

Report on Banks

December 2009



BANCO CENTRAL
DE LA REPÚBLICA ARGENTINA

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December 2009

Year VII, No. 4



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DE LA REPÚBLICA ARGENTINA

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Note | Information for December 2009 available by January 25, 2010 is included. This Report is focussed on the performance of the financial system, including breakdowns by homogeneous subsectors. The data reported (particularly, those referring to profitability) are provisional and are subject to changes later. Except the opposite was indicated the data included corresponds to BCRA Information Regimes (end of month data).

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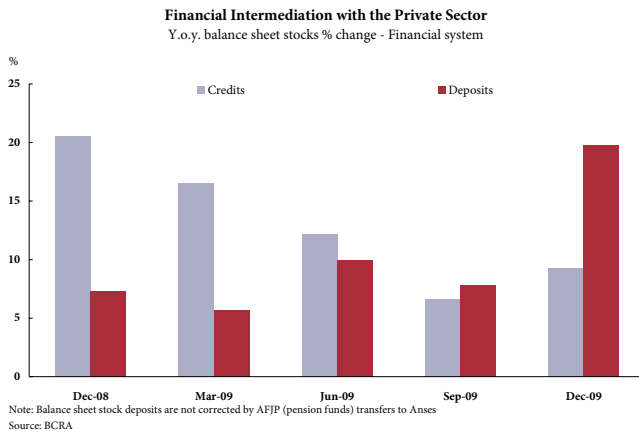
Summary

- **In 2009 the financial system continued to raise its levels of financial intermediation with the private sector.** Financial entities netted assets increased 2.2% in December, showing total growth for the year of 14.2%. **The provision of means of payment has also been showing signs of expansion.** Document clearing volumes continued to recover over the course of 2009, and the proportion of checks rejected by lack of funds dropped compared with the levels at the end of 2008.
- **Total deposits rose 2.9% in December (15.1% y.o.y.), mainly from the performance of private sector deposits.** The monthly increase in household and company deposits (4%) was largely concentrated on sight accounts (8.3%), within the framework of the seasonal increase of liquidity demand at the end of every year.
- **Banks ended the year recording high liquidity levels.** The liquidity ratio (based on items in both domestic and foreign currency) increased slightly during the month to 28.6%. The broad liquidity indicator (which includes holdings of Lebac and Nobac not related to Central Bank repo transactions) stood at 41.4% of deposits.
- Private sector credit went up 3.1% in December (9.3% y.o.y.). **In the final quarter of 2009 credit dynamism was notably higher than during the rest of the year, driven mainly by household consumer credit lines.**
- **In recent months there has been a gradual decline in private sector loan delinquency.** Non-performance for the private sector portfolio stood at 3.5% in December, dropping 0.3 p.p. in the second part of 2009, mainly because of the performance of households loans. **Banks report sound levels of coverage by means of provisions.** At the end of 2009, coverage of non-performing private sector loans by provisions stood at 126%, having risen slightly in the second part of the year.
- **Consolidated net worth of the banking system as a whole increased 1.6% in December, accumulating an increase of 21% over the course of 2009. At aggregate level, capital compliance levels were almost twice the regulatory requirement.** Excess capital compliance continues to be widespread among most financial entities. Financial system book profits stood at 2.6%a. of assets, up 0.6 p.p. compared with November, mainly because of higher gains on securities and interest income. **In 2009 total book profits recorded by the financial system amounted 2.4% of assets.**

Activity

Financial system activity showed increased dynamism towards the end of the year

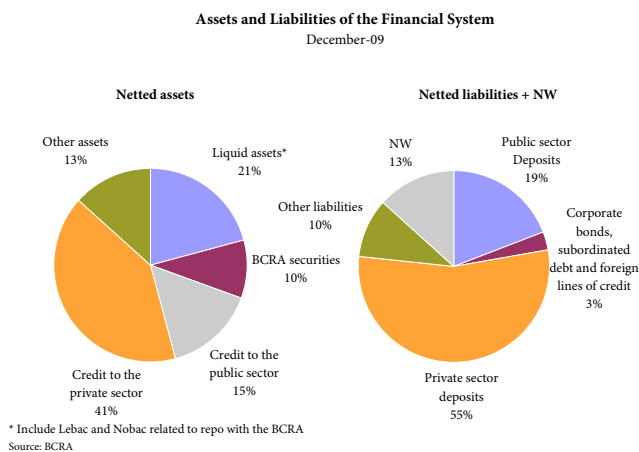
Chart 1



The financial system continued to increase its levels of financial intermediation with the private sector in 2009. Bank netted assets rose 2.2% in December, reaching total growth of 14.2% for the year, mainly because of the performance of public banks (15.2% y.o.y.). This growth was matched by greater loan and private sector deposit dynamism at the end of the year (see Chart 1).

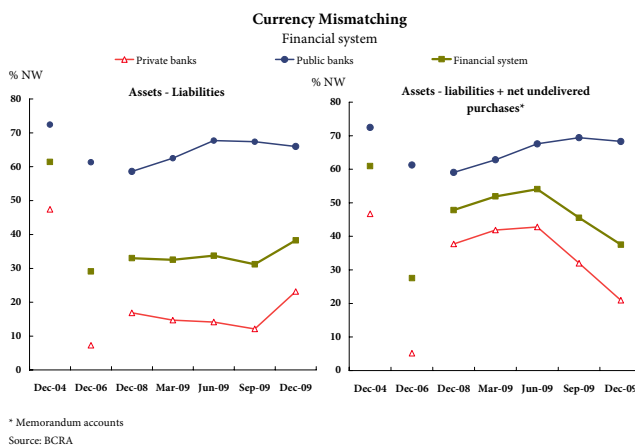
At the same time as banking activity has increased there has been an improvement in asset composition and overall financial system funding. Loans to the private sector account for 41% of netted assets, with liquid assets representing the second most significant heading at 21% of netted assets, which rises to 31% if the holdings of Lebac and Nobac not related to Central Bank repos are included (see Chart 2). Increased deposits by households and companies led to an improvement in bank funding, reaching a share level of 55%. Low banking dependence on foreign financing has represented a strength in the still volatile international context. Furthermore, in December the last bank to record debts from the Central Bank rediscounts granted in 2001-2002, under the so-called matching schedule, made payment of its final installment, thus bringing the schedule to an end.

Chart 2



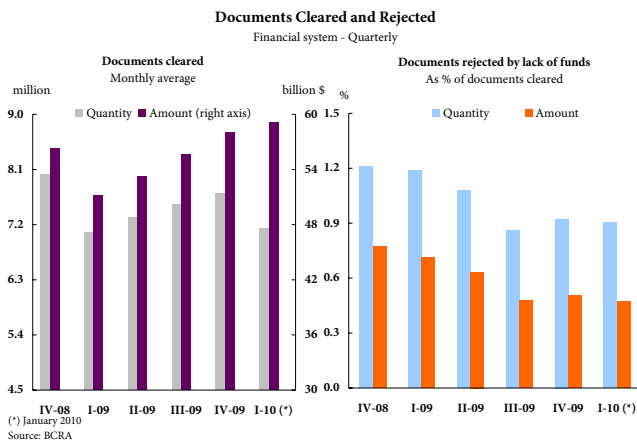
In relation to the monthly flow of funds estimated for banks as a whole based on balance sheet data, during December the main sources of resources were the increase in private sector deposits and a reduction in Lebac and Nobac holdings not related to Central Bank repos. Growth in lending to the private sector and the build up of repos by banks were the most significant uses of funds during the month. Private banks were largely responsible for the reduction in Central Bank securities and the growth of lending to the private sector.

Chart 3



Financial system foreign currency balance sheet mismatching remained at limited levels at the end of the year. Bank mismatching stood at 38.3% of net worth in December. Mismatching that includes net undeliverable forward purchases of foreign currency (in memorandum accounts) fell for the fifth consecutive month (see Chart 3), mainly from the reduction in private banks, influenced by lower purchases. It should be noted that the proportion of private loans and deposits denominated in foreign

Chart 4



currency is low. Almost 15% of balance sheet loans to the private sector are in foreign currency, and mainly consist of export credit. Some 20% of private sector deposits are foreign currency transactions.

In the most recent periods, the value and volume of checks cleared has stood at levels similar to those of 12 months earlier. The ratio of checks rejected by lack of funds fell to a level lower than that recorded in the previous year (see Chart 4).

Deposits and liquidity

Private sector deposits have risen, mainly in the sight deposit segment because of the seasonal increase in preference for more liquid deposits

Balance sheet deposit stocks went up \$7.75 billion (2.9%) in December, mainly from the performance of private sector deposits (4%), with signs of increased dynamism compared with recent months. Higher household and company deposits in December were mainly led by sight deposits (8.3%) because of the seasonal preference for liquid deposits that takes place this month. Private sector peso deposits rose 4.5%, while those made in foreign currency went up 2.1%. Public sector deposits grew 0.8% in December.

During 2009 balance sheet deposits stocks were 15.1% higher, slightly above the level of the previous year. Domestic currency deposits rose 12% for the year, while balance sheet foreign currency deposits were 40% higher, a figure that falls to 27% if currency of origin is taken into account.

Private sector deposits rose 19.8% over the course of 2009 (see Chart 5), from higher deposit levels in public banks (23.6% y.o.y.) and to a lesser extent, from private banks (17.8% y.o.y.). Both sight and time deposits performed with similar dynamism during the year. In recent months time deposit interest rates have declined in both the wholesale and retail segments (see Chart 6), as a result of the steady improvement in financial conditions.

Banks reached the end of the year showing liquidity levels similar to those of 12 months earlier. Liquid assets rose in December (\$2.5 billion) as a result of increased cash holdings when establishing the quarterly minimum cash requirement position (December-February), while the net stock of repos with the Central Bank remained unchanged. The liquidity ratio (taking into account items denominated in both local and

Chart 5

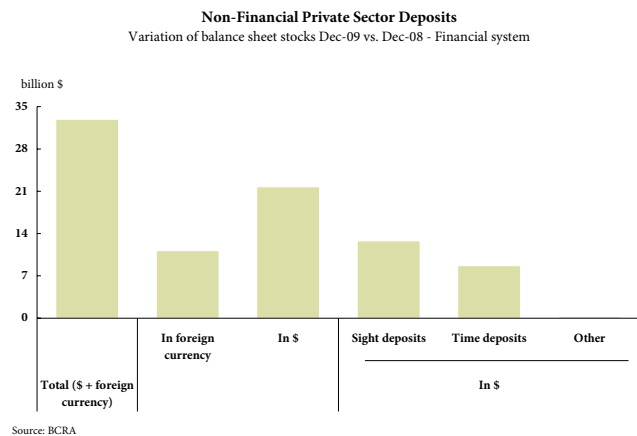


Chart 6

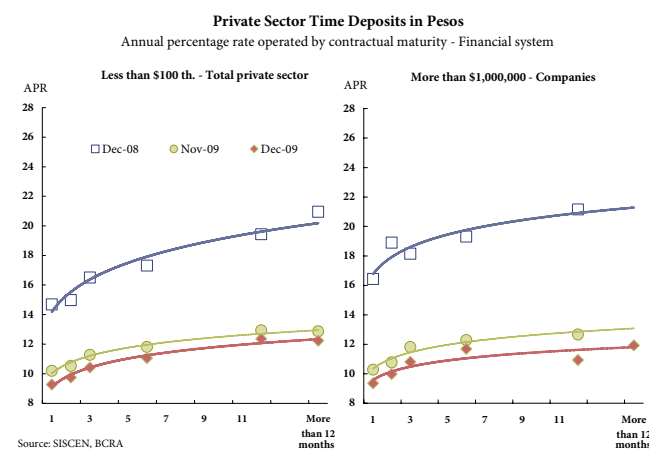
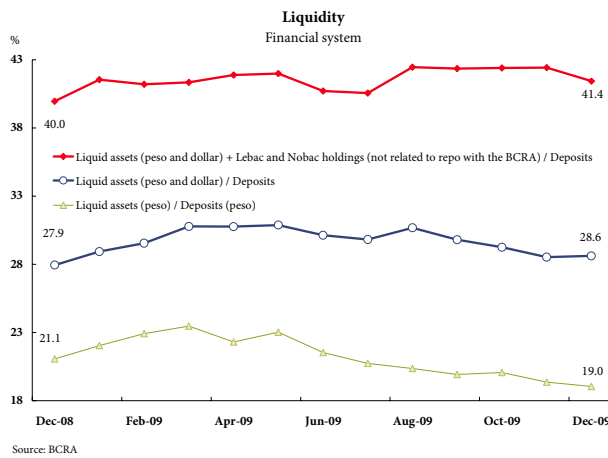


Chart 7



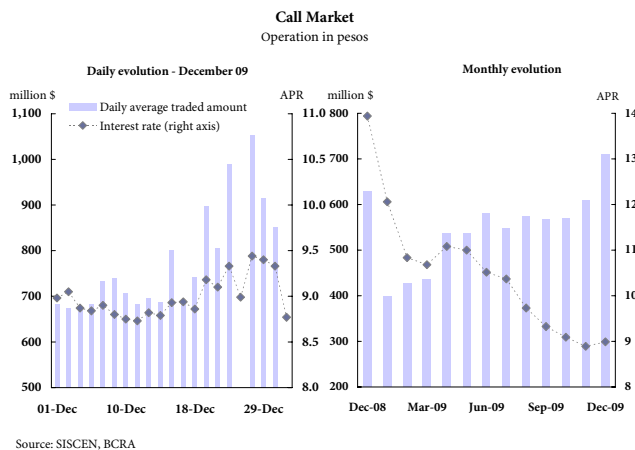
foreign currency) rose by 0.1 p.p. of total deposits in December, to 28.6% (see Chart 7). Holdings of Lebac and Nobac not related to Central Bank repos dropped \$1.85 billion in the month, taking the broad liquidity indicator down to 41.4% of deposits, higher than the level one year earlier.

In this context, call market interest rates remained almost unchanged in December, recording a drop of 4.9 p.p. during 2009, to 9%. The highest trading volume of the year on this market was recorded in December, when it reached a daily average of \$710 million (see Chart 8).

Financing

The renewed momentum of household credit explains the growth of private sector lending

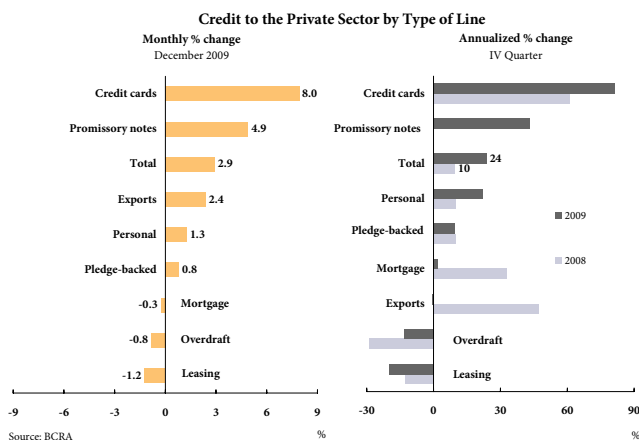
Chart 8



Balance sheet lending stocks to the private sector rose by \$4.1 billion (2.9%) in December¹. In line with the development of recent months, credit card lending proved to be the most dynamic. There were also increases for the month in documents, export credit and pledge-backed loans (see Chart 9). **Lending interest rates declined during the month, ending the year at a level lower than that of 12 months earlier,** except in the case of credit card lending (see Chart 10).

Over the course of 2009, lending to companies and households rose at a slower rate than in the previous year (8.6% in 2009, 11 p.p. below the rate in 2008), within the context of the effects of the international financial crisis. This slowdown was largely accounted for by private banks and non-bank financial entities, two groups that slightly reduced their share of the credit market, whereas public banks increased their weighting. **During the last quarter of 2009 renewed dynamism was noted in lending to the private sector,** which in the last 3 months grew at an annualized rate -a.- of over 24%, more than double the rate recorded in the same period of 2008. **Improvement in the performance of lending to the private sector was driven by household consumer loans, which recorded rates of increase higher than those seen in the last 3 months of 2008 (42%a. in 2009 and 26%a. in 2008).**

Chart 9

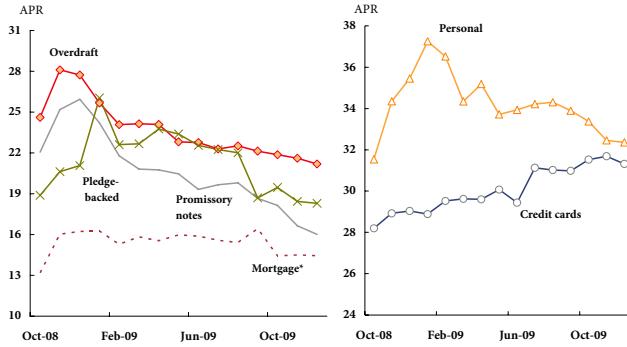


In the last quarter of 2009 the average maturity weighted by traded amount of all credit lines lengthened (see Chart 11), for both households and

¹ If the balance sheet stocks for December is adjusted for the issue during the month of financial trusts by banks using loan portfolios as the underlying assets, the growth in lending to companies and households accounts for \$4.5 billion (3.2%) for the month.

Chart 10

Lending Interest Rates in Pesos
Credit to the private sector - Financial system



* Mortgage loan interest rate include fixed interest rate or re-negotiated interest rate operations.
Source: SISGEN, BCRA

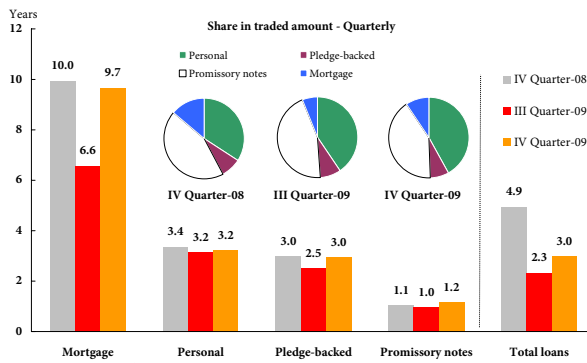
companies, although the average duration remains below that of one year earlier.

Credit growth by means of credit cards issued by financial entities grew at a rate of 81% in the last three months of the year (see Chart 12), providing an impulse to the dynamism of lending to the private sector. In the last quarter of 2009 credit card lending by non-financial companies (closed system cards) increased by an annualized 60%.

In the case of lending to the productive sectors², there has been notable dynamism for the year in the construction sector (35% y.o.y.), service companies (23% y.o.y.) and primary production (12% y.o.y.) all of which grew at above the average rate (10% y.o.y.). In the last 12 months these sectors have increased their share of bank lending to companies.

Chart 11

Lending to the Private Sector
Average maturity weighted by traded amount



NOTE: Excludes overdrafts and credit cards.
Source: SISGEN, BCRA

Financial system exposure to the public sector remained at moderate levels in December (14.5% of total assets). Over the course of 2009, lending to the public sector has risen by 1.7 p.p. of assets.

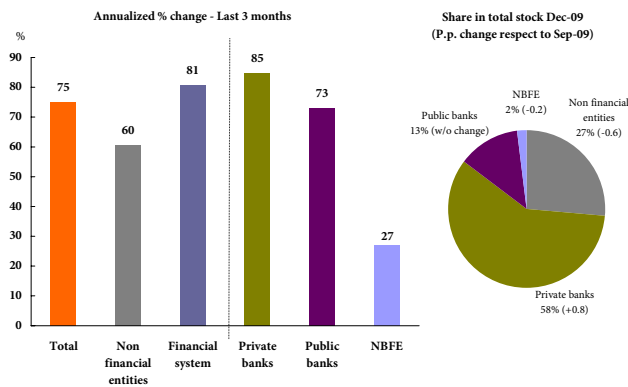
Portfolio quality

Non-performing lending to the private sector fell at the end of 2009

In recent months there has been a gradual decline in the delinquency of loans to the private sector. Non-performing lending to the private sector stood at 3.5% in December, dropping 0.3 p.p. in the second part of 2009, mainly from the performance by private banks and non-bank financial institutions (see Chart 13).

Chart 12

Credit Card Financing



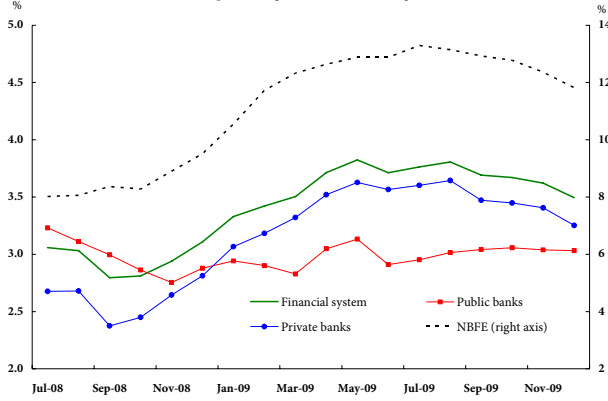
Source: BCRA

Loans to households have continued to show an improved performance since mid-2009, while the quality of companies loan portfolio has remained steady. Household loan non-performance was 4.8% in December, registering a drop of 0.7 p.p. in the second half of the year. Recent improvement in household loan quality has mainly taken place in consumer credit lines (personal loans and credit card lending); non-performance has gone down 1 p.p. in the last six months to 5.1%, due to both lower balance sheet non-performing loan and the increased dynamism shown by the overall total loan balance. Approximately 2.5% of corporate credit lines were in a non-performing status at

² Loans to companies are those granted to legal persons and commercial loans granted to individuals; remaining loans to individuals are considered within the households heading.

Chart 13

Non-Performing Credit to the Private Sector
Non-performing loans / Total financing (%)



Source: BCRA

the end of 2009, a level similar to that recorded in mid-year.

Coverage by means of provisions of loans to the private sector in a non-performing status stood at 126% in December, with a slight increase in the second part of the year. This improvement in the ratio of non-performing portfolio coverage by provisions has taken place in private banks and non-bank financial entities and has reflected the decline in delinquency (see Chart 14).

Solvency

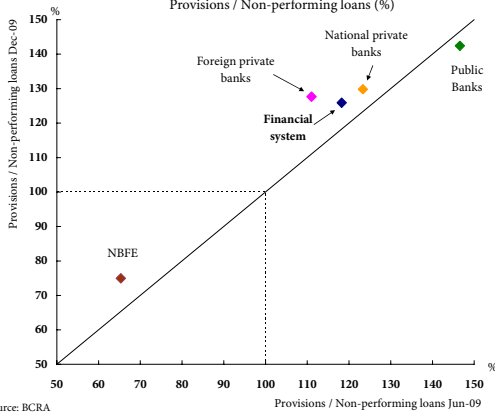
Domestic financial system solvency improved in 2009

Financial system consolidated net worth grew by 1.6% in December, mainly as a result of the book profits accrued during the month. As a result, financial system consolidated net worth posted a total rise of 21% over the course of 2009, mainly explained by private banks.

Financial system capital compliance reached 18.7% of risk-weighted assets (RWA) in December. In 2009 this indicator rose by 1.9 p.p. of RWA, mainly as a result of the performance by private banks (both national and foreign banks) (see Chart 15). Financial system capital compliance was almost twice the capital regulatory requirement at the end of the year, while excess capital compliance being widespread across financial entities.

Chart 14

Provisions
Provisions / Non-performing loans (%)

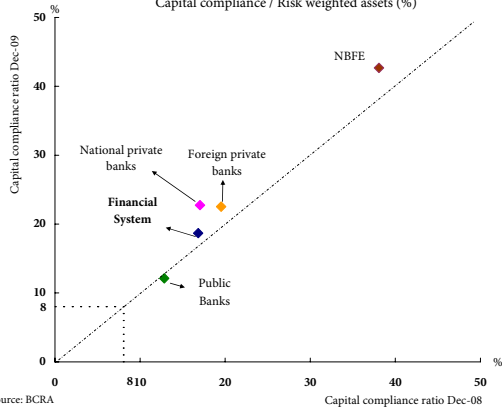


Source: BCRA

Financial system book profits for the month totaled 2.6% of assets, 0.6 p.p. higher than in November. This monthly change was largely explained by an increase in financial margin, which was partly compensated by an increase in operating costs and miscellaneous losses at the end of the year. As a result, book profits accumulated by the financial system reached 2.4% of assets in 2009, above the level recorded in 2008, a situation derived from improved gains on securities (following the price recovery after the falls in 2008) and increased net interest income and service income margin that exceeded the rise in operating costs and loan loss provisions (see Chart 16). Within the framework of a gradual reduction in financial system leverage, book profit in terms of net worth (ROE) stood at 19.6% in 2009. It should be noted that the statement of income headings corresponding to the amortization of court-ordered releases and adjustments to the valuation of loans to the public sector that reflect recognition of the effects of the crisis in 2001-2002 have practically disappeared from 2009 income statements.

Chart 15

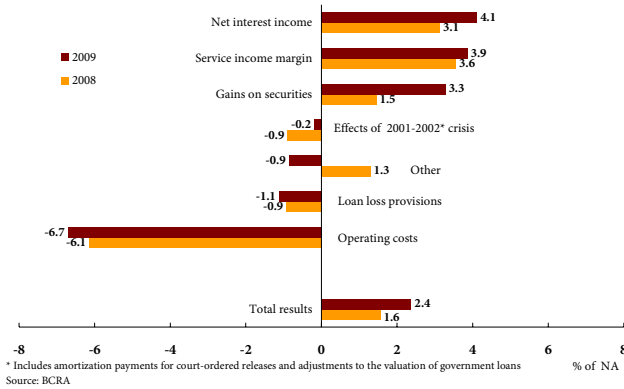
Capital Compliance
Capital compliance / Risk weighted assets (%)



Source: BCRA

Chart 16

Financial System Profitability
As % of netted assets



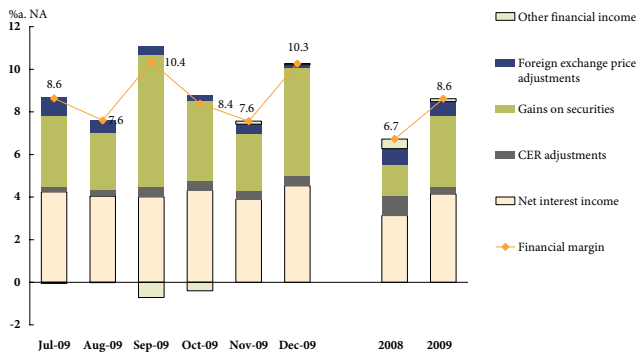
Financial margin for banks as a whole increased by 2.7 p.p. in December to 10.3% of assets, fundamentally because of increased gains on securities and net interest income, partly offset by lower foreign exchange rate adjustments (see Chart 17). In 2009 the financial margin was 8.6% of assets, 1.9 p.p. higher than in 2008.

Service income margin rose slightly in the month to 4.2% of assets. Over the course of the year this source of income has been equal to 3.9% of assets, 0.3 p.p. more than in the previous year.

The main expenditure headings on the result statement rose slightly during the month. **Operating costs were up 0.6 p.p. of assets in December to 7.4%, explained by the adjustments that are usually made at the end of the year, totaling 6.7% of assets .n 2009, 0.6 p.p. more than in the previous year. Loan loss provisions also ended the year with a slight increase for the month (0.1 p.p. of assets to 1.1%) and as a result have shown a rise of 0.2 p.p. of assets in 2009 compared with 2008 (see Chart 18).**

Chart 17

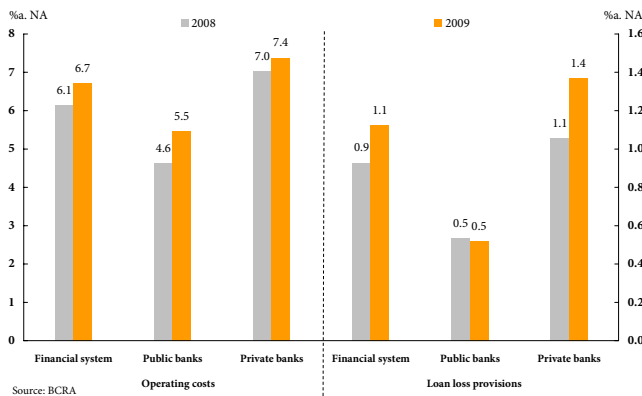
Financial Margin
Financial system



The financial system ended 2009 showing an improvement in its solvency: capital compliance was up 1.9 p.p. of RWA for the year. It is expected that in 2010 financial entities will continue to post book profits, therefore consolidating their solvency indicators, within the context of growth in financial intermediation with the private sector.

Chart 18

Main Expenditure of Financial Entities



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” 5015 – 10/12/09

Lending to the public sector. In August 2008 it was laid down that the Central Bank could authorize banks to subscribe on a primary basis to participation or debt certificates issued by financial trusts when the trustee or trust beneficiary of the product of the trust fund when liquidated is a holder in the non-financial public sector. This present communication requires that for the instruments setting up the trust fund, in the case of bridge loans or the subscription of provisional securities representing trust fund debt, the trust should be placed by means of public subscription or by the private placement of the debt instruments within 365 days as from the date of provisional subscription of such instruments by the financial institution.

Communication “A” 5022 – 22/12/09

Financial institutions must identify whether transaction have been performed for their own account or for the account of third parties on the statements sent out to savings account and current accountholders in the case of deposits of checks for amounts in excess of \$ 1,000 identified on the basis of the corresponding endorsement. In the case of credit cooperatives, this measure shall apply to all deposits.

Communication “A” 5024 – 22/12/09

Special investment account regime. The position at 31 December 2009 in federal government securities and Central Bank monetary regulation instruments assigned to this mechanism must be released by means of their recording at market value, in amounts of at least 25% at the end of each calendar quarter of 2010. As a result, the regularization account that was set up must be reduced proportionately. As from 1 January 2010 it shall not be possible to incorporate new debt instruments to this regime. Release from this methodology implies sale, or recording at market value or as unlisted holdings, depending on whether the securities are included or not on the volatility listing. In the case of the latter, the value of such holdings shall be increased on the basis of the interest accrued according to their internal rate of return.

Communication “A” 5025 – 22/12/09

Bank current account regulations. The limitation on the endorsement of checks and sight and fixed date bills of exchange contemplated by the regulations on sight accounts opened at credit cooperatives have been extended until December 31, 2011.

Methodology

- (a) Aggregate balance sheet information is taken from the monthly accounting information system (unconsolidated balance sheets). In order to calculate aggregate data for the financial system, for financial entities that have not provided data for the month reviewed, the most recent information available is repeated in the aggregate balance sheet. On the other hand, for profitability analysis only the banks providing data for that month are considered.
- (b) Due to possible lack of data for some banks at the time this Report was drafted, and due to possible corrections to the data provided by financial entities later, the data included is of a preliminary nature –particularly for the last month included-. Therefore, and due to the fact that the most recent data available always used, data in connection with earlier periods may not match what was mentioned in earlier issues of the Report. In such cases, the latter release should be regarded as being of better quality.
- (c) Unless otherwise indicated, data about deposits and loans refer to balance sheet information, and do not necessarily agree with those compiled by the Centralized Information Requirement System (SISCEN). Reasons for discrepancies include the precise date considered in order to calculate monthly changes and the items included in the definition adopted in either case.
- (d) Profit ratio calculations are based on monthly results estimated from changes in the aggregate result amounts during the current fiscal year. Unless otherwise specified, profit ratios are annualized.
- (e) Initially, the breakdown by group of banks was determined based on majority decision making role –in terms of voting rights at shareholder meetings - distinguishing between private sector financial entities and public sector banks. In order to increase depth of the analysis, private sector entities were also classed according to the geographic and business scope of their operations. Wholesale banks were therefore defined as those specializing in the large corporations and investor sector, which in general do not rely on deposits from the private sector for their funding. On the other hand, retail banks were divided into those carrying out business nationwide, those located in certain geographic regions –municipalities, provinces, or regions- and entities that specialize in a financial sector niche market –usually smaller entities-. Finally, it is worth noting that the classifications defined above are solely for analytical purposes and does not mean it is the only methodology criteria by which to group them; while on the other hand, the listing of features for each financial entity group has been established in a general manner.
- (f) Indicators exhibited in Tables 1 and 5 of Statistical Appendix: 1.- $(\text{Paid in liquidity at the BCRA} + \text{Other cash holding} + \text{Holdings of BCRA securities for repo transactions in cash}) / \text{Total deposits}$; 2.- $(\text{Position in government securities (not including Lebac nor Nobac)} + \text{Loans to the public sector} + \text{Compensations to be received}) / \text{Total assets}$; 3.- $(\text{Loans to the non-financial private sector} + \text{Leasing operations}) / \text{Total assets}$; 4.- $\text{Irregular portfolio with the non-financial private sector} / \text{Loans to the non-financial private sector}$; 5.- $(\text{Total irregular portfolio} - \text{Bad loan provisions}) / \text{Equity}$. The irregular portfolio includes loans classed in situations 3, 4, 5 and 6; 6.- $\text{Cumulative annual result} / \text{Average monthly netted assets} - \% \text{ annualized}$; 8.- $(\text{Financial margin (Net interest income} + \text{CER and CVS adjustments} + \text{Gains on securities} + \text{Foreign exchange price adjustments} + \text{Other financial income)} + \text{Service income margin}) / \text{Cumulative annual operating costs}$; 9.- $\text{Paid in capital (Calculated Equity Requirement)} / \text{Risk weighted assets, according to the BCRA rule on minimum capital}$; 10.- $\text{Total capital position (Paid in capital less requirement, including flexibilities)} / \text{Capital requirement}$.

Glossary

%a.: annualized percentage.

%i.a.: interannual percentage.

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

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

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

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

CEDRO: Certificado de Depósito Reprogramado. Rescheduled Stabilization Coefficient.

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

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

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

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

Lebac and Nobac: Bills and notes of the BCRA.

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

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

mill.: million.

NBFE: Non-banking financial entity.

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

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

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

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

ON: Corporate bonds (Obligaciones Negociables).

OS: Subordinated debt (Obligaciones Subordinadas).

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

PN: Net worth (Patrimonio Neto).

p.p.: percentage points.

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

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

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

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

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

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

RWA: Risk weighted assets.

SME: Small and Medium Enterprises.

US\$: United States dollars.

Statistics annex | Financial system

Chart 1 | Financial Soundness Indicators (see Methodology)

As %	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	Nov 2009	2009
1.- Liquidity	22.3	26.1	23.1	25.0	23.4	19.6	22.8	29.1	29.6	20.1	22.5	23.0	27.9	28.5	28.6
2.- Credit to the public sector	16.9	16.2	16.2	18.0	17.3	23.0	48.9	47.0	40.9	31.5	22.5	16.3	12.8	14.6	14.5
3.- Credit to the private sector	50.8	47.7	48.4	44.9	39.9	42.7	20.8	18.1	19.6	25.8	31.0	38.2	39.4	38.2	38.4
4.- Private non-performing loans	16.2	13.8	12.2	14.0	16.0	19.1	38.6	33.5	18.6	7.6	4.5	3.2	3.1	3.6	3.5
5.- Net worth exposure to the private sector	24.9	22.5	20.6	24.7	26.2	21.9	17.3	12.4	-1.0	-4.1	-3.3	-3.0	-3.3	-2.6	-2.8
6.- ROA	0.6	1.0	0.5	0.2	0.0	0.0	-8.9	-2.9	-0.5	0.9	1.9	1.5	1.6	2.4	2.4
7.- ROE	4.1	6.3	3.9	1.7	0.0	-0.2	-59.2	-22.7	-4.2	7.0	14.3	11.0	13.4	19.4	19.6
8.- Efficiency	142	136	138	142	147	143	189	69	125	151	167	160	167	184	185
9.- Capital compliance	23.8	20.8	20.3	21.0	20.1	21.4	-	14.5	14.0	15.3	16.8	16.9	16.8	18.7	18.7
10.- Excess capital compliance	64	73	49	54	58	54	-	116	185	173	134	93	90	100	99

Source: BCRA

Chart 2 | Balance Sheet

In million of current pesos	Dec 00	Dec 01	Dec 02	Dec 03	Dec 04	Dec 05	Dec 06	Dec 07	Dec 08	Nov 09	Dec 09	Change (in %)			
												Last month	2009		
Assets	163,550	123,743	187,532	186,873	212,562	221,962	258,384	297,963	346,762	377,066	386,385	2.5	11.4		
Liquid assets ¹	20,278	13,005	17,138	27,575	29,154	20,819	37,991	46,320	58,676	68,584	71,051	3.6	21.1		
Public bonds	10,474	3,694	31,418	45,062	55,382	66,733	64,592	62,678	65,255	83,100	84,995	2.3	30.2		
Lebac/Nobac	-	-	-	-	17,755	28,340	29,289	36,022	37,093	45,380	43,929	-3.2	18.4		
Portfolio	-	-	-	-	11,803	21,067	25,767	31,598	25,652	36,658	34,813	-5.0	35.7		
Repo ²	-	-	-	-	5,953	7,273	3,521	4,424	11,442	8,722	9,116	4.5	-20.3		
Private bonds	633	543	332	198	387	389	813	382	203	348	309	-11.1	52.7		
Loans	83,277	77,351	84,792	68,042	73,617	84,171	103,668	132,157	154,719	165,236	169,923	2.8	9.8		
Public sector	15,164	22,694	44,337	33,228	30,866	25,836	20,874	16,772	17,083	20,268	20,570	1.5	20.4		
Private sector	64,464	52,039	38,470	33,398	41,054	55,885	77,832	110,355	132,844	141,168	145,301	2.9	9.4		
Financial sector	3,649	2,617	1,985	1,417	1,697	2,450	4,962	5,030	4,793	3,801	4,053	6.6	-15.4		
Provisions over loans	-6,907	-6,987	-11,952	-9,374	-7,500	-4,930	-3,728	-4,089	-4,744	-5,699	-5,823	2.2	22.7		
Other netted credits due to financial intermediation	42,361	21,485	39,089	27,030	32,554	26,721	26,039	29,712	38,152	32,642	33,561	2.8	-12.0		
Corporate bonds and subordinated debt	794	751	1,708	1,569	1,018	873	773	606	912	1,197	1,147	-4.2	25.7		
Unquoted trusts	2,053	2,065	6,698	4,133	3,145	3,883	4,881	5,023	5,714	5,895	5,916	0.4	3.5		
Compensation receivable	0	0	17,111	14,937	15,467	5,841	763	377	357	17	16	-6.8	-95.6		
Other	39,514	18,669	13,572	6,392	12,924	16,124	19,622	23,706	31,169	25,533	26,483	3.7	-15.0		
Leasing	786	771	567	397	611	1,384	2,262	3,469	3,935	2,966	2,930	-1.2	-25.5		
Shares in other companies	2,645	2,688	4,653	4,591	3,871	4,532	6,392	6,430	7,236	6,740	6,798	0.9	-6.0		
Fixed assets and miscellaneous	4,939	4,804	8,636	4,164	7,782	7,546	7,619	7,643	7,903	8,237	8,259	0.3	4.5		
Foreign branches	1,115	1,057	3,522	3,144	3,524	3,647	2,782	2,912	3,153	4,258	3,926	-7.8	24.5		
Other assets	3,950	5,334	9,338	12,043	13,180	10,950	9,953	10,347	12,275	10,653	10,456	-1.9	-14.8		
Liabilities	146,267	107,261	161,446	164,923	188,683	195,044	225,369	261,143	305,382	329,425	337,917	2.6	10.7		
Deposits	86,506	66,458	75,001	94,635	116,655	136,492	170,898	205,550	236,217	264,074	271,834	2.9	15.1		
Public sector ³	7,204	950	8,381	16,040	31,649	34,019	45,410	48,340	67,151	68,545	69,112	0.8	2.9		
Private sector ³	78,397	43,270	59,698	74,951	83,000	100,809	123,431	155,048	166,378	191,611	199,289	4.0	19.8		
Current account	6,438	7,158	11,462	15,071	18,219	23,487	26,900	35,245	39,619	42,691	45,730	7.1	15.4		
Savings account	13,008	14,757	10,523	16,809	23,866	29,078	36,442	47,109	50,966	57,559	62,803	9.1	23.2		
Time deposit	53,915	18,012	19,080	33,285	34,944	42,822	54,338	65,952	69,484	83,799	83,943	0.2	20.8		
CEDRO	0	0	12,328	3,217	1,046	17	13	0	0	0	0	-	-		
Other netted liabilities due to financial intermediation	55,297	36,019	75,737	61,690	64,928	52,072	46,037	46,225	57,662	50,723	50,787	0.1	-11.9		
Interbanking obligations	3,545	2,550	1,649	1,317	1,461	2,164	4,578	4,310	3,895	3,035	3,262	7.5	-16.3		
BCRA lines	102	4,470	27,837	27,491	27,726	17,005	7,686	2,362	1,885	375	270	-28.1	-85.7		
Outstanding bonds	4,954	3,777	9,096	6,675	7,922	6,548	6,603	6,938	5,984	5,368	5,053	-5.9	-15.6		
Foreign lines of credit	8,813	7,927	25,199	15,196	8,884	4,684	4,240	3,864	4,541	3,562	3,369	-5.4	-25.8		
Other	37,883	17,295	11,955	11,012	18,934	21,671	22,930	28,752	41,357	38,383	38,833	1.2	-6.1		
Subordinated debts	2,255	2,260	3,712	2,028	1,415	1,381	1,642	1,672	1,763	1,898	1,879	-1.0	6.6		
Other liabilities	2,210	2,524	6,997	6,569	5,685	5,099	6,792	7,695	9,740	12,730	13,416	5.4	37.8		
Net worth	17,283	16,483	26,086	21,950	23,879	26,918	33,014	36,819	41,380	47,641	48,469	1.7	17.1		
Memo															
Netted assets	129,815	110,275	185,356	184,371	202,447	208,275	244,791	280,336	321,075	355,801	363,829	2.3	13.3		
Consolidated netted assets	125,093	106,576	181,253	181,077	198,462	203,286	235,845	271,652	312,002	348,458	356,220	2.2	14.2		

(¹) Includes margin accounts with the BCRA and excludes financial entities repos against BCRA. (²) Booked value from balance sheet. (³) Does not include accrual on interest or CER.

Source: BCRA

Statistics annex | Financial system (cont.)

Chart 3 | Profitability Structure

Amount in million of pesos	Annual										Monthly		
	2000	2001	2002 ¹	2003	2004	2005	2006	2007	2008	2009	Oct-09	Nov-09	Dec-09
Financial margin	7,291	6,943	13,991	1,965	6,075	9,475	13,262	15,134	20,526	28,940	2,443	2,223	3,079
Net interest income	5,106	4,625	-3,624	-943	1,753	3,069	4,150	5,744	9,574	13,916	1,258	1,144	1,359
CER and CVS adjustments	0	0	8,298	2,315	1,944	3,051	3,012	2,624	2,822	1,197	130	121	142
Foreign exchange price adjustments	185	268	5,977	-890	866	751	944	1,357	2,304	2,280	76	131	42
Gains on securities	1,481	1,490	3,639	1,962	1,887	2,371	4,923	5,144	4,462	11,085	1,096	787	1,521
Other financial income	519	559	-299	-480	-375	233	235	264	1,363	463	-116	40	15
Service income margin	3,582	3,604	4,011	3,415	3,904	4,781	6,243	8,248	10,868	13,060	1,131	1,192	1,255
Loan loss provisions	-3,056	-3,096	-10,007	-2,089	-1,511	-1,173	-1,198	-1,894	-2,832	-3,796	-253	-298	-341
Operating costs	-7,375	-7,362	-9,520	-7,760	-7,998	-9,437	-11,655	-14,634	-18,748	-22,669	-1,932	-1,984	-2,230
Tax charges	-528	-571	-691	-473	-584	-737	-1,090	-1,537	-2,315	-3,268	-275	-281	-288
Income tax	-446	-262	-509	-305	-275	-581	-595	-1,032	-1,342	-4,051	-358	-376	-227
Adjust. to the valuation of gov. securities ²	0	0	0	-701	-320	-410	-752	-837	-1,757	-184	-22	-11	-6
Amort. payments for court-ordered releases	0	0	0	-1,124	-1,686	-1,867	-2,573	-1,922	-994	-454	-46	-47	-103
Other	535	702	-3,880	1,738	1,497	1,729	2,664	2,380	1,366	470	92	169	-362
Monetary results	0	0	-12,558	69	0	0	0	0	0	0	0	0	0
Total results³	3	-42	-19,162	-5,265	-898	1,780	4,306	3,905	4,773	8,048	780	588	778
Adjusted results ⁴	-	-	-	-3,440	1,337	4,057	7,631	6,665	7,523	8,686	848	646	886
<i>Annualized indicators - As % of netted assets</i>													
Financial margin	5.7	5.7	6.5	1.1	3.1	4.6	5.8	5.7	6.7	8.6	8.4	7.6	10.3
Net interest income	4.0	3.8	-1.7	-0.5	0.9	1.5	1.8	2.2	3.1	4.1	4.3	3.9	4.5
CER and CVS adjustments	0.0	0.0	3.9	1.3	1.0	1.5	1.3	1.0	0.9	0.4	0.4	0.4	0.5
Foreign exchange price adjustments	0.1	0.2	2.8	-0.5	0.4	0.4	0.4	0.5	0.8	0.7	0.3	0.4	0.1
Gains on securities	1.2	1.2	1.7	1.1	1.0	1.2	2.2	1.9	1.5	3.3	3.8	2.7	5.1
Other financial income	0.4	0.5	-0.1	-0.3	-0.2	0.1	0.1	0.1	0.4	0.1	-0.4	0.1	0.0
Service income margin	2.8	3.0	1.9	1.9	2.0	2.3	2.7	3.1	3.6	3.9	3.9	4.1	4.2
Loan loss provisions	-2.4	-2.6	-4.7	-1.1	-0.8	-0.6	-0.5	-0.7	-0.9	-1.1	-0.9	-1.0	-1.1
Operating costs	-5.8	-6.1	-4.4	-4.2	-4.1	-4.6	-5.1	-5.5	-6.1	-6.7	-6.6	-6.8	-7.4
Tax charges	-0.4	-0.5	-0.3	-0.3	-0.3	-0.4	-0.5	-0.6	-0.8	-1.0	-0.9	-1.0	-1.0
Income tax	-0.3	-0.2	-0.2	-0.2	-0.1	-0.3	-0.3	-0.4	-0.4	-1.2	-1.2	-1.3	-0.8
Adjust. to the valuation of gov. securities ²	0.0	0.0	0.0	-0.4	-0.2	-0.2	-0.3	-0.3	-0.6	-0.1	-0.1	0.0	0.0
Amort. payments for court-ordered releases	0.0	0.0	0.0	-0.6	-0.9	-0.9	-1.1	-0.7	-0.3	-0.1	-0.2	-0.2	-0.3
Other	0.4	0.6	-1.8	0.9	0.8	0.8	1.2	0.9	0.4	0.1	0.3	0.6	-1.2
Monetary results	0.0	0.0	-5.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
ROA³	0.0	0.0	-8.9	-2.9	-0.5	0.9	1.9	1.5	1.6	2.4	2.7	2.0	2.6
ROA adjusted ⁴	0.0	0.0	-8.9	-1.9	0.7	2.0	3.4	2.5	2.5	2.6	2.9	2.2	3.0
ROE ³	0.0	-0.2	-59.2	-22.7	-4.2	7.0	14.3	11.0	13.4	19.6	21.5	15.9	20.7

(¹) Data at December 2002 currency (²) Com. "A" 3911. Adjustments to the valuation of government unlisted securities according to Com. "A" 4084 are included under the "gains from securities" heading.

(³) As of January 2008, data to calculate financial system consolidated result is available. This indicator excludes results and asset headings related to shares and participation in other local financial entities.

(⁴) Excluding amortization of payments for court-ordered releases and the effects of Com. "A" 3911 and 4084.

Source: BCRA

Chart 4 | Portfolio Quality

As percentage	Dec 00	Dec 01	Dec 02	Dec 03	Dec 04	Dec 05	Dec 06	Dec 07	Dec 08	Nov 09	Dec 09
Non-performing loans (overall)	12.9	13.1	18.1	17.7	10.7	5.2	3.4	2.7	2.7	3.1	3.0
Non-performing loans to the non-financial private sector	16.0	19.1	38.6	33.5	18.6	7.6	4.5	3.2	3.1	3.6	3.5
Provisions / Non-performing loans	61.1	66.4	73.8	79.2	102.9	124.5	129.9	129.6	131.4	123.0	125.7
(Total non-performing - Provisions) / Overall financing	5.0	4.4	4.7	3.7	-0.3	-1.3	-1.0	-0.8	-0.8	-0.7	-0.8
(Total non-performing - Provisions) / Net worth	26.2	21.6	17.2	11.9	-1.0	-4.1	-3.3	-3.0	-3.3	-2.6	-2.8

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

Source: BCRA

Statistics annex | Private banks

Chart 5 | Financial Soundness Indicators (see Methodology)

As %	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	Nov 2009	2009
1.- Liquidity	23.6	26.9	22.8	24.3	24.1	23.6	24.8	27.6	29.2	21.5	23.7	25.7	34.1	29.8	29.8
2.- Credit to the public sector	13.5	13.7	13.6	16.1	14.7	20.8	50.0	47.7	41.6	28.5	16.3	9.5	6.3	6.2	6.3
3.- Credit to the private sector	51.0	46.7	47.6	44.6	38.4	45.4	22.4	19.9	22.5	31.1	37.9	46.6	44.0	43.0	43.2
4.- Private non-performing loans	11.1	8.5	7.7	8.9	9.8	14.0	37.4	30.4	15.3	6.3	3.6	2.5	2.8	3.4	3.3
5.- Net worth exposure to the private sector	21.6	14.3	13.2	11.5	13.4	11.4	18.6	11.2	1.9	-2.2	-3.0	-3.6	-3.4	-2.8	-3.1
6.- ROA	0.6	0.7	0.5	0.3	0.1	0.2	-11.3	-2.5	-1.0	0.5	2.2	1.6	1.9	3.0	3.0
7.- ROE	4.1	6.3	4.3	2.3	0.8	1.4	-79.0	-19.1	-8.1	4.1	15.3	10.9	15.2	23.3	23.3
8.- Efficiency	144	135	139	146	152	151	168	93	115	136	158	152	166	198	196
9.- Capital compliance	15.9	15.4	14.6	18.9	18.0	17.6	-	14.0	15.1	17.8	18.6	19.2	18.3	22.5	22.5
10.- Excess capital compliance	33	47	27	60	49	43	-	88	157	155	116	87	86	122	120

Source: BCRA

Chart 6 | Balance Sheet

In million of current pesos	Dec 00	Dec 01	Dec 02	Dec 03	Dec 04	Dec 05	Dec 06	Dec 07	Dec 08	Nov 09	Dec 09	Change (in %)			
												Last month	2009		
Assets	119,371	82,344	118,906	116,633	128,065	129,680	152,414	175,509	208,888	223,020	229,923	3.1	10.1		
Liquid assets ¹	13,920	10,576	11,044	14,500	15,893	14,074	22,226	29,418	37,044	40,802	43,527	6.7	17.5		
Public bonds	7,583	1,627	19,751	22,260	24,817	29,966	27,663	24,444	29,552	47,695	48,091	0.8	62.7		
Lebac/Nobac	0	0	-	-	8,359	15,227	15,952	17,684	23,457	33,471	31,630	-5.5	34.8		
Portfolio	0	0	-	-	5,611	12,899	14,220	15,639	12,858	28,846	27,471	-4.8	113.6		
Repo ²	0	0	-	-	2,749	2,328	1,732	2,045	10,598	4,626	4,158	-10.1	-60.8		
Private bonds	563	451	273	172	333	307	683	310	127	213	235	10.3	85.3		
Loans	56,035	52,319	51,774	47,017	50,741	56,565	69,294	88,898	98,529	98,014	101,719	3.8	3.2		
Public sector	8,172	13,803	25,056	23,571	21,420	15,954	10,036	6,413	6,249	1,786	1,694	-5.2	-72.9		
Private sector	45,103	36,636	26,074	22,816	28,213	39,031	55,632	78,587	88,426	93,358	96,786	3.7	9.5		
Financial sector	2,760	1,880	644	630	1,107	1,580	3,626	3,898	3,854	2,870	3,239	12.9	-16.0		
Provisions over loans	-3,248	-3,957	-7,463	-5,225	-3,717	-2,482	-2,227	-2,365	-2,871	-3,576	-3,646	1.9	27.0		
Other netted credits due to financial intermediaries	36,600	13,037	27,212	22,148	25,753	16,873	18,387	17,084	25,265	21,084	21,313	1.1	-15.6		
Corporate bonds and subordinated debt	724	665	1,514	1,394	829	675	618	430	699	805	735	-8.7	5.1		
Unquoted trusts	1,609	1,637	6,205	3,571	2,362	2,444	2,982	3,456	3,869	4,155	4,195	1.0	8.4		
Compensation receivable	0	0	15,971	13,812	14,657	5,575	760	377	357	17	16	-6.8	-95.6		
Other	34,267	10,735	3,523	3,370	7,905	8,179	14,027	12,822	20,339	16,108	16,368	1.6	-19.5		
Leasing	776	752	553	387	592	1,356	2,126	3,149	3,451	2,591	2,565	-1.0	-25.7		
Shares in other companies	1,651	1,703	3,123	2,791	1,892	2,416	4,042	3,762	4,538	3,995	4,049	1.3	-10.8		
Fixed assets and miscellaneous	3,225	3,150	5,198	4,902	4,678	4,575	4,677	4,685	4,926	5,077	5,116	0.8	3.9		
Foreign branches	75	112	-109	-136	-53	-148	-139	-154	-178	-202	-202	-0.1	13.6		
Other assets	2,190	2,574	7,549	7,816	7,137	6,178	5,682	6,277	8,505	7,327	7,157	-2.3	-15.8		
Liabilities	107,193	70,829	103,079	101,732	113,285	112,600	131,476	152,153	182,596	192,460	198,716	3.3	8.8		
Deposits	57,833	44,863	44,445	52,625	62,685	75,668	94,095	116,719	135,711	148,284	154,424	4.1	13.8		
Public sector ³	1,276	950	1,636	3,077	6,039	6,946	7,029	7,564	19,600	18,000	17,761	-1.3	-9.4		
Private sector ³	55,917	43,270	38,289	47,097	55,384	67,859	85,714	107,671	114,176	127,916	134,458	5.1	17.8		
Current account	4,960	7,158	8,905	11,588	13,966	17,946	20,604	27,132	30,188	32,250	35,105	8.9	16.3		
Savings account	9,409	14,757	6,309	10,547	14,842	18,362	23,165	30,169	32,778	37,232	40,998	10.1	25.1		
Time deposit	39,030	18,012	11,083	18,710	22,729	27,736	38,043	45,770	46,990	53,834	54,085	0.5	15.1		
CEDRO	0	0	9,016	2,409	798	3	1	0	0	0	0	-	-		
Other netted liabilities due to financial intermediaries	46,271	22,629	49,341	42,367	45,083	32,349	31,750	29,323	39,298	34,433	34,296	-0.4	-12.7		
Interbanking obligations	2,293	1,514	836	726	1,070	1,488	3,383	1,979	1,160	1,406	1,672	18.9	44.1		
BCRA lines	83	1,758	16,624	17,030	17,768	10,088	3,689	675	649	36	41	13.0	-93.7		
Outstanding bonds	4,939	3,703	9,073	6,674	7,922	6,548	6,413	6,686	5,672	4,974	4,626	-7.0	-18.5		
Foreign lines of credit	5,491	4,644	15,434	9,988	5,444	2,696	2,249	1,833	2,261	1,353	1,262	-6.7	-44.2		
Other	33,466	11,010	7,374	7,939	12,878	11,530	16,015	18,150	29,555	26,663	26,695	0.1	-9.7		
Subordinated debts	1,668	1,700	3,622	1,850	1,304	1,319	1,642	1,668	1,759	1,895	1,876	-1.0	6.6		
Other liabilities	1,420	1,637	5,671	4,890	4,213	3,264	3,989	4,443	5,828	7,849	8,120	3.5	39.3		
Net worth	12,178	11,515	15,827	14,900	14,780	17,080	20,938	23,356	26,292	30,560	31,207	2.1	18.7		
Memo															
Netted assets	88,501	73,796	117,928	115,091	121,889	123,271	143,807	166,231	192,074	210,121	216,601	3.1	12.8		

(¹) Includes margin accounts with the BCRA and excludes financial entities repos against BCRA. (²) Booked value from balance sheet. (³) Does not include accrual on interest or CER.

Source: BCRA

Statistics annex | Private banks (cont.)

Chart 7 | Profitability Structure

Amount in million of pesos	Annual										Monthly		
	2000	2001	2002 ¹	2003	2004	2005	2006	2007	2008	2009	Oct-09	Nov-09	Dec-09
Financial margin	5,441	5,282	10,628	2,575	3,415	5,253	7,778	8,960	12,964	19,794	1,751	1,574	1,817
Net interest income	3,598	3,519	-304	107	1,214	2,069	2,826	4,191	7,727	10,068	894	799	909
CER and CVS adjustments	0	0	1,476	1,082	900	1,215	858	662	651	185	16	20	23
Foreign exchange price adjustments	160	256	6,189	-312	666	576	740	990	1,620	1,511	84	114	55
Gains on securities	1,232	962	3,464	1,892	959	1,259	3,154	2,888	1,637	7,416	859	590	759
Other financial income	450	546	-197	-195	-322	134	199	229	1,329	615	-102	51	72
Service income margin	2,554	2,598	2,782	2,341	2,774	3,350	4,459	5,881	7,632	9,203	809	822	885
Loan loss provisions	-2,173	-2,464	-6,923	-1,461	-1,036	-714	-737	-1,174	-1,863	-2,743	-181	-213	-256
Operating costs	-5,263	-5,224	-6,726	-5,310	-5,382	-6,303	-7,741	-9,735	-12,401	-14,789	-1,254	-1,285	-1,485
Tax charges	-379	-418	-512	-366	-393	-509	-769	-1,105	-1,715	-2,379	-202	-197	-230
Income tax	-393	-216	-337	-295	-202	-217	-365	-380	-1,168	-3,018	-265	-206	-167
Adjust. to the valuation of gov. securities ²	0	0	0	-665	-51	-201	-170	-100	-267	3	-1	9	8
Amort. payments for court-ordered releases	0	0	0	-791	-1,147	-1,168	-1,182	-1,466	-688	-233	-24	-26	-52
Other	307	615	-4,164	1,178	846	1,156	1,641	1,576	916	271	53	17	49
Monetary results	0	0	-10,531	-20	0	0	0	0	0	0	0	0	0
Total results³	93	174	-15,784	-2,813	-1,176	648	2,915	2,457	3,412	6,109	685	496	569
Adjusted results ⁴	-	-	-	-1,357	252	2,016	4,267	4,023	4,367	6,339	710	513	613
<i>Annualized indicators - As % of netted assets</i>													
Financial margin	6.2	6.4	7.6	2.3	2.9	4.3	5.9	5.8	7.3	9.9	10.2	9.1	10.2
Net interest income	4.1	4.3	-0.2	0.1	1.0	1.7	2.1	2.7	4.4	5.0	5.2	4.6	5.1
CER and CVS adjustments	0.0	0.0	1.1	0.9	0.8	1.0	0.6	0.4	0.4	0.1	0.1	0.1	0.1
Foreign exchange price adjustments	0.2	0.3	4.4	-0.3	0.6	0.5	0.6	0.6	0.9	0.8	0.5	0.7	0.3
Gains on securities	1.4	1.2	2.5	1.7	0.8	1.0	2.4	1.9	0.9	3.7	5.0	3.4	4.3
Other financial income	0.5	0.7	-0.1	-0.2	-0.3	0.1	0.2	0.1	0.8	0.3	-0.6	0.3	0.4
Service income margin	2.9	3.2	2.0	2.0	2.4	2.7	3.4	3.8	4.3	4.6	4.7	4.7	5.0
Loan loss provisions	-2.5	-3.0	-5.0	-1.3	-0.9	-0.6	-0.6	-0.8	-1.1	-1.4	-1.0	-1.2	-1.4
Operating costs	-6.0	-6.4	-4.8	-4.6	-4.6	-5.1	-5.9	-6.3	-7.0	-7.4	-7.3	-7.4	-8.3
Tax charges	-0.4	-0.5	-0.4	-0.3	-0.3	-0.4	-0.6	-0.7	-1.0	-1.2	-1.2	-1.1	-1.3
Income tax	-0.4	-0.3	-0.2	-0.3	-0.2	-0.2	-0.3	-0.2	-0.7	-1.5	-1.5	-1.2	-0.9
Adjust. to the valuation of gov. securities ²	0.0	0.0	0.0	-0.6	0.0	-0.2	-0.1	-0.1	-0.2	0.0	0.0	0.1	0.0
Amort. payments for court-ordered releases	0.0	0.0	0.0	-0.7	-1.0	-1.0	-0.9	-0.9	-0.4	-0.1	-0.1	-0.1	-0.3
Other	0.4	0.7	-3.0	1.0	0.7	0.9	1.2	1.0	0.5	0.1	0.3	0.1	0.3
Monetary results	0.0	0.0	-7.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
ROA³	0.1	0.2	-11.3	-2.5	-1.0	0.5	2.2	1.6	1.9	3.0	4.0	2.9	3.2
ROA adjusted ⁴	0.1	0.2	-11.3	-1.2	0.2	1.6	3.2	2.6	2.5	3.2	4.1	3.0	3.4
ROE³	0.8	1.4	-79.0	-19.1	-8.1	4.1	15.3	10.9	15.2	23.3	29.3	20.9	23.5

(¹) Data at December 2002 currency (²) Com. "A" 3911. Adjustments to the valuation of government unlisted securities according to Com. "A" 4084 are included under the "gains from securities" heading.

(³) As of January 2008, data to calculate financial system consolidated result is available. This indicator excludes results and asset headings related to shares and participation in other local financial entities.

(⁴) Excluding amortization of payments for court-ordered releases and the effects of Com. "A" 3911 and 4084.

Source: BCRA

Chart 8 | Portfolio Quality

As percentage	Dec 00	Dec 01	Dec 02	Dec 03	Dec 04	Dec 05	Dec 06	Dec 07	Dec 08	Nov 09	Dec 09
Non-performing loans (overall)	8.3	9.9	19.8	15.7	8.9	4.4	2.9	2.2	2.5	3.2	3.1
Non-performing loans to the non-financial private sector	9.8	14.0	37.4	30.4	15.3	6.3	3.6	2.5	2.8	3.4	3.3
Provisions / Non-performing loans	67.7	75.7	73.4	79.0	97.0	114.3	129.3	141.3	134.1	125.7	128.9
(Total non-performing - Provisions) / Overall financing	2.7	2.4	5.3	3.3	0.4	-0.6	-0.9	-0.9	-0.9	-0.8	-0.9
(Total non-performing - Provisions) / Net worth	13.4	11.4	18.6	11.2	1.3	-2.2	-3.0	-3.6	-3.4	-2.8	-3.1

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

Source: BCRA