

Report on Banks

September 2013



BANCO CENTRAL
DE LA REPÚBLICA ARGENTINA

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September 2013

Year XI, N° 1



BANCO CENTRAL
DE LA REPÚBLICA ARGENTINA

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Note | Information for September 2013 available by October 25, 2013 is included. This Report is focused on the performance of the financial system, including breakdowns by homogeneous sub-sectors. The data reported (particularly, those referring to profitability) are provisional and are subject to changes. Except otherwise provided, end-of-month data are included.

Published on November 27, 2013

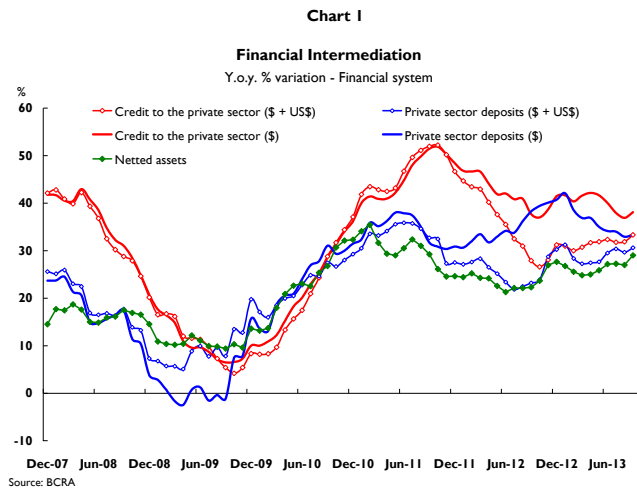
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Summary

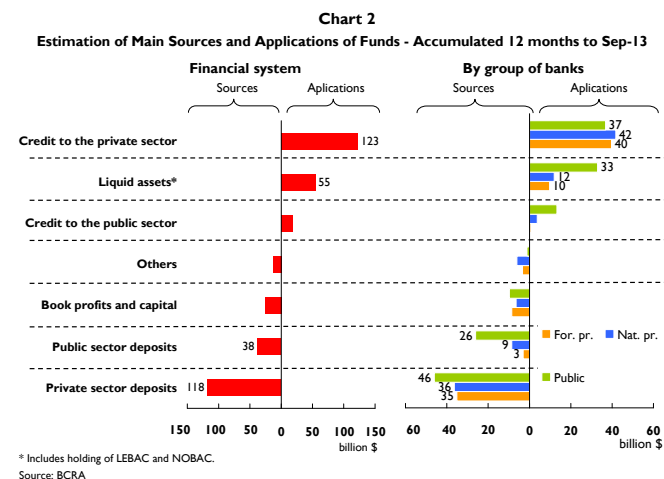
- **Banks' financial intermediation in pesos with the private sector continued growing in September.** The growth pace of both lending and deposits in domestic currency went up against previous months and against September 2012. As regards the payment system, **after the changes introduced by the BCRA, now more transfers through electronic means (transactions up to \$20,000) are free of charge for the user of financial services.**
- **Lending in pesos to the private sector went up 3.4% in September (38.1% y.o.y.). In this segment, loans for commercial purposes (promissory notes and overdrafts) and personal loans exhibited the most significant momentum.** Due to the remarkable performance of credit lines in pesos and the drop of loans in foreign currency, total financing (in pesos and dollars) to companies and households grew 3% in September (33.3% y.o.y.). **Lending to companies posted a 3.5% hike in September (35.5% y.o.y.),** exceeding the change rate of financing to households (2.4% in September and 31.3% y.o.y.).
- **In September, the ratio of non-performing loans to the private sector contracted slightly to 1.8%.** Particularly, the delinquency rate of loans to households went down (to 2.9%) while that of lending to companies remained stable (at 1.0%). The coverage of the private sector non-performing portfolio through provisions stood at 136% in September.
- **The balance sheet stock of total deposits in pesos in the financial system expanded 3% in September (30.2% y.o.y.),** recording a 3.7% hike (22.7% y.o.y.) in the deposits of the public sector and 2.7% hike (33.4% y.o.y.) in the deposits of the private sector. Regarding the latter, sight deposits increased 2.7% in monthly terms and time deposits rose 1.9%. In turn, deposits in dollars from the private sector, boosted by the payment of BONAR VII, recorded a monthly increase of 1.2%. The balance sheet stock of total deposits (including pesos and dollars) recorded a 3.1% increase (28.9% y.o.y.) during the period.
- **The broad liquidity ratio of the financial system** (including items in foreign and domestic currency and holdings of LEBAC and NOBAC) **stood at 38.1% of total deposits, up 0.6 p.p. in September.** Likewise, the liquidity ratio (items in pesos and foreign currency) went up slightly (0.2 p.p.) to 24.7% of total deposits during the month.
- **The consolidated financial system net worth grew 3% over the month to 30.5% y.o.y, mainly due to the profits accrued.** The financial system regulatory capital compliance accounted for 13.3% of total risk weighted assets (RWA) in September and Tier 1 capital compliance accounted for 12% of RWA. In turn, the compliance in excess of the requirement (capital position) stood at 71.1% in aggregate. All the ensembles of banks continued exhibiting a regulatory capital surplus position.
- **In September, the book profits accrued by the ensemble of financial institutions stood at 4%a. of assets. Considering the first 9 months of 2013, the accumulated ROA stood at 3.1%a.,** slightly above the figures recorded in the same period of 2012. In fact, all groups of banks have improved their accumulated profitability against the same period of 2012.

I. Activity



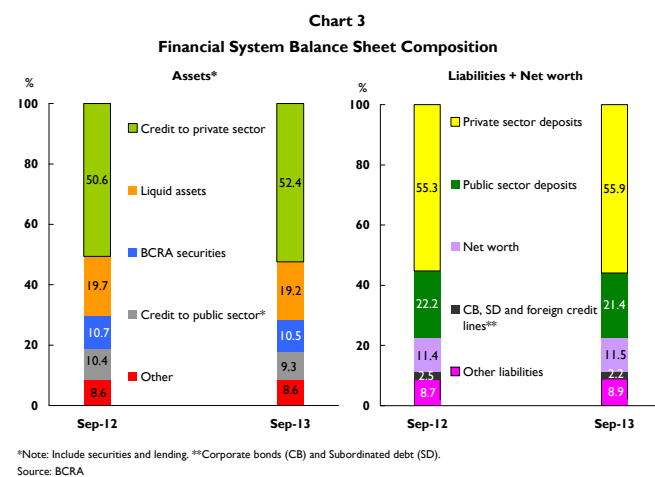
Banks' financial intermediation in pesos with the private sector continued growing in September. **The growth pace of both lending and deposits in domestic currency went up against previous months and against September 2012.** Within this framework, netted assets (including domestic and foreign currency) also expanded during the month and accumulate a 29% y.o.y. rise (see Chart 1).

During the ninth month of the year, the increase of the **lending to the private sector** (\$14.27 billion) **and of liquid assets** (\$12.05 billion)¹ was the main use of funds. These uses were mainly funded with increases in **private sector deposits** (\$13.4 billion) and, to a lesser extent, **public sector deposits** (\$7.3 billion).



During the last 12 months, most funds were mainly devoted to lend money to households and companies (\$123 billion) (see Chart 2). **The taking of deposits from the private sector consolidated as the main funding source** (\$118 billion), followed by an increase of deposits of the public sector and profits obtained by the sector. **The y.o.y. increase in lending and deposits of the private sector was widespread across the different ensembles of banks.**

As a result of this momentum and in y.o.y. terms, **lending to the private sector increased its relative weight** (+1.8 p.p. of assets to 52.4%) **within banks' balance sheets** (see Chart 3). Likewise, among the different funding² sources of the financial system, the deposits of the private sector gained share during the last 12 months (+0.6 p.p. of total funding to 55.9%).



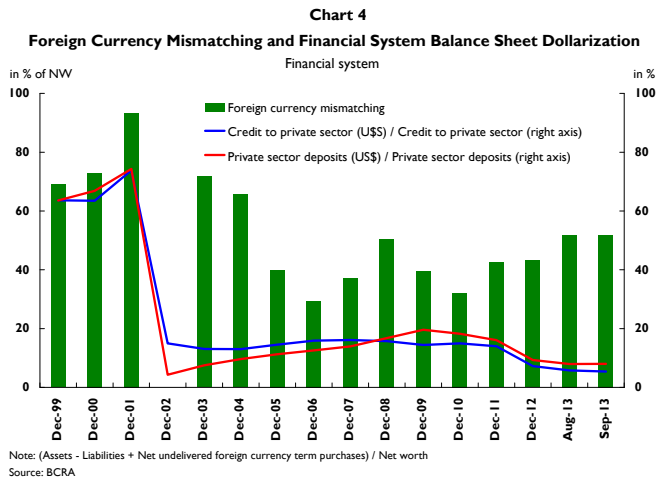
In September, the instant transfers of funds have kept a significant y.o.y. momentum, reaching growth rates close to 67.2% in amount and 29.9% in number. **After the changes introduced by BCRA³, as from September 2013, transfers through electronic means below \$20,000 per day are free of charge for the user** (up to that moment, only transactions up to \$10,000 had no cost for the user). It is estimated that this segment of transactions through electronic means accounted for 37% of the total value of instant transfers made during the month. It is worth pointing out that before the adoption of this measure by the BCRA, considering the average of the first 8 months of 2013, instant transfers that, based on the regulation, were free for the user (transactions below \$10,000) accounted for around 30%.

¹ In a broad sense: liquid assets (compliance with the minimum "cash requirement" and other concepts, mainly cash in banks and correspondents) plus the net credit balance for repo transactions of the financial entities with the BCRA using LEBACs and NOBACs plus the LEBACs and NOBACs balance not related to repo transactions with the BCRA.

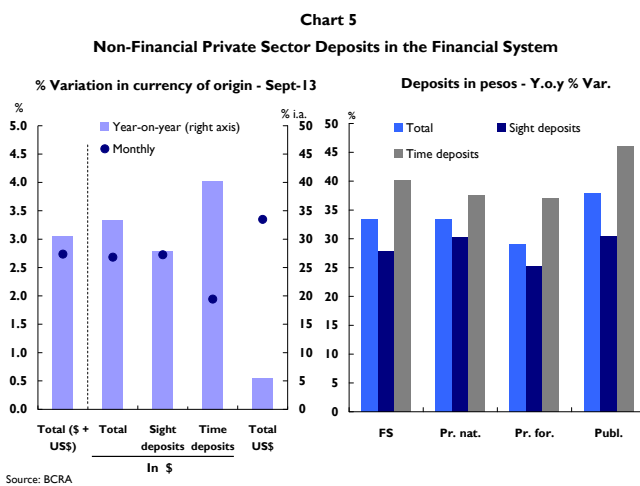
² Liabilities and net worth

³ Communication "A" 5473.

In September, cleared checks continued growing (3.3% in value and 0.9% in number against August figures). This performance was accompanied by a slight reduction of bounced checks for insufficient funds in terms of the total number.

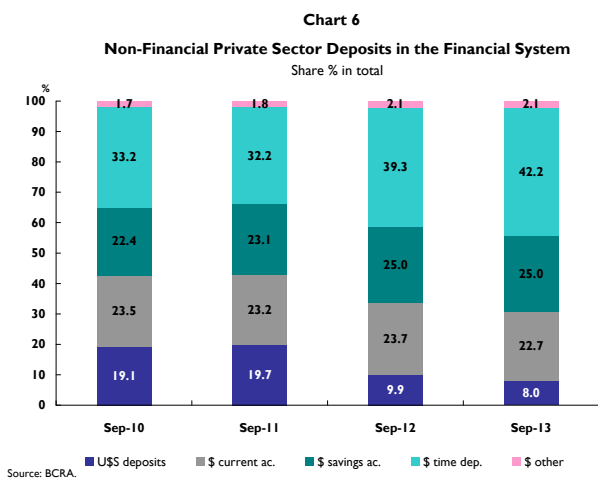


Within a framework of reduced dollarization of banks' balance sheets, loans in foreign currency accounted for 5.4% of the total lending as of September, whereas deposits in dollars accounted for 8% of total deposits of the private sector (see Chart 4). In this context, the foreign currency broad mismatching of the financial system in terms of the RPC (adjusted stockholder's equity) stood at 51.9% in September, a similar value to that recorded in August. During the month, the sizable increase of assets relative to liabilities –both denominated in foreign currency– was partially offset by a reduction of forward net purchases of currency, within a context of capital growth across institutions.



II. Deposits and Liquidity

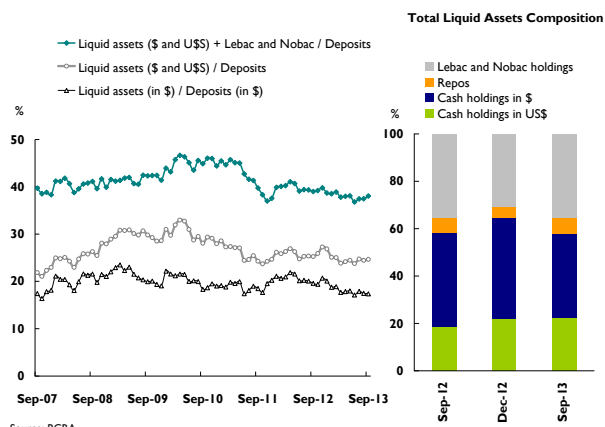
In September, the balance sheet stock of deposits in pesos in the financial system rose 3%; public sector deposits went up 3.7%, while private sector deposits followed suit with 2.7% (see Chart 5). In the case of the private sector, the performance of sight deposits in pesos stood out, up 2.7% between ends of months, while time deposits rose 1.9% in the period. In turn, the deposits in dollars of the private sector in the financial system jumped 1.2% –in the currency of origin– mainly mirroring the payment of BONAR VII. In this framework, the balance sheet stock of total deposits (in both pesos and dollars) posted a 3.1% increase in the period.



In terms of the performance exhibited in the last 12 months, deposits in domestic currency in the financial system expanded 30.2%, with a 33.4% rise in private sector deposits and a 22.7% increase in those of the public sector. The main reason behind the expansion of private sector deposits in pesos was the growth recorded by time deposits (40.2% y.o.y.), which was more remarkable in public banks (46.1% y.o.y.) (see Chart 5). Likewise, the boost of time deposits in recent years resulted in an increase of their share in the private sector total stock of deposits in the financial system (see Chart 6). The balance sheet stock of total deposits of the non-financial sector (considering both pesos and dollars) has accumulated a 28.9% expansion since September 2012.

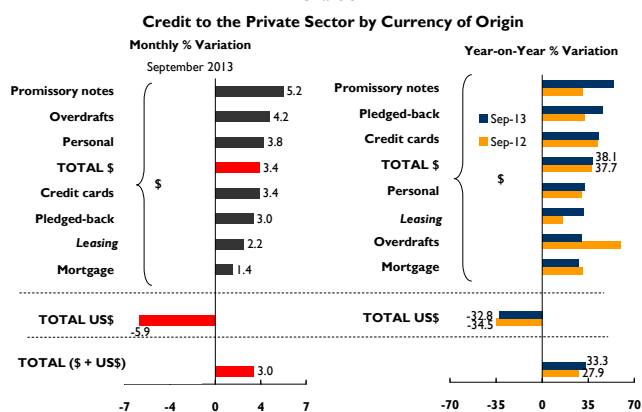
The liquidity (pesos and dollars) of the financial system in terms of total deposits went up slightly in the month up to 24.7% (see Chart 7). Meanwhile, the broad

Chart 7
Financial System Liquidity



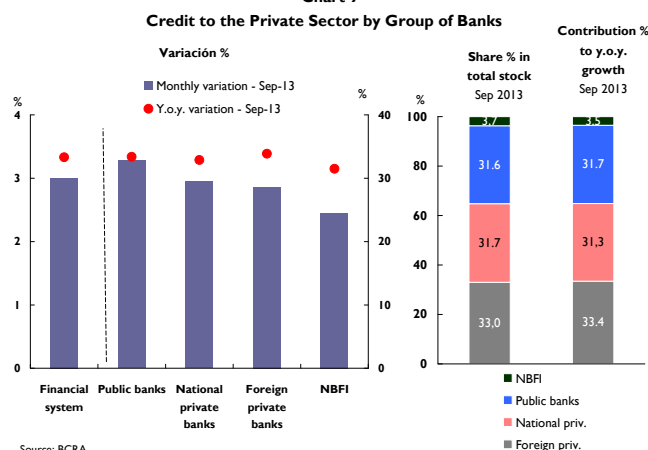
Source: BCRA

Chart 8



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

Chart 9



Source: BCRA

liquidity ratio⁴ stood at 38.1% of total deposits, up 0.6 p.p. in September. Regarding the financial system liquidity structure, there was a slight fall in the share of liquid assets in pesos, which was offset by an increase of liquid assets in dollars and higher holdings of LEBACs and NOBACs and repo transactions with the BCRA.

III. Financing

In September, lending in pesos⁵ to the private sector went up 3.4%⁶, within a context where all credit lines exhibited a positive monthly performance (see Chart 8). Particularly, loans for commercial purposes (promissory notes and overdrafts) and personal loans showed the most significant momentum. On the other hand, lending in foreign currency followed the opposite direction and went down 5.9% during the month. As a result, total lending (in domestic and foreign currency) to companies and households expanded 3%⁷ against August. **Public banks led the monthly growth of total loans to the private sector (3.3%), followed by the national private banks (3%) (see Chart 9).**

In the last 12 months, loans in pesos rose 38.1%. In this respect, promissory notes, pledge-backed loans and credit cards were the credit lines with the highest relative momentum. Within this framework, in September, loans in pesos expanded their share in the total credit stock to the private sector to 94.6%, up 3.3 p.p. against the value recorded in September 2012. Due to the remarkable growth of credit lines in pesos and a slowdown in the drop pace of loans in foreign currency, in September total financing to the private sector expanded 33.3% y.o.y., up 5.4 p.p. against the figures recorded in the same period of 2012. So far this year, the y.o.y. expansion rate of lending granted to companies and households was similar across the different ensemble of banks (see Chart 9).

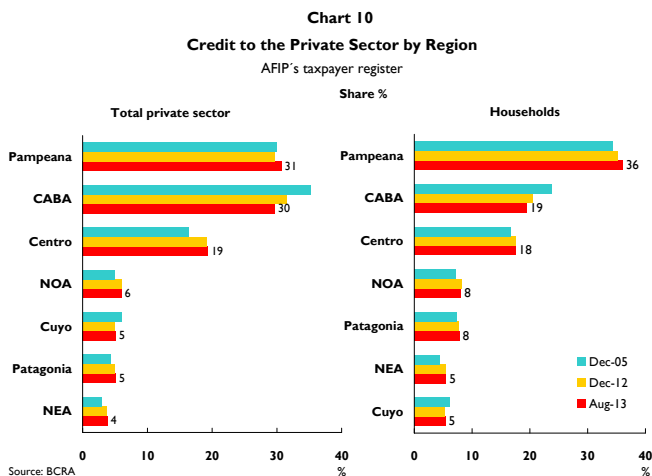
In terms of the geographical distribution of the lending to the private sector, Pampeana, CABA (City of Buenos Aires) and the Center region of the country have kept a high relative share, accounting for 80% of the total stock. Nevertheless, in recent years, the BCRA has implemented a set of measures with a view to enlarging the infrastructure for the provision of financial services in different areas of the country, especially those with fewer services. Within the

⁴ See Note 1.

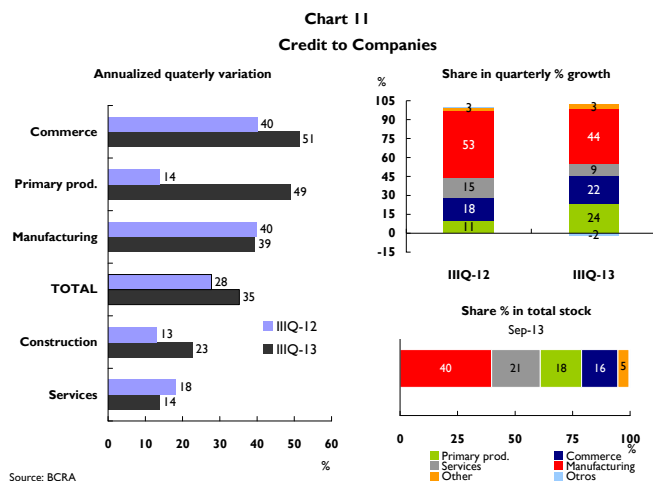
⁵ Information obtained from balance sheet stocks corresponding to the Monthly Accounting Reporting System.

⁶ In September, five financial trust issues for a total of \$627 million were recorded; all of them corresponded to personal loan securitizations. Thus, if the balance sheet stock is adjusted by these assets securitized during September, the monthly growth of lending in pesos to companies and households would reach 3.6%.

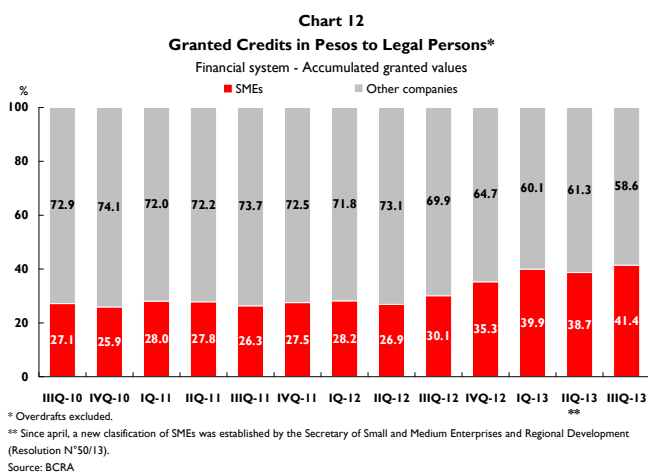
⁷ If the balance sheet stock is adjusted by these assets securitized during September, the monthly growth of total financing (in pesos and in dollars) to companies and households would reach 3.1%.



framework of the increase of loans, the weight of lending to the private sector in the City of Buenos has been going down gradually while, in other areas, the share has gone up (see Chart 10). Particularly during last year, Pampeana region became the area with the highest share in total financing to companies and households; in turn, other regions, such as the Center of the country and Patagonia, have also gained relevance. The territorial concentration has also stood at high levels in the Pampas, especially in the segment of loans to households, which accounts for over 36% of the total stock of loans.



Lending to companies⁸ posted a 3.5% hike in September (35.5% y.o.y.). **During the third quarter, loans to companies went up 35.2% a., up 7.5 p.p. against the change recorded in the same period of 2012 and up 3.5 p.p. against the increase recorded in the lending to households.** The manufacturing loans have been the main drivers behind the quarterly growth of lending to companies, followed by loans to primary production and the commercial segment (see Chart 11). In specific terms, these two sectors increased their contribution to the quarterly expansion of lending to companies, if compared to the figures recorded in the same period of 2012.



As a result of the implementation of the third stage of the **Credit Line for Productive Investment (LCIP)**, financing to small and medium-sized enterprises (SMEs) continued gaining momentum by the end of the third quarter of 2013. Therefore, since its implementation, LCIP has recorded a gradual increase in the share of the loans in pesos granted to SMEs relative to the total amounts effectively given to legal persons. Particularly, in the aggregate between July and September, these loans accounted for 41.4% of the total, reaching the highest value of the last quarters (see Chart 12).

So far in 2013, the BCRA continued awarding resources within the framework of the **Bicentenary Productive Financing Program (PFPB)**. Especially in the third quarter of the year, \$709 million have been auctioned, equivalent to 3.6% of the quarterly rise of lending to companies. Consequently, since the implementation of the PFPB, the BCRA has awarded \$7.63 billion⁹, out of which 75% of the total (\$5.57 billion) have been effectively allocated among 14 financing institutions (see Chart 13). These resources were mainly granted to the industrial sector (66.7% of the total amount allocated).

⁸ Information obtained from the Debtors' Database (in pesos and in foreign currency). Loans to companies include those granted to legal persons and commercial loans granted to natural persons. In turn, loans to households are those given to natural persons unless they have a commercial purpose.

⁹ Out of which \$810 million correspond to amounts that were not longer operational since they were not applied as of their corresponding maturity dates.

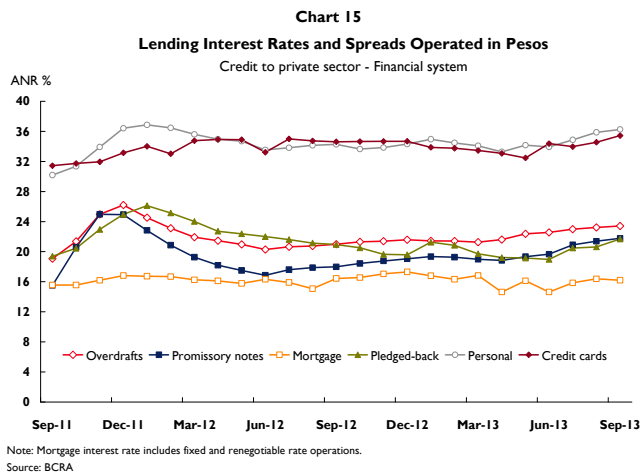
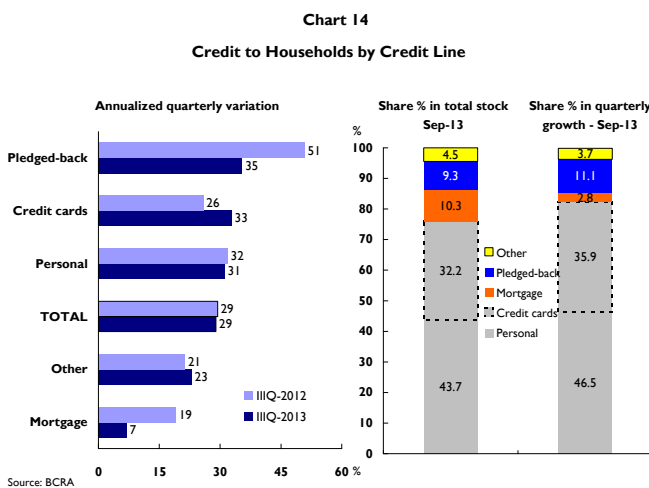
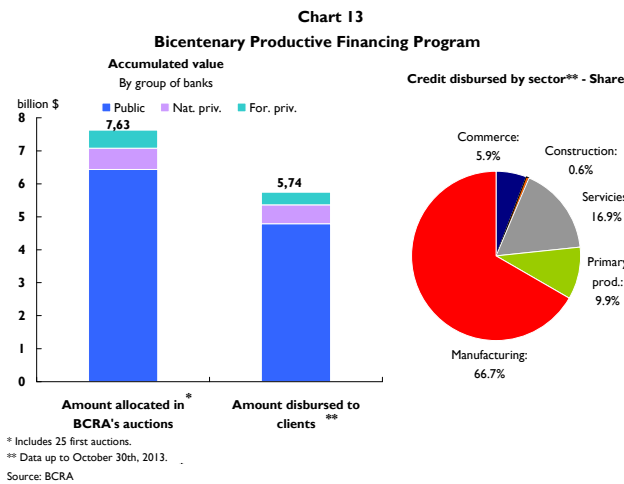
In September, lending to households went up 2.4% (31.3% y.o.y.) boosted by loans for consumption (personal loans and credit cards). Therefore, in the aggregate of the third quarter, credit to households posted a 28.9% a. hike, in line with the value observed one year ago (see Chart 14). Pledge-backed loans and credit cards exhibited the highest relative quarterly momentum (35.5% a. and 32.9% a.), expanding their share in the total stock of loans to households. Both in quarterly and year-on-year terms, national private banks accounted for most of the rise of loans to households, within a context where credit to this segment went up across all the ensemble of financial institutions.

During the ninth month of the year, lending interest rates in pesos went up slightly (see Chart 15). Despite the moderate increase of the funding cost for deposits in pesos, the average spread of transactions in local currency went up during the month. **In year-on-year terms, the average spread between rates remained almost unchanged, even though a mixed performance was observed depending on the type of loan:** promissory notes recorded a slight rise, while the spread for the remaining credit lines stood below the values recorded 12 months ago.

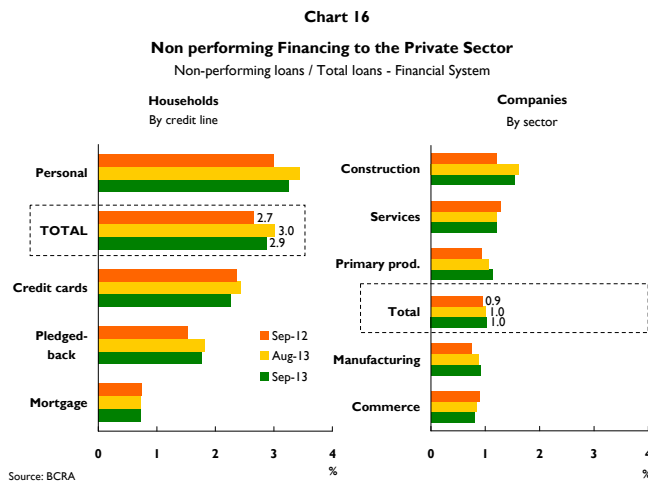
In September, the ratio of non-performing loans to the private sector contracted slightly to 1.8%. Particularly, the delinquency rate of loans to households went down against August (see Chart 16), a performance that was mainly boosted by consumption loans – personal loans and credit cards–. In turn, the delinquency rate of financing to companies stood at levels similar to those of August 2013. As regards the ensemble of financial institutions, the reduction in the delinquency rate of loans to the private sector was mainly driven by foreign private banks. The coverage of the private sector non-performing portfolio through provisions reached 136% in September. If the minimum provisions applicable to a performing portfolio were excluded, the coverage ratio would reach 81.6%, an amount that sizably exceeds the regulatory requirement (49.6% of the non-performing portfolio).

IV. Solvency

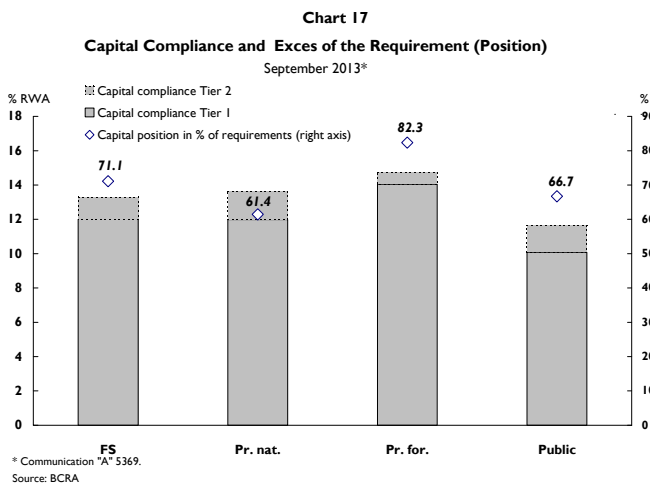
The consolidated financial system net worth grew 3% over the month and accumulated a 30.5% hike in y.o.y terms. The leverage ratio level (assets/net worth) of the ensemble of institutions was 8.7 times, similar to the value recorded 12 months ago. If compared to international standards, the leverage ratio of the local financial system stood below the average level of the countries of the region and of other economies (both emerging and developed).



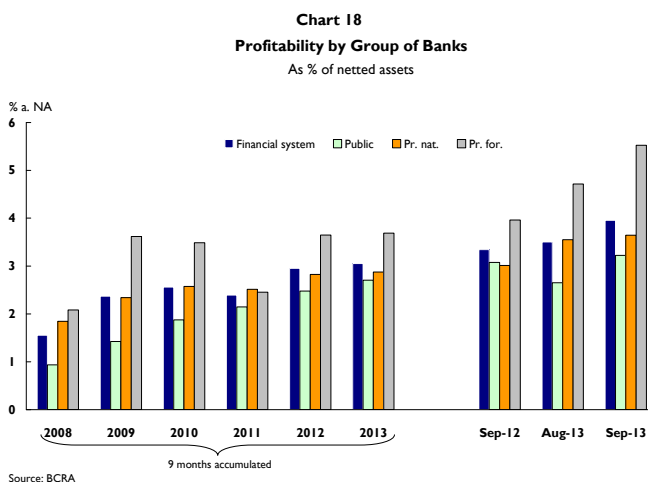
The financial system regulatory capital compliance stood at 13.3% of the total risk weighted assets (RWA) in September, increasing slightly against August. Tier 1 capital compliance¹⁰ accounted for 12% of RWA. In turn, the compliance in excess of the requirement (capital position) stood at 71.1% in September and accumulated a 9.5 p.p. y.o.y. increase. All groups of banks exhibited compliance in excess of the requirement during the ninth month of 2013 (see Chart 17).



In September, the profits accrued by the ensemble of financial institutions stood at 4% a. of assets, up 0.5 p.p. against August mainly due to an expansion of the financial margin. Although all groups of banks recorded a monthly increase in terms of profits, private foreign banks stood out. Therefore, so far in 2013, the financial system's ROA stood at 3.1% a., slightly above the level of the first nine months of 2012 (see Chart 18). The increase of the accumulated book profits was mainly due to higher results on account of interest, services and prices, particularly in private banks; nevertheless, this increase was partially offset by the evolution of expenditures in terms of taxes, loan loss provisions and operating costs. So far in 2013, all groups of banks have increased their ROA levels against the same period of 2012.



The financial margin recorded by banks expanded to 11.4% a. of assets in September, up 0.7 p.p. (see Chart 19). The increase in this item was relatively higher in public financial institutions and was mainly due to higher gains from securities. In year-on-year terms, the accumulated financial margin in the first nine months of the year expanded 0.7 p.p. of assets to 9.9% a. This change was mainly boosted by the rise in prices and, to a lesser extent, by the results on account of interest. The financial margin of foreign private banks exhibited the highest y.o.y. increase.



In September, the income from services of the financial system reached 4.2% a. of assets, down 0.2 p.p. against the value recorded in August. However, in y.o.y. terms, the net income from services accumulated in the first nine months of the year went up 0.2 p.p. of assets to 4.3% a. (see Chart 20).

The operating costs of the ensemble of banks stood at 6.8% a. in September, slightly below the values recorded in August. So far this year, these expenditures of the financial system increased moderately to 7.1% a. (see Chart 21). In turn, loan loss provisions did not exhibit remarkable changes during the month and reached 1% a. of assets in September. So far this year, these expenditures recorded a slight increase to 1% a. of

¹⁰ Defined as basic net worth (common and additional capital), net of deductible accounts. See Communication "A" 5369.

assets, if compared to the same period of 2012, mainly accounted for by foreign private banks.

So far in 2013, the coverage level of operating costs with results on account of interest and income from services (net of charges for loan loss provisions) stood at 129%, up against the percentage recorded in the same period of 2012. The year-on-year increase of this indicator was mainly evident in public banks, even though private banks have also shown a higher coverage.

Chart 19

Financial Margin

As % annualized of netted assets - Financial system

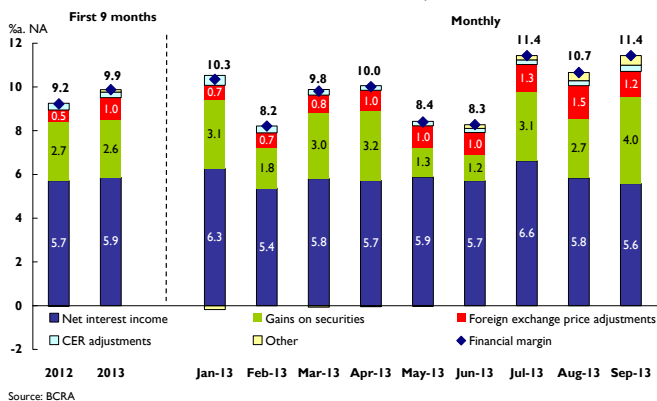


Chart 20

Net Services Income

As % annualized of netted assets - Financial system

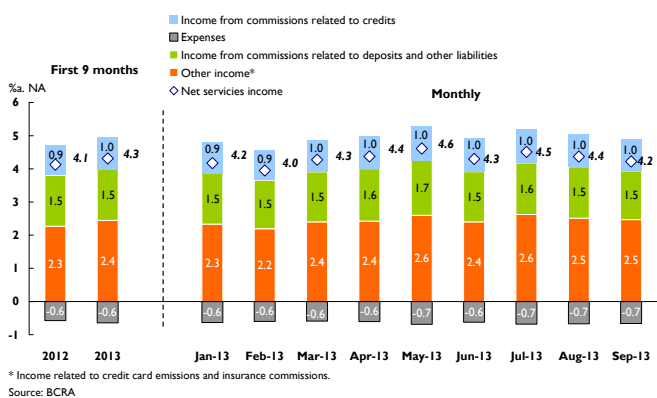
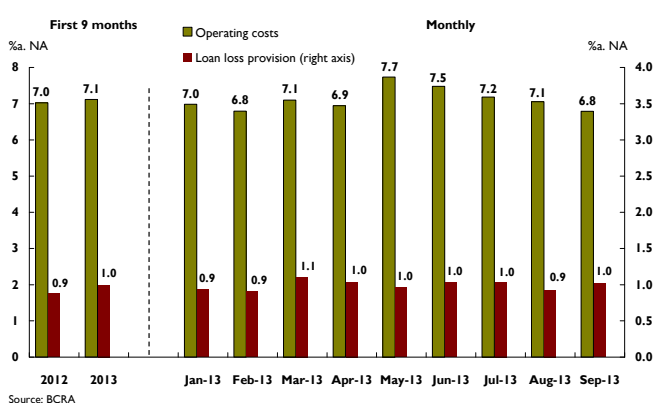


Chart 21

Main Expenditures of Result Statements

As % annualized 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” 5480 – September 06, 2013

This regulation extends the coming into effect of certain provisions regarding claims with respect to trust-related asset portfolios. Such provisions include those related to the criteria for allocation of such assets and the global limit for such claims—comprised in paragraph 1.9 of Section 1 and paragraph 5.3.4.4 of Section 5 of the standards on “Spreading of credit risk”—. They shall apply to transactions executed by financial entities as from November 01, 2013. This extension is established in order not to stop the flow of indirect financing received by users in home appliance chain stores and non-financial credit card issuers, among others, when they assign the credits to trusts with respect to which financial entities acquire claims, as well as to give some time for trustors, trustees and entities to adapt to the regulations on this matter.

Communication “A” 5482 – September 25, 13

This regulation provides an update of the restated text of standards on “Interest rates in credit transactions”, “Savings deposits, salary account, universal free bank account and special accounts”, “Time deposits and investments”, “Regulations on bank current account”, “Sight accounts opened with cooperative credit banks”, “Credit management” and “Handbooks for granting and managing loans”. Such update is made in view of the provisions of Communication “A” 5460 related to standards on “Protection of financial services users”. Besides, some explanations are given regarding such provision in relation to the concept of “financial services user” — namely, any natural persons, and legal persons not acquiring or using financial products or services to be incorporated to their business activity—, the minimum requirement of financial contracts and charges and commissions not admitted.

Methodology

- (a) Aggregate balance sheet information is taken from the monthly accounting information system (unconsolidated balance sheets). In order to calculate aggregate data for the financial system, for financial institution that have not provided data for the month reviewed, the most recent information available is repeated in the aggregate balance sheet. On the other hand, for profitability analysis only the banks providing data for that month are considered.
- (b) Due to possible lack of data for some banks at the time this Report was drafted, and due to possible corrections to the data provided by financial institutions later, the data included is of a preliminary nature –particularly for the last month included-. Therefore, and due to the fact that the most recent data available always used, data in connection with earlier periods may not match what was mentioned in earlier issues of the Report. In such cases, the latter release should be regarded as being of better quality.
- (c) Unless otherwise indicated, data about deposits and loans refer to balance sheet information, and do not necessarily agree with those compiled by the Centralized Information Requirement System (SISCEN). Reasons for discrepancies include the precise date considered in order to calculate monthly changes and the items included in the definition adopted in either case.
- (d) Profit ratio calculations are based on monthly results estimated from changes in the aggregate result amounts during the current fiscal year. Profit ratios are annualized with the exception of those ,.
- (e) Initially, the breakdown by group of banks was determined by the majority of decision making role -in terms of voting rights at shareholder meetings- distinguishing between private sector financial institutions (national or foreign depending on their residence) and public banks. In order to increase depth of the analysis, private sector institutions were also classed according to the geographic coverage and business scope of their operations. Investment banking is defined as those specializing in large corporations and investor sector, which in general do not rely on deposits from the private sector for their funding. On the other hand, retail banks were divided into those carrying out business nationwide, those located in certain geographic regions -municipalities, provinces, or regions- and institutions specialized in a financial sector niche market -usually smaller institutions-. Finally, it is worth noting that the classifications defined above are solely for analytical purposes and does not mean it is the only methodology criteria by which to group them; while on the other hand, the listing of features for each financial entity group has been established in a general manner.
- (f) Indicators exhibited in Tables 1 and 5 of Statistical Appendix: 1.- (Minimum cash compliance at the BCRA in pesos and foreign currency + Other cash holding in pesos and foreign currency + Creditor net balance for BCRA repo transactions with Lebac and Nobac) / Total deposits; 2.- (Position in government securities (without Lebac and Nobac) + Loans to the public sector + Compensations receivable) / Total assets; 3.- (Loans to the non-financial private sector + Leasing) / Total assets; 4.- Non-performing portfolio with the non-financial private sector / Loans to the non-financial private sector; 5.- (Total non-performing portfolio – Loan loss provisions) / Net worth. Non-performing portfolio includes loans classified into situations 3, 4, 5 and 6; 6.- Cumulated annual result / Average monthly netted assets - % annualized; 7.- Cumulated annual result / Average monthly net worth - % annualized; 8.- (Financial margin (Net interest income + CER and CVS adjustments + Gains on securities + Foreign exchange price adjustments + Other financial income) + Service income margin) / Cumulated annual operating costs; 9.- Capital compliance (Responsabilidad Patrimonial Computable) / Risk - adjusted assets according to the regulation of BCRA about Minimum Capital Compliance; 10.- Capital compliance Tier 1 / Risk weighted assets, according to the BCRA rule on minimum capital; 11.- (Capital compliance - Capital requirement) / Capital requirement. Included exemptions.

Glossary

%a.: annualized percentage.

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

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

CABA: Ciudad Autónoma de Buenos Aires

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

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

CEDRO: Certificado de Depósito Reprogramado. Scheduled Stabilization Coefficient.

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

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

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

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

Lebac and Nobac: Bills and notes of the BCRA.

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

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

mill.: million.

NBFI: Non-banking financial institution.

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

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

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

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

ON: Corporate bonds (Obligaciones Negociables).

OS: Subordinated debt (Obligaciones Subordinadas).

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

PN: Net worth (Patrimonio Neto).

p.p.: percentage points.

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

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

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

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

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

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

RWA: Risk weighted assets.

SME: Small and Medium Enterprises.

US\$: United States dollars

Statistics annex¹ | Financial system

Chart 1 | Financial Soundness Indicators (see Methodology)

As %	Dec 05	Dec 06	Dec 07	Dec 08	Dec 09	Dec 10	Dec 11	Sep 2012	Dec 12	Aug 2013	Sep 2013
1.- Liquidity	20.1	22.5	23.0	27.9	28.6	28.0	24.7	25.3	26.8	24.4	24.7
2.- Credit to the public sector	31.5	22.5	16.3	12.7	14.4	12.1	10.7	9.9	9.7	9.1	8.9
3.- Credit to the private sector	25.8	31.0	38.2	39.4	38.3	39.8	47.4	48.0	49.5	50.0	49.8
4.- Private non-performing loans	7.6	4.5	3.2	3.1	3.5	2.1	1.4	1.7	1.7	1.9	1.8
5.- Net worth exposure to the private sector	-2.5	-0.8	-1.5	-1.7	-1.3	-3.2	-4.3	-3.1	-3.1	-2.7	-2.8
6.- ROA	0.9	1.9	1.5	1.6	2.3	2.8	2.7	3.0	2.9	2.9	3.1
7.- ROE	7.0	14.3	11.0	13.4	19.2	24.4	25.3	26.4	25.7	25.4	26.5
8.- Efficiency	151	167	160	167	185	179	179	190	190	195	199
9a.- Capital compliance	-	-	-	-	-	-	-	-	-	13.2	13.3
9b.- Capital compliance (credit risk)	15.3	16.9	16.9	16.9	18.8	17.7	15.6	16.6	17.1	-	-
10a.- Capital compliance Tier I	-	-	-	-	-	-	-	-	-	11.9	12.0
10b.- Capital compliance Tier I (credit risk)	14.1	14.1	14.6	14.2	14.5	13.1	10.9	12.9	11.9	-	-
11.- Excess capital compliance	173.5	134.0	92.8	89.8	99.8	86.9	68.6	61.6	58.7	68.8	71.1

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

Data subject to changes

Source: BCRA

n.a.: non available

Chart 2 | Balance Sheet

In million of current pesos	Dec 08	Dec 09	Dec 10	Dec 11	Sep 12	Dec 12	Aug-13	Sep-13	Change (in %)		
									Last month	2013	Last 12 months
Assets	346,762	387,381	510,304	628,381	732,973	790,026	911,749	942,779	3.4	19.3	28.6
Cash disposal ¹	58,676	71,067	93,085	104,389	123,351	148,254	149,406	154,990	3.7	4.5	25.6
Public bonds	65,255	86,318	117,951	112,906	129,681	123,491	154,122	161,029	4.5	30.4	24.2
Lebac/Nobac	37,093	43,867	76,948	71,050	91,294	84,057	107,216	114,109	6.4	35.8	25.0
Portfolio	25,652	34,748	61,855	59,664	74,941	70,569	88,780	94,088	6.0	33.3	25.5
Repo ²	11,442	9,119	15,093	11,386	16,353	13,488	18,436	20,021	8.6	48.4	22.4
Private bonds	203	307	209	212	318	251	432	442	2.4	76.4	38.9
Loans	154,719	169,868	230,127	332,317	391,662	433,925	500,308	514,735	2.9	18.6	31.4
Public sector	17,083	20,570	25,907	31,346	36,220	39,951	41,576	41,632	0.1	4.2	14.9
Private sector	132,844	145,247	199,202	291,708	345,608	383,674	447,429	460,953	3.0	20.1	33.4
Financial sector	4,793	4,052	5,018	9,263	9,835	10,299	11,303	12,150	7.5	18.0	23.5
Provisions over loans	-4,744	-5,824	-6,232	-7,173	-8,752	-9,596	-11,477	-11,617	1.2	21.1	32.7
Other netted credits due to financial intermediation	38,152	33,498	39,009	40,805	45,605	38,769	57,501	59,792	4.0	54.2	31.1
Corporate bonds and subordinated debt	912	1,146	1,433	1,657	1,952	2,255	3,505	3,709	5.8	64.5	90.1
Unquoted trusts	5,714	5,942	6,824	7,967	9,141	10,822	12,057	12,080	0.2	11.6	32.2
Leasing	3,935	2,933	3,936	6,222	6,437	7,203	8,207	8,383	2.1	16.4	30.2
Shares in other companies	7,236	6,711	7,921	9,123	11,069	11,682	13,474	13,854	2.8	18.6	25.2
Fixed assets and miscellaneous	7,903	8,239	9,071	10,111	10,595	11,251	12,584	12,996	3.3	15.5	22.7
Foreign branches	3,153	3,926	3,283	3,525	4,136	4,354	4,918	5,065	3.0	16.3	22.5
Other assets	12,275	10,337	11,943	15,944	18,870	20,441	22,274	23,109	3.7	13.1	22.5
Liabilities	305,382	339,047	452,752	558,264	647,362	699,205	803,648	831,544	3.5	18.9	28.5
Deposits	236,217	271,853	376,344	462,517	544,526	595,764	680,728	701,649	3.1	17.8	28.9
Public sector ³	67,151	69,143	115,954	129,885	155,015	163,691	185,443	192,752	3.9	17.8	24.3
Private sector ³	166,378	199,278	257,595	328,463	385,529	427,857	490,174	503,584	2.7	17.7	30.6
Current account	39,619	45,752	61,306	76,804	91,467	103,192	110,809	114,331	3.2	10.8	25.0
Savings account	50,966	62,807	82,575	103,636	111,218	125,210	136,872	140,721	2.8	12.4	26.5
Time deposits	69,484	83,967	104,492	135,082	168,755	183,736	226,325	230,796	2.0	25.6	36.8
Other netted liabilities due to financial intermediation	57,662	52,114	60,029	76,038	77,836	75,106	92,329	96,924	5.0	29.0	24.5
Interbanking obligations	3,895	3,251	4,201	7,947	8,383	8,329	9,105	9,831	8.0	18.0	17.3
BCRA lines	1,885	270	262	1,920	3,232	3,535	4,524	4,658	3.0	31.8	44.1
Outstanding bonds	5,984	5,033	3,432	6,856	8,643	9,101	12,147	12,311	1.4	35.3	42.4
Foreign lines of credit	4,541	3,369	3,897	6,467	6,080	4,992	5,157	4,838	-6.2	-3.1	-20.4
Other ⁴	13,974	14,891	17,426	24,137	20,499	26,280	26,189	28,428	8.6	8.2	38.7
Subordinated debts	1,763	1,922	2,165	2,065	2,565	2,647	2,997	3,076	2.6	16.2	19.9
Other liabilities	9,740	13,159	14,213	17,644	22,436	25,688	27,594	29,896	8.3	16.4	33.3
Net worth	41,380	48,335	57,552	70,117	85,611	90,820	108,101	111,235	2.9	22.5	29.9
Memo											
Netted assets	321,075	364,726	482,532	601,380	703,365	767,744	878,277	907,497	3.3	18.2	29.0
Consolidated netted assets	312,002	357,118	472,934	586,805	687,254	750,598	859,404	887,565	3.3	18.2	29.1

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

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

Source: BCRA

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

Statistics annex¹ | Financial system (cont)

Chart 3 | Profitability Structure

Amount in million of pesos	Annual					First 9 months		Monthly			Last 12 Months
	2008	2009	2010	2011	2012	2012	2013	Jul-13	Aug-13	Sep-13	
Financial margin	20,462	28,937	35,490	43,670	61,667	45,092	61,067	8,111	7,739	8,578	77,642
Net interest income	9,573	14,488	17,963	24,903	38,365	27,925	36,269	4,692	4,237	4,188	46,709
CER and CVS adjustments	2,822	1,196	2,434	1,725	2,080	1,498	1,599	150	163	218	2,181
Foreign exchange price adjustments	2,307	2,588	2,100	3,025	4,127	2,672	6,316	897	1,093	872	7,771
Gains on securities	4,398	11,004	13,449	14,228	17,356	13,118	16,240	2,234	1,975	2,975	20,478
Other financial income	1,362	-339	-457	-211	-261	-122	643	138	271	324	503
Service income margin	10,870	13,052	16,089	21,391	28,172	20,168	26,676	3,201	3,173	3,169	34,680
Loan loss provisions	-2,839	-3,814	-3,267	-3,736	-6,127	-4,293	-6,152	-734	-674	-765	-7,986
Operating costs	-18,767	-22,710	-28,756	-36,365	-47,318	-34,335	-44,016	-5,096	-5,122	-5,095	-56,999
Tax charges	-2,318	-3,272	-4,120	-6,047	-8,981	-6,320	-10,184	-1,203	-1,566	-1,274	-12,845
Adjust. to the valuation of gov. Securities ¹	-1,757	-262	-214	-336	-338	-245	-277	-29	-33	-33	-369
Amort. payments for court-ordered releases	-994	-703	-635	-290	-274	-182	-84	-8	-8	-8	-176
Other	1,441	918	2,079	2,963	2,475	1,984	2,144	-139	201	362	2,635
Total results before tax ²	6,100	12,145	16,665	21,251	29,276	21,869	29,175	4,103	3,710	4,933	36,582
Income tax	-1,342	-4,226	-4,904	-6,531	-9,861	-7,437	-10,301	-1,532	-1,166	-1,966	-12,725
Total result²	4,757	7,920	11,761	14,720	19,415	14,433	18,875	2,572	2,544	2,968	23,857
Adjusted Result ³	7,508	8,885	12,610	15,345	20,027	14,860	19,235	2,608	2,585	3,009	24,403
Annualized indicators - As % of netted assets											
Financial margin	6.7	8.6	8.5	8.0	9.2	9.2	9.9	11.4	10.7	11.4	9.7
Net interest income	3.1	4.3	4.3	4.6	5.7	5.7	5.9	6.6	5.8	5.6	5.8
CER and CVS adjustments	0.9	0.4	0.6	0.3	0.3	0.3	0.3	0.2	0.2	0.3	0.3
Foreign exchange price adjustments	0.8	0.8	0.5	0.6	0.6	0.5	1.0	1.3	1.5	1.2	1.0
Gains on securities	1.4	3.3	3.2	2.6	2.6	2.7	2.6	3.1	2.7	4.0	2.6
Other financial income	0.4	-0.1	-0.1	0.0	0.0	0.0	0.1	0.2	0.4	0.4	0.1
Service income margin	3.6	3.9	3.8	3.9	4.2	4.1	4.3	4.5	4.4	4.2	4.3
Loan loss provisions	-0.9	-1.1	-0.8	-0.7	-0.9	-0.9	-1.0	-1.0	-0.9	-1.0	-1.0
Operating costs	-6.1	-6.7	-6.9	-6.7	-7.0	-7.0	-7.1	-7.2	-7.1	-6.8	-7.1
Tax charges	-0.8	-1.0	-1.0	-1.1	-1.3	-1.3	-1.6	-1.7	-2.2	-1.7	-1.6
Adjust. to the valuation of gov. Securities ¹	-0.6	-0.1	-0.1	-0.1	-0.1	-0.1	0.0	0.0	0.0	0.0	0.0
Amort. payments for court-ordered releases	-0.3	-0.2	-0.2	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.5	0.3	0.5	0.5	0.4	0.4	0.3	-0.2	0.3	0.5	0.3
Total results before tax ²	2.0	3.6	4.0	3.9	4.3	4.5	4.7	5.8	5.1	6.6	4.6
Income tax	-0.4	-1.3	-1.2	-1.2	-1.5	-1.5	-1.7	-2.2	-1.6	-2.6	-1.6
ROA²	1.6	2.3	2.8	2.7	2.9	3.0	3.1	3.6	3.5	4.0	3.0
ROA adjusted ³	2.5	2.6	3.0	2.8	3.0	3.0	3.1	3.7	3.6	4.0	3.0
ROE before tax	17.2	29.5	34.5	36.5	38.8	40.0	41.0	49.9	44.1	56.9	39.8
ROE ²	13.4	19.2	24.4	25.3	25.7	26.4	26.5	31.2	30.2	34.3	26.0

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

(²) As of January 2008, data to calculate financial system consolidated result is available. This indicator excludes results and asset headings related to shares and participation in other local financial entities.

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

Source: BCRA

Chart 4 | Portfolio Quality

As percentage	Dec 05	Dec 06	Dec 07	Dec 08	Dec 09	Dec 10	Dec 11	Sep 12	Dec 12	Aug-13	Sep-13
Non-performing loans (overall)	5.2	3.4	2.7	2.7	3.0	1.8	1.2	1.5	1.5	1.7	1.6
Provisions / Non-performing loans	115	108	115	117	115	148	176	148	144	137	139
(Total non-performing - Provisions) / Overall financing	-0.8	-0.3	-0.4	-0.5	-0.5	-0.9	-0.9	-0.7	-0.7	-0.6	-0.6
(Total non-performing - Provisions) / Net worth	-2.6	-0.9	-1.6	-1.8	-1.7	-3.6	-4.6	-3.4	-3.4	-3.0	-3.0
Non-performing loans to the non-financial private sector	7.6	4.5	3.2	3.1	3.5	2.1	1.4	1.7	1.7	1.9	1.8
Provisions / Non-performing loans	115	108	114	116	112	143	171	144	141	134	136
(Total non-performing - Provisions) / Overall financing	-1.1	-0.3	-0.5	-0.5	-0.4	-0.9	-1.0	-0.8	-0.7	-0.6	-0.7
(Total non-performing - Provisions) / Net worth	-2.5	-0.8	-1.5	-1.7	-1.3	-3.2	-4.3	-3.1	-3.1	-2.7	-2.8

Source: BCRA

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

Statistics annex¹ | Private banks

Chart 5 | Financial Soundness Indicators (see Methodology)

As %	Dec 05	Dec 06	Dec 07	Dec 08	Dec 09	Dec 10	Dec 11	Sep 2012	Dec 12	Aug 2013	Sep 2013
1.- Liquidity	21.5	23.7	25.7	34.1	29.8	26.0	26.7	26.4	27.6	25.8	26.4
2.- Credit to the public sector	28.5	16.3	9.5	6.3	6.1	4.7	3.4	3.1	3.1	3.2	3.1
3.- Credit to the private sector	31.1	37.9	46.6	44.0	43.3	50.3	54.5	56.4	58.4	58.7	58.5
4.- Private non-performing loans	6.3	3.6	2.5	2.8	3.3	2.0	1.4	1.7	1.8	2.0	1.9
5.- Net worth exposure to the private sector	-0.4	-1.4	-2.0	-1.8	-1.6	-3.4	-4.4	-3.3	-3.1	-2.8	-2.9
6.- ROA	0.5	2.2	1.6	1.9	3.0	3.2	3.0	3.2	3.2	3.1	3.3
7.- ROE	4.1	15.3	10.9	15.2	22.9	24.5	25.6	26.7	26.4	24.6	25.9
8.- Efficiency	136	158	152	166	195	176	178	189	189	190	193
9a.- Capital compliance	-	-	-	-	-	-	-	-	-	14.2	14.2
9b.- Capital compliance (credit risk)	17.8	18.7	19.2	18.4	22.6	20.3	16.8	18.5	18.3	-	-
10a.- Capital compliance Tier I	-	-	-	-	-	-	-	-	-	13.1	13.1
10b.- Capital compliance Tier I (credit risk)	16.1	15.4	16.8	15.0	17.2	15.2	12.5	14.7	13.4	-	-
11.- Excess capital compliance	155.0	116.6	87.4	87.2	121.3	101.5	72.2	67.0	57.5	71.4	72.2

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

Data subject to changes

Source: BCRA

n.a.: non available

Chart 6 | Balance Sheet

En millones de pesos corrientes	Dec 08	Dec 09	Dec 10	Dec 11	Sep 12	Dec 12	Aug-13	Sep-13	Change (in %)		
									Last month	2013	Last 12 months
Assets	208,888	229,549	280,025	364,122	403,506	432,994	502,648	519,158	3.3	19.9	28.7
Cash disposal ¹	37,044	43,562	49,730	58,877	70,601	85,717	85,630	89,181	4.1	4.0	26.3
Public bonds	29,552	47,949	48,903	50,055	48,095	43,350	53,001	55,121	4.0	27.2	14.6
Lebac/Nobac	23,457	31,575	34,422	34,246	37,151	30,531	36,468	40,097	10.0	31.3	7.9
Portfolio	12,858	27,413	31,148	23,908	30,218	27,656	28,179	29,834	5.9	7.9	-1.3
Repo ²	10,598	4,161	3,274	10,338	6,933	2,874	8,288	10,263	23.8	257.1	48.0
Private bonds	127	233	184	164	192	188	164	163	-0.8	-13.4	-15.2
Loans	98,529	101,722	143,202	202,117	231,919	256,708	298,638	307,447	2.9	19.8	32.6
Public sector	6,249	1,694	1,625	1,215	1,296	1,601	1,659	1,619	-2.4	1.1	24.9
Private sector	88,426	96,790	137,308	193,126	222,229	246,560	287,981	296,422	2.9	20.2	33.4
Financial sector	3,854	3,238	4,270	7,777	8,394	8,546	8,997	9,407	4.6	10.1	12.1
Provisions over loans	-2,871	-3,653	-3,926	-4,574	-5,635	-6,193	-7,535	-7,582	0.6	22.4	34.5
Other netted credits due to financial intermediation	25,265	21,258	20,241	29,338	26,012	18,646	33,306	34,288	2.9	83.9	31.8
Corporate bonds and subordinated debt	699	734	757	796	761	988	2,006	2,239	11.6	126.7	194.1
Unquoted trusts	3,869	4,198	4,500	5,268	5,660	7,084	7,479	7,475	-0.1	5.5	32.1
Leasing	3,451	2,569	3,519	5,452	5,535	6,287	7,239	7,382	2.0	17.4	33.4
Shares in other companies	4,538	4,067	4,934	5,998	7,372	7,920	9,416	9,683	2.8	22.3	31.3
Fixed assets and miscellaneous	4,926	5,096	5,808	6,663	6,999	7,592	8,786	9,148	4.1	20.5	30.7
Foreign branches	-178	-202	-215	-240	0	0	0	0	-	-	-
Other assets	8,505	6,946	7,646	10,271	12,415	12,778	14,004	14,328	2.3	12.1	15.4
Liabilities	182,596	198,438	243,766	321,123	350,690	376,774	436,035	450,513	3.3	19.6	28.5
Deposits	135,711	154,387	198,662	253,705	287,900	317,443	360,392	371,645	3.1	17.1	29.1
Public sector ³	19,600	17,757	23,598	27,664	32,022	33,232	42,238	43,690	3.4	31.5	36.4
Private sector ³	114,176	134,426	173,203	223,141	253,490	281,698	315,259	324,897	3.1	15.3	28.2
Current account	30,188	35,127	46,297	57,586	68,028	77,269	82,257	85,960	4.5	11.2	26.4
Savings account	32,778	40,999	53,085	66,891	67,450	76,130	79,694	82,082	3.0	7.8	21.7
Time deposit	46,990	54,058	67,568	89,924	108,345	117,888	142,643	146,181	2.5	24.0	34.9
Other netted liabilities due to financial intermediation	39,298	34,235	34,427	53,973	46,796	41,780	56,309	58,543	4.0	40.1	25.1
Interbanking obligations	1,160	1,668	1,903	3,524	3,647	3,473	4,073	4,558	11.9	31.3	25.0
BCRA lines	649	41	57	456	644	694	671	688	2.6	-0.7	6.9
Outstanding bonds	5,672	4,626	2,802	5,119	5,882	6,001	7,640	7,734	1.2	28.9	31.5
Foreign lines of credit	2,261	1,262	1,716	4,252	3,497	2,168	2,152	1,800	-16.3	-17.0	-48.5
Other	11,125	12,015	13,849	19,059	16,114	21,087	20,720	22,181	7.0	5.2	37.7
Subordinated debts	1,759	1,918	2,148	1,948	2,161	2,253	2,974	3,053	2.7	35.5	41.3
Other liabilities	5,828	7,897	8,528	11,497	13,834	15,297	16,360	17,273	5.6	12.9	24.9
Net worth	26,292	31,111	36,259	42,999	52,816	56,220	66,613	68,645	3.1	22.1	30.0
Memo											
Netted assets	192,074	216,100	267,364	344,101	387,766	425,181	482,774	498,614	3.3	17.3	28.6

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

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

Source: BCRA

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

Statistics annex¹ | Private banks (cont.)

Chart 7 | Profitability Structure

Amount in million of pesos	Annual					First 9 months		Monthly			Last 12 Months
	2008	2009	2010	2011	2012	2012	2013	Jul-13	Aug-13	Sep-13	
Financial margin	12,964	19,724	21,837	27,234	38,151	27,852	37,089	4,660	4,773	5,130	47,388
Net interest income	7,727	10,572	12,842	18,518	27,893	20,242	26,037	3,113	3,100	3,110	33,688
CER and CVS adjustments	651	185	244	288	350	260	260	24	28	30	350
Foreign exchange price adjustments	1,620	1,646	1,493	2,064	2,451	1,620	3,533	520	594	471	4,364
Gains on securities	1,637	7,343	7,464	6,358	7,426	5,646	6,351	836	747	1,163	8,131
Other financial income	1,329	-22	-205	6	31	83	909	167	303	356	857
Service income margin	7,632	9,198	11,345	15,243	20,081	14,460	18,957	2,274	2,284	2,223	24,578
Loan loss provisions	-1,863	-2,751	-2,253	-2,633	-4,416	-3,072	-4,348	-552	-474	-491	-5,692
Operating costs	-12,401	-14,807	-18,819	-23,821	-30,858	-22,435	-28,989	-3,363	-3,352	-3,359	-37,412
Tax charges	-1,715	-2,380	-2,927	-4,300	-6,450	-4,503	-7,076	-847	-899	-934	-9,023
Adjust. to the valuation of gov. Securities ¹	-267	0	47	-40	0	0	0	0	0	0	0
Amort. payments for court-ordered releases	-688	-367	-441	-133	-199	-126	-41	-3	-4	-3	-114
Other	916	398	1,382	1,723	1,867	1,293	1,726	174	218	228	2,300
Total results before tax ²	4,579	9,014	10,171	13,272	18,176	13,469	17,319	2,344	2,546	2,794	22,026
Income tax	-1,168	-3,001	-2,733	-4,293	-6,089	-4,611	-6,159	-836	-904	-913	-7,638
Total result²	3,412	6,014	7,438	8,980	12,086	8,859	11,160	1,508	1,642	1,881	14,388
Adjusted Result ³	4,367	6,381	7,832	9,153	12,285	8,984	11,201	1,511	1,646	1,884	14,502
<i>Annualized indicators - As % of netted assets</i>											
Financial margin	7.3	9.8	9.3	9.0	10.2	10.2	10.9	12.0	12.0	12.5	10.7
Net interest income	4.4	5.3	5.5	6.1	7.4	7.4	7.7	8.0	7.8	7.6	7.6
CER and CVS adjustments	0.4	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Foreign exchange price adjustments	0.9	0.8	0.6	0.7	0.7	0.6	1.0	1.3	1.5	1.1	1.0
Gains on securities	0.9	3.7	3.2	2.1	2.0	2.1	1.9	2.1	1.9	2.8	1.8
Other financial income	0.8	0.0	-0.1	0.0	0.0	0.0	0.3	0.4	0.8	0.9	0.2
Service income margin	4.3	4.6	4.8	5.0	5.4	5.3	5.6	5.8	5.7	5.4	5.6
Loan loss provisions	-1.1	-1.4	-1.0	-0.9	-1.2	-1.1	-1.3	-1.4	-1.2	-1.2	-1.3
Operating costs	-7.0	-7.4	-8.0	-7.8	-8.2	-8.2	-8.5	-8.6	-8.4	-8.2	-8.5
Tax charges	-1.0	-1.2	-1.2	-1.4	-1.7	-1.6	-2.1	-2.2	-2.3	-2.3	-2.0
Adjust. to the valuation of gov. Securities ¹	-0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amort. payments for court-ordered releases	-0.4	-0.2	-0.2	0.0	-0.1	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.5	0.2	0.6	0.6	0.5	0.5	0.5	0.4	0.5	0.6	0.5
Total results before tax ²	2.6	4.5	4.3	4.4	4.9	4.9	5.1	6.0	6.4	6.8	5.0
Income tax	-0.7	-1.5	-1.2	-1.4	-1.6	-1.7	-1.8	-2.1	-2.3	-2.2	-1.7
ROA²	1.9	3.0	3.2	3.0	3.2	3.2	3.3	3.9	4.1	4.6	3.3
ROA adjusted ³	2.5	3.2	3.3	3.0	3.3	3.3	3.3	3.9	4.1	4.6	3.3
ROE before tax	20.4	34.4	33.5	37.8	39.8	40.7	40.3	47.2	50.1	53.4	39.6
ROE ²	15.2	22.9	24.5	25.6	26.4	26.7	25.9	30.4	32.3	35.9	25.9

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

(²) As of January 2008, data to calculate financial system consolidated result is available. This indicator excludes results and asset headings related to shares and participation in other local financial entities.

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

Source: BCRA

Chart 8 | Portfolio Quality

As percentage	Dec 05	Dec 06	Dec 07	Dec 08	Dec 09	Dec 10	Dec 11	Sep 12	Dec 12	Aug-13	Sep-13
Non-performing loans (overall)	4.4	2.9	2.2	2.5	3.1	1.9	1.3	1.7	1.7	1.9	1.8
Provisions / Non-performing loans	103	114	123	119	116	144	168	145	140	132	134
(Total non-performing - Provisions) / Overall financing	-0.1	-0.4	-0.5	-0.5	-0.5	-0.8	-0.9	-0.7	-0.7	-0.6	-0.6
(Total non-performing - Provisions) / Net worth	-0.4	-1.4	-2.1	-1.9	-1.7	-3.4	-4.4	-3.4	-3.2	-2.9	-2.9
Non-performing loans to the non-financial private sector	6.3	3.6	2.5	2.8	3.3	2.0	1.4	1.7	1.8	2.0	1.9
Provisions / Non-performing loans	102	114	123	118	115	143	167	143	139	131	133
(Total non-performing - Provisions) / Overall financing	-0.1	-0.5	-0.6	-0.5	-0.5	-0.9	-0.9	-0.8	-0.7	-0.6	-0.6
(Total non-performing - Provisions) / Net worth	-0.4	-1.4	-2.0	-1.8	-1.6	-3.4	-4.4	-3.3	-3.1	-2.8	-2.9

Source: BCRA

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