

# Report on Banks

November 2013



BANCO CENTRAL  
DE LA REPÚBLICA ARGENTINA

# **Report on Banks**

November 2013

Year XI, N° 3



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DE LA REPÚBLICA ARGENTINA**

# Contents

**Page 3 | Summary**

**Page 4 | I. Activity**

**Page 5 | II. Deposits and liquidity**

**Page 6 | III. Financing**

**Page 8 | IV. Solvency**

**Page 11 | Latest regulations**

**Page 12 | Methodology and glossary**

**Page 14 | Statistics annex**

*Published on January 23, 2014*

Note | Information for November 2013 available by December 30, 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.

## Summary

- **Loans in pesos to the private sector increased over November, whereas delinquency levels remained at historically low levels.** The taking of deposits from the different sectors of the economy continued being the main financial system funding source. Over the month, the ensemble of banks retained its prudential capital and liquidity margins, while increasing its accumulated book profits.
- **In November, financing in pesos to the private sector climbed 2.7% (35.6% y.o.y.), with a positive monthly performance in all loan lines.** Total financing (in pesos and dollars) to companies and households grew 2.4% in the period (31.7% y.o.y.). This momentum was largely explained by the 2.6% rise in the performance of lending to the productive sector (32.5% y.o.y.), whereas lending to households went up 1.9% (30.9% y.o.y.).
- In order to continue stimulating bank lending for productive purposes, by late 2013 **the BCRA renewed the Credit Line for Productive Investment (LCIP) for the first half of 2014.** The new amount of loans to be disbursed would reach more than \$22 billion, an amount that adds to the existing \$55 billion corresponding to the first three stages of the LCIP. In this fourth tranche, the entire quota must be granted to micro, small and medium-sized enterprises at a fixed interest rate of up to 17.5% for, at least, the first 3 years. Up to 50% of this quota may be allocated to mortgage loans for individuals and to customers not falling within the micro, small and medium-sized enterprises category but having certain investment projects.
- **The non-performance ratio for loans to the private sector stood at around 1.8% of total lending during November.** The delinquency ratio for loans to households continued to decline, until reaching 2.7% in the month, whereas loans to companies maintained their delinquency ratio at 1%. The financial system continued posting high provisioning levels, featuring a non-performing portfolio provision coverage that reached 139.2% over the month.
- **The balance sheet stock of deposits in pesos in the financial system rose 2.2% in November (28.3% y.o.y.),** with an increase of public and private sector deposits of 3.6% (20.2% y.o.y.) and 1.6% (31.8% y.o.y.), respectively. Private sector sight and time deposits in pesos expanded 1.9% and 1%, respectively, over the month. Total deposit stock (in domestic and foreign currency) rose 2.3% (26.9% y.o.y.) in the month.
- **The liquidity (pesos and dollars) of the financial system in terms of total deposits reached 25.5% in November,** up 0.7 p.p. against the previous month. Thus, **the broad liquidity indicator** (that also includes LEBAC and NOBAC holdings) **stood at 38.3% of total deposits,** rising 0.2 p.p. against October. Current liquidity levels for both ratios stand at high levels, although somewhat below the values recorded a year ago.
- Consolidated financial system net worth grew 2.5% (32.2% y.o.y.) in November, mainly explained by profits accrued. Regulatory capital compliance reached 13.4% of total risk-weighted assets (RWA). In turn, **capital compliance in excess of the requirement** (capital position) **accounted for 72.7%, recording a y.o.y. increase of 11.2 p.p.**
- In November, the book profits accrued by the ensemble of financial institutions reached 3.5%a. of assets, recording a slight drop against October. **Throughout 2013, the financial system's ROA stood at 3.2%a, up 0.3 p.p. y.o.y. This rise was observed in all groups of banks.**

# I. Activity

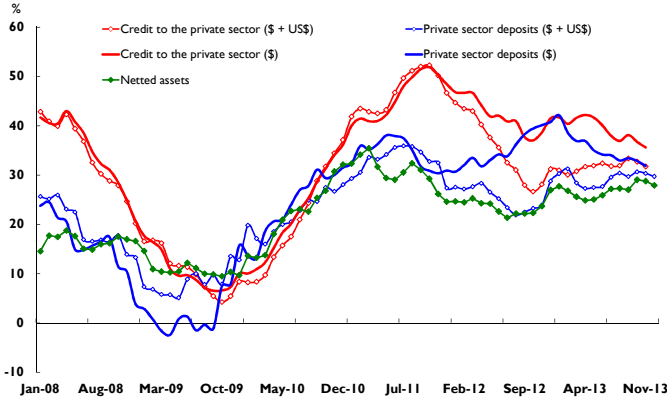
**In November, private sector lending and deposits in domestic currency kept their upward trend.** Financing in pesos channeled to companies and households grew 2.7% over the month, accumulating a 35.6% y.o.y. increase (see Chart 1). In turn, private sector deposits in domestic currency expanded 1.6% in November, and 31.8% in y.o.y. terms. In a context marked by the financial intermediation positive performance, netted assets of the financial system rose 2.6% in the month, up 27.9% y.o.y.

The funds of the ensemble of banks were mainly used to increase loans granted to the private sector during November (\$12 billion), followed by the increase in liquid assets (\$8 billion) (see Chart 2). The rise observed in private and public sector deposits was the most significant source of funds (\$8 billion in each case). **The growth recorded in banks' financial intermediation with the private sector has gradually resulted into an increased share of loans and deposits in banks' balance sheets.** As of November, the stock of loans to companies and households accounted for 52% of netted assets (+1.5 p.p. against the previous year) and deposits from this sector reached 55% of total funding<sup>1</sup> (+0.8 p.p. against the previous year).

**y the end of 2013 the use of different means of payment other than cash continued to rise.** In particular, the daily average of instant transfers increased in November — both in terms of value and number of transactions —, accumulating an y.o.y. expansion of 61% in operated value (29% y.o.y. in terms of number of operations). **As from its implementation in May 2011 to date, this type of transfer has become more widely used, reaching 8.5% of GDP during the fourth quarter of 2013 in annualized terms<sup>2</sup> (+2 p.p. y.o.y.)** (see Chart 3). **Upon breaking down by value tranches, the most relevant segment is that of transactions up to \$20,000** — at no cost for the financial services user as from September 2013 — which in November accounted for 97% of total transactions and 37% of the total value traded. In turn, the daily average value and number of cleared checks slightly increased over the month, recording a rise of 25% y.o.y. in terms of value (0.2% y.o.y. in terms of number of checks). The number of checks cleared reached 59% as regards GDP in the last quarter of the year in annualized terms<sup>3</sup> (in line with the values recorded by the end of 2012). Bounced checks for insufficient funds in terms of the total value cleared had

Chart 1

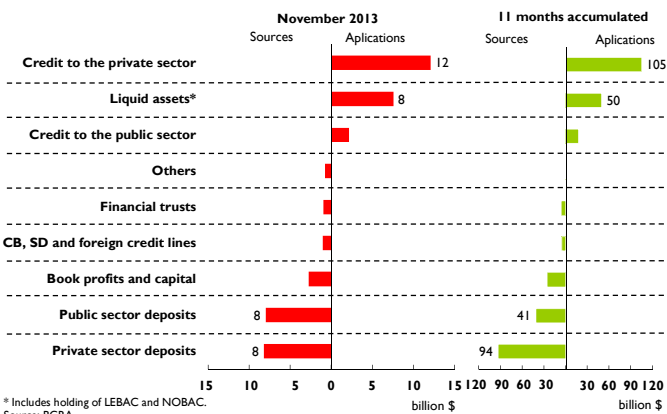
Financial Intermediation  
Y.o.y. % variation - Financial system



Source: BCRA

Chart 2

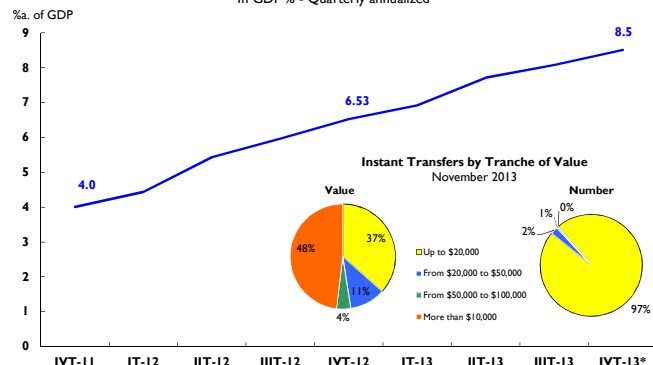
Financial System's Estimation of Main Sources and Applications of Funds



\* Includes holding of LEBAC and NOBAC.  
Source: BCRA

Chart 3

Instant Banking Transfers by Tranche of Value  
In GDP % - Quarterly annualized



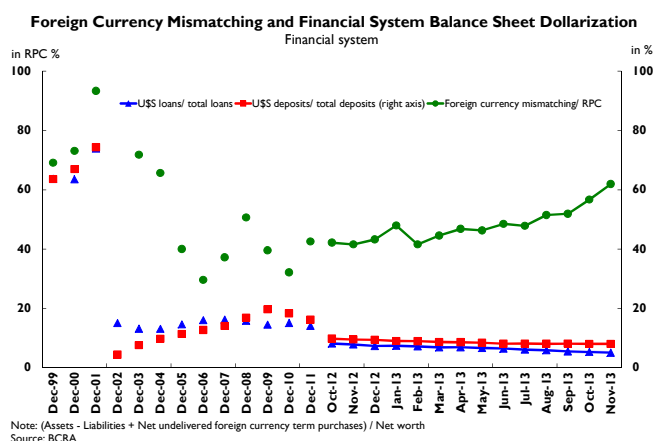
\*To November.  
Source: BCRA

<sup>1</sup> Liabilities net of accounting duplications inherent to the recording of repurchase agreements, term transactions or unsettled spot transactions and net worth.

<sup>2</sup> Latest information available as of November 2013.

<sup>3</sup> Ibid.

Chart 4

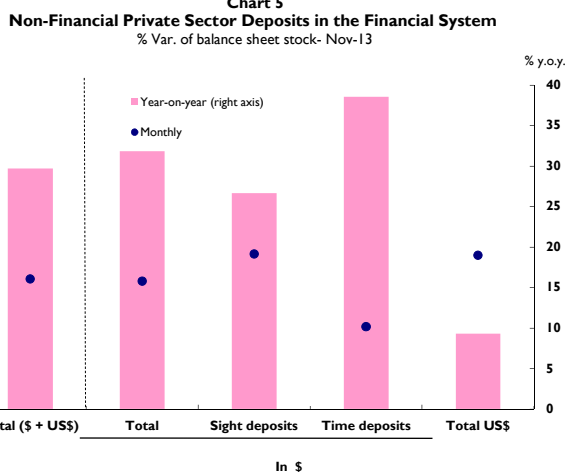


no significant changes over the month, remaining slightly above the values recorded by the end of 2012.

The financial system continued posting an active mismatching<sup>4</sup> of foreign currency accounting for 62.1% of the RPC — Adjusted Stockholder’s Equity — during the month (see Chart 4). In November, such indicator increased 5.5 p.p. of RPC due to more net term purchases of foreign currency by private banks. It should be highlighted that the ensemble of financial institutions currently shows historically low balance sheet dollarization levels. Particularly, the stock of loans in dollars granted to the private sector accounts for only 5% of the total, whereas the stock of private sector deposits reached 8% of the total.

## II. Deposits and liquidity

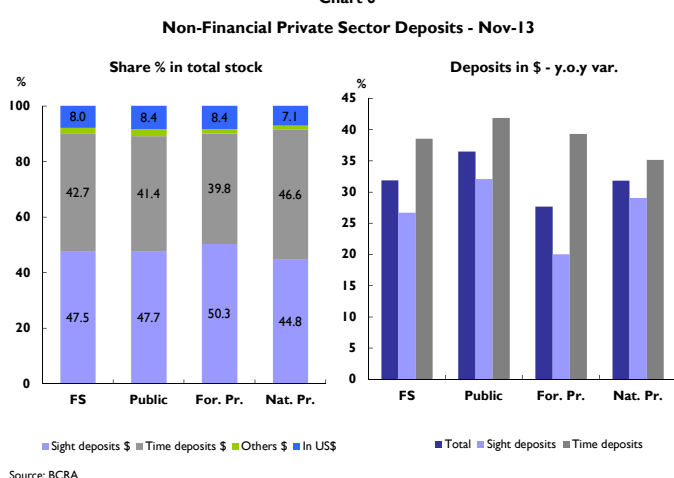
Chart 5



In November, the stock of total deposits in pesos in the financial system rose 2.2%, due to the increase in public and private sector deposits (3.6% and 1.6%, respectively). Concerning private sector deposits in pesos, sight deposits expanded 1.9%, whereas time deposits reached 1% (see Chart 5). Moreover, the deposits in dollars of the private sector in the financial system fell slightly over the period in terms of currency of origin. Within this context, total deposits (including pesos and dollars) recorded a monthly increase of 2.3%.

Over the past 12 months, deposits in domestic currency in the financial system increased 28.3%, boosted by a growth in private and public sector deposits (31.8% y.o.y. and 20.2% y.o.y., respectively). As regards the segment of private sector deposits in pesos, the most relevant ones were time deposits, with a 38.5% y.o.y. growth, led by public banks (see Chart 6). In November, time deposits in pesos accounted for 42.7% of private sector deposits stock in the financial system, evidencing a larger share in national private banks (46.6%), followed by public banks (41.4%) and foreign private banks (39.8%). Total deposits (including pesos and dollars) increased 26.9% in y.o.y. terms, despite the fact that deposits in dollars kept on declining.

Chart 6

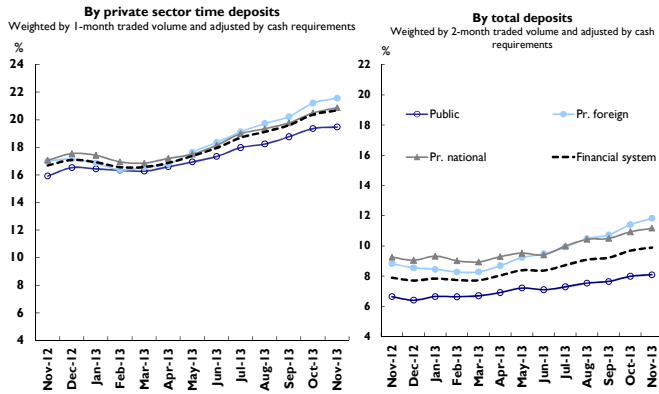


The funding cost calculated on the basis of deposits in pesos evidenced a slight increase in November, within the framework of the rise of interest rates on private sector time deposits (see Chart 7). Thus, the estimated funding cost for November would be up 2 p.p. against the value recorded a year ago, with a higher increase recorded by foreign private banks.

<sup>4</sup> Currency mismatching in a broad sense: foreign currency assets – foreign currency liabilities + currency net term purchases without delivery of underlying assets (recorded in memorandum accounts). In this definition, an “active” mismatching implies a positive value.

Chart 7

Estimation of Average Funding Costs by Deposits in Pesos

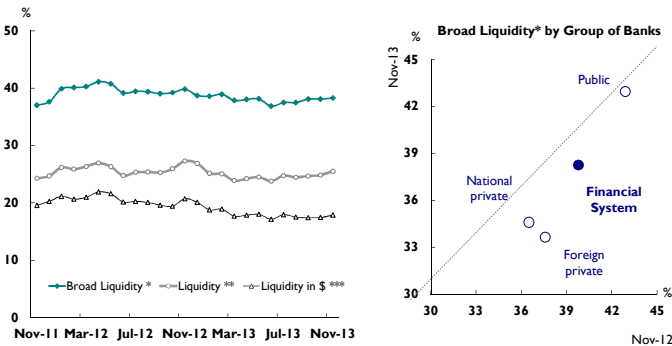


Source: BCRA

The liquidity (pesos and dollars) of the financial system in terms of total deposits stood at 25.5% in November, up 0.7 p.p. against October (see Chart 8). Thus, the **broad liquidity ratio<sup>5</sup> stood at 38.3% of total deposits, after slightly going up 0.2 p.p. over the month.** Current liquidity levels for both ratios stand at high levels, although somewhat below the values recorded a year ago. The y.o.y. evolution in terms of liquidity in a broad sense and broken down by group of banks shows that public institutions did not record significant changes in the indicator, whereas national and foreign private banks evidenced a reduction in liquidity.

### III. Financing

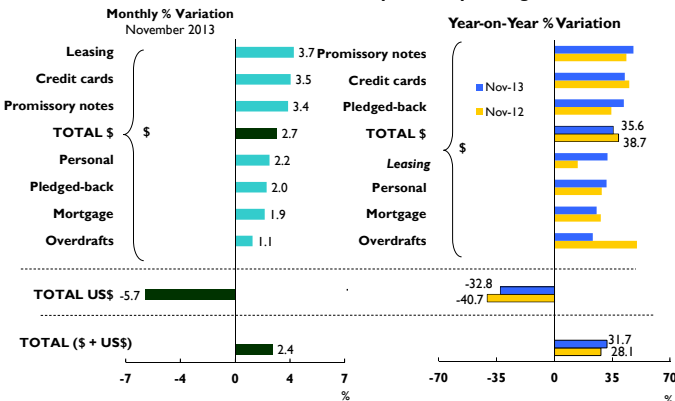
Chart 8  
Liquidity of the Financial System



<sup>5</sup>Broad Liquidity: (Liquid assets (\$ and US\$) + Lebac and Nobac) / Deposits  
<sup>6</sup>Liquidity: Liquid assets (\$ and US\$) / Deposits  
<sup>7</sup>Liquidity in \$: Liquid assets (\$) / Deposits (\$)  
 Source: BCRA

**In November, loans in pesos channeled to the private sector expanded 2.7%<sup>6</sup>, with rises in all credit lines.** Leasing, credit card and promissory notes credit lines recorded the highest relative growth of the month (see Chart 9). In a context marked by a drop in lending in foreign currency (-5.7% against October), total lending (considering both domestic and foreign currency) posted a 2.4% increase in the period<sup>7</sup>. The monthly increase recorded in loans channeled to companies and households was widespread and encompassed all groups of financial institutions, with public banks evidencing the greatest momentum (see Chart 10).

Chart 9  
Credit to the Private Sector by Currency of Origin



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

Financing in pesos to the private sector climbed 35.6% y.o.y. in November, whereas lending in foreign currency declined. Thus, total loans to companies and households increased 31.7% y.o.y. over the month, evidencing a hike against the figures recorded a year ago. Based on this positive performance, **total lending to the private sector gradually increased its depth in the economy until accounting for 17.5% of GDP in November, up 1.1 p.p. against the values recorded by the end of 2012** (see Chart 11). Particularly, over the last few years, loans in pesos to companies and households have been the drivers of this momentum, reaching 16.6% of the GDP.

**The dynamism of loans to the private sector on a monthly and y.o.y. basis was mainly boosted by loans**

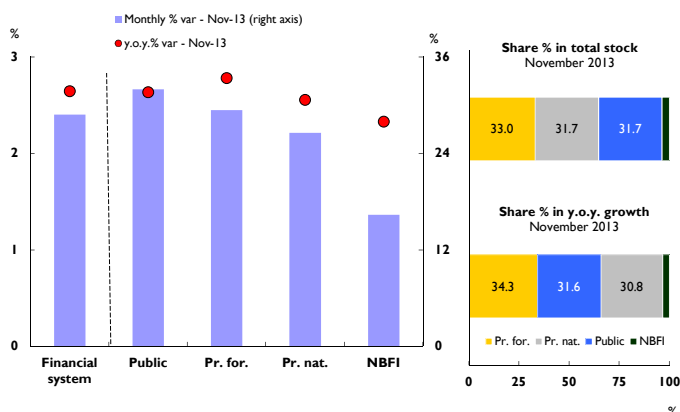
<sup>5</sup> This ratio takes into account liquid assets (compliance with the minimum “cash requirement” and other concepts, mainly cash in banks and correspondents) plus the net credit balance for repo transactions of the financial institutions with the BCRA using LEBACs and NOBACs plus the LEBACs and NOBACs balance not related to repo transactions with the BCRA.

<sup>6</sup> In November, eight financial trust issues for a total of \$967 million were recorded; out of which \$888 million corresponded to personal loan securitizations, and \$79 million to securitization of pledge-backed loans. Thus, if the balance sheet stock is adjusted by the securitized assets during the period (using lending given by banks as underlying assets), the monthly growth of lending in pesos to companies and households would reach 2.9%.

<sup>7</sup> If the balance sheet stock is adjusted by these assets securitized during November, the monthly growth of total financing (in pesos and in dollars) to private sector companies and households would reach 2.6%.

Chart 10

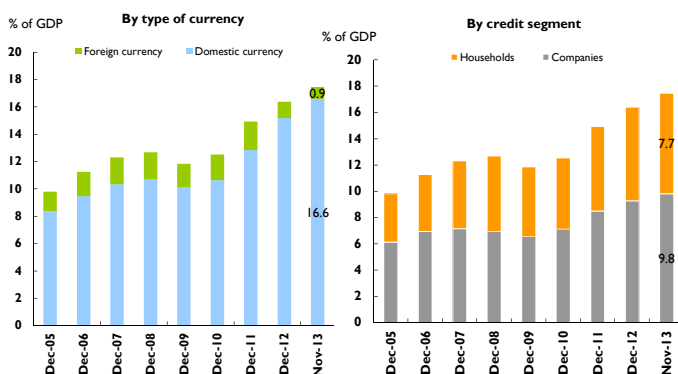
Credit to the Private Sector by Group of Financial Institutions



Fuente: BCRA

Chart 11

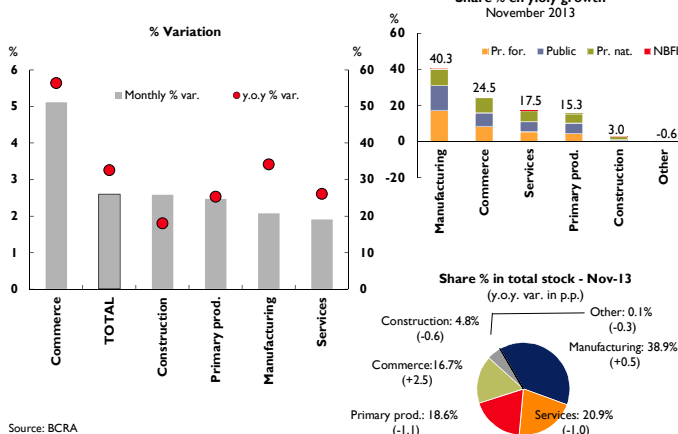
Private Sector Credit in terms of GDP



Source: BCRA and INDEC

Chart 12

Credit to Companies



Source: BCRA

to companies<sup>8</sup>. In November, loans channeled to companies increased 2.6%, in a context of a generalized rise in the credit granted to all productive sectors (see Chart 12). **In y.o.y. terms, loans to companies rose 32.5%, up 7.3 p.p. against the changes recorded over the same month of 2012.** This performance was mainly driven by loans to manufacturing and trade, which accounted for almost 65% of the y.o.y. increase recorded by loans channeled to this segment, therefore increasing their relative importance in the total stock of loans.

**In order to continue stimulating bank lending to encourage productive investment, by the end of 2013, the BCRA renewed the Credit Line for Productive Investment (LCIP) for the first half of 2014<sup>9</sup>.** In this fourth tranche, 5% of private sector deposits in pesos as of November 2013 pertaining to 31 financial institutions were taken as benchmark: those acting as financial agents of the national, provincial and/or municipal governments, and those banks having, at least, 1% of the total stock of the financial system private sector deposits in pesos. These loans shall be granted at a maximum fixed interest rate of 17.5% over at least the first 3 years<sup>10</sup>. As a general rule, the entire quota for this new stage will be granted to micro, small and medium-sized enterprises, and only up to 50% of this quota may be allocated to: (i) mortgage loans for individuals (for the purchase, refurbishing or construction of housing units)<sup>11</sup> and (ii) loans to companies other than those falling within the micro, small and medium-sized enterprises category with investment projects aimed at increasing productive capacity, promoting formal and direct employment, substituting imports, increasing export capacity, and investing in capital goods and works of infrastructure<sup>12</sup>.

**In the fourth stage of the LCIP, the amount to be disbursed would reach more than \$22 billion which adds to the existing \$55 billion estimated for the first three tranches of the LCIP.** More than half the quota allocated to date has been channeled to the micro, small and medium sized enterprises. Thus, as a result of the positive performance evidenced by the LCIP, companies with a lower relative size have been gaining relative importance in the amount of loans in pesos granted to legal persons, reaching 40.9% of the total in year-to-date terms, almost up 14 p.p. against the value recorded two years ago (see Chart 13).

<sup>8</sup> 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.

<sup>9</sup> Communication "A" 5516.

<sup>10</sup> Once this term is over, a variable rate may be charged, which shall not exceed the total BADLAR in pesos over 400 b.p.

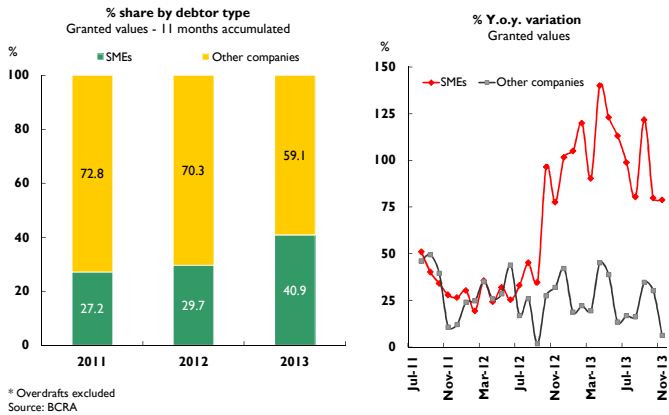
<sup>11</sup> In this case, the minimum term shall be 10 years at a fixed nominal annual interest rate of 17.5% over the first year; thereafter, in absence of such rate, a floating rate will be applied but not in excess of the BADLAR private banks in pesos over 300 b.p. The interest rate shall be adjusted on an annual basis.

<sup>12</sup> In such cases, the interest rate shall be freely set. The allocation of such loans requires the prior approval of the BCRA.



Chart 13

Loans Granted to Legal Persons in Pesos\*  
Financial System



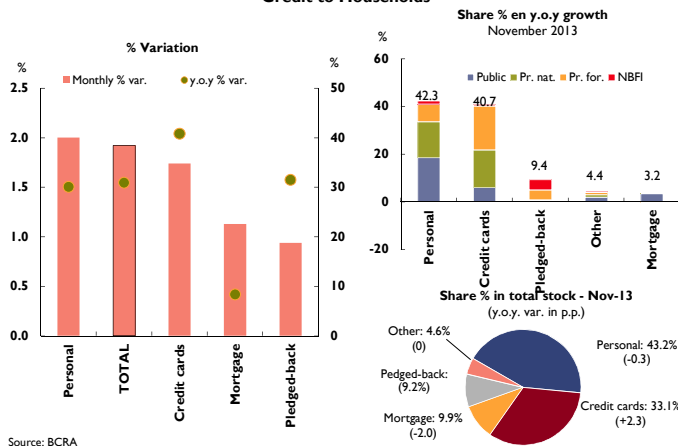
\* Overdrafts excluded  
Source: BCRA

Moreover, through the **Bicentenary Productive Financing Program (PFPB)** the BCRA has awarded \$7.8 billion to 14 financial institutions by means of 26 auctions. Particularly, throughout 2013, 7 auctions of resources were conducted and as a result, \$2 billion were awarded (almost 26% of the total). Thus, by the end of 2013 participating banks provided aid to more than 350 companies, disbursing more than 75% of the total amount allocated (\$5.9 billion). Over half the transactions made through this Program corresponded to loans to micro, small and medium-sized enterprises.

**Loans to households went up 1.9% in November, and personal loans exhibited the most significant momentum** (see Chart 14). Compared to November 2012, bank lending to households increased 30.9%, a performance mainly explained by personal loans and credit cards. Particularly, credit cards evidenced the greatest y.o.y. relative growth, increasing 2.3 p.p. their share in the total stock of loans to households. Private banks (both national and foreign) were the main drivers of the y.o.y. growth in terms of loans to households, in particular those for consumption purposes.

Chart 14

Credit to Households

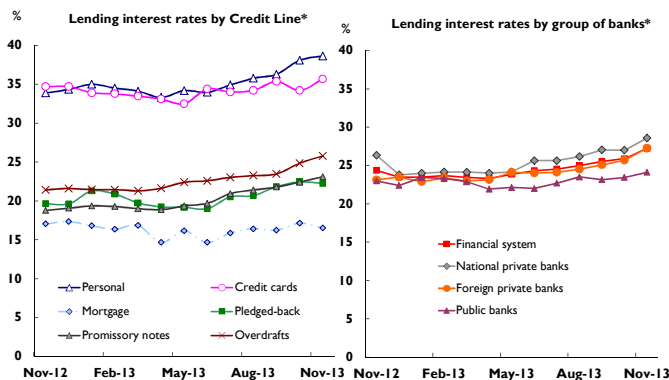


Source: BCRA

In November, lending interest rates in domestic currency slightly increased in terms of commercial and consumer lines, whereas mortgage and pledge-backed lines decreased (see Chart 15). Despite the heterogeneous performance recorded across all credit segments, **average lending interest rates slightly increased over the period, mainly led by private banks**. In the year-on-year comparison, current lending interest rate levels on mortgage loans were lower compared to the levels recorded twelve months ago, whereas in the case of all other loan transactions, interest rates proved to be higher. Due to the higher increase of lending rates in relation to the funding cost, the spread level in pesos for the financial system slightly increased in monthly and y.o.y. terms.

Chart 15

Lending Interest Rates Operated in Pesos



\*Weighted average by operated value.  
Source: BCRA

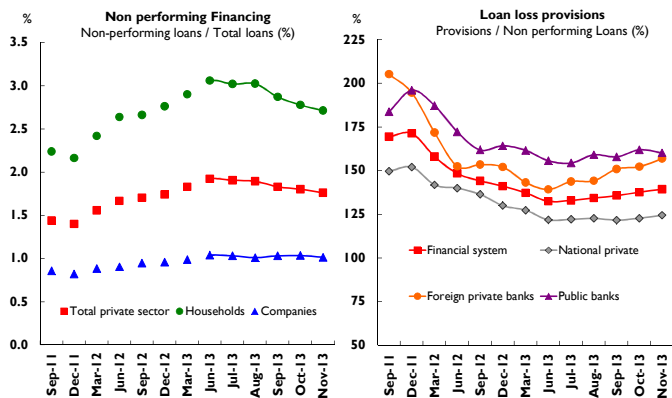
**Delinquency rate of loans to the private sector reached 1.8% of total financing in November**. The ratio of non-performing lending to households continued to drop over the month, until reaching 2.7% of total financing granted to this sector (see Chart 16). In turn, the delinquency rate of loans to the productive sector remained stable at 1% of the total. Coverage of the non-performing portfolio with provisions increased 1.7 p.p. in November, until reaching 139.2%.

## IV. Solvency

**The aggregate net worth of the consolidated financial system expanded 2.5% in November**, a change that was mainly due to book profits. A private bank paid out dividends for a total of \$94 million. **In the past twelve**

months, the net worth increased 32.2% (see Chart 17), bank groups growing at similar rates. In turn, financial system assets accounted for 8.5 times the net worth over the period, down 0.3 p.p. against the previous year.

**Chart 16**  
Non performing Financing to the Private Sector

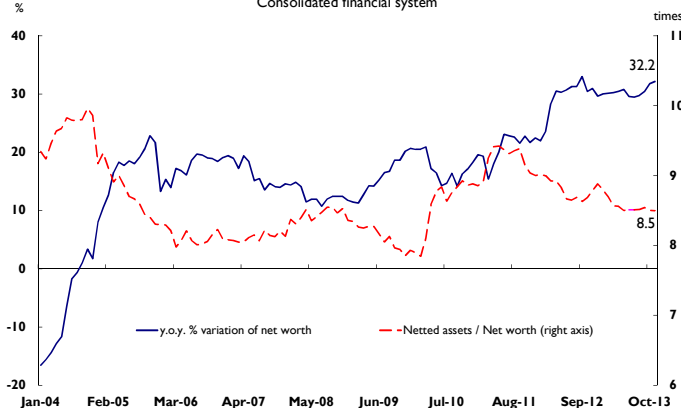


Source: BCRA

The financial system regulatory capital compliance accounted for 13.4% of the total risk weighted assets (RWA) in November, slightly below the values recorded in October, in a context of sustained growth in lending to the private sector. Tier 1<sup>13</sup> capital compliance accounted for 12.1% of RWA. In turn, the compliance in excess of the requirement (capital position) stood at 72.7% and accumulated a 11.2 p.p. y.o.y. increase. All groups of banks exhibited compliance in excess of the requirement during the eleventh month of 2013 (see Chart 18).

**Chart 17**

**Net Worth and Leverage**  
Consolidated financial system



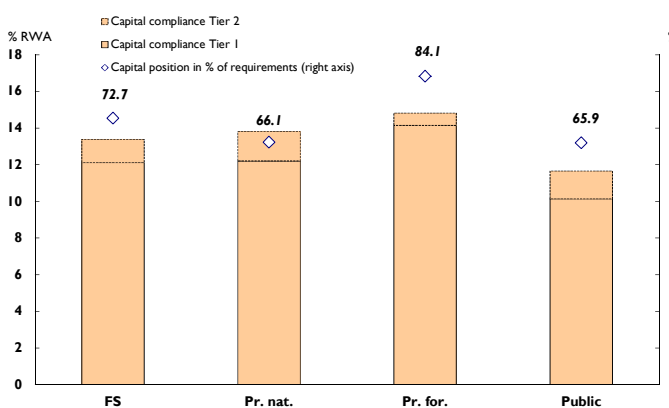
Source: BCRA

In November, the book profits accrued by the ensemble of financial institutions reached 3.5%a. of assets, recording a slight drop of 0.3 p.p. against October, mainly due to lower gains on securities. The financial system ROA stood at 3.2%a. in 2013 (see Chart 19), up 0.3 p.p. y.o.y. This rise was observed in all bank groups.

Bank's financial margin stood at 10.6%a. of assets in November, in line with the values recorded in October. The drops experienced over the month in income from securities (-1.3 p.p. of assets), income derived from interest (-0.3 p.p. of assets) and CER adjustments (-0.1 p.p. of assets) were offset by the increase in profits from items pegged to the evolution of the foreign exchange rate. In the year-to-date, financial margin has totaled 10%a. of assets, up 0.9 p.p. against the same period of 2012 (see Chart 20). This change was mainly boosted by the increase in foreign exchange price adjustments, and, to a lesser extent, by net income from interest. All groups of banks increased their year-to-date financial margin y.o.y.

**Chart 18**

**Capital Compliance and Exces of the Requirement (Position)**  
November 2013



Source: BCRA

In November, income from services went down 0.4 p.p. of assets, until reaching 3.9%a., mainly explained by the behavior of public banks. Throughout the year, this net income slightly increased in y.o.y. terms, until reaching 4.3%a. (see Chart 21), mainly accounted for by foreign private banks.

Financial system loan loss provisions rose moderately against October, totaling 0.9%a. of assets. Thus, in year-to-date terms, this expenditure heading in the income statement rose by 0.1 p.p. of assets until reaching 1%a. against the first 11-month period of 2012, mainly due to foreign private banks. In turn, operating costs stood at 7%a. of assets in the month, slightly above the figure recorded in October. These

<sup>13</sup> Defined as basic net worth (common stock and additional capital), net of accounts that may be deducted. See Communication "A" 5369.

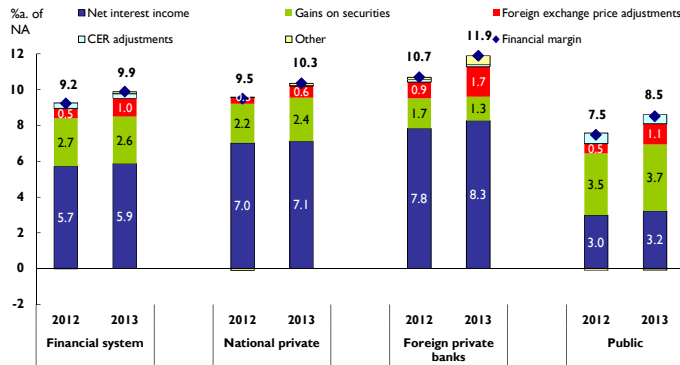
**Chart 19**  
**Profitability by Group of Banks**  
 As % of netted assets - 11 months



Source: BCRA

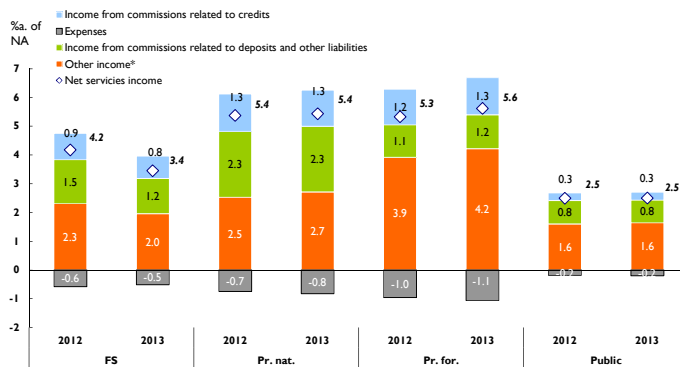
expenditures have totaled 7.1%a. of assets so far this year, increasing 0.1 p.p. compared to the same period of 2012, an evolution mainly explained by national and foreign private banks.

**Chart 20**  
**Financial Margin**  
 11 months - as % annualized of netted assets



Source: BCRA

**Chart 21**  
**Net Services Income**  
 11 months - as % annualized of netted assets



\* Income related to credit card emissions and insurance commissions.  
 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” 5493 – November 5, 2013**

This regulation includes a new section to the “Credit Policy”, which factors in the application of financial institutions’ lending capacity—from local currency deposits and their own liquid funds—to Large Exporting Companies. It provides a definition for such customers, further specifying certain requirements such as exporting goods and services for—at least— 75% of their sales, and placing loans for over \$ 200 million pesos within the financial system. The lending capacity will be calculated as a percentage of the positive value resulting from the sum of deposits in pesos, net of the minimum cash requirement, and own liquid funds of the institution from the previous month, effective financings for “Large Exporting Companies” being deducted. It is further established that financial institutions will only be able to grant new loans in pesos to all customers covered by the definition of “Large Exporting Companies” without the prior authorization of the Central Bank as long as they have lending capacity. The term ‘new financings’ as covered by this scheme involves disbursements and/or credit limit increases granted to make withdrawals from current account overdrafts, to make renewals, stays, forbearance (express or tacit) or any other refinancing arrangements.

### **Communication “A” 5496 – November 15, 2013**

As from November 1, 2013, the standards on “Spreading of Credit Risk” regarding asset portfolios have been amended. In the allocation of such financings, global limits cease to be in effect, financial institutions having to make allocations on an individual, pro-rata and monthly basis. Moreover, in the case of financial trusts, individual and pro rata allocations may only be calculated on the basis of the information available at the time such trusts are created. In turn, the items to which the maximum global limit for shares and other claims have also been adjusted. The calculation of the spreading of credit risk for claims against a trust assets portfolio made with consumption and/or personal loans is excluded. Therefore, only claims on financial trusts not exceeding the amount to be informed from time to time shall be computed, initially amounting to \$25,000. The regulations on “Ratio for fixed assets and other items” provides for the inclusion of shares in local companies, sundry credits, goods for own use, sundry goods, organization and development expenses, and goodwill making up the asset portfolios to which an institution may have a claim.

### **Communication “A” 5498 – November 22, 2013**

Regulations on “Protection of financial services users” have been amended. They provide that any increase in fees and/or charges may only be informed to users after thirty (30) calendar days have elapsed as from the date of notification to the Central Bank. This term need not be observed in case of reduction. However, it should be highlighted that such reductions shall be notified to the BCRA within thirty (30) calendar days following their implementation.

# 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 annex<sup>1</sup> | Financial system

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

As %	Dec 05	Dec 06	Dec 07	Dec 08	Dec 09	Dec 10	Dec 11	Nov 12	Dec 12	Oct 13	Nov 13
1.- Liquidity	20.1	22.5	23.0	27.9	28.6	28.0	24.7	27.3	26.8	24.8	25.5
2.- Credit to the public sector	31.5	22.5	16.3	12.7	14.4	12.1	10.7	9.5	9.7	8.8	8.9
3.- Credit to the private sector	25.8	31.0	38.2	39.4	38.3	39.8	47.4	47.5	49.5	49.6	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	1.8	1.8
5.- Net worth exposure to the private sector	-2.5	-0.8	-1.5	-1.7	-1.3	-3.2	-4.3	-3.0	-3.1	-2.9	-2.9
6.- ROA	0.9	1.9	1.5	1.6	2.3	2.8	2.7	2.9	2.9	3.1	3.2
7.- ROE	7.0	14.3	11.0	13.4	19.2	24.4	25.3	25.5	25.7	27.2	27.5
8.- Efficiency	151	167	160	167	185	179	179	189	190	201	202
9a.- Capital compliance	-	-	-	-	-	-	-	-	-	13.5	13.4
9b.- Capital compliance (credit risk)	15.3	16.9	16.9	16.9	18.8	17.7	15.6	16.9	17.1	-	-
10a.- Capital compliance Tier I	-	-	-	-	-	-	-	-	-	12.2	12.1
10b.- Capital compliance Tier I (credit risk)	14.1	14.1	14.6	14.2	14.5	13.1	10.9	12.3	11.9	-	-
11.- Excess capital compliance	173.5	134.0	92.8	89.8	99.8	86.9	68.6	61.5	58.7	73.1	72.7

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	Nov 12	Dec 12	Oct 13	Nov 13	Change (in %)		
									Last month	2013	Last 12 months
<b>Assets</b>	<b>346,762</b>	<b>387,381</b>	<b>510,304</b>	<b>628,381</b>	<b>784,299</b>	<b>790,026</b>	<b>965,922</b>	<b>985,458</b>	<b>2.0</b>	<b>24.7</b>	<b>25.6</b>
Cash disposal <sup>1</sup>	58,676	71,067	93,085	104,389	129,253	148,254	156,077	169,417	8.5	14.3	31.1
Public bonds	65,255	86,318	117,951	112,906	140,902	123,491	166,931	161,007	-3.5	30.4	14.3
Lebac/Nobac	37,093	43,867	76,948	71,050	101,588	84,057	118,012	112,076	-5.0	33.3	10.3
Portfolio	25,652	34,748	61,855	59,664	72,098	70,569	94,898	93,293	-1.7	32.2	29.4
Repo <sup>2</sup>	11,442	9,119	15,093	11,386	29,490	13,488	23,114	18,783	-18.7	39.3	-36.3
Private bonds	203	307	209	212	290	251	482	579	20.2	131.1	99.8
Loans	154,719	169,868	230,127	332,317	412,772	433,925	524,654	539,186	2.8	24.3	30.6
Public sector	17,083	20,570	25,907	31,346	37,301	39,951	42,566	44,688	5.0	11.9	19.8
Private sector	132,844	145,247	199,202	291,708	365,757	383,674	470,618	481,796	2.4	25.6	31.7
Financial sector	4,793	4,052	5,018	9,263	9,714	10,299	11,470	12,702	10.7	23.3	30.8
Provisions over loans	-4,744	-5,824	-6,232	-7,173	-9,179	-9,596	-11,848	-11,972	1.1	24.8	30.4
Other netted credits due to financial intermediation	38,152	33,498	39,009	40,805	57,510	38,769	64,528	61,123	-5.3	57.7	6.3
Corporate bonds and subordinated debt	912	1,146	1,433	1,657	2,224	2,255	3,887	4,645	19.5	105.9	108.8
Unquoted trusts	5,714	5,942	6,824	7,967	9,931	10,822	12,563	12,659	0.8	17.0	27.5
Leasing	3,935	2,933	3,936	6,222	6,861	7,203	8,664	8,985	3.7	24.7	31.0
Shares in other companies	7,236	6,711	7,921	9,123	11,408	11,682	14,326	14,660	2.3	25.5	28.5
Fixed assets and miscellaneous	7,903	8,239	9,071	10,111	10,951	11,251	13,341	13,615	2.1	21.0	24.3
Foreign branches	3,153	3,926	3,283	3,525	4,227	4,354	5,087	5,299	4.2	21.7	25.4
Other assets	12,275	10,337	11,943	15,944	19,303	20,441	23,680	23,560	-0.5	15.3	22.1
<b>Liabilities</b>	<b>305,382</b>	<b>339,047</b>	<b>452,752</b>	<b>558,264</b>	<b>695,331</b>	<b>699,205</b>	<b>851,693</b>	<b>868,449</b>	<b>2.0</b>	<b>24.2</b>	<b>24.9</b>
Deposits	236,217	271,853	376,344	462,517	576,669	595,764	715,517	732,046	2.3	22.9	26.9
Public sector <sup>3</sup>	67,151	69,143	115,954	129,885	170,382	163,691	196,998	204,971	4.0	25.2	20.3
Private sector <sup>3</sup>	166,378	199,278	257,595	328,463	402,022	427,857	513,168	521,398	1.6	21.9	29.7
Current account	39,619	45,752	61,306	76,804	98,216	103,192	117,278	118,441	1.0	14.8	20.6
Savings account	50,966	62,807	82,575	103,636	111,901	125,210	140,592	144,307	2.6	15.3	29.0
Time deposits	69,484	83,967	104,492	135,082	177,218	183,736	238,068	240,910	1.2	31.1	35.9
Other netted liabilities due to financial intermediation	57,662	52,114	60,029	76,038	92,245	75,106	101,354	99,938	-1.4	33.1	8.3
Interbanking obligations	3,895	3,251	4,201	7,947	8,137	8,329	9,120	10,246	12.3	23.0	25.9
BCRA lines	1,885	270	262	1,920	3,443	3,535	4,736	4,690	-1.0	32.7	36.2
Outstanding bonds	5,984	5,033	3,432	6,856	9,280	9,101	12,887	13,756	6.7	51.2	48.2
Foreign lines of credit	4,541	3,369	3,897	6,467	5,572	4,992	5,255	5,361	2.0	7.4	-3.8
Other <sup>1</sup>	13,974	14,891	17,426	24,137	24,298	26,280	28,446	29,976	5.4	14.1	23.4
Subordinated debts	1,763	1,922	2,165	2,065	2,633	2,647	3,163	3,263	3.2	23.3	23.9
Other liabilities	9,740	13,159	14,213	17,644	23,783	25,688	31,659	33,202	4.9	29.2	39.6
<b>Net worth</b>	<b>41,380</b>	<b>48,335</b>	<b>57,552</b>	<b>70,117</b>	<b>88,968</b>	<b>90,820</b>	<b>114,229</b>	<b>117,009</b>	<b>2.4</b>	<b>28.8</b>	<b>31.5</b>
<b>Memo</b>											
<b>Netted assets</b>	<b>321,075</b>	<b>364,726</b>	<b>482,532</b>	<b>601,380</b>	<b>743,335</b>	<b>767,744</b>	<b>926,783</b>	<b>950,452</b>	<b>2.6</b>	<b>23.8</b>	<b>27.9</b>
<b>Consolidated netted assets</b>	<b>312,002</b>	<b>357,118</b>	<b>472,934</b>	<b>586,805</b>	<b>727,187</b>	<b>750,598</b>	<b>907,423</b>	<b>929,742</b>	<b>2.5</b>	<b>23.9</b>	<b>27.9</b>

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

(<sup>3</sup>) Does not include accrual on interest or CER.

Source: BCRA

<sup>1</sup> Note | Data available in Excel in [www.bcra.gov.ar](http://www.bcra.gov.ar)

# Statistics annex<sup>1</sup> | Financial system (cont)

## Chart 3 | Profitability Structure

Amount in million of pesos	Annual					First 11 months		Monthly			Last 12 months
	2008	2009	2010	2011	2012	2012	2013	Sep-13	Oct-13	Nov-13	
Financial margin	20,462	28,937	35,490	43,670	61,667	55,222	77,552	8,568	8,145	8,347	83,997
Net interest income	9,573	14,488	17,963	24,903	38,365	34,588	45,295	4,189	4,578	4,446	49,072
CER and CVS adjustments	2,822	1,196	2,434	1,725	2,080	1,820	2,010	218	234	176	2,270
Foreign exchange price adjustments	2,307	2,588	2,100	3,025	4,127	3,552	8,748	872	937	1,492	9,323
Gains on securities	4,398	11,004	13,449	14,228	17,356	15,501	20,491	2,964	2,599	1,662	22,346
Other financial income	1,362	-339	-457	-211	-261	-239	1,008	324	-204	570	986
Service income margin	10,870	13,052	16,089	21,391	28,172	25,416	33,034	3,168	3,265	3,094	35,790
Loan loss provisions	-2,839	-3,814	-3,267	-3,736	-6,127	-5,345	-7,472	-769	-631	-685	-8,254
Operating costs	-18,767	-22,710	-28,756	-36,365	-47,318	-42,770	-54,790	-5,089	-5,263	-5,517	-59,338
Tax charges	-2,318	-3,272	-4,120	-6,047	-8,981	-8,039	-12,663	-1,274	-1,219	-1,261	-13,605
Adjust. to the valuation of gov. Securities <sup>1</sup>	-1,757	-262	-214	-336	-338	-306	-342	-33	-32	-33	-373
Amort. payments for court-ordered releases	-994	-703	-635	-290	-274	-211	-119	-8	-10	-25	-182
Other	1,441	918	2,079	2,963	2,475	2,352	2,449	61	283	326	2,572
Total results before tax <sup>2</sup>	6,100	12,145	16,665	21,251	29,276	26,318	37,649	4,624	4,537	4,247	26,482
Income tax	-1,342	-4,226	-4,904	-6,531	-9,861	-8,848	-13,112	-1,670	-1,615	-1,492	-14,125
<b>Total result<sup>2</sup></b>	<b>4,757</b>	<b>7,920</b>	<b>11,761</b>	<b>14,720</b>	<b>19,415</b>	<b>17,470</b>	<b>24,537</b>	<b>2,954</b>	<b>2,921</b>	<b>2,755</b>	<b>26,482</b>
Adjusted Result <sup>3</sup>	7,508	8,885	12,610	15,345	20,027	17,988	24,997	2,995	2,964	2,812	27,036
Annualized indicators - As % of netted assets											
Financial margin	6.7	8.6	8.5	8.0	9.2	9.1	10.0	11.4	10.6	10.6	10.0
Net interest income	3.1	4.3	4.3	4.6	5.7	5.7	5.9	5.6	6.0	5.7	5.9
CER and CVS adjustments	0.9	0.4	0.6	0.3	0.3	0.3	0.3	0.3	0.3	0.2	0.3
Foreign exchange price adjustments	0.8	0.8	0.5	0.6	0.6	0.6	1.1	1.2	1.2	1.9	1.1
Gains on securities	1.4	3.3	3.2	2.6	2.6	2.5	2.6	4.0	3.4	2.1	2.7
Other financial income	0.4	-0.1	-0.1	0.0	0.0	0.0	0.1	0.4	-0.3	0.7	0.1
Service income margin	3.6	3.9	3.8	3.9	4.2	4.2	4.3	4.2	4.3	3.9	4.3
Loan loss provisions	-0.9	-1.1	-0.8	-0.7	-0.9	-0.9	-1.0	-1.0	-0.8	-0.9	-1.0
Operating costs	-6.1	-6.7	-6.9	-6.7	-7.0	-7.0	-7.1	-6.8	-6.9	-7.0	-7.1
Tax charges	-0.8	-1.0	-1.0	-1.1	-1.3	-1.3	-1.6	-1.7	-1.6	-1.6	-1.6
Adjust. to the valuation of gov. Securities <sup>1</sup>	-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	0.1	0.4	0.4	0.3
Total results before tax <sup>2</sup>	2.0	3.6	4.0	3.9	4.3	4.3	4.9	6.2	5.9	5.4	4.9
Income tax	-0.4	-1.3	-1.2	-1.2	-1.5	-1.5	-1.7	-2.2	-2.1	-1.9	-1.7
<b>ROA<sup>2</sup></b>	<b>1.6</b>	<b>2.3</b>	<b>2.8</b>	<b>2.7</b>	<b>2.9</b>	<b>2.9</b>	<b>3.2</b>	<b>3.9</b>	<b>3.8</b>	<b>3.5</b>	<b>3.2</b>
ROA adjusted <sup>3</sup>	2.5	2.6	3.0	2.8	3.0	3.0	3.2	4.0	3.9	3.6	3.2
ROE before tax	17.2	29.5	34.5	36.5	38.8	38.5	42.2	53.4	51.0	46.5	42.2
ROE <sup>2</sup>	13.4	19.2	24.4	25.3	25.7	25.5	27.5	34.1	32.8	30.2	27.5

(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	Nov 12	Dec 12	Oct 13	Nov 13
<b>Non-performing loans (overall)</b>	<b>5.2</b>	<b>3.4</b>	<b>2.7</b>	<b>2.7</b>	<b>3.0</b>	<b>1.8</b>	<b>1.2</b>	<b>1.6</b>	<b>1.5</b>	<b>1.6</b>	<b>1.6</b>
Provisions / Non-performing loans	115	108	115	117	115	148	176	144	144	140	142
(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	-0.7
(Total non-performing - Provisions) / Net worth	-2.6	-0.9	-1.6	-1.8	-1.7	-3.6	-4.6	-3.3	-3.4	-3.1	-3.1
<b>Non-performing loans to the non-financial private sector</b>	<b>7.6</b>	<b>4.5</b>	<b>3.2</b>	<b>3.1</b>	<b>3.5</b>	<b>2.1</b>	<b>1.4</b>	<b>1.7</b>	<b>1.7</b>	<b>1.8</b>	<b>1.8</b>
Provisions / Non-performing loans	115	108	114	116	112	143	171	141	141	138	139
(Total non-performing - Provisions) / Overall financing	-1.1	-0.3	-0.5	-0.5	-0.4	-0.9	-1.0	-0.7	-0.7	-0.7	-0.7
(Total non-performing - Provisions) / Net worth	-2.5	-0.8	-1.5	-1.7	-1.3	-3.2	-4.3	-3.0	-3.1	-2.9	-2.9

Source: BCRA

<sup>1</sup> Note | Data available in Excel in [www.bcra.gov.ar](http://www.bcra.gov.ar)



# Statistics annex<sup>1</sup> | Private banks

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

As %	Dec 05	Dec 06	Dec 07	Dec 08	Dec 09	Dec 10	Dec 11	Nov 12	Dec 12	Oct 13	Nov 13
1.- Liquidity	21.5	23.7	25.7	34.1	29.8	26.0	26.7	27.3	27.6	27.1	27.2
2.- Credit to the public sector	28.5	16.3	9.5	6.3	6.1	4.7	3.4	3.3	3.1	3.0	3.1
3.- Credit to the private sector	31.1	37.9	46.6	44.0	43.3	50.3	54.5	57.0	58.4	57.6	59.0
4.- Private non-performing loans	6.3	3.6	2.5	2.8	3.3	2.0	1.4	1.8	1.8	1.9	1.8
5.- Net worth exposure to the private sector	-0.4	-1.4	-2.0	-1.8	-1.6	-3.4	-4.4	-3.1	-3.1	-2.9	-3.0
6.- ROA	0.5	2.2	1.6	1.9	3.0	3.2	3.0	3.2	3.2	3.4	3.4
7.- ROE	4.1	15.3	10.9	15.2	22.9	24.5	25.6	26.0	26.4	26.5	27.1
8.- Efficiency	136	158	152	166	195	176	178	188	189	195	197
9a.- Capital compliance	-	-	-	-	-	-	-	-	-	14.4	14.3
9b.- Capital compliance (credit risk)	17.8	18.7	19.2	18.4	22.6	20.3	16.8	18.7	18.3	-	-
10a.- Capital compliance Tier I	-	-	-	-	-	-	-	-	-	13.3	13.2
10b.- Capital compliance Tier I (credit risk)	16.1	15.4	16.8	15.0	17.2	15.2	12.5	13.9	13.4	-	-
11.- Excess capital compliance	155.0	116.6	87.4	87.2	121.3	101.5	72.2	67.1	57.5	75.4	75.4

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

In million of current pesos	Dec 08	Dec 09	Dec 10	Dec 11	Nov 12	Dec 12	Oct 13	Nov 13	Change (in %)		
									Last month	2013	Last 12 months
<b>Assets</b>	<b>208,888</b>	<b>229,549</b>	<b>280,025</b>	<b>364,122</b>	<b>422,171</b>	<b>432,994</b>	<b>538,471</b>	<b>538,155</b>	<b>-0.1</b>	<b>24.3</b>	<b>27.5</b>
Cash disposal <sup>1</sup>	37,044	43,562	49,730	58,877	76,828	85,717	92,729	98,861	6.6	15.3	28.7
Public bonds	29,552	47,949	48,903	50,055	48,629	43,350	60,569	51,529	-14.9	18.9	6.0
Lebac/Nobac	23,457	31,575	34,422	34,246	36,472	30,531	43,595	34,054	-21.9	11.5	-6.6
Portfolio	12,858	27,413	31,148	23,908	29,396	27,656	30,526	26,804	-12.2	-3.1	-8.8
Repo <sup>2</sup>	10,598	4,161	3,274	10,338	7,076	2,874	13,069	7,250	-44.5	152.2	2.5
Private bonds	127	233	184	164	163	188	219	307	39.9	63.1	88.3
Loans	98,529	101,722	143,202	202,117	244,579	256,708	313,258	321,113	2.5	25.1	31.3
Public sector	6,249	1,694	1,625	1,215	1,514	1,601	1,658	1,588	-4.2	-0.8	4.9
Private sector	88,426	96,790	137,308	193,126	234,593	246,560	302,661	309,590	2.3	25.6	32.0
Financial sector	3,854	3,238	4,270	7,777	8,472	8,546	8,939	9,935	11.1	16.2	17.3
Provisions over loans	-2,871	-3,653	-3,926	-4,574	-5,922	-6,193	-7,709	-7,776	0.9	25.6	31.3
Other netted credits due to financial intermediation	25,265	21,258	20,241	29,338	24,835	18,646	38,040	32,610	-14.3	74.9	31.3
Corporate bonds and subordinated debt	699	734	757	796	976	988	2,347	2,983	27.1	201.9	205.6
Unquoted trusts	3,869	4,198	4,500	5,268	6,349	7,084	7,712	7,783	0.9	9.9	22.6
Leasing	3,451	2,569	3,519	5,452	5,955	6,287	7,636	7,938	4.0	26.3	33.3
Shares in other companies	4,538	4,067	4,934	5,998	7,693	7,920	9,944	10,150	2.1	28.2	31.9
Fixed assets and miscellaneous	4,926	5,096	5,808	6,663	7,298	7,592	9,452	9,651	2.1	27.1	32.2
Foreign branches	-178	-202	-215	-240	0	0	0	0	-	-	-
Other assets	8,505	6,946	7,646	10,271	12,112	12,778	14,332	13,773	-3.9	7.8	13.7
<b>Liabilities</b>	<b>182,596</b>	<b>198,438</b>	<b>243,766</b>	<b>321,123</b>	<b>367,180</b>	<b>376,774</b>	<b>468,057</b>	<b>465,966</b>	<b>-0.4</b>	<b>23.7</b>	<b>26.9</b>
Deposits	135,711	154,387	198,662	253,705	302,914	317,443	384,560	385,688	0.3	21.5	27.3
Public sector <sup>3</sup>	19,600	17,757	23,598	27,664	35,114	33,232	47,565	44,332	-6.8	33.4	26.3
Private sector <sup>3</sup>	114,176	134,426	173,203	223,141	265,360	281,698	333,937	338,091	1.2	20.0	27.4
Current account	30,188	35,127	46,297	57,586	74,344	77,269	89,213	89,822	0.7	16.2	20.8
Savings account	32,778	40,999	53,085	66,891	67,530	76,130	82,502	83,711	1.5	10.0	24.0
Time deposit	46,990	54,058	67,568	89,924	113,634	117,888	151,674	153,854	1.4	30.5	35.4
Other netted liabilities due to financial intermediation	39,298	34,235	34,427	53,973	47,610	41,780	62,411	58,436	-6.4	39.9	22.7
Interbanking obligations	1,160	1,668	1,903	3,524	3,374	3,473	3,815	4,659	22.1	34.2	38.1
BCRA lines	649	41	57	456	664	694	664	641	-3.4	-7.5	-3.4
Outstanding bonds	5,672	4,626	2,802	5,119	6,220	6,001	7,938	8,825	11.2	47.1	41.9
Foreign lines of credit	2,261	1,262	1,716	4,252	2,696	2,168	2,020	2,011	-0.5	-7.2	-25.4
Other	11,125	12,015	13,849	19,059	19,832	21,087	22,594	23,494	4.0	11.4	18.5
Subordinated debts	1,759	1,918	2,148	1,948	2,236	2,253	3,140	3,241	3.2	43.8	44.9
Other liabilities	5,828	7,897	8,528	11,497	14,419	15,297	17,945	18,601	3.7	21.6	29.0
<b>Net worth</b>	<b>26,292</b>	<b>31,111</b>	<b>36,259</b>	<b>42,999</b>	<b>54,991</b>	<b>56,220</b>	<b>70,415</b>	<b>72,189</b>	<b>2.5</b>	<b>28.4</b>	<b>31.3</b>
<b>Memo</b>											
<b>Netted assets</b>	<b>192,074</b>	<b>216,100</b>	<b>267,364</b>	<b>344,101</b>	<b>407,891</b>	<b>425,181</b>	<b>514,660</b>	<b>520,043</b>	<b>1.0</b>	<b>22.3</b>	<b>27.5</b>

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

<sup>(3)</sup> Does not include accrual on interest or CER.

Source: BCRA

<sup>1</sup> Note | Data available in Excel in [www.bcra.gov.ar](http://www.bcra.gov.ar)

# Statistics annex<sup>1</sup> | Private banks (cont.)

## Chart 7 | Profitability Structure

Amount in million of pesos	Annual					First 11 months		Monthly			Last
	2008	2009	2010	2011	2012	2012	2013	Sep-13	Oct-13	Nov-13	12 months
Financial margin	12,964	19,724	21,837	27,234	38,151	34,270	47,292	5,121	4,796	5,416	51,172
Net interest income	7,727	10,572	12,842	18,518	27,893	25,235	32,690	3,110	3,386	3,268	35,349
CER and CVS adjustments	651	185	244	288	350	314	324	30	35	29	359
Foreign exchange price adjustments	1,620	1,646	1,493	2,064	2,451	2,122	4,902	471	560	809	5,231
Gains on securities	1,637	7,343	7,464	6,358	7,426	6,576	8,046	1,154	987	717	8,896
Other financial income	1,329	-22	-205	6	31	23	1,330	356	-172	593	1,337
Service income margin	7,632	9,198	11,345	15,243	20,081	18,159	23,498	2,223	2,313	2,228	25,420
Loan loss provisions	-1,863	-2,751	-2,253	-2,633	-4,416	-3,828	-5,314	-496	-431	-530	-5,902
Operating costs	-12,401	-14,807	-18,819	-23,821	-30,858	-27,914	-35,987	-3,354	-3,421	-3,583	-38,931
Tax charges	-1,715	-2,380	-2,927	-4,300	-6,450	-5,775	-8,915	-934	-884	-955	-9,590
Adjust. to the valuation of gov. Securities <sup>1</sup>	-267	0	47	-40	0	0	0	0	0	0	0
Amort. payments for court-ordered releases	-688	-367	-441	-133	-199	-143	-66	-3	-5	-21	-122
Other	916	398	1,382	1,723	1,867	1,553	1,975	228	160	89	2,290
Total results before tax <sup>2</sup>	4,579	9,014	10,171	13,272	18,176	16,323	22,483	2,785	2,528	2,645	24,336
Income tax	-1,168	-3,001	-2,733	-4,293	-6,089	-5,564	-7,901	-915	-835	-906	-8,427
<b>Total result<sup>2</sup></b>	<b>3,412</b>	<b>6,014</b>	<b>7,438</b>	<b>8,980</b>	<b>12,086</b>	<b>10,759</b>	<b>14,581</b>	<b>1,870</b>	<b>1,693</b>	<b>1,739</b>	<b>15,909</b>
Adjusted Result <sup>3</sup>	4,367	6,381	7,832	9,153	12,285	10,902	14,647	1,874	1,697	1,760	16,031
<i>Annualized indicators - As % of netted assets</i>											
Financial margin	7.3	9.8	9.3	9.0	10.2	10.1	11.1	12.5	11.3	12.6	11.1
Net interest income	4.4	5.3	5.5	6.1	7.4	7.4	7.7	7.6	8.0	7.6	7.7
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	1.2	1.1	1.3	1.9	1.1
Gains on securities	0.9	3.7	3.2	2.1	2.0	1.9	1.9	2.8	2.3	1.7	1.9
Other financial income	0.8	0.0	-0.1	0.0	0.0	0.0	0.3	0.9	-0.4	1.4	0.3
Service income margin	4.3	4.6	4.8	5.0	5.4	5.3	5.5	5.4	5.5	5.2	5.5
Loan loss provisions	-1.1	-1.4	-1.0	-0.9	-1.2	-1.1	-1.2	-1.2	-1.0	-1.2	-1.3
Operating costs	-7.0	-7.4	-8.0	-7.8	-8.2	-8.2	-8.5	-8.2	-8.1	-8.4	-8.5
Tax charges	-1.0	-1.2	-1.2	-1.4	-1.7	-1.7	-2.1	-2.3	-2.1	-2.2	-2.1
Adjust. to the valuation of gov. Securities <sup>1</sup>	-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	0.6	0.4	0.2	0.5
Total results before tax <sup>2</sup>	2.6	4.5	4.3	4.4	4.9	4.8	5.3	6.8	6.0	6.2	5.3
Income tax	-0.7	-1.5	-1.2	-1.4	-1.6	-1.6	-1.9	-2.2	-2.0	-2.1	-1.8
<b>ROA<sup>2</sup></b>	<b>1.9</b>	<b>3.0</b>	<b>3.2</b>	<b>3.0</b>	<b>3.2</b>	<b>3.2</b>	<b>3.4</b>	<b>4.6</b>	<b>4.0</b>	<b>4.1</b>	<b>3.5</b>
ROA adjusted <sup>3</sup>	2.5	3.2	3.3	3.0	3.3	3.2	3.4	4.6	4.0	4.1	3.5
ROE before tax	20.4	34.4	33.5	37.8	39.8	39.4	41.7	53.2	47.1	48.0	41.8
ROE <sup>2</sup>	15.2	22.9	24.5	25.6	26.4	26.0	27.1	35.7	31.5	31.6	27.4

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

(<sup>2</sup>) 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.

(<sup>3</sup>) 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	Nov 12	Dec 12	Oct 13	Nov 13
<b>Non-performing loans (overall)</b>	<b>4.4</b>	<b>2.9</b>	<b>2.2</b>	<b>2.5</b>	<b>3.1</b>	<b>1.9</b>	<b>1.3</b>	<b>1.7</b>	<b>1.7</b>	<b>1.8</b>	<b>1.7</b>
Provisions / Non-performing loans	103	114	123	119	116	144	168	140	140	135	139
(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	-0.7
(Total non-performing - Provisions) / Net worth	-0.4	-1.4	-2.1	-1.9	-1.7	-3.4	-4.4	-3.2	-3.2	-3.0	-3.1
<b>Non-performing loans to the non-financial private sector</b>	<b>6.3</b>	<b>3.6</b>	<b>2.5</b>	<b>2.8</b>	<b>3.3</b>	<b>2.0</b>	<b>1.4</b>	<b>1.8</b>	<b>1.8</b>	<b>1.9</b>	<b>1.8</b>
Provisions / Non-performing loans	102	114	123	118	115	143	167	139	139	134	137
(Total non-performing - Provisions) / Overall financing	-0.1	-0.5	-0.6	-0.5	-0.5	-0.9	-0.9	-0.7	-0.7	-0.6	-0.7
(Total non-performing - Provisions) / Net worth	-0.4	-1.4	-2.0	-1.8	-1.6	-3.4	-4.4	-3.1	-3.1	-2.9	-3.0

Source: BCRA

<sup>1</sup> Note | Data available in Excel in [www.bcr.gov.ar](http://www.bcr.gov.ar)