

Report on Banks

May 2012



BANCO CENTRAL
DE LA REPÚBLICA ARGENTINA

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May 2012

Year IX, No. 9



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Note | Information for May 2012 available by June 26, 2012 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 later. Except the opposite was indicated the data included corresponds to BCRA Information Regimes (end of month data).

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Summary

- **The main source of financial system funding in May was the taking of deposits in domestic currency, which were largely used to grant loans in pesos to the private sector.** The financial system records high liquidity levels. Book profits, and to a lesser extent, capital injections, helped keep solvency levels at a high point.
- **During the month total deposit stocks went up 1.9%, accumulating year-on-year (y.o.y.) growth of 21.1%, driven by the dynamism of private sector time deposits in pesos, which increased 39.1% y.o.y.** Private sector deposits increased 0.5% in May, because of the performance of sight and time accounts in pesos in the context of a drop by deposits in dollars.
- **The broad liquidity indicator** (in domestic and foreign currency and including holdings of Lebac and Nobac) **reached 40.7% of total deposits in May, dropping 0.4 p.p. in the month and 4.3 p.p. compared with May 2011.** The reduction for the month was explained by a lower minimum cash compliance, mainly in foreign currency. The liquidity indicator that excludes holdings of Lebac and Nobac also declined slightly in May, to 26.3% of deposits. In terms of items in domestic currency, this liquidity indicator dropped 0.3 p.p. compared with the previous month, although it remained 1.6 p.p. higher than the level in May 2011.
- **The stock of lending to the private sector rose 1.9% in the month, with an increase of 2.8% in peso lending** that was partly offset by a drop in loans in dollars. In year on year terms, total lending to the private sector grew 37.5%, **with an increase of 41.8% y.o.y. in domestic currency loans.** Almost all domestic currency credit lines posted increases in May, with cards, overdrafts and personal loans as the most dynamic. Lending to households rose 3.6% for the month (41.4% y.o.y.), while lending to companies was up 0.5% in May (34.2% y.o.y.). Year-on-year lending to the productive sector was driven by public banks, which accounted for over half the increase in the total stock.
- **Within the framework of the Bicentenary Productive Financing Program, the Central Bank adjudicated a total amount of \$4.6 billion by means of 13 auctions.** By mid-2012, participating banks accredit companies over 65% of the total amount awarded. With the aim of continuing to provide a stimulus to lending for productive investment, **the Central Bank recently established the setting up of a new credit line to be granted by financial entities accounting for over 1% of total deposits and the entities that operate as provincial financial agents.** Banks must allocate to this new line 5% of their total stock of private sector deposits as at June 2012. Loans are to be at fixed interest rates for a minimum term of three years.
- **In May the non-performance ratio for private sector loans remained at a low level,** comparatively with other periods as well as with other countries in the region. The indicator rose 0.1 p.p. to 1.7%, mainly because of the performance by consumer credit lines provided by private banks. **Coverage of non-performing loans by provisions reached 146% during the month.**
- Consolidated financial system net worth expanded by 1.6% in May, led by book profits. **Capital compliance by the banking system remained steady during the month at around 16.3% of risk-weighted assets (RWA),** with an increase during the year in this indicator for all groups of banks.
- **Financial system profitability dropped in May by 0.3 p.p. of assets to an annualized (a.) 2.2%, mainly from higher operating costs,** give the coming into effect of a new wage agreement for the sector. During the year, accumulated results reached 2.7%a. of assets, 0.2 p.p. above the level in the first 5 months of 2011. The year-on-year increase in accumulated profits was led by private banks.

Activity

During May banks increased their volumes of financial intermediation with the private sector

Financial intermediation expanded during the month, with increases in domestic currency deposit stocks and lending to the private sector, developments that led to an increase in financial system assets. In May private sector deposits were up 0.5% (25.2% y.o.y.) and loans to this sector rose 1.9% (37.5% y.o.y.) (see Chart 1). Netted assets in the banking system rose 0.6% in the month (22.6% y.o.y.), with the increase coming mainly from public sector financial entities.

In May, the most important sources of funds¹ for the financial system were the increases in deposits from the public sector (\$7.7 billion) and the private sector (\$2.0 billion). Financial entities also obtained funds from the net income by their operations, placement of financial trusts, and lower minimum cash compliance, mainly in the case of foreign currency. These resources were mainly used to increase lending to the private sector (\$6.3 billion) and increase Lebac holdings (\$5.5 billion), among other uses of funds.

In the first 5 months of the year increased lending to the private sector was the main use of funds made by financial entities, followed by an increase in liquid assets and holdings of Lebac and Nobac. Sources of funds were dominated by the rise in private sector deposits, and to a lesser extent, by increased public sector deposits. At the beginning of 2012, public banks mainly led the expansion of financial intermediation with the private sector, as seen by greater relative increases in their lending to companies and households and in deposits from those sectors (see Chart 2).

Within the context of greater banking activity, the financial system has recorded a low level of dollarization in its balances. At May 2012, only 14.6% of total assets and 12.5% of banking system funding was denominated in foreign currency (see Chart 3). This is in line with existing macro-prudential regulations that allowed the financial system to significantly reduce the credit risk derived from potential exchange rate fluctuations. This situation contrasts with the situation seen over a decade ago, when close to 76% of total assets were denominated in foreign currency, as was 68% of total funding.

Chart 1
Financial Intermediation with the Private Sector
Y.o.y. % change - Financial system

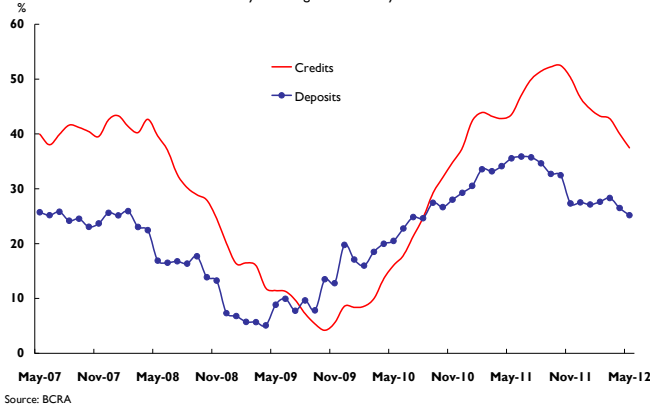


Chart 2
Estimation of Sources and Uses of Funds
Accumulated in 5 months of 2012

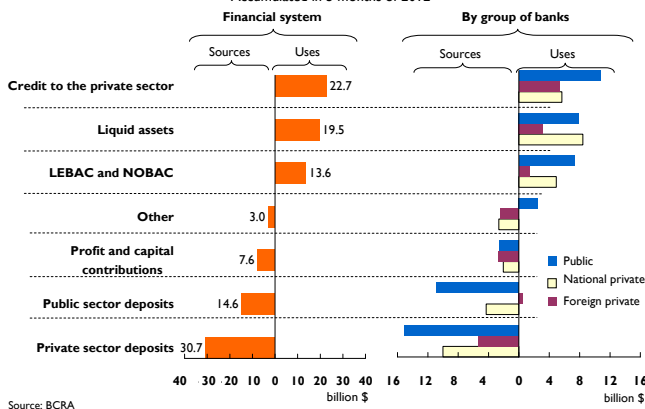
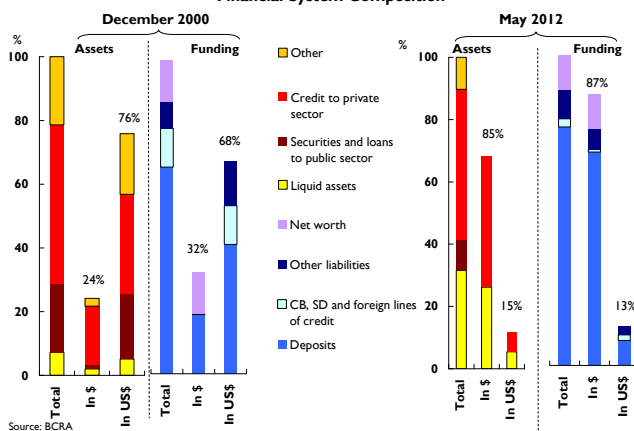
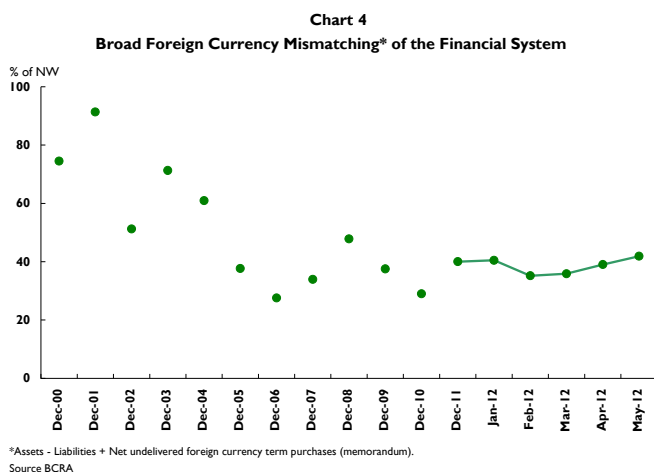


Chart 3
Financial System Composition

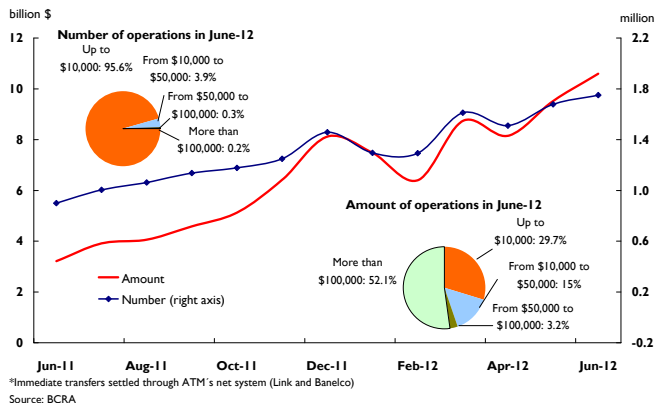


¹ Estimated on the basis of variations in balance sheet stocks.



From a medium-term perspective, financial system broad foreign currency mismatching² remained within a moderate range, significantly below that seen 8 years earlier (see Chart 4). In May this indicator reached a level of almost 42% of net worth, driven by foreign private banks and rising during the month as a result of a reduction in foreign currency liabilities that exceeded the decline in such assets, an effect moderated by a reduction in net term foreign currency purchases.

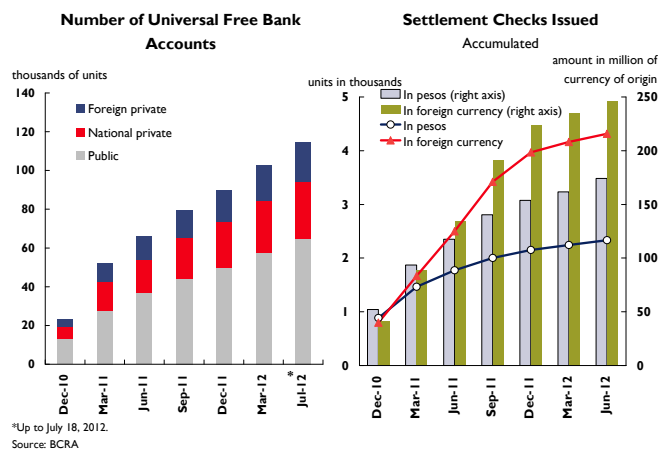
Chart 5
Immediate Transfers*



Following measures introduced by the Central Bank to encourage the use of payment means other than cash, the volume of bank transfers has continued to expand. According to the latest available information (June) the number of immediate transfers rose 17.6% in the second quarter of 2012 (25% in amount terms), with almost 96% of transactions taking place in the segment of transfers for under \$10,000 (see Chart 5). In the second quarter of the year the number of deferred transfers processed through the clearing system³ posted an increase of 1.2% compared with the first three months of 2012 (4.9% in terms of amounts).

In the second quarter of 2012 (the latest available information is for June) the value of checks cleared rose 1.7% compared with the first three months of the year, while the number of documents processed remained constant during the period. Checks returned for insufficient funds in terms of the total cleared fell slightly in June, although remaining above the levels recorded in 2011.

Chart 6



The number of holders of Free Universal Bank Accounts (CGU) reached 114,500⁴ by mid-July 2012 (see Chart 6), showing a year-on-year increase of 66%, mainly as a result of the performance by public banks. Since being re-launched at the end of 2010 transactions involving the use of settlement checks in pesos have totaled \$174 million, while those in dollars have totaled US\$246 million.

Deposits and Liquidity

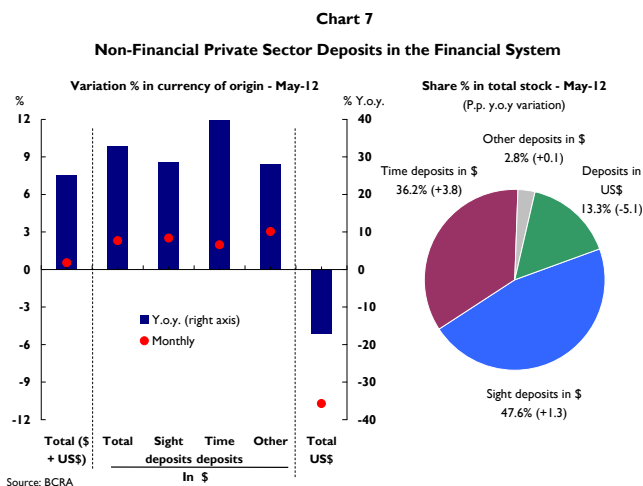
Growth for the month in private sector deposits took place in the domestic currency segment

During the month total banking system deposit stocks (domestic and foreign currency) rose 1.9%, driven by public sector deposits. In May private sector deposits went up 0.5% from the performance by accounts held by that sector in pesos (an increase of

² Including the difference between assets and liabilities, as well as forward purchases and sales of foreign currency recorded in memorandum accounts.

³ Also known as "retail" transfers.

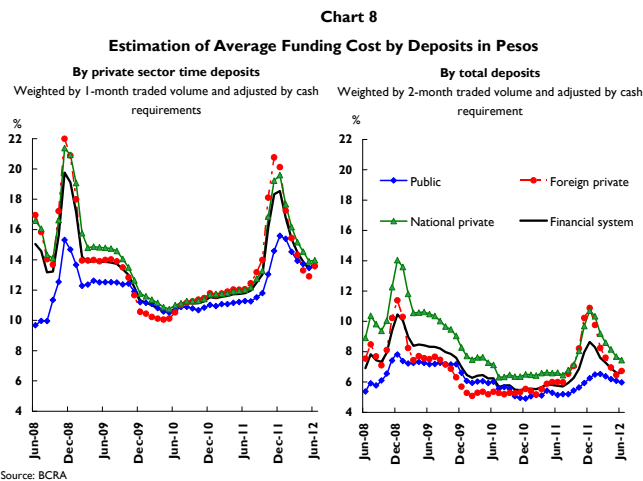
⁴ Of these, some 17,400 accounts are in the process of being validated, pending completion of the process of verification of the requirements for applicants.



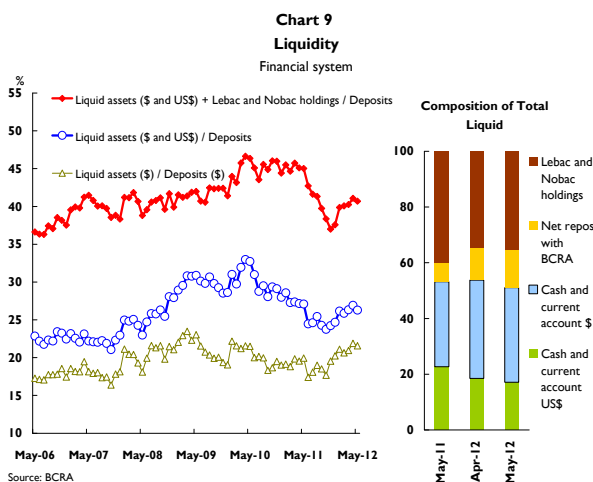
2.3% for the month) covering both sight and time deposits (see Chart 7), in the context of a drop in dollar deposits.

In year-on-year terms, deposit stocks have accumulated an increase of 21.1%, with greater dynamism being shown by private sector deposits (25,2% y.o.y.). **Private sector time deposits in pesos were the most dynamic (39.1% y.o.y.) and were therefore those with the greatest increase in the share of total private sector deposits.** Private sector foreign currency deposits dropped 17.2% y.o.y. (equivalent to 9.5% y.o.y. if balance sheet stocks are taken into account).

It is estimated that the cost of banking system funding by means of total peso deposits remained stable at the end of the first half of 2012 (based on latest information to June), at around 6.6%. As a result, **in the first half of the year the cost of funding posted a drop of 2.1 p.p., a pattern repeated across all groups of banks** (see Chart 8).



In May the broad liquidity indicator (in domestic and foreign currency, including holdings of Lebac and Nobac bills and notes) **stood at 40.7% of total deposits, dropping 0.4 p.p.** (-4.3 p.p. compared with May 2011) because of the reduction in minimum foreign currency cash compliance, and to a lesser extent, in domestic currency, an effect that was partly offset by increased holdings of Central Bank bills and repos with this Institution. **In terms of composition, Lebac increased their share of assets with greater relative liquidity** (see Chart 9), at the expense of minimum cash compliance, mainly in the case of foreign currency. **The liquidity indicator that excludes holdings of Lebac and Nobac also fell slightly during the month, to 26.3% of deposits.**



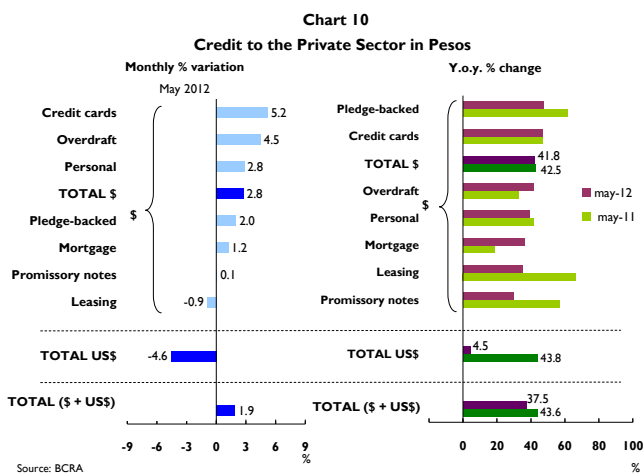
At the end of the first half of the year (latest available information is at June) **there was a slight increase in the rate of interest on the call market, to 9.5%.** The amount traded on this market also increased marginally, averaging a daily total of \$1,471 million in June.

Financing

Lending to the private sector increased in May, in a context of reducing lending interest rates

In May lending to the private sector went up 1.9%⁵. Growth for the month was accounted for by a rise of 2.8% in lending in pesos, which was partially offset by a

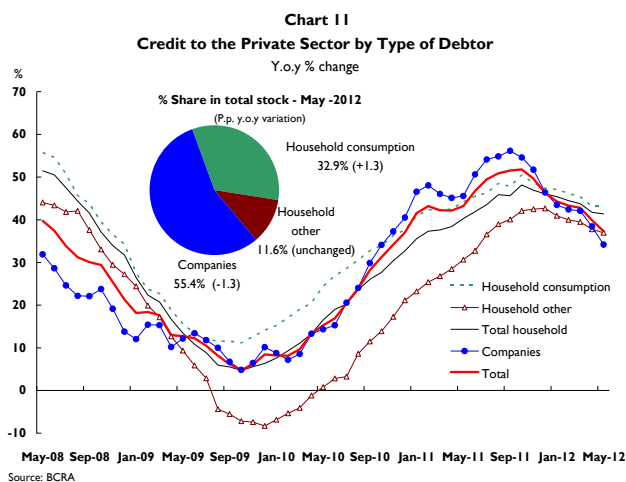
⁵ If balance sheet totals are adjusted for the assets securitized during the month (using bank loans as underlying assets), the variation in lending to the private sector would amount to 2% in May. Particularly in May, 3 financial trusts were issued using bank personal loans as their underlying assets for a total of \$335 million.



drop of 4.6% in loans in dollars⁶ (see Chart 10). Almost all peso credit lines were higher in the month, with cards, overdrafts and personal loans the most dynamic. **In year-on-year terms total lending to the private sector increased 37.5%, with a rise of 41.8% y.o.y. in domestic currency lending.**

Bank lending to households was up 3.6% for the month, with improvements in all lines. In year-on-year terms, household lines rose 41.4%, driven by consumer credit (personal loans and credit card lending) which together went up 43% y.o.y. (see Chart 11). Private foreign and domestic banks generated the greater part of the year-on-year household credit growth, with shares of 33% and 30.9% of the total increase, respectively.

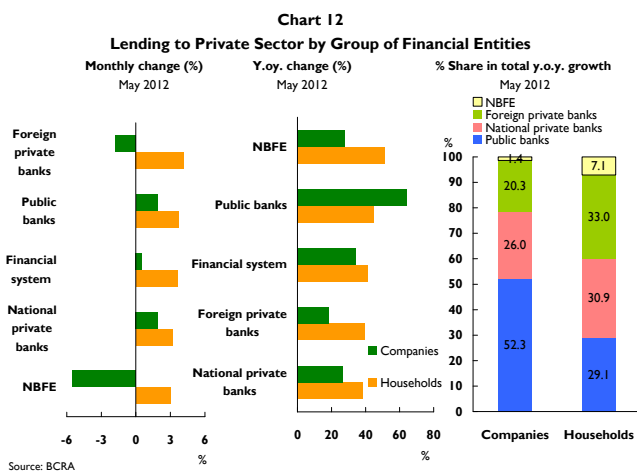
Lending to companies went up 0.5% in May, accumulating growth of 34.2% y.o.y. The year-on-year increase in lending to the productive sector was driven by public banks, which accounted for over half the increase in the stock (see Chart 12).



In the context of the Bicentenary Productive Financing Program, **the Central Bank adjudicated a total of \$4.61 billion by means of 13 auctions.** Through June, participating banks accredited companies over 65% of the total amount awarded, \$3,044 million. Almost three-quarters of the amount granted was allocated to productive projects in the industrial sector (see Chart 13).

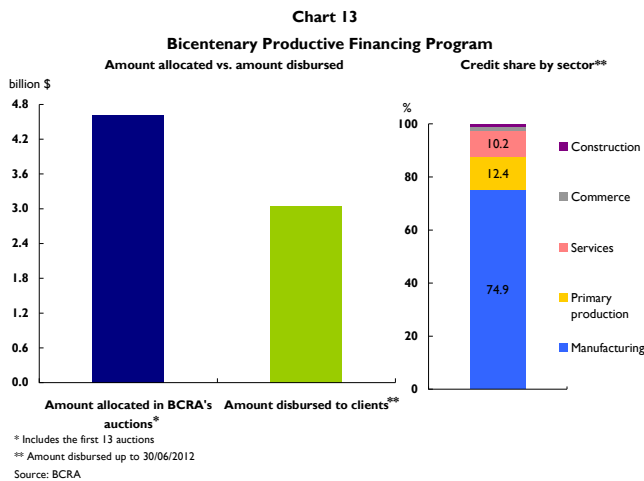
To continue to provide a stimulus to lending for productive investment, the Central Bank approved the setting up of a new credit line⁷ that must be provided by financial entities holding more than 1% of total deposits in the financial system and financial entities acting as financial agents for the provinces. Banks must assign to this new line 5% of their total private sector deposits as at June 2012. Loans will be granted at fixed rates of up to 15.01% for a minimum term of three years. Qualifying companies must allocate the funds to the purchase of capital goods or the construction of installations necessary for production. Banks covered by the rule must use at least half the amount to be granted for lending to companies in the micro and SME segment. Loans must be granted prior to December 31, 2012.

In June (latest available information) lending rates in pesos fell for almost all credit lines and all groups of banks (see Chart 14). Lending rates have therefore declined gradually in the first half of the year, with notable falls in the case of commercial lines (-8.1 p.p.



⁶ Considering currency of origin. The drop in stocks for the month corresponding to loans to the private sector in foreign currency was 3.3% in May.

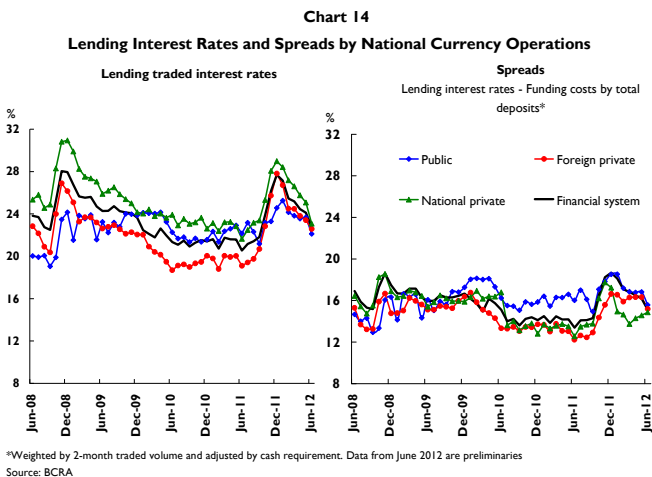
⁷ Communication "A" 5319 dated 05/07/12.



for promissory notes and -5.9 p.p. for overdrafts). **The spread on domestic currency transactions dropped in June, driven by public banks and foreign private banks.** Rate differentials posted declines across the board compared with the end of 2011.

Financial system exposure to the public sector stood at 9.3% of total assets in the month, in line with the April level and showing a drop of 1.1 p.p. year-on-year. **Taking into account the funding that the banking system obtains from public sector deposits, in May the latter recorded a net creditor position in relation to the financial system for an amount equivalent to 11.5% of total assets.**

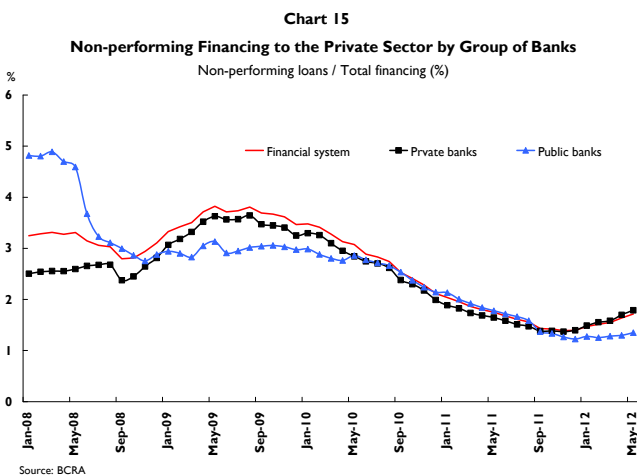
In May the non-performance ratio for loans to the private sector rose slightly to 1.7% (see Chart 15), driven by consumer lines granted by private banks. Nevertheless, **delinquency ratios remained below levels for the same month of the previous year, with low figures for both the comparison between periods and in international terms.** In May the financial system recorded a high level of provisioning. The ratio for coverage of non-performing loans to the private sector by accounting provisions stood at 146% for the month.



Solvency

Profitability for the month was down slightly, although for the year to date ROA has been higher than in the same period of 2011

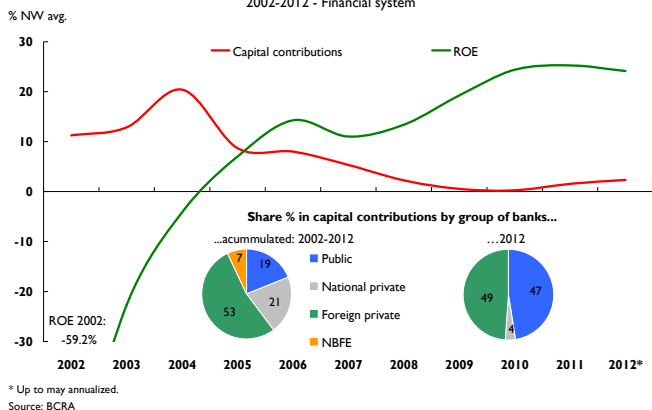
Consolidated financial system net worth grew 1.6% in the month, with greater dynamism among private banks (both foreign and domestic). Book profits were largely responsible for the increase in net worth. **One foreign private bank received a capital contribution for \$140 million.** In the year to date the financial system has recorded capitalization for an amount of almost \$750 million, channeled mainly to foreign private banks and public banks (see Chart 16).



In May financial system capital compliance held steady at around 16.3% of risk-weighted assets (RWA). **In the year to date all groups of banks have recorded an increase in their capital compliance ratio** (see Chart 17). At aggregate level excess capital compliance also remained at April levels, 59% of the regulatory requirement. In 2012 to date the capital position dropped by 5 p.p. of the requirement, in the context of the incorporation of an operational risk requirement.

During the month book profits for the banking system dropped by 0.3 p.p. of assets to 2.2%a. (see Chart 18). This performance by monthly profitability

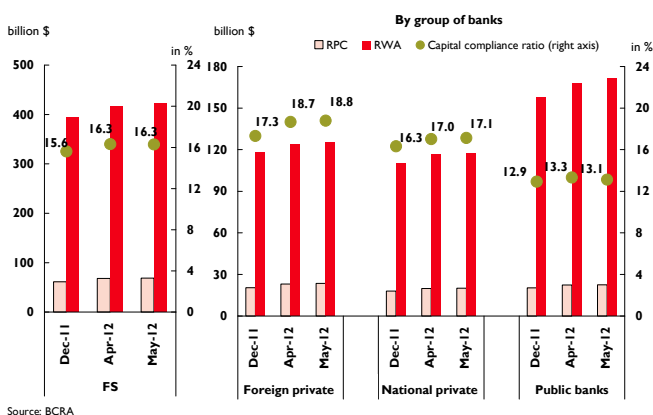
Chart 16
Capital Contributions and Profitability
2002-2012 - Financial system



was mainly explained by higher operating costs, following the introduction of a new wage agreement for the sector. Accumulated ROA stood at 2.7%a., 0.2 p.p. above the level 12 months earlier. Foreign private banks, followed by domestic banks, accounted for the greater year-on-year dynamism of accumulated results.

Banking system financial margin increased slightly in May, to 8.3%a. of assets. The most significant increase took place in interest income (+0.4 p.p. to 5.8%a. of assets), and to a lesser extent, in exchange rate differences and other financial results. Lower gains on securities partly offset the increase in the rest of the headings making up financial margin. **Over the course of the year, financial margin has totaled 8.7%a. of assets, 1.2 p.p. more than in the same period of the previous year, mainly because of the performance by net interest income.** All groups of banks increased their accumulated financial margin in year-on-year terms.

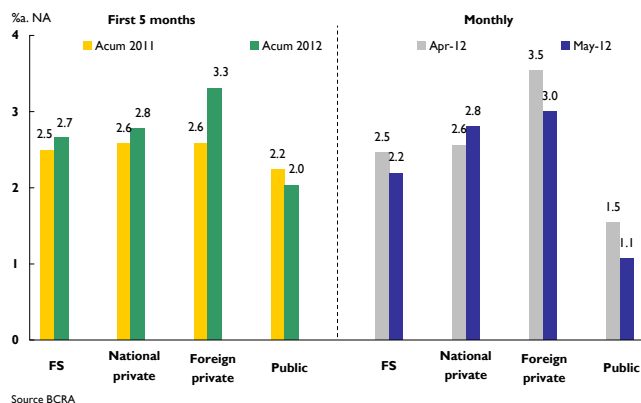
Chart 17
Capital Compliance (RPC) and Risk Weighted Assets (RWA)



In May financial system service revenue increased 0.4 p.p. of assets to 4.4%a., a variation reflected in both private and public banks. The increase for the month was headed by income mainly from insurance commissions and credit card issuance. As a result, **in the first 5 months of the year these results totaled 4%a. of assets, 0.2 p.p. higher than 12 months earlier.**

Operating costs accrued during May rose by 0.7 p.p. of assets to 7.4%a. The change for the month was influenced by the coming into effect of a new wage agreement for the banking sector. In the accumulated total for the year, this expenditure has recorded an increase of 0.4 p.p. of assets to 6.9%a., a dynamic observed by all groups of banks. **Loan loss provisions increased moderately during the month to 0.9%a. of assets,** an effect seen mainly in private banks. In year-on-year terms, accumulated loan loss provisions have shown a slight increase to 0.8%a. of assets, mainly in the case of private domestic banks.

Chart 18
Profitability by Group of banks
As % of netted assets



In the first 5 months of the year the indicator that measures **coverage of operating costs by the more stable forms of net revenue** (net of loan loss provisions) **stood at 128%, 17 p.p. above the level 12 months earlier.** Increased coverage was recorded by both public and private banks.

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” 5301 – May/03/12

Lending to the public non-financial sector. Change to criteria in relation to Exclusions. The Central Bank shall be able to grant the general treatment foreseen for persons in the private non-financial sector to companies in the energy sector not established as State companies, as long as they meet certain conditions, including: i) Their creation should have been determined by a national law or decree from the National Executive Branch, or if its share equity were to have been declared of public utility subject to expropriation - in full or part - by a national law, with the State having assumed its inherent duties in its capacity as shareholder; ii) They have a majority Non-Financial Public Sector participation, whether direct or indirect, and the State is the majority shareholder before the remaining jurisdiction of that sector, as per the terms of the legal ruling. In addition, the regulation regarding the specific procedure to obtain the general treatment foreseen for companies in the private sector has been modified.

Communication “A” 5304 – May/10/12

Consolidated text on Financial Temporary Liquidity Assistance. These adjustments do not make changes to current regulations on the matter.

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. 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 entities (national or foreign depending on their residence) and public banks. In order to increase depth of the analysis, private sector entities 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 entities specialized 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.- (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 (with out 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 minus requirements, included forbearances) / Capital requirements.

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. 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.

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. 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.

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 %	2002	2003	2004	2005	2006	2007	2008	2009	2010	May 2011	2011	Apr 2012	May 2012
1.- Liquidity	22.8	29.1	29.6	20.1	22.5	23.0	27.9	28.6	28.0	27.1	24.7	26.9	26.3
2.- Credit to the public sector	48.9	47.0	40.9	31.5	22.5	16.3	12.7	14.4	12.2	10.4	10.2	9.3	9.3
3.- Credit to the private sector	20.8	18.1	19.6	25.8	31.0	38.2	39.4	38.3	39.8	41.3	47.4	45.7	46.2
4.- Private non-performing loans	38.6	33.5	18.6	7.6	4.5	3.2	3.1	3.5	2.1	1.8	1.4	1.6	1.7
5.- Net worth exposure to the private sector	16.6	11.5	1.1	-2.5	-0.8	-1.5	-1.7	-1.3	-3.2	-3.9	-4.3	-3.5	-3.3
6.- ROA	-8.9	-2.9	-0.5	0.9	1.9	1.5	1.6	2.3	2.8	2.5	2.7	2.8	2.7
7.- ROE	-59.2	-22.7	-4.2	7.0	14.3	11.0	13.4	19.2	24.4	23.1	25.3	25.3	24.1
8.- Efficiency	189	69	125	151	167	160	167	185	179	173	179	186	183
9.- Capital compliance	-	14.5	14.0	15.3	16.9	16.9	16.9	18.8	17.7	16.9	15.6	16.3	16.3
10.- Capital compliance Tier I	-	-	13.5	14.1	14.1	14.6	14.2	14.5	13.1	13.3	10.9	12.9	12.6
11.- Excess capital compliance	-	116	185	173	134	93	90	100	86	77	63	59	59

Source: BCRA

Chart 2 | Balance Sheet

In million of current pesos	Dec 04	Dec 05	Dec 06	Dec 07	Dec 08	Dec 09	Dec 10	May 11	Dec 11	Apr 12	May 12	Change (in %)		
												Last month	2012	Last 12 months
Assets	212,562	221,962	258,384	297,963	346,762	387,381	510,304	565,431	628,381	690,561	695,475	0.7	10.7	23.0
Cash disposal ¹	29,154	20,819	37,991	46,320	58,676	71,067	93,085	100,551	104,389	110,241	105,662	-4.2	1.2	5.1
Public bonds	55,382	66,733	64,592	62,678	65,255	86,318	117,951	128,402	112,906	133,855	139,252	4.0	23.3	8.4
Lebac/Nobac	17,755	28,340	29,289	36,022	37,093	43,867	76,948	90,694	71,050	96,794	102,729	6.1	44.6	13.3
Portfolio	11,803	21,067	25,767	31,598	25,652	34,748	61,855	75,355	59,664	70,658	73,306	3.7	22.9	-2.7
Repo ²	5,953	7,273	3,521	4,424	11,442	9,119	15,093	15,339	11,386	26,136	29,422	12.6	158.4	91.8
Private bonds	387	389	813	382	203	307	209	220	212	168	193	14.6	-9.0	-12.3
Loans	73,617	84,171	103,668	132,157	154,719	169,868	230,127	260,198	332,317	351,637	358,075	1.8	7.8	37.6
Public sector	30,866	25,836	20,874	16,772	17,083	20,570	25,907	25,820	31,346	33,437	33,802	1.1	7.8	30.9
Private sector	41,054	55,885	77,832	110,355	132,844	145,247	199,202	228,630	291,708	308,956	314,835	1.9	7.9	37.7
Financial sector	1,697	2,450	4,962	5,030	4,793	4,052	5,018	5,748	9,263	9,244	9,438	2.1	1.9	64.2
Provisions over loans	-7,500	-4,930	-3,728	-4,089	-4,744	-5,824	-6,232	-6,446	-7,173	-7,866	-8,080	2.7	12.7	25.3
Other netted credits due to financial intermediation	32,554	26,721	26,039	29,712	38,152	33,498	39,009	44,994	40,805	54,019	54,736	1.3	34.1	21.7
Corporate bonds and subordinated debt	1,018	873	773	606	912	1,146	1,433	1,812	1,657	1,540	1,587	3.1	-4.2	-12.4
Unquoted trusts	3,145	3,883	4,881	5,023	5,714	5,942	6,824	7,051	7,967	7,903	7,844	-0.7	-1.5	11.2
Compensation receivable	15,467	5,841	763	377	357	16	0	0	0	0	0	0.0	-28.6	-41.2
Other	12,924	16,124	19,622	23,706	31,169	26,395	30,752	36,131	31,182	44,577	45,305	1.6	45.3	25.4
Leasing	611	1,384	2,262	3,469	3,935	2,933	3,936	4,702	6,222	6,301	6,247	-0.9	0.4	32.9
Shares in other companies	3,871	4,532	6,392	6,430	7,236	6,711	7,921	8,182	9,123	9,737	10,111	3.8	10.8	23.6
Fixed assets and miscellaneous	7,782	7,546	7,619	7,643	7,903	8,239	9,071	9,396	10,111	10,243	10,313	0.7	2.0	9.8
Foreign branches	3,524	3,647	2,782	2,912	3,153	3,926	3,283	3,465	3,525	3,899	3,895	-0.1	10.5	12.4
Other assets	13,180	10,950	9,953	10,347	12,275	10,337	11,943	11,766	15,944	18,328	15,071	-17.8	-5.5	28.1
Liabilities	188,683	195,044	225,369	261,143	305,382	339,047	452,752	505,674	558,264	614,210	617,621	0.6	10.6	22.1
Deposits	116,655	136,492	170,898	205,550	236,217	271,853	376,344	420,045	462,517	498,959	508,508	1.9	9.9	21.1
Public sector ³	31,649	34,019	45,410	48,340	67,151	69,143	115,954	129,753	129,885	136,827	144,514	5.6	11.3	11.4
Private sector ³	83,000	100,809	123,431	155,048	166,378	199,278	257,595	286,935	328,463	357,190	359,146	0.5	9.3	25.2
Current account	18,219	23,487	26,900	35,245	39,619	45,752	61,306	69,346	76,804	82,845	87,656	5.8	14.1	26.4
Savings account	23,866	29,078	36,442	47,109	50,966	62,807	82,575	88,245	103,636	107,393	103,077	-4.0	-0.5	16.8
Time deposits	34,944	42,822	54,338	65,952	69,484	83,967	104,492	118,538	135,082	154,230	155,608	0.9	15.2	31.3
CEDRO	1,046	17	13	0	0	0	0	0	0	0	0	-	-	-
Other netted liabilities due to financial intermediation	64,928	52,072	46,037	46,225	57,662	52,114	60,029	69,998	76,038	90,959	87,993	-3.3	15.7	25.7
Interbanking obligations	1,461	2,164	4,578	4,310	3,895	3,251	4,201	4,794	7,947	7,798	8,012	2.7	0.8	67.1
BCRA lines	27,726	17,005	7,686	2,362	1,885	270	262	700	1,920	2,490	2,894	16.2	50.7	313.7
Outstanding bonds	7,922	6,548	6,603	6,938	5,984	5,033	3,432	5,874	6,856	7,708	8,267	7.2	20.6	40.7
Foreign lines of credit	8,884	4,684	4,240	3,864	4,541	3,369	3,897	4,693	6,467	6,174	6,382	3.4	-1.3	36.0
Other	18,934	21,671	22,930	28,752	41,357	40,191	48,236	53,938	52,848	66,789	62,437	-6.5	18.1	15.8
Subordinated debts	1,415	1,381	1,642	1,672	1,763	1,922	2,165	1,896	2,065	2,441	2,479	1.5	20.0	30.7
Other liabilities	5,685	5,099	6,792	7,695	9,740	13,159	14,213	13,735	17,644	21,851	18,641	-14.7	5.6	35.7
Net worth	23,879	26,918	33,014	36,819	41,380	48,335	57,552	59,757	70,117	76,351	77,854	2.0	11.0	30.3
Memo														
Netted assets	202,447	208,275	244,791	280,336	321,075	364,726	482,532	533,770	601,380	650,619	654,315	0.6	8.8	22.6
Consolidated netted assets	198,462	203,286	235,845	271,652	312,002	357,118	472,934	523,546	586,805	635,810	639,078	0.5	8.9	22.1

(¹) Includes margin accounts with the BCRA. (²) Booked value from balance sheet (it includes all the counterparties). (³) Does not include accrual on interest or CER.

Source: BCRA

Statistics annex | Financial system (cont.)

Chart 3 | Profitability Structure

Amount in million of pesos	Annual											First 5 months		Monthly			Last 12 months
	2002 ¹	2003	2004	2005	2006	2007	2008	2009	2010	2011	2011	2012	Mar-12	Apr-12	May-12		
Financial margin	13,991	1,965	6,075	9,475	13,262	15,134	20,462	28,937	35,490	43,670	15,931	22,797	5,019	4,403	4,466	50,536	
Net interest income	-3,624	-943	1,753	3,069	4,150	5,744	9,573	14,488	17,963	24,903	8,828	14,861	2,963	2,888	3,106	30,936	
CER and CVS adjustments	8,298	2,315	1,944	3,051	3,012	2,624	2,822	1,196	2,434	1,725	733	755	177	145	159	1,747	
Foreign exchange price adjustments	5,977	-890	866	751	944	1,357	2,307	2,588	2,100	3,025	1,178	1,187	226	222	283	3,035	
Gains on securities	3,639	1,962	1,887	2,371	4,923	5,144	4,398	11,004	13,449	14,228	5,429	5,966	1,661	1,159	784	14,765	
Other financial income	-299	-480	-375	233	235	264	1,362	-339	-457	-211	-236	27	-9	-11	133	53	
Service income margin	4,011	3,415	3,904	4,781	6,243	8,248	10,870	13,052	16,089	21,391	8,036	10,614	2,230	2,133	2,362	23,969	
Loan loss provisions	-10,007	-2,089	-1,511	-1,173	-1,198	-1,894	-2,839	-3,814	-3,267	-3,736	-1,421	-2,079	-448	-383	-469	-4,395	
Operating costs	-9,520	-7,760	-7,998	-9,437	-11,655	-14,634	-18,767	-22,710	-28,756	-36,365	-13,859	-18,277	-3,634	-3,615	-4,012	-40,783	
Tax charges	-691	-473	-584	-737	-1,090	-1,537	-2,318	-3,272	-4,120	-6,047	-2,157	-3,274	-669	-644	-693	-7,164	
Adjust. to the valuation of gov. securities ²	0	-701	-320	-410	-752	-837	-1,757	-262	-214	-336	-167	-136	-29	-26	-30	-304	
Amort. payments for court-ordered releases	0	-1,124	-1,686	-1,867	-2,573	-1,922	-994	-703	-635	-290	-109	-72	-17	-16	-15	-252	
Other	-3,880	1,738	1,497	1,729	2,664	2,380	1,441	918	2,079	2,963	1,053	942	242	53	193	2,852	
Monetary results	-12,558	69	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total results before tax ³	-18,653	-4,960	-623	2,360	4,901	4,938	6,100	12,145	16,665	21,251	7,307	10,514	2,694	1,905	1,802	24,459	
Income tax	-509	-305	-275	-581	-595	-1,032	-1,342	-4,226	-4,904	-6,531	-2,019	-3,509	-924	-580	-619	-8,021	
Total results³	-19,162	-5,265	-898	1,780	4,306	3,905	4,757	7,920	11,761	14,720	5,288	7,006	1,770	1,325	1,183	16,438	
Adjusted results ⁴	-	-3,440	1,337	4,057	7,631	6,665	7,508	8,885	12,610	15,345	5,564	7,213	1,816	1,367	1,228	16,994	
<i>Annualized indicators - As % of netted assets</i>																	
Financial margin	6.5	1.1	3.1	4.6	5.8	5.7	6.7	8.6	8.5	8.0	7.5	8.7	9.5	8.2	8.3	8.5	
Net interest income	-1.7	-0.5	0.9	1.5	1.8	2.2	3.1	4.3	4.3	4.6	4.2	5.6	5.6	5.4	5.8	5.2	
CER and CVS adjustments	3.9	1.3	1.0	1.5	1.3	1.0	0.9	0.4	0.6	0.3	0.3	0.3	0.3	0.3	0.3	0.3	
Foreign exchange price adjustments	2.8	-0.5	0.4	0.4	0.4	0.5	0.8	0.8	0.5	0.6	0.6	0.5	0.4	0.4	0.5	0.5	
Gains on securities	1.7	1.1	1.0	1.2	2.2	1.9	1.4	3.3	3.2	2.6	2.6	2.3	3.2	2.2	1.5	2.5	
Other financial income	-0.1	-0.3	-0.2	0.1	0.1	0.1	0.4	-0.1	-0.1	0.0	-0.1	0.0	0.0	0.0	0.2	0.0	
Service income margin	1.9	1.9	2.0	2.3	2.7	3.1	3.6	3.9	3.8	3.9	3.8	4.0	4.2	4.0	4.4	4.0	
Loan loss provisions	-4.7	-1.1	-0.8	-0.6	-0.5	-0.7	-0.9	-1.1	-0.8	-0.7	-0.7	-0.8	-0.9	-0.7	-0.9	-0.7	
Operating costs	-4.4	-4.2	-4.1	-4.6	-5.1	-5.5	-6.1	-6.7	-6.9	-6.7	-6.5	-6.9	-6.9	-6.7	-7.4	-6.9	
Tax charges	-0.3	-0.3	-0.3	-0.4	-0.5	-0.6	-0.8	-1.0	-1.0	-1.1	-1.0	-1.2	-1.3	-1.2	-1.3	-1.2	
Adjust. to the valuation of gov. securities ²	0.0	-0.4	-0.2	-0.2	-0.3	-0.3	-0.6	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	0.0	-0.1	-0.1	
Amort. payments for court-ordered releases	0.0	-0.6	-0.9	-0.9	-1.1	-0.7	-0.3	-0.2	-0.2	-0.1	-0.1	0.0	0.0	0.0	0.0	0.0	
Other	-1.8	0.9	0.8	0.8	1.2	0.9	0.5	0.3	0.5	0.5	0.5	0.4	0.5	0.1	0.4	0.5	
Monetary results	-5.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Total results before tax ³	-8.7	-2.7	-0.3	1.1	2.2	1.9	2.0	3.6	4.0	3.9	3.4	4.0	5.1	3.5	3.3	4.1	
Income tax	-0.2	-0.2	-0.1	-0.3	-0.3	-0.4	-0.4	-1.3	-1.2	-1.2	-1.0	-1.3	-1.8	-1.1	-1.1	-1.3	
ROA³	-8.9	-2.9	-0.5	0.9	1.9	1.5	1.6	2.8	2.8	2.7	2.5	2.7	3.4	2.5	2.2	2.8	
ROA adjusted ⁴	-8.9	-1.9	0.7	2.0	3.4	2.5	2.5	2.6	3.0	2.8	2.6	2.7	3.4	2.5	2.3	2.9	
ROE before tax ³	-57.6	-21.4	-2.9	9.3	16.2	13.9	17.2	29.5	34.5	36.5	31.9	36.2	46.3	32.1	29.9	38.0	
ROE ³	-59.2	-22.7	-4.2	7.0	14.3	11.0	13.4	19.2	24.4	25.3	23.1	24.1	30.4	22.3	19.6	25.5	

(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 4 | Portfolio Quality

As percentage	Dec 02	Dec 03	Dec 04	Dec 05	Dec 06	Dec 07	Dec 08	Dec 09	Dec 10	May 11	Dec 11	Apr 12	May 12
Non-performing loans (overall)	18.1	17.7	10.7	5.2	3.4	2.7	2.7	3.0	1.8	1.5	1.2	1.4	1.5
Provisions / Non-performing loans	72	77	98	115	108	115	117	115	148	162	176	155	150
(Total non-performing - Provisions) / Overall financing	5.0	4.1	0.2	-0.8	-0.3	-0.4	-0.5	-0.5	-0.9	-1.0	-0.9	-0.8	-0.8
(Total non-performing - Provisions) / Net worth	18.2	13.3	0.8	-2.6	-0.9	-1.6	-1.8	-1.7	-3.6	-4.3	-4.6	-3.8	-3.6
Non-performing loans to the non-financial private sector	38.6	33.5	18.6	7.6	4.5	3.2	3.1	3.5	2.1	1.8	1.4	1.6	1.7
Provisions / Non-performing loans	74	79	97	115	108	114	116	112	143	156	171	151	146
(Total non-performing - Provisions) / Overall financing	10.1	7.0	0.6	-1.1	-0.3	-0.5	-0.5	-0.4	-0.9	-1.0	-1.0	-0.8	-0.8
(Total non-performing - Provisions) / Net worth	16.6	11.5	1.1	-2.5	-0.8	-1.5	-1.7	-1.3	-3.2	-3.9	-4.3	-3.5	-3.3

Source: BCRA

Statistics annex | Private banks

Chart 5 | Financial Soundness Indicators (see Metodology)

As %	2002	2003	2004	2005	2006	2007	2008	2009	2010	May 2011	2011	Apr 2012	May 2012
1.- Liquidity	24.8	27.6	29.2	21.5	23.7	25.7	34.1	29.8	26.0	27.6	26.7	30.2	29.0
2.- Credit to the public sector	50.0	47.7	41.6	28.5	16.3	9.5	6.3	6.1	4.4	3.2	2.8	2.2	2.3
3.- Credit to the private sector	22.4	19.9	22.5	31.1	37.9	46.6	44.0	43.3	50.3	50.5	54.5	52.5	53.9
4.- Private non-performing loans	37.4	30.4	15.3	6.3	3.6	2.5	2.8	3.3	2.0	1.6	1.4	1.7	1.8
5.- Net worth exposure to the private sector	19.0	12.9	3.6	-0.4	-1.4	-2.0	-1.8	-1.6	-3.4	-4.2	-4.4	-3.3	-3.2
6.- ROA	-11.3	-2.5	-1.0	0.5	2.2	1.6	1.9	3.0	3.2	2.6	3.0	3.1	3.0
7.- ROE	-79.0	-19.1	-8.1	4.1	15.3	10.9	15.2	22.9	24.5	21.7	25.6	26.4	25.8
8.- Efficiency	168	93	115	136	158	152	166	195	176	169	178	184	184
9.- Capital compliance	-	14.0	15.1	17.8	18.6	19.2	18.3	22.6	20.4	18.1	16.8	17.9	18.0
10.- Capital compliance Tier I	-	-	14.7	16.1	15.3	16.7	14.9	17.2	15.2	15.3	12.5	15.2	15.1
11.- Excess capital compliance	-	88	157	155	116	87	86	121	100	80	70	66	67

Source: BCRA

Chart 6 | Balance Sheet

In million of current pesos	Dic 02	Dic 03	Dic 04	Dic 05	Dic 06	Dic 07	Dic 08	Dic 09	Dic 10	May 11	Dic 11	Apr 12	May 12	Change (in %)			
														Last month	2012	Last 12 months	
Assets	118,906	116,633	128,065	129,680	152,414	175,509	208,888	229,549	280,025	320,716	364,122	393,257	389,259	-1.0	6.9	21.4	
Cash disposal ¹	11,044	14,500	15,893	14,074	22,226	29,418	37,044	43,562	49,730	54,067	58,877	69,025	65,099	-5.7	10.6	20.4	
Public bonds	19,751	22,260	24,817	29,966	27,663	24,444	29,552	47,949	48,903	52,114	50,055	55,578	55,355	-0.4	10.6	6.2	
Lebac/Nobac	-	-	8,359	15,227	15,952	17,684	23,457	31,575	34,422	39,165	34,246	45,445	45,514	0.2	32.9	16.2	
Portfolio	-	-	5,611	12,899	14,220	15,639	12,858	27,413	31,148	29,720	23,908	31,344	30,198	-3.7	26.3	1.6	
Repo ²	-	-	2,749	2,328	1,732	2,045	10,598	4,161	3,274	9,445	10,338	14,101	15,316	8.6	48.2	62.2	
Private bonds	273	172	333	307	683	310	127	233	184	165	164	122	118	-3.5	-28.2	-28.6	
Loans	51,774	47,017	50,741	56,565	69,294	88,898	98,529	101,722	143,202	164,233	202,117	210,178	213,422	1.5	5.6	30.0	
Public sector	25,056	23,571	21,420	15,954	10,036	6,413	6,249	1,694	1,625	1,464	1,215	1,281	1,310	2.3	7.9	-10.5	
Private sector	26,074	22,816	28,213	39,031	55,632	78,587	88,426	96,790	137,308	157,805	193,126	201,145	204,455	1.6	5.9	29.6	
Financial sector	644	630	1,107	1,580	3,626	3,898	3,854	3,238	4,270	4,963	7,777	7,751	7,656	-1.2	-1.5	54.3	
Provisions over loans	-7,463	-5,225	-3,717	-2,482	-2,227	-2,365	-2,871	-3,653	-3,926	-4,076	-4,574	-5,040	-5,206	3.3	13.8	27.7	
Other netted credits due to financial intermediation	27,212	22,148	25,753	16,873	18,387	17,084	25,265	21,258	20,241	31,351	29,338	33,015	31,337	-5.1	6.8	20.4	
Corporate bonds and subordinated debt	1,514	1,394	829	675	618	430	699	734	757	980	796	678	715	5.5	-10.2	-27.0	
Unquoted trusts	6,205	3,571	2,362	2,444	2,982	3,456	3,869	4,198	4,500	4,420	5,268	5,095	5,075	-0.4	-3.7	14.8	
Compensation receivable	15,971	13,812	14,657	5,575	760	377	357	16	0	0	0	0	0	-	-	-	
Other	3,523	3,370	7,905	8,179	14,027	12,822	20,339	16,311	14,984	25,951	23,273	27,241	25,547	-6.2	9.8	-1.6	
Leasing	553	387	592	1,356	2,126	3,149	3,451	2,569	3,519	4,216	5,452	5,395	5,395	-1.2	-1.1	28.0	
Shares in other companies	3,123	2,791	1,892	2,416	4,042	3,762	4,538	4,067	4,934	5,112	5,998	6,371	6,508	2.2	8.5	27.3	
Fixed assets and miscellaneous	5,198	4,902	4,678	4,575	4,677	4,685	4,926	5,096	5,808	6,115	6,663	6,709	6,762	0.8	1.5	10.6	
Foreign branches	-109	-136	-53	-148	-139	-154	-178	-202	-215	-223	-240	0	0	-	-	-	
Other assets	7,549	7,816	7,137	6,178	5,682	6,277	8,505	6,946	7,646	7,642	10,271	11,838	10,471	-11.5	1.9	37.0	
Liabilities	103,079	101,732	113,285	112,600	131,476	152,153	182,596	198,438	243,766	284,558	321,123	346,185	341,067	-1.5	6.2	19.9	
Deposits	44,445	52,625	62,685	75,668	94,095	116,719	135,711	154,387	198,662	224,346	253,705	271,009	273,022	0.7	7.6	21.7	
Public sector ³	1,636	3,077	6,039	6,946	7,029	7,564	19,600	17,757	23,598	29,754	27,664	29,659	31,432	6.0	13.6	5.6	
Private sector ³	38,289	47,097	55,384	67,859	85,714	107,671	114,176	134,426	173,203	192,486	223,141	238,194	238,495	0.1	6.9	23.9	
Current account	8,905	11,588	13,966	17,946	20,604	27,132	30,188	35,127	46,297	51,025	57,586	61,687	66,419	7.7	15.3	30.2	
Savings account	6,309	10,547	14,842	18,362	23,165	30,169	32,778	40,999	53,085	57,650	66,891	68,597	64,152	-6.5	-4.1	11.3	
Time deposit	11,083	18,710	22,729	27,736	38,043	45,770	46,990	54,058	67,568	76,418	89,924	99,474	99,411	-0.1	10.6	30.1	
CEDRO	9,016	2,409	798	3	1	0	0	0	0	0	0	0	0	-	-	-	
Other netted liabilities due to financial intermediation	49,341	42,367	45,083	32,349	31,750	29,323	39,298	34,235	34,427	49,963	53,973	59,669	54,194	-9.2	0.4	8.5	
Interbanking obligations	836	726	1,070	1,488	3,383	1,979	1,160	1,668	1,903	1,971	3,524	3,634	3,839	5.7	8.9	94.7	
BCRA lines	16,624	17,030	17,768	10,088	3,689	675	649	41	57	171	456	554	569	2.7	24.9	232.6	
Outstanding bonds	9,073	6,674	7,922	6,548	6,413	6,686	5,672	4,626	2,802	4,740	5,119	5,404	5,720	5.9	11.7	20.7	
Foreign lines of credit	15,434	9,998	5,444	2,696	2,249	1,833	2,261	1,262	1,716	2,497	4,252	3,930	4,089	4.0	-3.8	63.8	
Other	7,374	7,939	12,878	11,530	16,015	18,150	29,555	26,638	27,949	40,584	40,622	46,147	39,777	-13.4	-1.6	-1.5	
Subordinated debts	3,622	1,850	1,304	1,319	1,642	1,668	1,759	1,918	2,148	1,879	1,948	2,031	2,061	1.5	5.8	9.7	
Other liabilities	5,671	4,890	4,213	3,264	3,989	4,443	5,828	7,897	8,528	8,370	11,497	13,476	11,790	-12.5	2.5	40.9	
Net worth	15,827	14,900	14,780	17,080	20,938	23,356	26,292	31,111	36,259	36,158	42,999	47,072	48,192	2.4	12.1	33.3	
Memo																	
Netted assets	117,928	115,091	121,889	123,271	143,807	166,231	192,074	216,100	267,364	298,539	344,101	369,754	366,836	-0.8	6.6	22.9	

(¹) Includes margin accounts with the BCRA. (²) Booked value from balance sheet (it includes all the counterparties). (³) Does not include accrual on interest or CER.

Source: BCRA

Statistics annex | Private banks (cont.)

Chart 7 | Profitability Structure

Amount in million of pesos	Annual										First 5 months		Monthly			Last 12 months
	2002 ¹	2003	2004	2005	2006	2007	2008	2009	2010	2011	2011	2012	Mar-12	Apr-12	May-12	
Financial margin	10,628	2,575	3,415	5,253	7,778	8,960	12,964	19,724	21,837	27,234	9,848	14,529	3,182	2,911	2,989	31,915
Net interest income	-304	107	1,214	2,069	2,826	4,191	7,727	10,572	12,842	18,518	6,622	10,744	2,235	2,170	2,339	22,640
CER and CVS adjustments	1,476	1,082	900	1,215	858	662	651	185	244	288	119	132	30	26	28	301
Foreign exchange price adjustments	6,189	-312	666	576	740	990	1,620	1,646	1,493	2,064	796	747	171	133	179	2,015
Gains on securities	3,464	1,892	959	1,259	3,154	2,888	1,637	7,343	7,464	6,358	2,448	2,786	734	570	294	6,695
Other financial income	-197	-195	-322	134	199	229	1,329	-22	-205	6	-138	120	13	12	148	264
Service income margin	2,782	2,341	2,774	3,350	4,459	5,881	7,632	9,198	11,345	15,243	5,689	7,666	1,597	1,546	1,662	17,220
Loan loss provisions	-6,923	-1,461	-1,036	-714	-737	-1,174	-1,863	-2,751	-2,253	-2,633	-990	-1,469	-344	-262	-354	-3,112
Operating costs	-6,726	-5,310	-5,382	-6,303	-7,741	-9,735	-12,401	-14,807	-18,819	-23,821	-9,197	-12,089	-2,441	-2,414	-2,577	-26,713
Tax charges	-512	-366	-393	-509	-769	-1,105	-1,715	-2,380	-2,927	-4,300	-1,538	-2,347	-476	-476	-503	-5,110
Adjust. to the valuation of gov. securities ²	0	-665	-51	-201	-170	-100	-267	0	47	-40	0	0	0	0	0	0
Amort. payments for court-ordered releases	0	-791	-1,147	-1,168	-1,182	-1,466	-688	-367	-441	-133	-49	-39	-9	-9	-8	-123
Other	-4,164	1,178	846	1,156	1,641	1,576	916	398	1,382	1,723	677	706	173	92	144	1,752
Monetary results	-10,531	-20	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total results before tax ³	-15,447	-2,518	-973	865	3,279	2,836	4,579	9,014	10,171	13,272	4,400	6,957	1,681	1,388	1,353	15,830
Income tax	-337	-295	-202	-217	-365	-380	-1,168	-3,001	-2,733	-4,293	-1,380	-2,429	-570	-456	-478	-5,342
Total results³	-15,784	-2,813	-1,176	648	2,915	2,457	3,412	6,014	7,438	8,980	3,020	4,528	1,111	932	875	10,488
Adjusted results ⁴	-	-1,357	252	2,016	4,267	4,023	4,367	6,381	7,832	9,153	3,109	4,567	1,121	941	883	10,611
Annualized indicators - As % of netted assets																
Financial margin	7.6	2.3	2.9	4.3	5.9	5.8	7.3	9.8	9.3	9.0	8.4	9.8	10.6	9.5	9.9	9.5
Net interest income	-0.2	0.1	1.0	1.7	2.1	2.7	4.4	5.3	5.5	6.1	5.6	7.2	7.4	7.1	7.8	6.8
CER and CVS adjustments	1.1	0.9	0.8	1.0	0.6	0.4	0.4	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Foreign exchange price adjustments	4.4	-0.3	0.6	0.5	0.6	0.6	0.9	0.8	0.6	0.7	0.7	0.5	0.6	0.4	0.6	0.6
Gains on securities	2.5	1.7	0.8	1.0	2.4	1.9	0.9	3.7	3.2	2.1	2.1	1.9	2.4	1.9	1.0	2.0
Other financial income	-0.1	-0.2	-0.3	0.1	0.2	0.1	0.8	0.0	-0.1	0.0	-0.1	0.1	0.0	0.0	0.5	0.1
Service income margin	2.0	2.0	2.4	2.7	3.4	3.8	4.3	4.6	4.8	5.0	4.9	5.2	5.3	5.1	5.5	5.1
Loan loss provisions	-5.0	-1.3	-0.9	-0.6	-0.6	-0.8	-1.1	-1.4	-1.0	-0.9	-0.8	-1.0	-1.1	-0.9	-1.2	-0.9
Operating costs	-4.8	-4.6	-4.6	-5.1	-5.9	-6.3	-7.0	-7.4	-8.0	-7.8	-7.8	-8.1	-8.1	-7.9	-8.5	-8.0
Tax charges	-0.4	-0.3	-0.3	-0.4	-0.6	-0.7	-1.0	-1.2	-1.2	-1.4	-1.3	-1.6	-1.6	-1.6	-1.7	-1.5
Adjust. to the valuation of gov. securities ²	0.0	-0.6	0.0	-0.2	-0.1	-0.1	-0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amort. payments for court-ordered releases	0.0	-0.7	-1.0	-1.0	-0.9	-0.9	-0.4	-0.2	-0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	-3.0	1.0	0.7	0.9	1.2	1.0	0.5	0.2	0.6	0.6	0.6	0.5	0.6	0.3	0.5	0.5
Monetary results	-7.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total results before tax ³	-11.1	-2.2	-0.8	0.7	2.5	1.8	2.6	4.5	4.3	4.4	3.8	4.7	5.6	4.6	4.5	4.7
Income tax	-0.2	-0.3	-0.2	-0.2	-0.3	-0.2	-0.7	-1.5	-1.2	-1.4	-1.2	-1.6	-1.9	-1.5	-1.6	-1.6
ROA³	-11.3	-2.5	-1.0	0.5	2.2	1.6	1.9	3.0	3.2	3.0	2.6	3.0	3.7	3.1	2.9	3.1
ROA adjusted ⁴	-11.3	-1.2	0.2	1.6	3.2	2.6	2.5	3.2	3.3	3.0	2.7	3.1	3.7	3.1	2.9	3.2
ROE before tax ³	-77.3	-17.1	-6.7	5.5	17.2	12.6	20.4	34.4	33.5	37.8	31.6	39.7	48.1	38.5	36.8	40.9
ROE ³	-79.0	-19.1	-8.1	4.1	15.3	10.9	15.2	22.9	24.5	25.6	21.7	25.8	31.8	25.9	23.8	27.1

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

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

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

Source: BCRA

Chart 8 | Portfolio Quality

As percentage	Dec 02	Dec 03	Dec 04	Dec 05	Dec 06	Dec 07	Dec 08	Dec 09	Dec 10	May 11	Dec 11	Apr 12	May 12
Non-performing loans (overall)	19.8	15.7	8.9	4.4	2.9	2.2	2.5	3.1	1.9	1.6	1.3	1.6	1.7
Provisions / Non-performing loans	71	73	89	103	114	123	119	116	144	157	168	146	141
(Total non-performing - Provisions) / Overall financing	5.7	4.2	1.0	-0.1	-0.4	-0.5	-0.5	-0.5	-0.8	-0.9	-0.9	-0.7	-0.7
(Total non-performing - Provisions) / Net worth	20.0	14.4	3.4	-0.4	-1.4	-2.1	-1.9	-1.7	-3.4	-4.2	-4.4	-3.5	-3.3
Non-performing loans to the non-financial private sector	37.4	30.4	15.3	6.3	3.6	2.5	2.8	3.3	2.0	1.6	1.4	1.7	1.8
Provisions / Non-performing loans	72	75	88	102	114	123	118	115	143	156	167	144	140
(Total non-performing - Provisions) / Overall financing	10.3	7.6	1.8	-0.1	-0.5	-0.6	-0.5	-0.5	-0.9	-0.9	-0.9	-0.8	-0.7
(Total non-performing - Provisions) / Net worth	19.0	12.9	3.6	-0.4	-1.4	-2.0	-1.8	-1.6	-3.4	-4.2	-4.4	-3.3	-3.2

Source: BCRA