted to 21%a. (over the first four months of the year), 15 p.p. more than over the same period in 2009. Mostly, foreign and national private banks accounted for these performances. **Loans to manufacturing (especially through promissory notes) and service companies (primarily through overdrafts) evidenced the greatest momentum among the different economic sectors at the beginning of 2010.** On the other hand, consumer loans remained boosting bank lending to households.
- **Non-performing loans to the private sector fell slightly over the month to 3.2%, mainly due to the performance of non-banking financial entities (NBFÉ) and private banks.** Delinquency ratio of household consumer loans stood at 4.7%, 1.7 p.p. below the maximum value recorded in 2009 (May). Non-performing loans to the corporate sector remained relatively stable, at around 2.4%. **Financial system continues showing a significant level of coverage,** with a 134% of non-performing loans to the private sector covered by provisions.
- Although banks continued recording book profits in April, the consolidated net worth drop (-1.9%) mainly from the effect of the dividend disbursement of some financial entities. Despite this movement, **the consolidated net worth of the financial system accumulated a 17.1% y.o.y. increase.** Thus, **the financial system continued evidencing high soundness indicators.** Particularly, capital compliance in relation to risk-weighted assets was at 18.4% in April.
- **Book profits accounted for 2.7%a. of assets in April,** and were slightly below the level of the previous month. The reduction of the financial margin (due to lower gains on securities) and of service income margin was partially offset by a drop of operating costs and, to a lesser extent, of loan loss provisions. **Financial system's profits accumulated 2.4%a. of assets over the first fourth months of the year, 0.4 p.p. more than the same period of 2009.**

# Activity

*Growth rhythm of financial intermediation has increased*

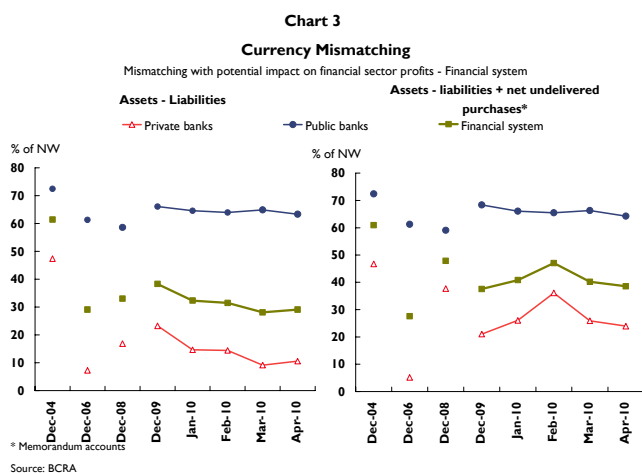
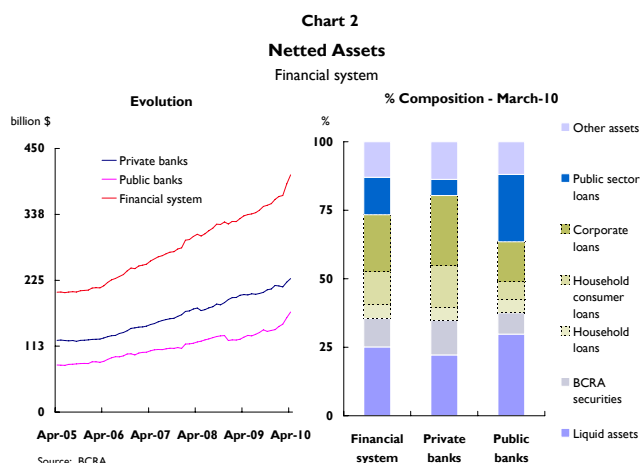
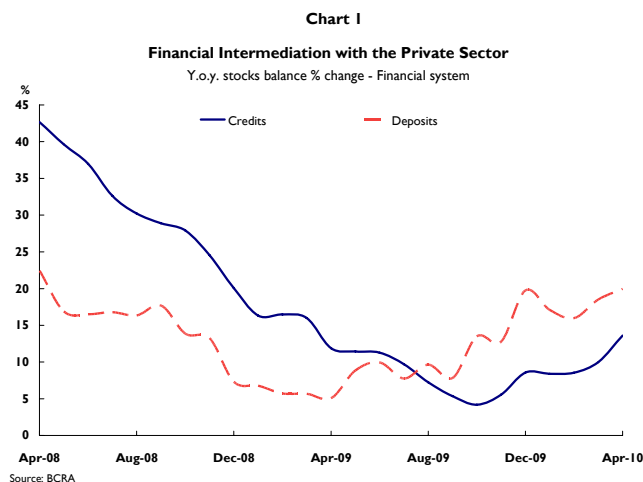
In line with the performance exhibited over the last months, the financial system continued expanding its financial intermediation activity during April. The year-on-year (y.o.y.) growth rhythm of loans to the private sector exceeded the value recorded in April 2009, while the expansion of households and companies deposits recovered the momentum shown at the end of 2009 (see Chart 1).

Financial entities netted assets rose 4% in April, accumulating a 20.9% y.o.y. increase, mainly due to the performance of public banks (see Chart 2). Liquidity increased its weighting in netted assets against April 2009, as it was the case of loans granted to the public sector. In addition, a y.o.y. fall was recorded in the relative share of lending to companies, both by private and public banks.

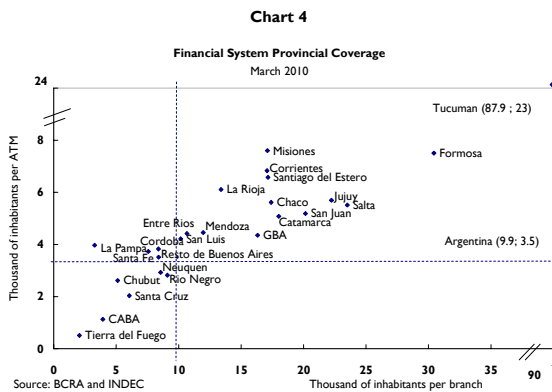
The main financial system source of funds during April (based on the variation of balance sheet stocks) was the increase recorded by deposits, both public sector (\$6.8 billion) and private sector (\$5.7 billion). The main uses were the rise in liquid assets (\$7.4 billion), in lending to the private sector (\$5.7 billion) and in Lebac and Nobac holdings not related to net repos with the BCRA (\$1.3 billion). While private banks accounted primarily for the growth of loans granted to households and companies, the rise of deposits and liquidity over the month was driven by public banks.

Financial system foreign currency mismatching<sup>1</sup> (including net undelivered forward purchases of foreign currency) fell US\$300 million amounting to US\$4.6 billion in April (equivalent to 38.6% of net worth) (see Chart 3). This movement was mainly driven by the decrease of net undelivered purchases of foreign currencies (especially at private banks). Such movement was evidenced within a context where the increase of liabilities (resulting primarily from deposits by the public sector) was practically equal to the increase of assets (minimum cash compliance and loans to the private sector) both expressed in foreign currency.

Some improvements regarding bank infrastructure indicators were recorded at the beginning of the year. The number of automatic teller machines (ATM)

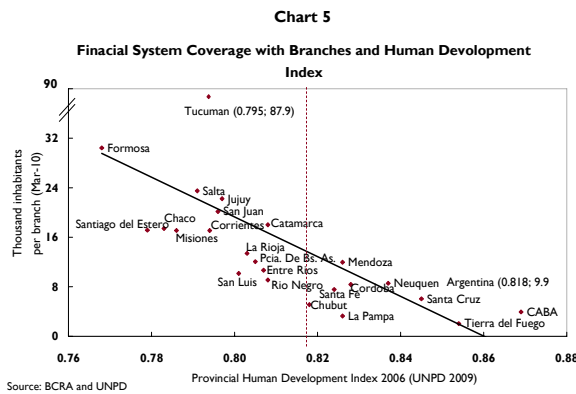


<sup>1</sup> Balance sheet mismatching entails a potential effect on the financial system profits when exchange rate is modified.



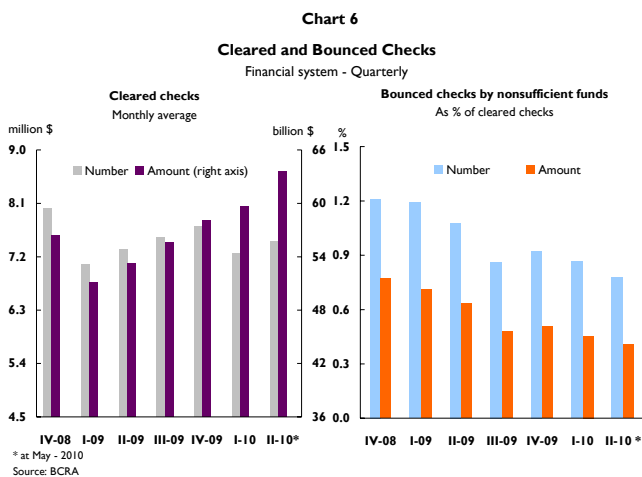
continued rising over the first quarter of 2010 while the number of branches and the payroll remained unchanged.

If a regional overview is considered, a **significant heterogeneity regarding the availability of financial services may be seen in the different jurisdictions of the country** (see Chart 4). The City of Buenos Aires and the provinces in the Patagonia region have the smallest number of inhabitants per branch and ATM while the provinces in the Northwest and Northeast region evidence the opposite situation. Additionally, **it may be seen that the provinces recording the highest levels of human development<sup>2</sup> are those that have more availability of branches and automatic teller machines per inhabitant** (see Chart 5).



A gradual increase of cleared checks by financial entities continued being recorded in May. Particularly, the number of cleared checks by the financial system grew 1.9% in May (latest information available) thereby accumulating a 5.8% y.o.y. rise. Meanwhile, the ratio corresponding to the amount of bounced checks by nonsufficient funds was at 0.4% of total cleared, accumulating a 0.2 p.p. drop against May 2009 (see Chart 6).

Another sign showing greater activity by the financial system is the growth in the number of debit and credit cards issued. By late March 2010, the number of credit cards rose 17% against the same period last year, exhibiting a similar rhythm in both private and public banks, even though over three quarters of the total of cards in circulation were issued by private financial entities (see Chart 7). In addition, the number of debit cards went up 14% in the same period and public banks gained share.



## Deposits and liquidity

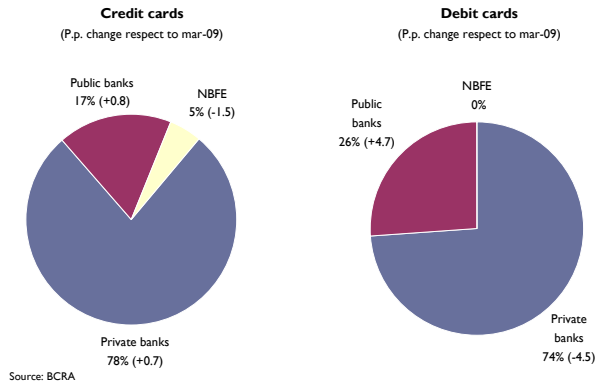
*The banking sector maintains its liquidity levels in a context where public sector deposits are mainly driving the deposits growth*

Total balance sheet deposit stocks of the financial system rose 4.4% in April (23.9% y.o.y.), mainly due to the performance exhibited by public sector deposits. Particularly, this sector's deposits raised 7.8% over the month, mainly from those made in foreign

<sup>2</sup> Measured through the Human Development Index, which considers life expectancy when being born, adults' literacy rate, the rate of enrollment in education and the gross domestic product (GDP) per capita (expressed as parity of the purchasing power in American dollars). The index value ranges from 0 to 1 (the closer to 1, the greater the human development level). Source: "Aportes para el desarrollo humano en Argentina / 2009" [Contributions to Human Development in Argentina / 2009] - United Nations Development Programme - UNDP.

Chart 7

**Credit and Debit Cards - Financial System**  
By type of financial entity- Mar-10

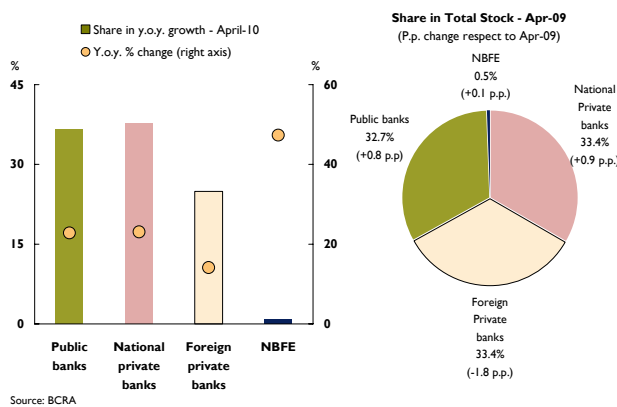


currency (17.1%<sup>3</sup>) and, to a lesser extent, by those in pesos (5.2%). On the other hand, **the stock of private sector deposits expanded 2.8% against March** (20% y.o.y.), led by sight deposits (3.8%) and time deposits (1.7%). **Nominal interest rates on time deposits in pesos grew slightly over the month mainly in the retail segment**; however, these are below the levels recorded a year ago.

**National private financial entities and public banks accounted mostly for the year-on-year growth of deposits by the non-financial private sector** (see Chart 8). During this period, 89% of financial entities that usually receive deposits recorded funding increases through deposits made by companies and households (10 private and public banks concentrated almost 82% of this variation).

Chart 8

**Private Sector Deposits by Group of Banks**

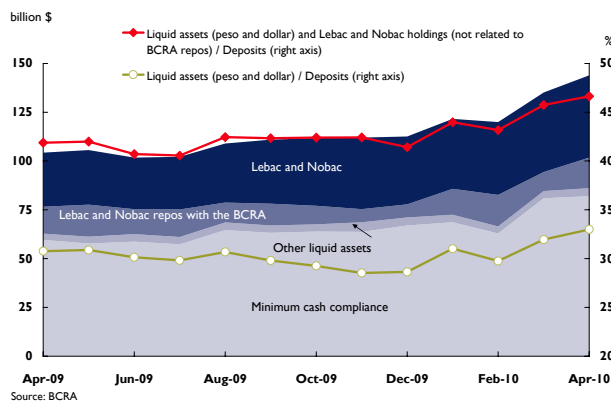


**The financial system's liquidity ratio**, including items in pesos and in foreign currency, **increased 1 p.p. of total deposits up to 33%**, from the growth of net repo stock with the BCRA and from more cash. The broad liquidity indicator (with Lebac and Nobac not related to repos with the BCRA) amounted to 46.6% of total deposits. **Both the monthly and year-on-year increase of liquidity indicators were accounted for by public banks** (see Chart 9), while private financial entities reduced their liquidity indicators against the values recorded a year ago.

In this context, **call market daily average traded amounts remained practically unchanged in April, reaching a volume of \$780 million**. The weighted average interest rate traded was at 8.5%, below the figure recorded in April 2009.

Chart 9

**Liquidity**  
Financial system



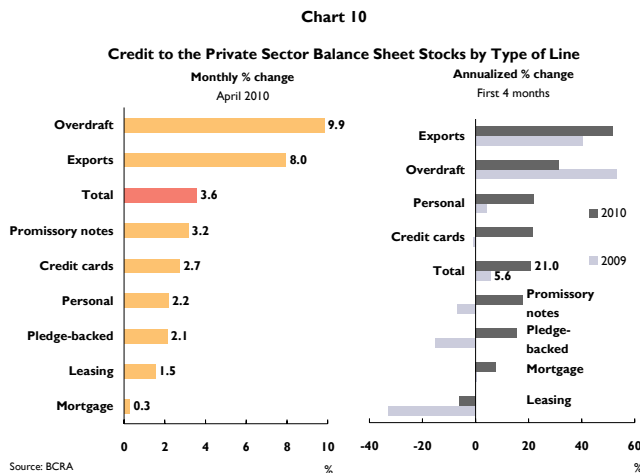
## Financing

**The monthly increase of loans to the private sector was led by commercial credit lines**

**Total balance-sheet lending to the private sector stocks grew \$5.4 billion (3.6%) over the month<sup>4</sup>. All credit lines rose** (see Chart 10), **and the contribution made by commercial credit lines is to be highlighted** (especially exports and overdrafts). During the first quarter of the year, bank lending to companies and households grew at an annualized rate of 21% a., 15 p.p. above the same period in 2009.

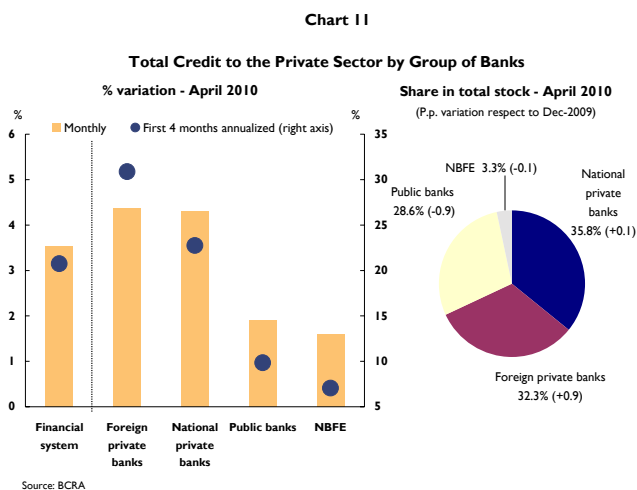
<sup>3</sup> In currency of origin this growth amounted to 16.8%, and this variation was mostly accounted for by ANSES (Argentina National Social Security Administration).

<sup>4</sup> If the loan stock is adjusted due to the monthly issuance of financial trusts, the variation would reach 3.8% over the month. During April, five issues of financial trusts with a portfolio of bank loans as underlying assets for a total of \$286 million were recorded. All issues corresponded to securitizations of consumption-related loans.

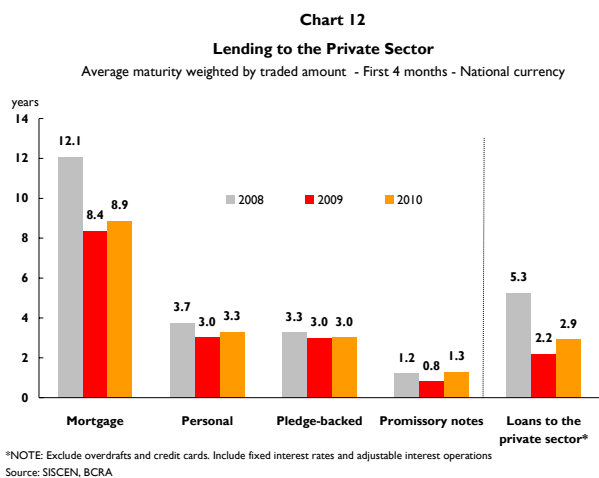


Foreign and national private banks mainly accounted for the monthly credit increase as well as the rise recorded so far this year. Thus, these financial entity groups gained share in the total financing to the private sector (see Chart 11).

Interest rates traded on commercial credit lines and pledge-backed loans rose over the month while those corresponding to consumption and mortgage loans fell. Regarding the levels recorded by late 2009, interest rates on overdrafts, promissory notes, cards and pledge-backed loans decreased. Meanwhile, the spread<sup>5</sup> estimated in most of the credit lines traded in pesos remained relatively stable in April (with a slight reduction in the case of mortgage and personal loans), while, over the course of the year, it has fallen mainly in the case of lines aimed at consumption and overdrafts.



Although the average maturity of new financing granted to the private sector increased moderately over the last 12 months, they are still below the levels of 2008. Particularly, the average maturity of lending granted by the financial system to companies and households was almost at 3 years (without including overdrafts and cards) at the start of 2010, and it was approximately 9 months greater than the level recorded a year ago and almost half of the value recorded at the start of 2008 (see Chart 12).

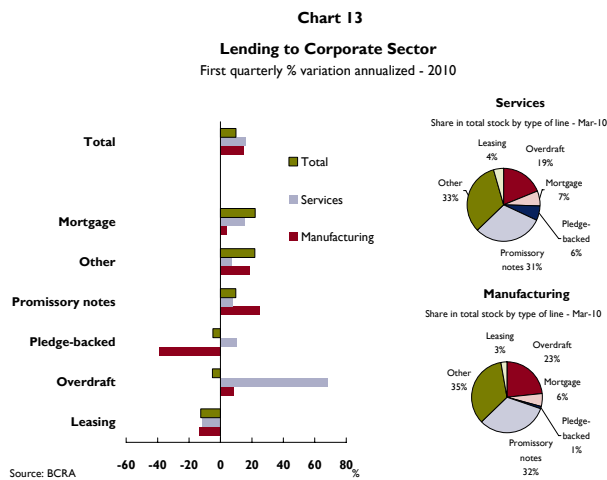


According to the information available as of March 2010, it was observed that lending to the corporate sector remained growing (9.8%a. in early 2010). Productive sectors that boosted growth over the year were manufacturing and services (they contributed with 94% of the increase). In the case of service companies, the greatest momentum among the different credit lines was observed in overdrafts while in the case of the manufacturing sector, such trend was evidenced by promissory notes (see Chart 13).

Broken down by residual stock, credit to the corporate sector exhibited greater momentum in the \$50,000 to \$5 million segment, growing at an annualized rate of 21% over the first 3 months of the year, while lending corresponding to the largest segment (over \$5 million) and the smallest one (below \$50,000) remained relatively stable. Half of the total stock of financing to companies was within the segment of the greatest relative size.

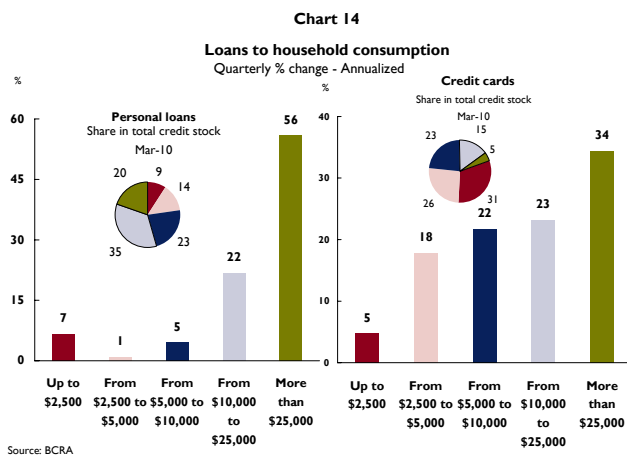
<sup>5</sup> The spread is calculated on the basis of the difference between the lending interest rate traded corresponding to each credit line and the average interest rate weighted by amount of total time deposits in pesos, taking into account minimum cash requirements.





Meanwhile, lending to households recorded a 14.9% a. expansion so far in 2010. Consumption lines boosted this growth by increasing at a 15,7% a. pace. Particularly, personal loans expanded 16.4% a., while credit cards did so by 14.7% a. **By breaking down these lines per segment of residual stock, greater momentum was observed by the largest segments** (56% a. for personal loans and 34% a. for cards). In the case of personal loans, those with residual stock between \$10,000 and \$25,000 (March), recorded the greatest share (35%), while as far as credit cards are concerned, stocks below \$2,500 accounted for the greatest contribution (31%) (see Chart 14).

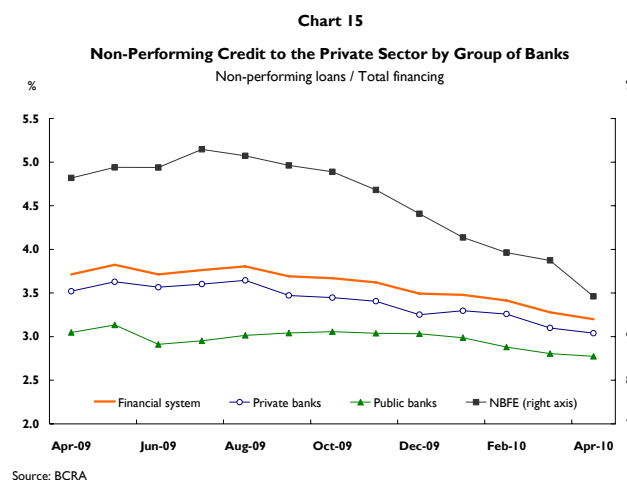
Within this context of credit expansion to the private sector, a reduction of exposure to the public sector of 0.8 p.p. of assets up to 13.1%<sup>6</sup> was recorded during April.



## Portfolio quality

*Households' consumption loans continued accounting for the non-performance fall*

In April there was a drop in the non-performance ratio for private sector lending, mainly in the case of NBFE and private banks (see Chart 15). At a system level, the indicator decreased 0.1 p.p. to 3.2%, 0.6 p.p. below the maximum value recorded in 2009 (May).

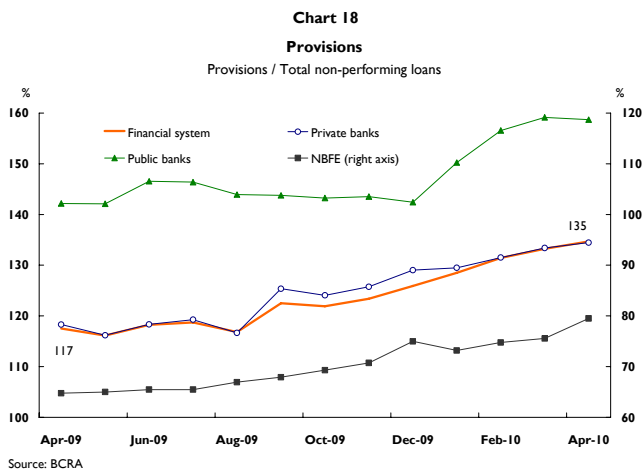
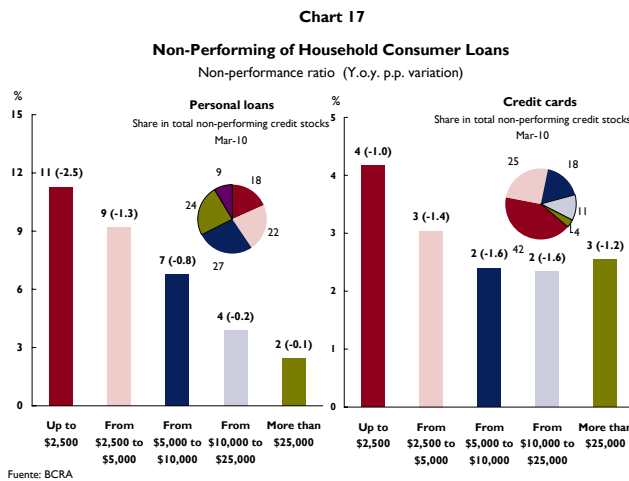
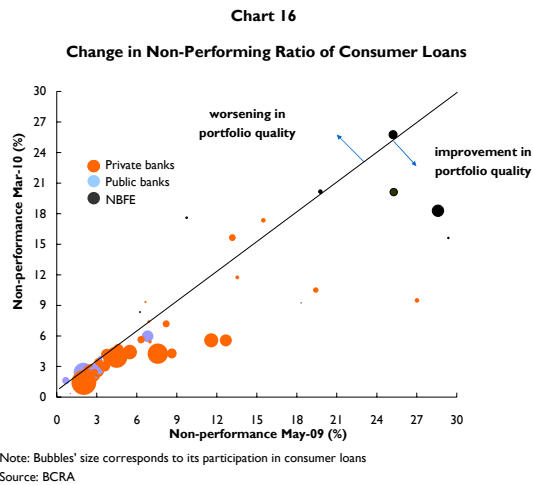


**Lending to households' consumption boosted the improvement in the quality of the credit portfolio over the last months.** Particularly, the non-performance ratio for household lending was at 4.7% in March, 1.7 p.p. below the maximum of 2009 (May). **Private banks were the ones that contributed the most to this decline** (see Chart 16), within a framework where public financial entities recorded a lower level regarding this indicator.

**Both personal loans and financing through credit cards to households evidenced a decline in their non-performance ratio in all residual stock ranges.** In the case of personal loans, the credit segment by residual stock range between \$5,000 and \$10,000 exhibited the greatest share among non-performing loans while in the case of finance with credit cards, the residual stock range below \$2,500 accounted for the greatest share in the non-performing credit stock (see Chart 17).

**The corporate sector continued recording reduced levels in its non-performing ratio, about 2.4% of**

<sup>6</sup> Defined as the addition of the sovereign bonds position (excluding Lebac and Nobac) and loans to the public sector in terms of total assets.



financing. Loans with residual stock range below \$50,000 evidenced the highest non-performing indicator (4.1%), while financing exceeding \$5 million recorded the best performance (1.5%).

Apart from the gradual improvement evidenced in terms of quality of the private sector credit portfolio, **the financial system remains showing a significant level of coverage by provisions.** Particularly, the coverage ratio for private sector non-performing loans by provisions stood at 135% in April, 17 p.p. above the value recorded twelve months ago (see Chart 18).

## Solvency

*The financial system consolidated net worth fell slightly in April resulting mainly from the disbursement of dividends, although soundness indicators continued at high levels*

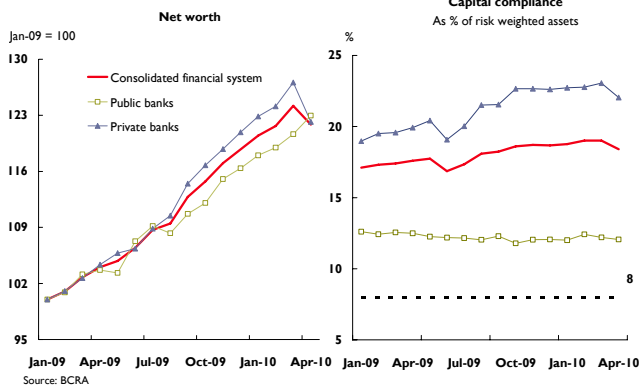
Within the context of accrual of accounting profits in April for almost \$900 million, the decision taken by some banks of disbursement accumulated results of previous fiscal years through dividends for almost \$1.8 billion (of which the greatest part corresponds to five private financial entities) resulted mainly in the reduction of the financial system consolidated net worth by approximately \$900 million (-1.9%) over the month<sup>7</sup>. Despite this movement, **the consolidated net worth grew 17.1% y.o.y.**

Partly as a result of these disbursement, **financial system capital compliance reached 18.4% of risk-weighted assets (RWA) in April, 0.6 p.p. below the previous month (see Chart 19).** However, this indicator was at 0.8 p.p. of RWA above its level recorded a year ago and excess capital compliance accounted for 92% of the regulatory requirement.

**Financial system book profit reached 2.7%a. of assets in April, 0.2 p.p. less than in the previous month.** The fall in the financial margin and results for services was partially offset by the reduction of operating costs. **During the first fourth months of the year, profits accrued by the financial system totaled 2.4%a. of assets, 0.4 p.p. more than in the same period of 2009.** The increase of accounting profits over the first four months of the year was generalized among all groups of financial entities and the performance of foreign banks is to be highlighted (see Chart 20).

<sup>7</sup> Over the month, some financial entities disbursement results of previous fiscal years for an amount close \$3 billion, out of which \$1.8 billion were dividends to be paid and \$1.2 billion accounted for an increase of reserves.

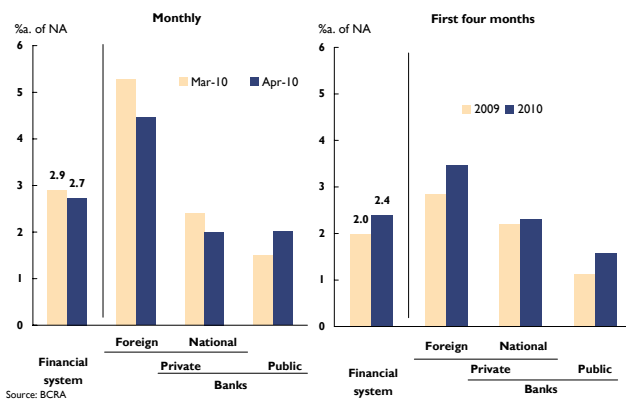
**Chart 19**  
**Net Worth and Capital Compliance**  
By group of banks



**Financial margin reached 7.4%a. of assets over the month**, recording a 2.2 p.p. decline against March which was primarily accounted for the lower gains on securities and for lower net interest income (see Chart 21). Therefore, the financial margin was at 7.8%a. of assets during the first four months of 2010, 0.2 p.p. more than in the same period last year. Higher gains on securities and net interest income over the four months were partially offset by lower profits due to foreign exchange price adjustments and other financial results, derived from a reduction of the foreign currency mismatching in a context of lower exchange rate volatility.

**Service income margin was at 3.8%a. of assets in April**, 0.2 p.p. less than last month. Over the first four months of the year, these results were at 3.8%a. of assets, 0.1 p.p. more than in the same period a year before.

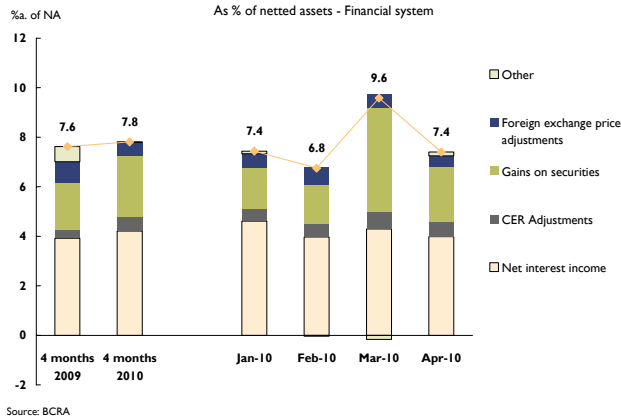
**Chart 20**  
**Book Profitability by Type of Banks**  
As %a. of netted assets



**The main cost items in the income statement headings in terms of assets fell in April**, with a reduction of operating costs (which were at 6.7%a. of assets in April, while they had been increased in March due to the wage adjustment including retroactive components) and, to a lesser extent, lower loan loss provisions, which reached 0.7%a. of assets. Finally, **over the first four months of 2010, loan loss provisions decreased due to the improvement of the credit portfolio quality, while operating costs increased in all homogeneous groups of entities.**

In May, banks will continue developing their activity, evidencing increases in deposits and credits to the private sector. In this context, it is anticipated that **the financial system will continue keeping high soundness indicators**, in line with the boost of more stable source of profitability.

**Chart 21**  
**Financial Margin**  
As % of netted assets - Financial system



## 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” 5062 – 08/04/10**

Credit to the non-financial public sector. It is ordered that financial entities, their affiliates and branches or subsidiaries abroad may refinance or provide financial assistance, without the authorization of the BCRA, to trusts or trust funds established for specific purposes as long as they have previously complied with the requirements set forth in the reference regulations. Provisions regarding the submission of the information regime of debtors in a non-performing situation by administrators of credit portfolios of privatized financial entities or that are under a process of privatization or dissolution of the corresponding jurisdiction are superseded.

### **Communication “A” 5068 – 19/04/10**

As from May 2010, no interest on deposit stocks in bank current accounts or interest on special deposit stocks for corporations or for sight accounts open in cooperatives credit accounts shall be acknowledged.

### **Communication “A” 5069 – 22/04/10**

Temporary overdrafts to national universities that fall within the scope of article 23 of the Law on Federal Education shall not be deemed credit to the non-financial public sector until certain conditions, which are described in the communication, are met: 1) They are granted after the first working day of every month, for a maximum term of five working days, and for the purposes of paying salaries of their personnel and as long as they do not exceed 50% of the amount to be credited for such reason; 2) The financial entity is vested with the capacity as agent to pay such salaries and previously evidences the existence of the corresponding payment order issued the National General Treasury in favor of the university; 3) It is verified that no temporary overdrafts that remain unpaid were granted within the previous twelve months.

## 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 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 annex | Financial system

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

As %	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	Apr 2009	2009	Mar 2010	Apr 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	32.0	33.0
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	12.6	14.5	13.9	13.1
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	38.5	38.4	37.0	36.2
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	3.7	3.5	3.3	3.2
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	-2.1	-2.8	-3.3	-3.5
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	2.0	2.3	2.3	2.4
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	16.7	19.2	18.3	19.7
8.- Efficiency	142	136	138	142	147	143	189	69	125	151	167	160	167	178	185	170	169
9.- Capital compliance	23.8	20.8	20.3	21.0	20.1	21.4	-	14.5	14.0	15.3	16.9	16.9	16.9	17.6	18.7	19.0	18.4
10.- Excess capital compliance	64	73	49	54	58	54	-	116	185	173	134	93	90	88	98	99	92

Source: BCRA

## Chart 2 | Balance Sheet

In million of current pesos	Dec 02	Dec 03	Dec 04	Dec 05	Dec 06	Dec 07	Dec 08	Apr 09	Dec 09	Mar 10	Apr 10	Change (in %)					
												Last month	2010	Last 12 months			
<b>Assets</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>361,673</b>	<b>385,905</b>	<b>411,536</b>	<b>435,391</b>	<b>5.8</b>	<b>12.8</b>	<b>20.4</b>			
Liquid assets <sup>1</sup>	17,138	27,575	29,154	20,819	37,991	46,320	58,676	62,815	71,067	84,612	86,103	1.8	21.2	37.1			
Public bonds	31,418	45,062	55,382	66,733	64,592	62,678	65,255	76,029	84,851	90,482	98,710	9.1	16.3	29.8			
Lebac/Nobac	-	-	17,755	28,340	29,289	36,022	37,093	42,977	43,867	51,700	59,537	15.2	35.7	38.5			
Portfolio	-	-	11,803	21,067	25,767	31,598	25,652	27,669	34,748	40,774	42,104	3.3	21.2	52.2			
Repo <sup>2</sup>	-	-	5,953	7,273	3,521	4,424	11,442	15,308	9,119	10,926	17,433	59.6	91.2	13.9			
Private bonds	332	198	387	389	813	382	203	254	308	228	253	11.1	-17.8	-0.4			
Loans	84,792	68,042	73,617	84,171	103,668	132,157	154,719	153,733	169,882	176,013	181,481	3.1	6.8	18.0			
Public sector	44,337	33,228	30,866	25,836	20,874	16,772	17,083	13,967	20,570	22,557	22,619	0.3	10.0	61.9			
Private sector	38,470	33,398	41,054	55,885	77,832	110,355	132,844	135,828	145,261	149,587	154,934	3.6	6.7	14.1			
Financial sector	1,985	1,417	1,697	2,450	4,962	5,030	4,793	3,939	4,052	3,869	3,928	1.5	-3.0	-0.3			
Provisions over loans	-11,952	-9,374	-7,500	-4,930	-3,728	-4,089	-4,744	-5,323	-5,828	-5,847	-5,881	0.6	0.9	10.5			
Other netted credits due to financial intermediation	39,089	27,030	32,554	26,721	26,039	29,712	38,152	39,241	33,484	33,138	41,635	25.6	24.3	6.1			
Corporate bonds and subordinated debt	1,708	1,569	1,018	873	773	606	912	1,082	1,146	1,343	1,434	6.8	25.2	32.6			
Unquoted trusts	6,698	4,133	3,145	3,883	4,881	5,023	5,714	6,136	5,928	6,068	6,131	1.0	3.4	-0.1			
Compensation receivable	17,111	14,937	15,467	5,841	763	377	357	384	16	16	15	-3.9	-3.9	-96.1			
Other	13,572	6,392	12,924	16,124	19,622	23,706	31,169	31,639	26,395	25,711	34,055	32.5	29.0	7.6			
Leasing	567	397	611	1,384	2,262	3,469	3,935	3,442	2,933	2,829	2,872	1.5	-2.1	-16.6			
Shares in other companies	4,653	4,591	3,871	4,532	6,392	6,430	7,236	7,595	6,817	7,091	7,151	0.8	4.9	-5.8			
Fixed assets and miscellaneous	8,636	8,164	7,782	7,546	7,619	7,643	7,903	8,103	8,239	8,365	8,403	0.5	2.0	3.7			
Foreign branches	3,522	3,144	3,524	3,647	2,782	2,912	3,153	3,483	3,926	4,002	4,029	0.7	2.6	15.7			
Other assets	9,338	12,043	13,180	10,950	9,953	10,347	12,275	12,301	10,227	10,623	10,634	0.1	4.0	-13.5			
<b>Liabilities</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>317,888</b>	<b>337,567</b>	<b>361,001</b>	<b>385,704</b>	<b>6.8</b>	<b>14.3</b>	<b>21.3</b>			
Deposits	75,001	94,635	116,655	136,492	170,898	205,550	236,217	248,991	271,796	295,432	308,488	4.4	13.5	23.9			
Public sector <sup>3</sup>	8,381	16,040	31,649	34,019	45,410	48,340	67,151	69,962	69,127	87,109	93,898	7.8	35.8	34.2			
Private sector <sup>3</sup>	59,698	74,951	83,000	100,809	123,431	155,048	166,378	175,509	199,237	204,754	210,525	2.8	5.7	20.0			
Current account	11,462	15,071	18,219	23,487	26,900	35,245	39,619	39,277	45,752	46,404	49,258	6.2	7.7	25.4			
Savings account	10,523	16,809	23,866	29,078	36,442	47,109	50,966	52,368	62,807	63,072	64,392	2.1	2.5	23.0			
Time deposit	19,080	33,285	34,944	42,822	54,338	65,952	69,484	77,243	83,926	88,191	89,688	1.7	6.9	16.1			
CEDRO	12,328	3,217	1,046	17	13	0	0	0	0	0	0	-	-	-			
Other netted liabilities due to financial intermediation	75,737	61,690	64,928	52,072	46,037	46,225	57,662	57,037	50,647	49,721	59,471	19.6	17.4	4.3			
Interbanking obligations	1,649	1,317	1,461	2,164	4,578	4,310	3,895	3,181	3,251	3,083	3,156	2.4	-2.9	-0.8			
BCRA lines	27,837	27,491	27,726	17,005	7,686	2,362	1,885	1,401	270	262	261	-0.1	-3.0	-81.3			
Outstanding bonds	9,096	6,675	7,922	6,548	6,603	6,938	5,984	5,635	5,033	4,554	4,657	2.3	-7.5	-17.4			
Foreign lines of credit	25,199	15,196	8,884	4,684	4,240	3,864	4,541	3,805	3,369	3,232	3,271	1.2	-2.9	-14.0			
Other	11,955	11,012	18,934	21,671	22,930	28,752	41,357	43,014	38,724	38,590	48,125	24.7	24.3	11.9			
Subordinated debts	3,712	2,028	1,415	1,381	1,642	1,672	1,763	1,900	1,922	1,943	1,963	1.0	2.2	3.3			
Other liabilities	6,997	6,569	5,685	5,099	6,792	7,695	9,740	9,961	13,203	13,905	15,782	13.5	19.5	58.4			
<b>Net worth</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>43,785</b>	<b>48,337</b>	<b>50,535</b>	<b>49,688</b>	<b>-1.7</b>	<b>2.8</b>	<b>13.5</b>			
<b>Memo</b>																	
Netted assets	185,356	184,371	202,447	208,275	244,791	280,336	321,075	335,053	363,249	389,527	405,023	4.0	11.5	20.9			
Consolidated netted assets	181,253	181,077	198,462	203,286	235,845	271,652	312,002	326,525	355,641	381,970	397,379	4.0	11.7	21.7			

(<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 4 months		Monthly			Last
	2002 <sup>1</sup>	2003	2004	2005	2006	2007	2008	2009	2009	2010	Feb-10	Mar-10	Apr-10	12 months
Financial margin	13,991	1,965	6,075	9,475	13,262	15,134	20,528	28,858	8,254	9,885	2,063	3,083	2,478	30,488
Net interest income	-3,624	-943	1,753	3,069	4,150	5,744	9,574	13,917	4,247	5,333	1,215	1,382	1,334	15,003
CER and CVS adjustments	8,298	2,315	1,944	3,051	3,012	2,624	2,822	1,196	378	743	163	224	201	1,561
Foreign exchange price adjustments	5,977	-890	866	751	944	1,357	2,307	2,278	939	699	212	173	141	2,038
Gains on securities	3,639	1,962	1,887	2,371	4,923	5,144	4,462	11,003	2,026	3,085	482	1,357	748	12,063
Other financial income	-299	-480	-375	233	235	264	1,362	463	665	25	-9	-53	53	-177
Service income margin	4,011	3,415	3,904	4,781	6,243	8,248	10,868	13,057	4,003	4,812	1,116	1,283	1,258	13,865
Loan loss provisions	-10,007	-2,089	-1,511	-1,173	-1,198	-1,894	-2,839	-3,818	-1,271	-1,025	-254	-267	-245	-3,572
Operating costs	-9,520	-7,760	-7,998	-9,437	-11,655	-14,634	-18,748	-22,699	-6,872	-8,691	-1,933	-2,449	-2,254	-24,518
Tax charges	-691	-473	-584	-737	-1,090	-1,537	-2,318	-3,268	-1,008	-1,190	-277	-308	-309	-3,451
Income tax	-509	-305	-275	-581	-595	-1,032	-1,342	-4,038	-1,080	-1,031	-241	-455	-153	-3,989
Adjust. to the valuation of gov. securities <sup>2</sup>	0	-701	-320	-410	-752	-837	-1,757	-184	-83	-102	-25	-24	-29	-203
Amort. payments for court-ordered releases	0	-1,124	-1,686	-1,867	-2,573	-1,922	-994	-460	-1	-159	-36	-54	-38	-617
Other	-3,880	1,738	1,497	1,729	2,664	2,380	1,441	472	217	536	91	122	205	791
Monetary results	-12,558	69	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total results<sup>3</sup></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>4,757</b>	<b>7,920</b>	<b>2,160</b>	<b>3,035</b>	<b>503</b>	<b>931</b>	<b>914</b>	<b>8,795</b>
Adjusted results <sup>4</sup>	-	-3,440	1,337	4,057	7,631	6,665	7,508	8,563	2,244	3,296	565	1,009	980	9,615
<i>Annualized indicators - As % of netted assets</i>														
Financial margin	6.5	1.1	3.1	4.6	5.8	5.7	6.7	8.5	7.6	7.8	6.8	9.6	7.4	8.6
Net interest income	-1.7	-0.5	0.9	1.5	1.8	2.2	3.1	4.1	3.9	4.2	4.0	4.3	4.0	4.2
CER and CVS adjustments	3.9	1.3	1.0	1.5	1.3	1.0	0.9	0.4	0.3	0.6	0.5	0.7	0.6	0.4
Foreign exchange price adjustments	2.8	-0.5	0.4	0.4	0.4	0.5	0.8	0.7	0.9	0.6	0.7	0.5	0.4	0.6
Gains on securities	1.7	1.1	1.0	1.2	2.2	1.9	1.5	3.3	1.9	2.4	1.6	4.2	2.2	3.4
Other financial income	-0.1	-0.3	-0.2	0.1	0.1	0.1	0.4	0.1	0.6	0.0	0.0	-0.2	0.2	0.0
Service income margin	1.9	1.9	2.0	2.3	2.7	3.1	3.6	3.9	3.7	3.8	3.7	4.0	3.8	3.9
Loan loss provisions	-4.7	-1.1	-0.8	-0.6	-0.5	-0.7	-0.9	-1.1	-1.2	-0.8	-0.8	-0.8	-0.7	-1.0
Operating costs	-4.4	-4.2	-4.1	-4.6	-5.1	-5.5	-6.1	-6.7	-6.3	-6.9	-6.3	-7.6	-6.7	-6.9
Tax charges	-0.3	-0.3	-0.3	-0.4	-0.5	-0.6	-0.8	-1.0	-0.9	-0.9	-0.9	-1.0	-0.9	-1.0
Income tax	-0.2	-0.2	-0.1	-0.3	-0.3	-0.4	-0.4	-1.2	-1.0	-0.8	-0.8	-1.4	-0.5	-1.1
Adjust. to the valuation of gov. securities <sup>2</sup>	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	-0.6	-0.9	-0.9	-1.1	-0.7	-0.3	-0.1	0.0	-0.1	-0.1	-0.2	-0.1	-0.2
Other	-1.8	0.9	0.8	0.8	1.2	0.9	0.5	0.1	0.2	0.4	0.3	0.4	0.6	0.2
Monetary results	-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>-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>2.0</b>	<b>2.4</b>	<b>1.6</b>	<b>2.9</b>	<b>2.7</b>	<b>2.5</b>
ROA adjusted <sup>4</sup>	-8.9	-1.9	0.7	2.0	3.4	2.5	2.5	2.5	2.1	2.6	1.8	3.1	2.9	2.7
ROE <sup>3</sup>	-59.2	-22.7	-4.2	7.0	14.3	11.0	13.4	19.2	16.7	19.7	13.1	23.7	23.7	20.1

(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

### Chart 4 | Portfolio Quality

As percentage	Dec 02	Dec 03	Dec 04	Dec 05	Dec 06	Dec 07	Dec 08	Apr 09	Dec 09	Mar 10	Apr 10
Non-performing loans (overall)	18.1	17.7	10.7	5.2	3.4	2.7	2.7	3.3	3.0	2.8	2.7
<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>3.1</b>	<b>3.7</b>	<b>3.5</b>	<b>3.3</b>	<b>3.2</b>
Provisions / Non-performing loans	73.8	79.2	102.9	124.5	129.9	129.6	131.4	117.3	125.7	132.2	134.3
(Total non-performing - Provisions) / Overall financing	4.7	3.7	-0.3	-1.3	-1.0	-0.8	-0.8	-0.6	-0.8	-0.9	-0.9
(Total non-performing - Provisions) / Net worth	17.2	11.9	-1.0	-4.1	-3.3	-3.0	-3.3	-2.1	-2.8	-3.3	-3.4

(\*) 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	Apr 2009	2009	Mar 2010	Apr 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	34.9	29.8	30.4	30.9
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	5.8	5.5
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	42.9	43.3	43.6	44.2
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	3.5	3.3	3.1	3.0
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	-2.1	-3.1	-3.1	-3.4
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	2.5	3.0	2.7	2.9
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	20.0	22.9	19.7	20.8
8.- Efficiency	144	135	139	146	152	151	168	93	115	136	158	152	166	188	195	175	174
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	19.9	22.5	23.1	22.0
10.- Excess capital compliance	33	47	27	60	49	43	-	88	157	155	116	87	86	96	120	123	114

Source: BCRA

### Chart 6 | Balance Sheet

In million of current pesos	Dec 02	Dec 03	Dec 04	Dec 05	Dec 06	Dec 07	Dec 08	Apr 09	Dec 09	Mar 10	Apr 10	Change (in %)					
												Last month	2010	Last 12 months			
<b>Assets</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>216,399</b>	<b>229,549</b>	<b>236,341</b>	<b>243,404</b>	<b>3.0</b>	<b>6.0</b>	<b>12.5</b>			
Liquid assets <sup>1</sup>	11,044	14,500	15,893	14,074	22,226	29,418	37,044	42,223	43,562	42,173	45,097	6.9	3.5	6.8			
Public bonds	19,751	22,260	24,817	29,966	27,663	24,444	29,552	35,839	47,949	50,721	49,300	-2.8	2.8	37.6			
Lebac/Nobac	-	-	8,359	15,227	15,952	17,684	23,457	24,890	31,575	36,549	35,335	-3.3	11.9	42.0			
Portfolio	-	-	5,611	12,899	14,220	15,639	12,858	16,457	27,413	29,671	28,854	-2.8	5.3	75.3			
Repo <sup>2</sup>	-	-	2,749	2,328	1,732	2,045	10,598	8,433	4,161	6,877	6,481	-5.8	55.7	-23.2			
Private bonds	273	172	333	307	683	310	127	108	233	155	152	-1.7	-34.6	40.8			
Loans	51,774	47,017	50,741	56,565	69,294	88,898	98,529	95,127	101,722	105,398	109,683	4.1	7.8	15.3			
Public sector	25,056	23,571	21,420	15,954	10,036	6,413	6,249	2,159	1,694	1,961	1,945	-0.8	14.8	-9.9			
Private sector	26,074	22,816	28,213	39,031	55,632	78,587	88,426	89,798	96,790	100,523	104,948	4.4	8.4	16.9			
Financial sector	644	630	1,107	1,580	3,626	3,898	3,854	3,169	3,238	2,915	2,791	-4.3	-13.8	-12.0			
Provisions over loans	-7,463	-5,225	-3,717	-2,482	-2,227	-2,365	-2,871	-3,276	-3,653	-3,671	-3,713	1.1	1.6	13.3			
Other netted credits due to financial intermediation	27,212	22,148	25,753	16,873	18,387	17,084	25,265	24,946	21,258	22,513	23,772	5.6	11.8	-4.7			
Corporate bonds and subordinated debt	1,514	1,394	829	675	618	430	699	788	734	860	927	7.8	26.3	17.6			
Unquoted trusts	6,205	3,571	2,362	2,444	2,982	3,456	3,869	4,205	4,198	4,352	4,423	1.6	5.4	5.2			
Compensation receivable	15,971	13,812	14,657	5,575	760	377	357	384	16	16	15	-3.9	-3.9	-96.1			
Other	3,523	3,370	7,905	8,179	14,027	12,822	20,339	19,569	16,311	17,285	18,406	6.5	12.8	-5.9			
Leasing	553	387	592	1,356	2,126	3,149	3,451	3,002	2,569	2,478	2,515	1.5	-2.1	-16.2			
Shares in other companies	3,123	2,791	1,892	2,416	4,042	3,762	4,538	4,911	4,067	4,280	4,414	1.5	6.8	-11.5			
Fixed assets and miscellaneous	5,198	4,902	4,678	4,575	4,677	4,685	4,926	5,062	5,096	5,195	5,218	0.4	2.4	3.1			
Foreign branches	-109	-136	-53	-148	-139	-154	-178	-194	-202	-208	-209	0.5	3.4	7.8			
Other assets	7,549	7,816	7,137	6,178	5,682	6,277	8,505	8,651	6,946	7,307	7,242	-0.9	4.3	-16.3			
<b>Liabilities</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>188,233</b>	<b>198,438</b>	<b>203,612</b>	<b>211,816</b>	<b>4.0</b>	<b>6.7</b>	<b>12.5</b>			
Deposits	44,445	52,625	62,685	75,668	94,095	116,719	135,711	142,798	154,387	158,625	163,661	3.2	6.0	14.6			
Public sector <sup>3</sup>	1,636	3,077	6,039	6,946	7,029	7,564	19,600	21,790	17,757	18,963	20,583	8.5	15.9	-5.5			
Private sector <sup>3</sup>	38,289	47,097	55,384	67,859	85,714	107,671	114,176	118,879	134,426	137,255	140,807	2.6	4.7	18.4			
Current account	8,905	11,588	13,966	17,946	20,604	27,132	30,188	29,573	35,127	35,621	37,515	5.3	6.8	26.9			
Savings account	6,309	10,547	14,842	18,362	23,165	30,169	32,778	33,756	40,999	41,038	41,898	2.1	2.2	24.1			
Time deposit	11,083	18,710	27,279	27,736	38,043	45,770	46,990	51,228	54,058	56,352	56,993	1.1	5.4	11.3			
CEDRO	9,016	2,409	798	3	1	0	0	0	0	0	0	-	-	-			
Other netted liabilities due to financial intermediation	49,341	42,367	45,083	32,349	31,750	29,323	39,298	37,243	34,235	34,682	36,068	4.0	5.4	-3.2			
Interbanking obligations	836	726	1,070	1,488	3,383	1,979	1,160	1,145	1,668	1,469	1,516	3.2	-9.1	32.4			
BCRA lines	16,624	17,030	17,768	10,088	3,689	675	649	329	41	37	37	-1.1	-10.8	-88.9			
Outstanding bonds	9,073	6,674	7,922	6,548	6,413	6,686	5,672	5,337	4,626	4,192	4,219	0.6	-8.8	-20.9			
Foreign lines of credit	15,434	9,998	5,444	2,696	2,249	1,833	2,261	1,401	1,262	1,145	1,170	2.2	-7.3	-16.5			
Other	7,374	7,939	12,878	11,530	16,015	18,150	29,555	29,032	26,638	27,839	29,126	4.6	9.3	0.3			
Subordinated debts	3,622	1,850	1,304	1,319	1,642	1,668	1,759	1,896	1,918	1,940	1,960	1.0	2.2	3.4			
Other liabilities	5,671	4,890	4,213	3,264	3,989	4,443	5,828	6,297	7,897	8,365	10,127	21.1	28.2	60.8			
<b>Net worth</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>28,165</b>	<b>31,111</b>	<b>32,729</b>	<b>31,588</b>	<b>-3.5</b>	<b>1.5</b>	<b>12.2</b>			
<b>Memo</b>																	
<b>Netted assets</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>200,586</b>	<b>216,100</b>	<b>221,959</b>	<b>227,948</b>	<b>2.7</b>	<b>5.5</b>	<b>13.6</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 4 months		Monthly			Last
	2002 <sup>1</sup>	2003	2004	2005	2006	2007	2008	2009	2009	2010	Feb-10	Mar-10	Apr-10	12 months
Financial margin	10,628	2,575	3,415	5,253	7,778	8,960	12,964	19,720	5,699	6,426	1,357	2,010	1,616	20,447
Net interest income	-304	107	1,214	2,069	2,826	4,191	7,727	10,068	3,278	3,615	853	953	934	10,404
CER and CVS adjustments	1,476	1,082	900	1,215	858	662	651	185	70	76	21	18	22	191
Foreign exchange price adjustments	6,189	-312	666	576	740	990	1,620	1,509	552	482	127	119	107	1,439
Gains on securities	3,464	1,892	959	1,259	3,154	2,888	1,637	7,343	1,136	2,179	353	958	488	8,386
Other financial income	-197	-195	-322	134	199	229	1,329	616	663	75	2	-39	65	28
Service income margin	2,782	2,341	2,774	3,350	4,459	5,881	7,632	9,198	2,842	3,446	799	917	896	9,802
Loan loss provisions	-6,923	-1,461	-1,036	-714	-737	-1,174	-1,863	-2,751	-889	-722	-170	-183	-190	-2,584
Operating costs	-6,726	-5,310	-5,382	-6,303	-7,741	-9,735	-12,401	-14,807	-4,542	-5,674	-1,275	-1,599	-1,478	-15,939
Tax charges	-512	-366	-393	-509	-769	-1,105	-1,715	-2,380	-741	-859	-201	-220	-228	-2,497
Income tax	-337	-295	-202	-217	-365	-380	-1,168	-3,001	-694	-821	-224	-323	-110	-3,127
Adjust. to the valuation of gov. securities <sup>2</sup>	0	-665	-51	-201	-170	-100	-267	3	-17	8	-1	7	2	28
Amort. payments for court-ordered releases	0	-791	-1,147	-1,168	-1,182	-1,466	-688	-233	22	-92	-25	-25	-23	-347
Other	-4,164	1,178	846	1,156	1,641	1,576	916	264	-50	357	65	102	107	671
Monetary results	-10,531	-20	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total results<sup>3</sup></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>1,630</b>	<b>2,069</b>	<b>325</b>	<b>686</b>	<b>593</b>	<b>6,453</b>
Adjusted results <sup>4</sup>	-	-1,357	252	2,016	4,267	4,023	4,367	6,244	1,625	2,154	351	704	613	6,773
<i>Annualized indicators - As % of netted assets</i>														
Financial margin	7.6	2.3	2.9	4.3	5.9	5.8	7.3	9.8	8.8	8.9	7.7	11.0	8.6	9.8
Net interest income	-0.2	0.1	1.0	1.7	2.1	2.7	4.4	5.0	5.1	5.0	4.8	5.2	5.0	5.0
CER and CVS adjustments	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	4.4	-0.3	0.6	0.5	0.6	0.6	0.9	0.8	0.9	0.7	0.7	0.7	0.6	0.7
Gains on securities	2.5	1.7	0.8	1.0	2.4	1.9	0.9	3.7	1.7	3.0	2.0	5.2	2.6	4.0
Other financial income	-0.1	-0.2	-0.3	0.1	0.2	0.1	0.8	0.3	1.0	0.1	0.0	-0.2	0.3	0.0
Service income margin	2.0	2.0	2.4	2.7	3.4	3.8	4.3	4.6	4.4	4.8	4.5	5.0	4.8	4.7
Loan loss provisions	-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	-1.2
Operating costs	-4.8	-4.6	-4.6	-5.1	-5.9	-6.3	-7.0	-7.4	-7.0	-7.8	-7.2	-8.7	-7.9	-7.7
Tax charges	-0.4	-0.3	-0.3	-0.4	-0.6	-0.7	-1.0	-1.2	-1.1	-1.2	-1.1	-1.2	-1.2	-1.2
Income tax	-0.2	-0.3	-0.2	-0.2	-0.3	-0.2	-0.7	-1.5	-1.1	-1.1	-1.3	-1.8	-0.6	-1.5
Adjust. to the valuation of gov. securities <sup>2</sup>	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	-0.7	-1.0	-1.0	-0.9	-0.9	-0.4	-0.1	0.0	-0.1	-0.1	-0.1	-0.1	-0.2
Other	-3.0	1.0	0.7	0.9	1.2	1.0	0.5	0.1	-0.1	0.5	0.4	0.6	0.6	0.3
Monetary results	-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>-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>2.5</b>	<b>2.9</b>	<b>1.8</b>	<b>3.7</b>	<b>3.2</b>	<b>3.1</b>
ROA adjusted <sup>4</sup>	-11.3	-1.2	0.2	1.6	3.2	2.6	2.5	3.1	2.5	3.0	2.0	3.8	3.3	3.3
ROE <sup>3</sup>	-79.0	-19.1	-8.1	4.1	15.3	10.9	15.2	22.9	20.0	20.8	13.1	27.0	24.3	23.1

(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

### Chart 8 | Portfolio Quality

As percentage	Dec 02	Dec 03	Dec 04	Dec 05	Dec 06	Dec 07	Dec 08	Apr 09	Dec 09	Mar 10	Apr 10
Non-performing loans (overall)	19.8	15.7	8.9	4.4	2.9	2.2	2.5	3.3	3.1	3.0	2.9
<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>3.5</b>	<b>3.3</b>	<b>3.1</b>	<b>3.0</b>
Provisions / Non-performing loans	73.4	79.0	97.0	114.3	129.3	141.3	134.1	118.2	128.9	133.3	134.4
(Total non-performing - Provisions) / Overall financing	5.3	3.3	0.4	-0.6	-0.9	-0.9	-0.9	-0.6	-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	-2.1	-3.1	-3.3	-3.4

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

Source: BCRA