

# Report on Banks

May 2009



BANCO CENTRAL  
DE LA REPÚBLICA ARGENTINA

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May 2009

Year VI, No. 9



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Note | Information for May 2009 available by June 23, 2009 is included. This Report is focussed on the performance of the financial system, including breakdowns by homogeneous subsectors. The data reported (particularly, those referring to profitability) are provisional and are subject to changes later. Except the opposite was indicated, the information included corresponds to BCRA Information Regimes (end of month data).

*Published on July 16, 2009*

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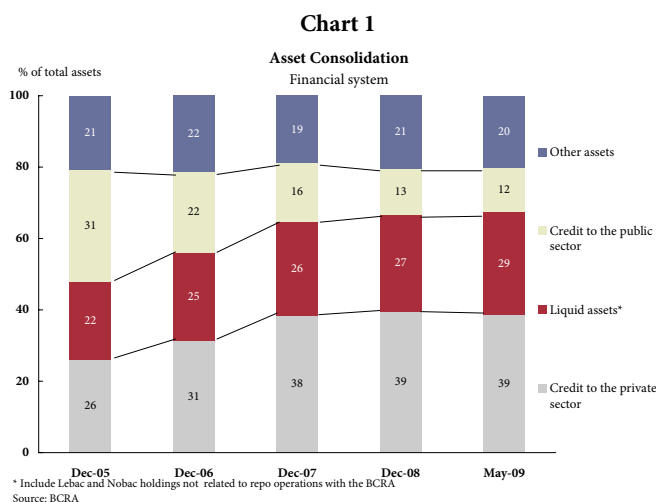
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## Summary

- **The prudential regulatory framework implemented by the BCRA in recent years, combined with the sustained development of new measures to supply liquidity, are enabling a maintained growth in intermediation with the private sector, ensuring conditions for financial stability.** As a result, banks continue to record high liquidity and solvency levels while international financial markets still display episodes of volatility.
- **The Central Bank continues to adopt measures to preserve financial stability and the dynamic of credit. During May this Institution carried out an auction of swaps of fixed interest rate for variable interest rate, and in June it decided to hold auctions for access to repo loans in pesos. In this context, balance sheet lending stocks to the private sector rose 1.1% in May because of the increase in overdrafts and export loans.** In year-on-year terms, the growth rate for lending to corporate and households reached 11.4%. In the last year public banks have accounted for almost three-quarters of the total increase in loans to the private sector.
- **Non-financial sector balance sheet deposits went up 1% in May, mainly driven by public sector placements in the context of significant tax deadlines.** Private sector deposits increased slightly during the month, driven by a rise in sight accounts that was partly offset by a reduction in time deposits.
- **The liquidity indicator** (for items denominated in pesos and foreign currency) **rose slightly in May, reaching 30.8% of deposits** (7.8 p.p. more than in the same month of the previous year). Lebac and Nobac holdings not related to repos with the Central Bank increased in May, taking the broad liquidity indicator to 41.9% of deposits (3.2 p.p. more than 12 months earlier).
- **There continues to be some signs of materialization of the credit risk from households and companies faced by the financial system, albeit from moderate levels.** Non-performance for credit to the private sector increased 0.1 p.p. in May to 3.8%, accumulating a rise of 0.7 p.p. in the year to date, driven mainly by household consumer loans.
- **Consolidated financial system net worth grew 0.7% (14.2% y.o.y.) in May.** Capital requirements continued to rise steadily in the context of slower growth in risk-weighted assets, so that the capital compliance ratio stood at 17.6% in terms of the latter, accumulating an increase of 0.8 p.p. in 2009.
- **Book profits for the month totaled 1.4%a. of assets, a drop compared with the previous month mainly as a result of higher operating costs, loan loss provisions and tax charges.** If the accounting effect of the variation in the nominal peso-dollar exchange rate is excluded, book profits accrued by the financial system in 2009 to date have been lower than those recorded in the same period of the previous year. **It is estimated that if public sector asset holdings were valued at market price at each moment in time, the aggregated financial system would be showing a loss of approximately \$2.1 billion for the accumulated total in the last 12 months (compared with an accrued book profit of \$5.3 billion in the same period).** Nevertheless, it is noted that bank solvency, measured in terms of capital compliance, remains at an adequate level, even when taking into account the mentioned adjustment.

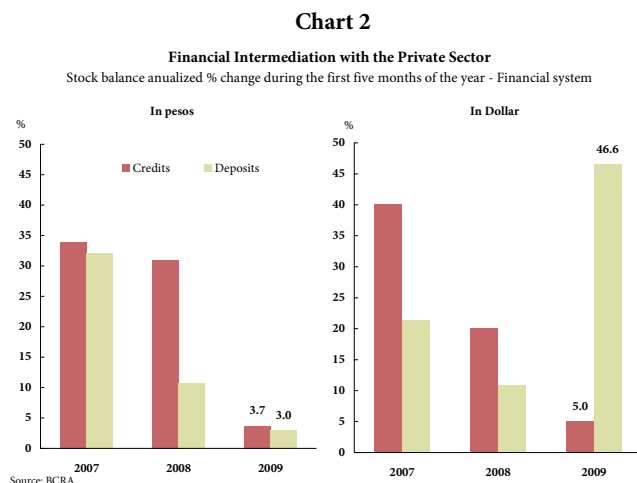
## Activity

**Bank balance sheets continue to gain strength, showing limited mismatching of foreign currency and CER-adjusted items**

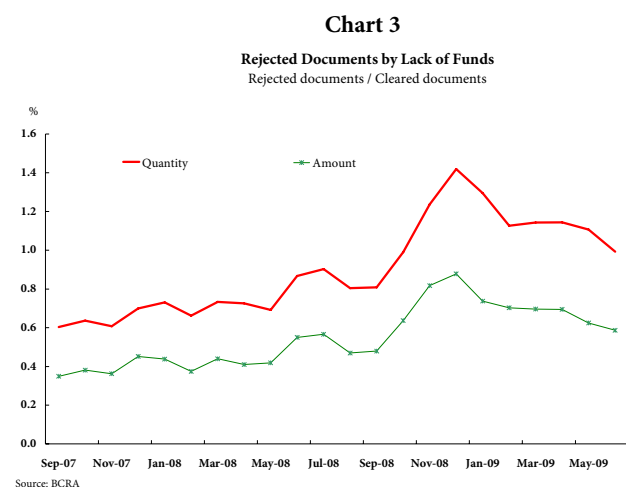


In May there was a moderate increase in bank financial intermediation with the private sector. Financial system netted assets rose 0.7% in the month, accumulating year-on-year (y.o.y.) growth of 12.1%, almost 3 p.p. less than that recorded 12 months earlier. This increase for the month was driven mainly by public banks.

The banking sector is continuing to undergo a process of balance sheet strengthening that began almost five years ago, despite a period of intense volatility on financial markets. There has been improvement in terms of the composition of financial entity assets. Credit to households and companies amount to around 39% of total financial system assets (see Chart 1), almost 13 p.p. above the level at the end of 2005. Liquid assets (including Lebac and Nobac holdings not related to repos with the Central Bank) increased their share, while balance-sheet lending stocks to the public sector have been losing share.

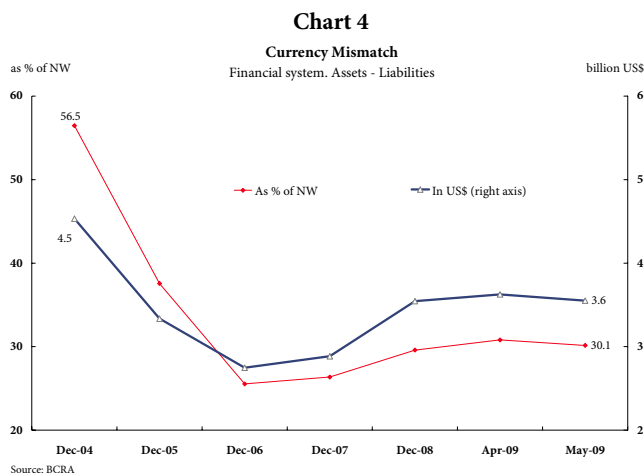


During the first five months of the year there has been slower growth in lending to the private sector compared with the same period in previous years. A similar behavior has been recorded in terms of deposits in local currency, while deposits in dollars have shown greater dynamism in the total for the year (see Chart 2).

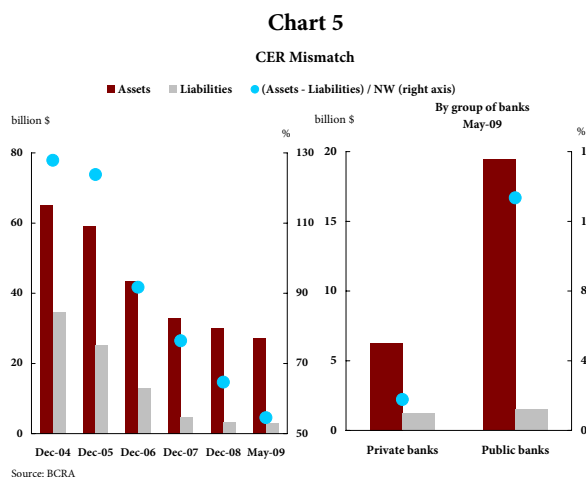


In the case of cash flows for May as estimated from bank balance-sheet data, there has been a notable increase in public sector deposits (\$2.05 billion), which provided the main source of funds, in part as a result of the significant tax deadlines in the period. Principal uses of funds have included increased lending to the private sector (\$1.6 billion) and a rise in liquid assets (\$1.05 billion).

Over the first half of 2009 there has been a gradual reduction in the rejection of checks for insufficient funds, interrupting a rising trend that began to be recorded in the first half of 2008, becoming increasingly significant towards the end of that year. As a result, in mid-2009 the amount of documents rejected for lack of funds totaled 0.6% of the total cleared (1% of the volume of transactions), below the 0.9% observed at the end of last year (1.4% of the volume of transactions) (see Chart 3).



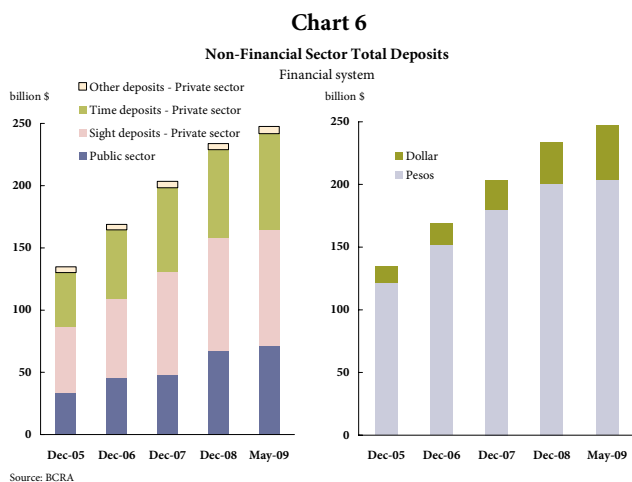
**Balance-sheet mismatching between financial system assets and liabilities in foreign currency declined slightly over the month**, standing at 30.1% of net worth (see Chart 4). The drop for the month in foreign currency assets (US\$280 million), driven by liquid assets, was higher than the reduction in liabilities in that currency (US\$200 million). The decline in these liabilities was conducted by a slight reduction in public sector deposits, as deposits by companies and households increased during the month. Balance-sheet currency mismatching is well below the levels recorded at the end of 2004. Furthermore, **only 17% of balance-sheet lending stocks to the private sector are denominated in foreign currency (6% of total assets)**, being mainly related to export loans.



As another indication of balance-sheet normalization, the financial system **continues to reduce the mismatching of CER adjusted items**. The difference between assets and liabilities adjusted by CER stands at 55% of bank net worth, showing a drop of 11 p.p. in the year to date (see Chart 5), mainly from the exchange of Guaranteed Loans. As a result, financial entities as a whole have continued to lower their exposure to real interest rate risk, with public banks accounting for most of the mismatching at aggregate level.

## Deposits and liquidity

*Public sector deposits have boosted total placements in a month of major tax payment deadlines*

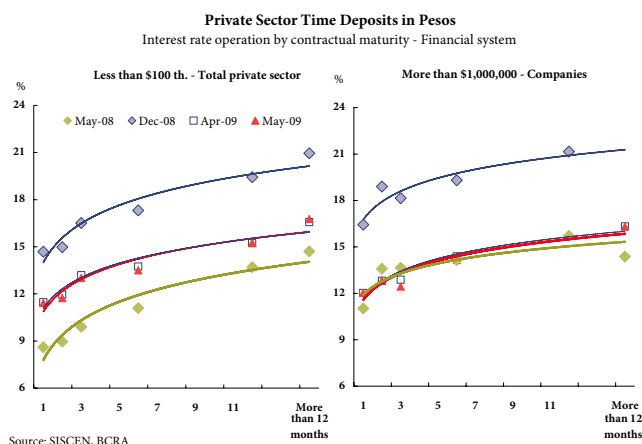


**Non-financial sector<sup>1</sup> balance-sheet stocks of deposit grew \$2.4 billion (1%) in May**. The monthly increase has mainly been led by public sector deposits (up \$2.05 billion or 3%), in a period of important tax deadlines, and to a lesser extent by those of the private sector. In the year to date the private sector has mainly been responsible for the rise in deposits, which has mostly taken place in foreign currency (see Chart 6).

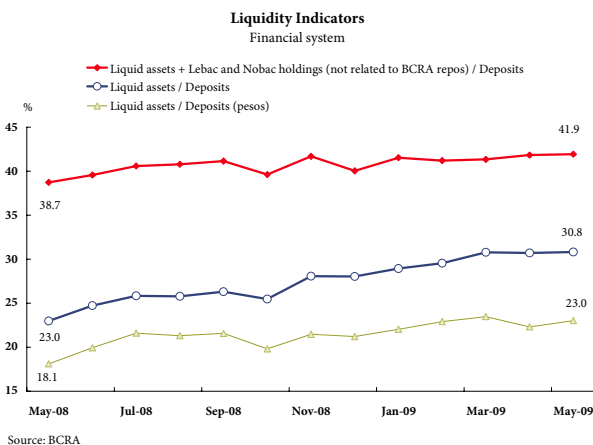
**During the month the slight increase in private sector deposits balance-sheet was driven by sight accounts (1%), while time deposits lost ground, mainly in the domestic currency segment**. This performance by private sector time deposits in pesos has taken place in a context of stable interest rates compared with April, at a lower level than those recorded at the end of 2008 (see Chart 7). Interest rates agreed for private sector sight

<sup>1</sup> Includes private and public sector deposits, accrued interest and CER adjustments.

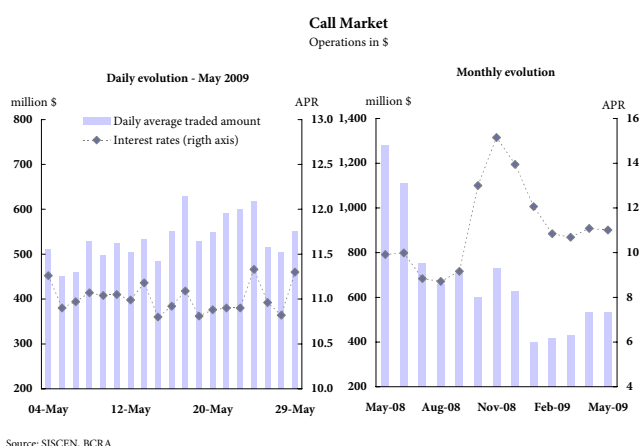
**Chart 7**



**Chart 8**



**Chart 9**



deposits in dollars were slightly lower than those of the previous month and one year earlier.

**The financial sector continues to record high liquidity levels.** In May total financial entity liquid assets went up \$1.05 billion as a result of the increase in the stock of net repos with the Central Bank (\$2.65 billion) at a time of falling cash levels at banks and bank cash holdings at this Institution (\$1.6 billion). The liquidity indicator (including items in both pesos and dollars) rose slightly in May to 30.8% of total deposits, accumulating an increase of 7.8 p.p. compared with the same month of the previous year (see Chart 8), while the liquidity indicator in pesos stands at 23% of total deposits in domestic currency, marginally above the level recorded the previous month and 4.9 p.p. more than 12 months ago. Lebac and Nobac holdings not linked to repos with the Central Bank went up \$250 million in May, so that the broad liquidity indicator remains at around 41.9% of deposits, 3.2 p.p. more than 12 months earlier.

**Call money market interest rates remained relatively stable during May at around 11%** (see Chart 9). Average daily traded amount on this market also remained at levels similar to previous month.

## Financing

**Overdrafts and export loans have led the increase in lending to the private sector**

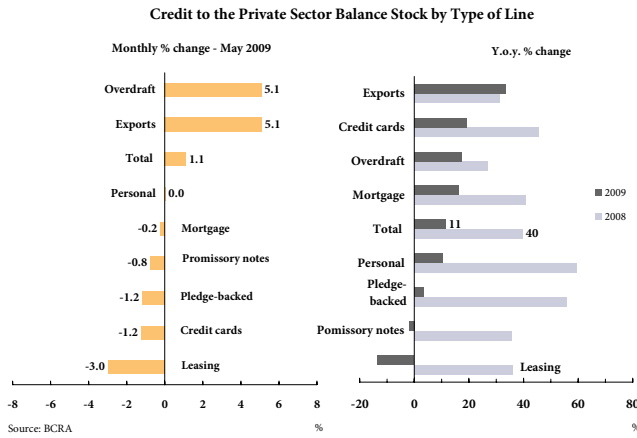
**Balance-sheet stocks for lending to the private sector rose \$1.5 billion (1.1%) in May, \$1.6 billion (1.2%) if adjusted for the issued of financial trusts during the month<sup>2</sup>.** This growth is explained by the increase in overdrafts and export loans<sup>3</sup> (see Chart 10), more than offsetting the reduction observed in the rest of the lines. In year-on-year terms, the rate of growth in lending to the private sector has slowed slightly, to 11.4%, 0.4 p.p. below the level recorded in April.

The rise for the month in the balance-sheet lending stocks to households and companies was mainly accounted for public banks, and to a lesser extent by private foreign banks. **In the last year, public banks explained about three-quarters of total increase in lending to the private sector, significantly increasing their participation in total loan stocks.** (see Chart 11).

<sup>2</sup> In May three financial trusts for a total of \$103 million were issued with bank loans as underlying assets. The entire amount corresponded to the securitization of personal loans.

<sup>3</sup> In May the nominal peso-dollar exchange rate remained steady.

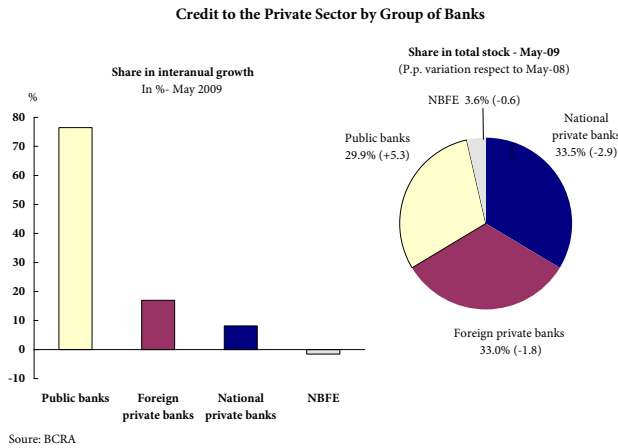
**Chart 10**



Over the course of 2009 there has been a reduction in the average maturity for loans granted to the private sector. This movement is explained by the shorter terms to maturity of new loans granted to households, principally from the reduced duration of mortgage loans (see Chart 12).

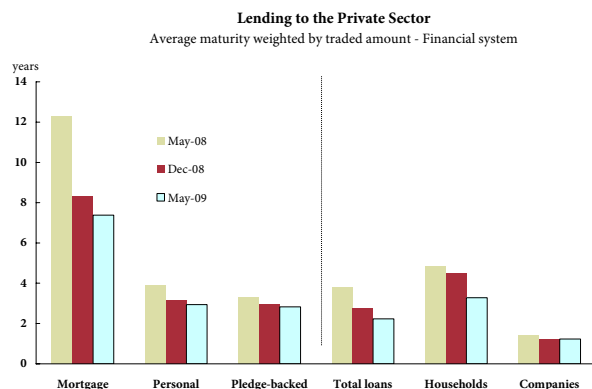
In 2009 lending to the private sector has been driven by loans to companies, with a slight drop in lending to households<sup>4</sup>. In the first 4 months of the year loans to the corporate sector grew by 12.6%a. (the latest information available for this breakdown is dated April 2009), accounting for 23.3% of financial system netted assets (in line with the values observed in December 2008). Bank financing to companies continues to expand in almost all productive sectors: loans to manufacturing, primary production and construction sectors have risen at above average rates, gaining share of total lending, while the share of lending to services and commerce has dropped (see Chart 13).

**Chart 11**



From moderate levels it continue to be seen certain materialization of the credit risk from households and companies. Non-performing loans to the private sector increased 0.1 p.p. in May to 3.8%, accumulating a rise of 0.7 p.p. in the year to date, driven mainly by household consumer loans (non-performance has increased 1.1 p.p. so far in 2009 to 6.1% - based on April data) (see Chart 14). Non-performing loan coverage by provisions remains high (116%), showing a slight drop in 2009 from increased delinquency in the private sector loan portfolio.

**Chart 12**



Continuing with the measures adopted by this Central Bank to preserve financial stability and the credit dynamic, during May an auction was held of variable interest rate for fixed interest rate swaps. At the tender a total of \$50 million was awarded in notional values, after having received offers for over \$280 million, well above the amount initially tendered. This instrument assists in the efficient administration of the interest rate risk being faced by banks, encouraging the granting of loans at fixed rates for relatively longer terms than those currently seen on the market, while at the same time serving as a reference for long-term nominal interest rate time series.

<sup>4</sup> Loans to households are those granted to individuals, except for commercial loans. This latter heading is added to loans to legal persons and is included within the companies total.



# Solvency

*Increases in operating costs and loan loss provisions have impacted on accrued results*

**Book net worth for the consolidated financial system expanded 0.7% in May (14.2% y.o.y.)** from both accrued gains and the receipt of new capital contributions. **One national private bank and a foreign private bank received capitalization** for a total of approximately \$24 million during the month. Since the beginning of 2002 capital contributions have totaled \$17.8 billion (see Chart 15).

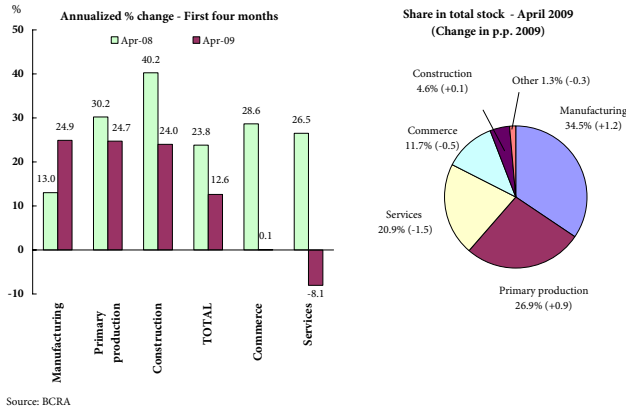
**The capital compliance ratio continues to grow steadily in the context of slowing growth in risk-weighted assets**, explained in part by the lower dynamism of private sector lending. The capital compliance ratio for the banking system as a whole stands at 17.6% of risk-weighted assets, having risen 0.8 p.p. in the year to date (see Chart 16). The increase in compliance is mainly accounted for private banks. Excess compliance represents 88% of the total requirement at system level.

**Book profits totaled 1.4%a. of assets in May, down 0.3 p.p. compared with the previous month.** Lower results for the month are explained by the increased expenditure that has been recorded (operating costs, loan loss provisions and income tax accrual), which have been offset in part by an increment in financial margin. **If the effect of the rise in the nominal peso-dollar exchange rate that has taken place in the first half of 2009 is eliminated, in the year to date the financial system records profits lower than those of 12 months earlier.** This performance has been evident for both private and public banks (see Chart 17).

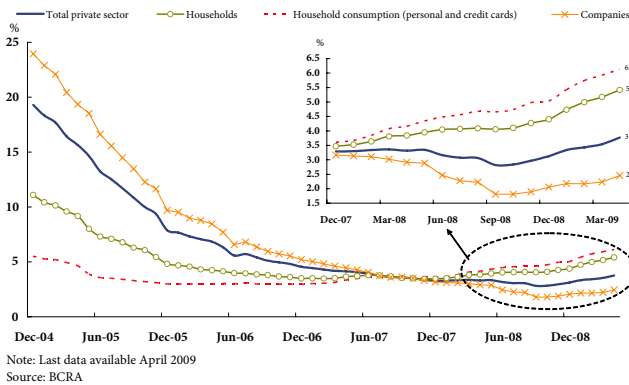
**Both private banks and public banks accrued book profits that were lower than those for April:** private bank profitability dropped 0.3 p.p. of assets to 2%a. and that of public banks by 0.2 p.p. to 0.3%a.

**It should be considered that the profitability of the financial system would disappear if the public sector assets held in portfolio were valued at market price.** The profits accumulated by the financial system in the last 12 months would be transformed into estimated losses of approximately \$2.1 billion (ROA of -0.7%). Nevertheless, the solvency of the financial system would continue at adequate levels even if this asset valuation adjustment were to be made.

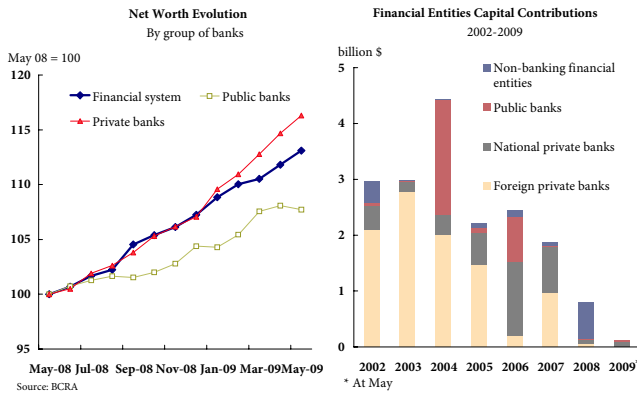
**Chart 13**  
Lending to Companies by Economic Sector



**Chart 14**  
Non-Performing Credit to the Private Sector

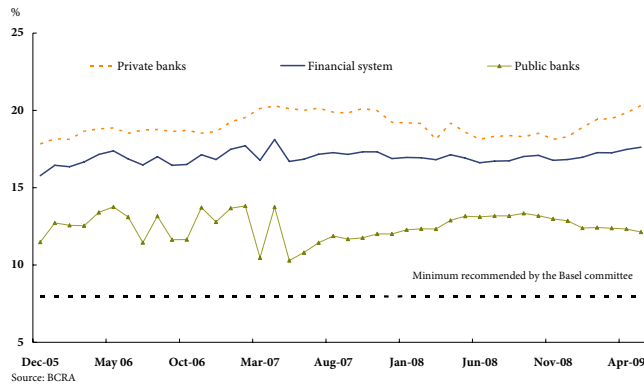


**Chart 15**  
Solvency



**Chart 16**

**Capital Compliance According to Regulation**  
As % of risk-weighted assets

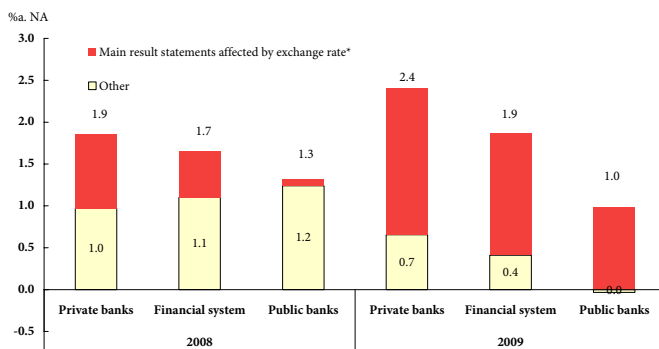


During May, bank financial margin rose 1.3 p.p. of assets to 8.2%a., mainly because of the performance of gains on securities (up 0.5 p.p. of assets to 2.8%a.) and foreign exchange price adjustments (up 0.4 p.p. of assets to 1%a.). Net interest income continues to increase (0.2 p.p. of assets to 4.1%a.). **In the accumulated total for the year financial margin has reached a high of 7.8%a. of assets, increasing 1.2 p.p. compared with the same period of last year, in part from the performance of the headings most affected by the rise of the nominal peso-dollar exchange rate.**

Service income margin went up moderately in the month to 3.8%a. of assets, reaching 3.7%a. for the first 5 months of the year, 0.3 p.p. of assets above the same period of the previous year. **Service income margin are mainly driven by private banks.**

**Chart 17**

**Accumulated Results**  
Financial system - First 5 months



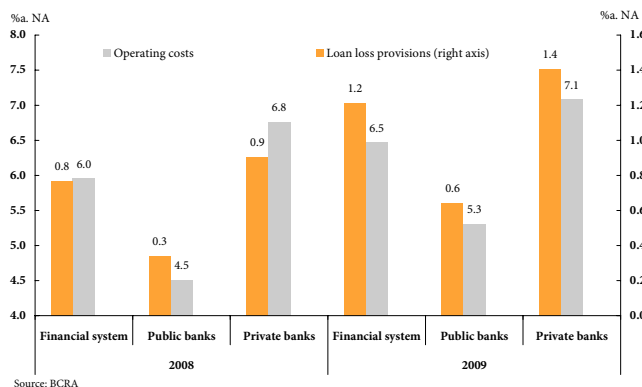
\* Main result statements affected by exchange rates: Foreign exchange price adjustments and other financial income  
Source: BCRA

Operating costs have risen by 0.6 p.p. of assets to 6.9%a. in the month, and loan loss provisions increased 0.3 p.p. of assets in May to 1.4%a. (see Chart 18). In addition, there was a rise of 0.6 p.p. in the income tax accrual.

On the basis of the information available at the date of publication of this report, **it is estimated that the financial system would end the second quarter of the year recording significant levels of solvency. The more stable sources of income would continue to represent the principal channel for strengthening solvency indicators**, despite the gradual deceleration in the rate of financial intermediation with the private sector. Some income statement headings could show variations, given the adjustments that tend to be carried out at quarter ends. Book profits would continue to record the gradual effect of increased loan loss provisions (in a context of greater levels of non-performance) and higher operating costs.

**Chart 18**

**Main Costs Items of Result Statements**  
First 5 months



Source: BCRA

## 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” 4946 – 19/05/09**

Ordered text of regulations in relation to BCRA liquidity windows.

### **Communication “A” 4947 – 26/05/09**

Financing to the non-financial public sector. In relation to the sureties in the form of time deposit certificates issued by the lending entity, the condition that they should be established in the same currency as the credit assistance has been eliminated.

## 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 Responsabilidad Patrimonial Computable (RPC) in Spanish. The measure for compliance with bank capital regulations.

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

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

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

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

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

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

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

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

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

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

**mill.:** million.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**SME:** Small and Medium Enterprises.

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

**RWA:** Risk weighted assets.

# Statistics Annex | Financial System

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

As %	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	May 2008	2008	Apr 2009	May 2009
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	23.0	28.0	30.7	30.8
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	14.4	12.7	12.5	12.5
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	38.8	39.4	38.5	38.5
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	3.3	3.1	3.7	3.8
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	-2.3	-3.3	-2.1	-1.9
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	1.7	1.6	2.0	1.9
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	14.1	13.4	16.7	15.6
8.- Efficiency	142	136	138	142	147	143	189	69	125	151	167	160	168	167	180	178
9.- Capital compliance	23.8	20.8	20.3	21.0	20.1	21.4	-	14.5	14.0	15.3	16.8	16.9	16.9	16.8	17.5	17.6
10.- Excess capital compliance	64	73	49	54	58	54	-	116	185	173	134	93	81	90	87	88

Source: BCRA

## Chart 2 | Balance Sheet

In million of current pesos	Dec 00	Dec 01	Dec 02	Dec 03	Dec 04	Dec 05	Dec 06	Dec 07	May 08	Dec 08	Apr 09	May 09	Change (in %)			
													Last month	2009	Last 12 months	
<b>Assets</b>	<b>163,550</b>	<b>123,743</b>	<b>187,532</b>	<b>186,873</b>	<b>212,562</b>	<b>221,962</b>	<b>258,384</b>	<b>297,963</b>	<b>325,839</b>	<b>347,102</b>	<b>361,516</b>	<b>365,859</b>	<b>1.2</b>	<b>5.4</b>	<b>12.3</b>	
Liquid assets <sup>1</sup>	20,278	13,005	17,138	27,575	29,154	20,819	37,991	46,320	47,246	58,989	62,642	61,054	-2.5	3.5	29.2	
Public bonds	10,474	3,694	31,418	45,062	55,382	66,733	64,592	62,678	67,657	65,320	76,029	79,122	4.1	21.1	16.9	
Lebac/Nobac	-	-	-	-	17,755	28,340	29,289	36,022	41,785	37,158	42,977	45,700	6.3	23.0	9.4	
Portfolio	-	-	-	-	11,803	21,067	25,767	31,598	35,170	25,716	27,669	27,934	1.0	8.6	-20.6	
Repo <sup>2</sup>	-	-	-	-	5,953	7,273	3,521	4,424	6,615	11,442	15,308	17,766	16.1	55.3	168.5	
Private bonds	633	543	332	198	387	389	813	382	563	203	254	277	9.0	36.7	-50.8	
Loans	83,277	77,351	84,792	68,042	73,617	84,171	103,668	132,157	145,502	154,727	153,733	155,303	1.0	0.4	6.7	
Public sector	15,164	22,694	44,337	33,228	30,866	25,836	20,874	16,772	17,003	17,097	13,876	13,876	-0.6	-18.8	-18.4	
Private sector	64,464	52,039	38,470	33,398	41,054	55,885	77,832	110,355	122,409	132,837	135,828	137,543	1.3	3.5	12.4	
Financial sector	3,649	2,617	1,985	1,417	1,697	2,450	4,962	5,030	6,090	4,793	3,939	3,883	-1.4	-19.0	-36.2	
Provisions over loans	-6,907	-6,987	-11,952	-9,374	-7,500	-4,930	-3,728	-4,089	-4,383	-4,745	-5,321	-5,472	2.8	15.3	24.9	
Other netted credits due to financial intermediation	42,361	21,485	39,089	27,030	32,554	26,721	26,039	29,712	38,448	38,158	39,237	41,446	5.6	8.6	7.8	
Corporate bonds and subordinated debt	794	751	1,708	1,569	1,018	873	773	606	717	912	1,082	1,136	5.0	24.5	58.5	
Unquoted trusts	2,053	2,065	6,698	4,133	3,145	3,883	4,881	5,023	5,564	5,722	6,136	6,152	0.3	7.5	10.6	
Compensation receivable	0	0	17,111	14,937	15,467	5,841	763	377	320	357	384	386	0.6	8.3	20.6	
Other	39,514	18,669	13,572	6,392	12,924	16,124	19,622	23,706	31,848	31,167	31,635	33,772	6.8	8.4	6.0	
Leasing	786	771	567	397	611	1,384	2,262	3,469	3,860	3,935	3,442	3,339	-3.0	-15.1	-13.5	
Shares in other companies	2,645	2,688	4,653	4,591	3,871	4,532	6,392	6,430	6,672	7,184	7,604	7,667	0.8	6.7	14.9	
Fixed assets and miscellaneous	4,939	4,804	8,636	8,164	7,822	7,546	7,619	7,643	7,739	7,905	8,102	8,121	0.2	2.7	4.9	
Foreign branches	1,115	1,057	3,522	3,144	3,524	2,782	2,912	2,934	3,154	3,483	3,552	2.0	12.6	21.1		
Other assets	3,950	5,334	9,338	12,043	13,180	10,950	9,953	10,347	9,600	12,273	12,312	11,451	-7.0	-6.7	19.3	
<b>Liabilities</b>	<b>146,267</b>	<b>107,261</b>	<b>161,446</b>	<b>164,923</b>	<b>188,683</b>	<b>195,044</b>	<b>225,369</b>	<b>261,143</b>	<b>287,408</b>	<b>305,725</b>	<b>317,735</b>	<b>321,737</b>	<b>1.3</b>	<b>5.2</b>	<b>11.9</b>	
Deposits	86,506	66,458	75,001	94,635	116,655	136,492	170,898	205,550	222,278	236,482	248,816	251,353	1.0	6.3	13.1	
Public sector <sup>3</sup>	7,204	950	8,381	16,040	31,649	34,019	45,410	48,340	58,441	67,421	69,788	71,847	3.0	6.6	22.9	
Private sector <sup>3</sup>	78,397	43,270	59,698	74,951	83,000	100,809	123,431	155,048	161,396	166,373	175,509	175,683	0.1	5.6	8.9	
Current account	6,438	7,158	11,462	15,071	18,219	23,487	26,900	35,245	38,091	39,619	39,277	39,507	0.6	-0.3	3.7	
Savings account	13,008	14,757	10,523	16,809	23,866	29,078	36,442	47,109	46,438	51,016	52,368	53,037	1.3	4.0	14.2	
Time deposit	53,915	18,012	19,080	33,285	34,944	42,822	54,338	65,952	69,055	69,484	77,243	76,012	-1.6	9.4	10.1	
CEDRO	0	0	12,328	3,217	1,046	17	13	0	0	0	0	0	-	-	-	
Other netted liabilities due to financial intermediation	55,297	36,019	75,737	61,690	64,928	52,072	46,037	46,225	55,574	57,662	57,037	58,878	3.2	2.1	5.9	
Interbanking obligations	3,545	2,550	1,649	1,317	1,461	2,164	4,578	4,310	5,327	3,895	3,181	3,140	-1.3	-19.4	-41.0	
BCRA lines	102	4,470	27,837	27,491	27,726	17,005	7,686	2,362	2,252	1,885	1,401	1,340	-4.4	-28.9	-40.5	
Outstanding bonds	4,954	3,777	9,096	6,675	7,922	6,548	6,603	6,938	6,601	5,984	5,635	5,752	2.1	-3.9	-12.9	
Foreign lines of credit	8,813	7,927	25,199	15,196	8,884	4,684	4,240	3,864	4,503	4,541	3,805	3,741	-1.7	-17.6	-16.9	
Other	37,883	17,295	11,955	11,012	18,934	21,671	22,930	28,752	36,892	41,357	43,014	44,905	4.4	8.6	21.7	
Subordinated debts	2,255	2,260	3,712	2,028	1,415	1,381	1,642	1,672	1,638	1,763	1,900	1,929	1.5	9.4	17.7	
Other liabilities	2,210	2,524	6,997	6,569	5,685	5,099	6,792	7,695	7,917	9,818	9,983	9,577	-4.1	-2.5	21.0	
<b>Net worth</b>	<b>17,283</b>	<b>16,483</b>	<b>26,086</b>	<b>21,950</b>	<b>23,879</b>	<b>26,918</b>	<b>33,014</b>	<b>36,819</b>	<b>38,432</b>	<b>41,377</b>	<b>43,780</b>	<b>44,123</b>	<b>0.8</b>	<b>6.6</b>	<b>14.8</b>	
<b>Memo</b>																
Netted assets	129,815	110,275	185,356	184,371	202,447	208,275	244,791	280,336	300,720	321,414	334,896	337,151	0.7	4.9	12.1	
Consolidated netted assets	125,093	106,576	181,253	181,077	198,462	203,286	235,845	271,652	290,768	312,357	326,367	328,621	0.7	5.2	13.0	

(1) Includes margin accounts with the BCRA and excludes financial entities repos against BCRA. (2) Booked value from balance sheet. (3) 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 5 months		Monthly			Last
	2000	2001	2002 <sup>1</sup>	2003	2004	2005	2006	2007	2008	2008	2009	Mar-09	Apr-09	May-09	12 months	
Financial margin	7,291	6,943	13,991	1,965	6,075	9,475	13,262	15,134	20,526	8,106	10,607	2,525	1,903	2,275	23,027	
Net interest income	5,106	4,625	-3,624	-943	1,753	3,069	4,150	5,744	9,574	3,512	5,374	899	1,087	1,127	11,436	
CER and CVS adjustments	0	0	8,298	2,315	1,944	3,051	3,012	2,624	2,822	1,551	455	75	94	77	1,725	
Foreign exchange price adjustments	185	268	5,977	-890	866	751	944	1,357	2,304	586	1,518	593	156	269	3,236	
Gains on securities	1,481	1,490	3,639	1,962	1,887	2,371	4,923	5,144	4,462	2,356	2,799	596	629	773	4,905	
Other financial income	519	559	-299	-480	-375	233	235	264	1,363	101	462	362	-63	28	1,724	
Service income margin	3,582	3,604	4,011	3,415	3,904	4,781	6,243	8,248	10,868	4,156	5,050	1,023	1,033	1,046	11,762	
Loan loss provisions	-3,056	-3,096	-10,007	-2,089	-1,511	-1,173	-1,198	-1,894	-2,832	-940	-1,649	-364	-290	-379	-3,541	
Operating costs	-7,375	-7,362	-9,520	-7,760	-7,998	-9,437	-11,655	-14,634	-18,748	-7,316	-8,792	-1,753	-1,743	-1,920	-20,224	
Tax charges	-528	-571	-691	-473	-584	-737	-1,090	-1,537	-2,315	-810	-1,283	-287	-254	-276	-2,789	
Income tax	-446	-262	-509	-305	-275	-581	-595	-1,032	-1,342	-548	-1,555	-346	-301	-475	-2,350	
Adjust. to the valuation of gov. securities <sup>2</sup>	0	0	0	-701	-320	-410	-752	-837	-1,757	-680	-176	-13	-17	-14	-1,253	
Amort. payments for court-ordered releases	0	0	0	-1,124	-1,686	-1,867	-2,573	-1,922	-994	-456	-289	-66	-63	-56	-827	
Other	535	702	-3,880	1,738	1,497	1,729	2,664	2,380	1,366	526	624	3	188	175	1,464	
Monetary results	0	0	-12,558	69	0	0	0	0	0	0	0	0	0	0	0	
<b>Total results<sup>3</sup></b>	<b>3</b>	<b>-42</b>	<b>-19,162</b>	<b>-5,265</b>	<b>-898</b>	<b>1,780</b>	<b>4,306</b>	<b>3,905</b>	<b>4,773</b>	<b>2,039</b>	<b>2,536</b>	<b>721</b>	<b>455</b>	<b>376</b>	<b>5,270</b>	
Adjusted results <sup>4</sup>	-	-	-	-3,440	1,337	4,057	7,631	6,665	7,523	3,174	3,001	800	535	446	7,350	
<i>Annualized indicators - As % of netted assets</i>																
Financial margin	5.7	5.7	6.5	1.1	3.1	4.6	5.8	5.7	6.7	6.6	7.8	9.3	6.9	8.2	7.2	
Net interest income	4.0	3.8	-1.7	-0.5	0.9	1.5	1.8	2.2	3.1	2.9	4.0	3.3	3.9	4.1	3.6	
CER and CVS adjustments	0.0	0.0	3.9	1.3	1.0	1.5	1.3	1.0	0.9	1.3	0.3	0.3	0.3	0.3	0.5	
Foreign exchange price adjustments	0.1	0.2	2.8	-0.5	0.4	0.4	0.4	0.5	0.8	0.5	1.1	2.2	0.6	1.0	1.0	
Gains on securities	1.2	1.2	1.7	1.1	1.0	1.2	2.2	1.9	1.5	1.9	2.1	2.2	2.3	2.8	1.5	
Other financial income	0.4	0.5	-0.1	-0.3	-0.2	0.1	0.1	0.1	0.4	0.1	0.3	1.3	-0.2	0.1	0.5	
Service income margin	2.8	3.0	1.9	1.9	2.0	2.3	2.7	3.1	3.6	3.4	3.7	3.8	3.7	3.8	3.7	
Loan loss provisions	-2.4	-2.6	-4.7	-1.1	-0.8	-0.6	-0.5	-0.7	-0.9	-0.8	-1.2	-1.3	-1.1	-1.4	-1.1	
Operating costs	-5.8	-6.1	-4.4	-4.2	-4.1	-4.6	-5.1	-5.5	-6.1	-6.0	-6.5	-6.5	-6.3	-6.9	-6.4	
Tax charges	-0.4	-0.5	-0.3	-0.3	-0.3	-0.4	-0.5	-0.6	-0.8	-0.7	-0.9	-1.1	-0.9	-1.0	-0.9	
Income tax	-0.3	-0.2	-0.2	-0.2	-0.1	-0.3	-0.3	-0.4	-0.4	-0.4	-1.1	-1.3	-1.1	-1.7	-0.7	
Adjust. to the valuation of gov. securities <sup>2</sup>	0.0	0.0	0.0	-0.4	-0.2	-0.2	-0.3	-0.3	-0.6	-0.6	-0.1	0.0	-0.1	-0.1	-0.4	
Amort. payments for court-ordered releases	0.0	0.0	0.0	-0.6	-0.9	-0.9	-1.1	-0.7	-0.3	-0.4	-0.2	-0.2	-0.2	-0.2	-0.3	
Other	0.4	0.6	-1.8	0.9	0.8	0.8	1.2	0.9	0.4	0.4	0.5	0.0	0.7	0.6	0.5	
Monetary results	0.0	0.0	-5.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
<b>ROA<sup>3</sup></b>	<b>0.0</b>	<b>0.0</b>	<b>-8.9</b>	<b>-2.9</b>	<b>-0.5</b>	<b>0.9</b>	<b>1.9</b>	<b>1.5</b>	<b>1.6</b>	<b>1.7</b>	<b>1.9</b>	<b>2.7</b>	<b>1.7</b>	<b>1.4</b>	<b>1.7</b>	
<b>ROA adjusted<sup>4</sup></b>	<b>0.0</b>	<b>0.0</b>	<b>-8.9</b>	<b>-1.9</b>	<b>0.7</b>	<b>2.0</b>	<b>3.4</b>	<b>2.5</b>	<b>2.5</b>	<b>2.6</b>	<b>2.2</b>	<b>2.9</b>	<b>1.9</b>	<b>1.6</b>	<b>2.3</b>	
<b>ROE<sup>3</sup></b>	<b>0.0</b>	<b>-0.2</b>	<b>-59.2</b>	<b>-22.7</b>	<b>-4.2</b>	<b>7.0</b>	<b>14.3</b>	<b>11.0</b>	<b>13.4</b>	<b>14.1</b>	<b>15.6</b>	<b>22.2</b>	<b>13.8</b>	<b>11.4</b>	<b>14.1</b>	

(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 00	Dec 01	Dec 02	Dec 03	Dec 04	Dec 05	Dec 06	Dec 07	May 08	Dec 08	Apr 09	May 09
Non-performing loans (overall)	12.9	13.1	18.1	17.7	10.7	5.2	3.4	2.7	2.8	2.7	3.3	3.4
<b>Non-performing loans to the non-financial private sector</b>	<b>16.0</b>	<b>19.1</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>3.3</b>	<b>3.1</b>	<b>3.7</b>	<b>3.8</b>
Provisions / Non-performing loans	61.1	66.4	73.8	79.2	102.9	124.5	129.9	129.6	120.8	131.4	117.3	115.3
(Total non-performing - Provisions) / Overall financing	5.0	4.4	4.7	3.7	-0.3	-1.3	-1.0	-0.8	-0.6	-0.8	-0.6	-0.5
(Total non-performing - Provisions) / Net worth	26.2	21.6	17.2	11.9	-1.0	-4.1	-3.3	-3.0	-2.3	-3.3	-2.1	-1.9

(\*) 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	May 2008	2008	Apr 2009	May 2009
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	24.4	34.1	34.9	33.3
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	8.2	6.3	6.0	6.1
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	47.4	44.0	42.9	43.3
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	2.6	2.8	3.5	3.6
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	-2.8	-3.4	-2.1	-1.9
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	1.9	2.5	2.4
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	14.6	15.2	20.0	19.0
8.- Efficiency	144	135	139	146	152	151	168	93	115	136	158	152	163	166	188	189
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	18.6	18.3	19.8	20.3
10.- Excess capital compliance	33	47	27	60	49	43	-	88	157	155	116	87	75	86	95	99

Source: BCRA

## Chart 6 | Balance Sheet

In million of current pesos	Dec 00	Dec 01	Dec 02	Dec 03	Dec 04	Dec 05	Dec 06	Dec 07	May 08	Dec 08	Apr 09	May 09	Change (in %)			
													Last month	2009	Last 12 months	
<b>Assets</b>	<b>119,371</b>	<b>82,344</b>	<b>118,906</b>	<b>116,633</b>	<b>128,065</b>	<b>129,680</b>	<b>152,414</b>	<b>175,509</b>	<b>189,556</b>	<b>208,888</b>	<b>216,399</b>	<b>216,547</b>	<b>0.1</b>	<b>3.7</b>	<b>14.2</b>	
Liquid assets <sup>1</sup>	13,920	10,576	11,044	14,500	15,893	14,074	22,226	29,418	27,270	37,044	42,223	39,332	-6.8	6.2	44.2	
Public bonds	7,583	1,627	19,751	22,260	24,817	29,966	27,663	24,444	23,454	29,552	35,839	38,146	6.4	29.1	62.6	
Lebac/Nobac	0	0	-	-	8,359	15,227	15,952	17,684	17,322	23,457	24,890	26,916	8.1	14.7	55.4	
Portfolio	0	0	-	-	5,611	12,899	14,220	15,639	13,891	12,858	16,457	17,815	8.3	38.6	28.3	
Repo <sup>2</sup>	0	0	-	-	2,749	2,328	1,732	2,045	3,432	10,598	8,433	9,101	7.9	-14.1	165.2	
Private bonds	563	451	273	172	333	307	683	310	457	127	108	137	26.1	7.6	-70.1	
Loans	56,035	52,319	51,774	47,017	50,741	56,565	69,294	88,898	97,276	98,529	95,127	95,858	0.8	-2.7	-1.5	
Public sector	8,172	13,803	25,056	23,571	21,420	15,954	10,036	6,413	6,224	6,249	2,159	2,015	-6.7	-67.8	-67.6	
Private sector	45,103	36,636	26,074	22,816	28,213	39,031	55,632	78,587	86,304	88,426	89,798	90,749	1.1	2.6	5.2	
Financial sector	2,760	1,880	644	630	1,107	1,580	3,626	3,898	4,748	3,854	3,169	3,095	-2.4	-19.7	-34.8	
Provisions over loans	-3,248	-3,957	-7,463	-5,225	-3,717	-2,482	-2,227	-2,365	-2,558	-2,871	-3,276	-3,391	3.5	18.1	32.5	
Other netted credits due to financial intermediation	36,600	13,037	27,212	22,148	25,753	16,873	18,387	17,084	25,093	25,265	24,946	25,757	3.2	1.9	2.6	
Corporate bonds and subordinated debt	724	665	1,514	1,394	829	675	618	430	529	699	788	822	4.3	17.6	55.6	
Unquoted trusts	1,609	1,637	6,205	3,571	2,362	2,444	2,982	3,456	4,083	3,869	4,205	4,288	2.0	10.8	5.0	
Compensation receivable	0	0	15,971	13,812	14,657	5,575	760	377	320	357	384	386	0.6	8.3	20.6	
Other	34,267	10,735	3,523	3,370	7,905	8,179	14,027	12,822	20,160	20,339	19,569	20,260	3.5	-0.4	0.5	
Leasing	776	752	553	387	592	1,356	2,126	3,149	3,460	3,451	3,002	2,910	-3.0	-15.7	-15.9	
Shares in other companies	1,651	1,703	3,123	2,791	1,892	2,416	4,042	3,762	4,091	4,538	4,911	4,989	1.6	9.9	22.0	
Fixed assets and miscellaneous	3,225	3,150	5,198	4,902	4,678	4,575	4,677	4,685	4,774	4,926	5,062	5,062	0.0	2.8	6.0	
Foreign branches	75	112	-109	-136	-53	-148	-139	-154	-155	-178	-194	-196	1.0	10.0	26.5	
Other assets	2,190	2,574	7,549	7,816	7,137	6,178	5,682	6,277	6,396	8,505	8,651	7,943	-8.2	-6.6	24.2	
<b>Liabilities</b>	<b>107,193</b>	<b>70,829</b>	<b>103,079</b>	<b>101,732</b>	<b>113,285</b>	<b>112,600</b>	<b>131,476</b>	<b>152,153</b>	<b>164,998</b>	<b>182,596</b>	<b>188,233</b>	<b>187,984</b>	<b>-0.1</b>	<b>3.0</b>	<b>13.9</b>	
Deposits	57,833	44,863	44,445	52,625	62,685	75,668	94,095	116,719	121,784	135,711	142,798	142,870	0.1	5.3	17.3	
Public sector <sup>3</sup>	1,276	950	1,636	3,077	6,039	6,946	7,029	7,564	9,080	19,600	21,790	22,478	3.2	14.7	147.5	
Private sector <sup>3</sup>	55,917	43,270	38,289	47,097	55,384	67,859	85,714	107,671	111,262	114,176	118,879	118,132	-0.6	3.5	6.2	
Current account	4,960	7,158	8,905	11,588	13,966	17,946	20,604	27,132	29,062	30,188	29,573	29,243	-1.1	-3.1	0.6	
Savings account	9,409	14,757	6,309	10,547	14,842	18,362	23,165	30,169	29,055	32,778	33,756	33,933	0.5	3.5	16.8	
Time deposit	39,030	18,012	11,083	18,710	22,729	27,736	38,043	45,770	47,712	46,990	51,228	50,430	-1.6	7.3	5.7	
CEDRO	0	0	9,016	2,409	798	3	1	0	0	0	0	0	-	-	-	
Other netted liabilities due to financial intermediation	46,271	22,629	49,341	42,367	45,083	32,349	31,750	29,323	37,041	39,298	37,243	37,410	0.4	-4.8	1.0	
Interbanking obligations	2,293	1,514	836	726	1,070	1,488	3,383	1,979	2,271	1,160	1,145	1,157	1.1	-0.3	-49.0	
BCRA lines	83	1,758	16,624	17,030	17,768	10,088	3,689	675	705	649	329	332	0.7	-48.9	-53.0	
Outstanding bonds	4,939	3,703	9,073	6,674	7,922	6,548	6,413	6,686	6,295	5,672	5,337	5,362	0.5	-5.5	-14.8	
Foreign lines of credit	5,491	4,644	15,434	9,998	5,444	2,696	2,249	1,833	2,457	2,261	1,401	1,301	-7.1	-42.5	-47.0	
Other	33,466	11,010	7,374	7,939	12,878	11,530	16,015	18,150	25,312	29,555	29,032	29,257	0.8	-1.0	15.6	
Subordinated debts	1,668	1,700	3,622	1,850	1,304	1,319	1,642	1,668	1,634	1,759	1,896	1,925	1.5	9.4	17.8	
Other liabilities	1,420	1,637	5,671	4,890	4,213	3,264	3,989	4,443	4,539	5,828	6,297	5,779	-8.2	-0.8	27.3	
<b>Net worth</b>	<b>12,178</b>	<b>11,515</b>	<b>15,827</b>	<b>14,900</b>	<b>14,780</b>	<b>17,080</b>	<b>20,938</b>	<b>23,356</b>	<b>24,558</b>	<b>26,292</b>	<b>28,165</b>	<b>28,563</b>	<b>1.4</b>	<b>8.6</b>	<b>16.3</b>	
<b>Memo</b>																
Netted assets	88,501	73,796	117,928	115,091	121,889	123,271	143,807	166,231	173,380	192,074	200,586	200,076	-0.3	4.2	15.4	

(1) Includes margin accounts with the BCRA and excludes financial entities repos against BCRA. (2) Booked value from balance sheet. (3) 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 5 months			Last			
	2000	2001	2002 <sup>1</sup>	2003	2004	2005	2006	2007	2008	2008	2009	Mar-09	Apr-09	May-09	12 months
Financial margin	5,441	5,282	10,628	2,575	3,415	5,253	7,778	8,960	12,964	4,956	7,318	1,685	1,374	1,615	15,326
Net interest income	3,598	3,519	-304	107	1,214	2,069	2,826	4,191	7,727	2,848	4,139	664	860	860	9,017
CER and CVS adjustments	0	0	1,476	1,082	900	1,215	858	662	651	374	77	8	10	7	355
Foreign exchange price adjustments	160	256	6,189	-312	666	576	740	990	1,620	551	857	280	118	167	1,925
Gains on securities	1,232	962	3,464	1,892	959	1,259	3,154	2,888	1,637	1,100	1,679	373	358	543	2,215
Other financial income	450	546	-197	-195	-322	134	199	229	1,329	82	566	379	28	38	1,814
Service income margin	2,554	2,598	2,782	2,341	2,774	3,350	4,459	5,881	7,632	2,947	3,563	727	735	721	8,248
Loan loss provisions	-2,173	-2,464	-6,923	-1,461	-1,036	-714	-737	-1,174	-1,863	-648	-1,142	-281	-212	-253	-2,357
Operating costs	-5,263	-5,224	-6,726	-5,310	-5,382	-6,303	-7,741	-9,735	-12,401	-4,842	-5,757	-1,185	-1,164	-1,215	-13,316
Tax charges	-379	-418	-512	-366	-393	-509	-769	-1,105	-1,715	-598	-940	-208	-187	-198	-2,056
Income tax	-393	-216	-337	-295	-202	-217	-365	-380	-1,168	-363	-1,042	-245	-164	-348	-1,846
Adjust. to the valuation of gov. securities <sup>2</sup>	0	0	0	-665	-51	-201	-170	-100	-267	-77	-21	0	-3	0	-210
Amort. payments for court-ordered releases	0	0	0	-791	-1,147	-1,168	-1,182	-1,466	-688	-319	-145	-34	-32	-33	-515
Other	307	615	-4,164	1,178	846	1,156	1,641	1,576	916	276	122	-25	37	38	762
Monetary results	0	0	-10,531	-20	0	0	0	0	0	0	0	0	0	0	0
<b>Total results<sup>3</sup></b>	<b>93</b>	<b>174</b>	<b>-15,784</b>	<b>-2,813</b>	<b>-1,176</b>	<b>648</b>	<b>2,915</b>	<b>2,457</b>	<b>3,412</b>	<b>1,331</b>	<b>1,956</b>	<b>433</b>	<b>383</b>	<b>326</b>	<b>4,037</b>
<b>Adjusted results<sup>4</sup></b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-1,357</b>	<b>252</b>	<b>2,016</b>	<b>4,267</b>	<b>4,023</b>	<b>4,367</b>	<b>1,727</b>	<b>2,121</b>	<b>468</b>	<b>418</b>	<b>359</b>	<b>4,761</b>
<i>Annualized indicators - As % of netted assets</i>															
Financial margin	6.2	6.4	7.6	2.3	2.9	4.3	5.9	5.8	7.3	6.9	9.0	10.3	8.3	9.9	8.2
Net interest income	4.1	4.3	-0.2	0.1	1.0	1.7	2.1	2.7	4.4	4.0	5.1	4.1	5.2	5.2	4.8
CER and CVS adjustments	0.0	0.0	1.1	0.9	0.8	1.0	0.6	0.4	0.4	0.5	0.1	0.1	0.1	0.0	0.2
Foreign exchange price adjustments	0.2	0.3	4.4	-0.3	0.6	0.5	0.6	0.6	0.9	0.8	1.1	1.7	0.7	1.0	1.0
Gains on securities	1.4	1.2	2.5	1.7	0.8	1.0	2.4	1.9	0.9	1.5	2.1	2.3	2.2	3.3	1.2
Other financial income	0.5	0.7	-0.1	-0.2	-0.3	0.1	0.2	0.1	0.8	0.1	0.7	2.2	0.2	0.2	1.0
Service income margin	2.9	3.2	2.0	2.0	2.4	2.7	3.4	3.8	4.3	4.1	4.4	4.4	4.5	4.4	4.4
Loan loss provisions	-2.5	-3.0	-5.0	-1.3	-0.9	-0.6	-0.6	-0.8	-1.1	-0.9	-1.4	-1.7	-1.3	-1.5	-1.3
Operating costs	-6.0	-6.4	-4.8	-4.6	-4.6	-5.1	-5.9	-6.3	-7.0	-6.8	-7.1	-7.2	-7.1	-7.4	-7.1
Tax charges	-0.4	-0.5	-0.4	-0.3	-0.3	-0.4	-0.6	-0.7	-1.0	-0.8	-1.2	-1.3	-1.1	-1.2	-1.1
Income tax	-0.4	-0.3	-0.2	-0.3	-0.2	-0.2	-0.3	-0.2	-0.7	-0.5	-1.3	-1.5	-1.0	-2.1	-1.0
Adjust. to the valuation of gov. securities <sup>2</sup>	0.0	0.0	0.0	-0.6	0.0	-0.2	-0.1	-0.1	-0.2	-0.1	0.0	0.0	0.0	0.0	-0.1
Amort. payments for court-ordered releases	0.0	0.0	0.0	-0.7	-1.0	-1.0	-0.9	-0.9	-0.4	-0.4	-0.2	-0.2	-0.2	-0.2	-0.3
Other	0.4	0.7	-3.0	1.0	0.7	0.9	1.2	1.0	0.5	0.4	0.1	-0.2	0.2	0.2	0.4
Monetary results	0.0	0.0	-7.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>ROA<sup>3</sup></b>	<b>0.1</b>	<b>0.2</b>	<b>-11.3</b>	<b>-2.5</b>	<b>-1.0</b>	<b>0.5</b>	<b>2.2</b>	<b>1.6</b>	<b>1.9</b>	<b>1.9</b>	<b>2.4</b>	<b>2.6</b>	<b>2.3</b>	<b>2.0</b>	<b>2.2</b>
<b>ROA adjusted<sup>4</sup></b>	<b>0.1</b>	<b>0.2</b>	<b>-11.3</b>	<b>-1.2</b>	<b>0.2</b>	<b>1.6</b>	<b>3.2</b>	<b>2.6</b>	<b>2.5</b>	<b>2.4</b>	<b>2.6</b>	<b>2.9</b>	<b>2.5</b>	<b>2.2</b>	<b>2.6</b>
<b>ROE<sup>3</sup></b>	<b>0.8</b>	<b>1.4</b>	<b>-79.0</b>	<b>-19.1</b>	<b>-8.1</b>	<b>4.1</b>	<b>15.3</b>	<b>10.9</b>	<b>15.2</b>	<b>14.6</b>	<b>19.0</b>	<b>21.1</b>	<b>18.4</b>	<b>15.4</b>	<b>17.1</b>

(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 00	Dec 01	Dec 02	Dec 03	Dec 04	Dec 05	Dec 06	Dec 07	May 08	Dec 08	Apr 09	May 09
Non-performing loans (overall)	8.3	9.9	19.8	15.7	8.9	4.4	2.9	2.2	2.3	2.5	3.3	3.4
<b>Non-performing loans to the non-financial private sector</b>	<b>9.8</b>	<b>14.0</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>2.6</b>	<b>2.8</b>	<b>3.5</b>	<b>3.6</b>
Provisions / Non-performing loans	67.7	75.7	73.4	79.0	97.0	114.3	129.3	141.3	129.1	134.1	118.2	116.1
(Total non-performing - Provisions) / Overall financing	2.7	2.4	5.3	3.3	0.4	-0.6	-0.9	-0.9	-0.7	-0.9	-0.6	-0.6
(Total non-performing - Provisions) / Net worth	13.4	11.4	18.6	11.2	1.3	-2.2	-3.0	-3.6	-2.8	-3.4	-2.1	-1.9

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

Source: BCRA