

# Banking Sector Indicators Overview

Associação Portuguesa de Bancos

2023 | 3rd Quarter

January 2024



## Banking Sector Indicators Overview | September 2023

	2018	2019	2020	2021	2022	2023	2023	2023
	Annual	Annual	Annual	Annual	Annual	1st Quarter	2nd Quarter	3rd Quarter
<b>Balance sheet data (EUR M and %)</b>						<b>Δ % vs previous quarter</b>		
<b>Total assets (A)</b>	<b>384,486</b>	<b>390,302</b>	<b>411,771</b>	<b>444,846</b>	<b>442,446</b>	<b>434,133</b>	<b>433,363</b>	<b>434,546</b>
<b>Change %</b>	<b>0.9%</b>	<b>1.5%</b>	<b>5.5%</b>	<b>8.0%</b>	<b>-0.5%</b>	<b>-1.9%</b>	<b>-0.2%</b>	<b>0.3%</b>
<b>Loans to customers (net amounts)</b>	<b>229,573</b>	<b>232,584</b>	<b>237,136</b>	<b>246,847</b>	<b>252,931</b>	<b>251,625</b>	<b>251,212</b>	<b>249,769</b>
<b>Change %</b>	<b>-0.6%</b>	<b>1.3%</b>	<b>2.0%</b>	<b>4.1%</b>	<b>2.5%</b>	<b>-0.5%</b>	<b>-0.2%</b>	<b>-0.6%</b>
<i>Loans to non-financial corporations (domestic data, gross amounts)<sup>1</sup></i>	<i>69,590</i>	<i>67,016</i>	<i>73,976</i>	<i>75,657</i>	<i>75,386</i>	<i>74,556</i>	<i>74,154</i>	<i>73,342</i>
<b>Change %</b>	<b>-4.8%</b>	<b>-3.7%</b>	<b>10.4%</b>	<b>2.3%</b>	<b>-0.4%</b>	<b>-1.1%</b>	<b>-0.5%</b>	<b>-1.1%</b>
<i>Loans to households (domestic data, gross amounts)<sup>1</sup></i>	<i>115,318</i>	<i>118,829</i>	<i>120,751</i>	<i>125,066</i>	<i>129,250</i>	<i>128,428</i>	<i>128,257</i>	<i>127,957</i>
<b>Change %</b>	<b>0.5%</b>	<b>3.0%</b>	<b>1.6%</b>	<b>3.6%</b>	<b>3.3%</b>	<b>-0.6%</b>	<b>-0.1%</b>	<b>-0.2%</b>
<b>Liabilities (L)</b>	<b>349,598</b>	<b>354,090</b>	<b>375,741</b>	<b>407,866</b>	<b>406,484</b>	<b>397,340</b>	<b>395,836</b>	<b>396,150</b>
<b>Change %</b>	<b>1.3%</b>	<b>1.3%</b>	<b>6.1%</b>	<b>8.5%</b>	<b>-0.3%</b>	<b>-2.2%</b>	<b>-0.4%</b>	<b>0.1%</b>
<b>Deposits from customers</b>	<b>258,019</b>	<b>267,179</b>	<b>279,908</b>	<b>304,281</b>	<b>323,368</b>	<b>315,057</b>	<b>316,304</b>	<b>315,935</b>
<b>Change %</b>	<b>3.3%</b>	<b>3.6%</b>	<b>4.8%</b>	<b>8.7%</b>	<b>6.3%</b>	<b>-2.6%</b>	<b>0.4%</b>	<b>-0.1%</b>
<b>Resources from Central Banks</b>	<b>20,358</b>	<b>17,294</b>	<b>32,300</b>	<b>41,671</b>	<b>15,979</b>	<b>12,777</b>	<b>5,923</b>	<b>4,697</b>
<b>Change %</b>	<b>-14.8%</b>	<b>-15.1%</b>	<b>86.8%</b>	<b>29.0%</b>	<b>-61.7%</b>	<b>-20.0%</b>	<b>-53.6%</b>	<b>-20.7%</b>
Of which: from ECB	18,700	17,300	32,200	41,800	16,000	12,800	5,300	4,100
<b>Change %</b>	<b>-15.4%</b>	<b>-7.5%</b>	<b>86.1%</b>	<b>29.8%</b>	<b>-61.7%</b>	<b>-20.0%</b>	<b>-58.6%</b>	<b>-22.6%</b>
<b>Equity</b>	<b>34,887</b>	<b>36,212</b>	<b>36,030</b>	<b>36,979</b>	<b>35,962</b>	<b>36,794</b>	<b>37,528</b>	<b>38,396</b>
<b>Change %</b>	<b>-3.2%</b>	<b>3.8%</b>	<b>-0.5%</b>	<b>2.6%</b>	<b>-2.8%</b>	<b>2.3%</b>	<b>2.0%</b>	<b>2.3%</b>
<b>Equity / Total assets</b>	<b>9.1%</b>	<b>9.3%</b>	<b>8.7%</b>	<b>8.3%</b>	<b>8.1%</b>	<b>8.5%</b>	<b>8.7%</b>	<b>8.8%</b>
<b>Deposits from customers/ Total assets</b>	<b>67.1%</b>	<b>68.5%</b>	<b>68.0%</b>	<b>68.4%</b>	<b>73.1%</b>	<b>72.6%</b>	<b>73.0%</b>	<b>72.7%</b>
<b>Gross assets % GDP<sup>2</sup></b>	<b>187.4%</b>	<b>182.1%</b>	<b>205.4%</b>	<b>205.9%</b>	<b>182.6%</b>	<b>174.3%</b>	<b>169.7%</b>	<b>166.4%</b>
<b>Credit quality data (EUR M and %)</b>								
<b>NPLs (gross) of which:<sup>3</sup></b>	<b>25,852</b>	<b>17,199</b>	<b>14,413</b>	<b>12,146</b>	<b>9,858</b>	<b>9,735</b>	<b>9,687</b>	<b>9,047</b>
Housing	4,099	2,673	2,177	1,816	1,371	1,384	1,431	1,471
Consumption and other	2,894	2,586	2,690	2,397	2,226	2,283	2,325	2,087
Non-financial corporations	17,050	10,783	8,784	7,533	6,012	5,841	5,697	5,261
<b>NPLs (net) of which:</b>	<b>12,420</b>	<b>8,347</b>	<b>6,493</b>	<b>5,773</b>	<b>4,391</b>	<b>4,258</b>	<b>4,193</b>	<b>3,953</b>
Housing <sup>4</sup>	2,988	1,970	1,511	1,222	817	836	877	916
Consumption and other <sup>4</sup>	1,163	1,065	909	841	799	838	837	839
Non-financial corporations <sup>4</sup>	7,417	4,691	3,830	3,525	2,645	2,459	2,359	2,083
<b>NPL Ratio</b>	<b>9.4%</b>	<b>6.2%</b>	<b>4.9%</b>	<b>3.7%</b>	<b>3.0%</b>	<b>3.1%</b>	<b>3.1%</b>	<b>2.9%</b>
Housing	3.8%	2.4%	2.0%	1.6%	1.1%	1.1%	1.2%	1.2%
Consumption and other	10.5%	8.2%	8.5%	7.5%	6.9%	7.0%	7.0%	6.4%
Non-financial corporations	18.5%	12.3%	9.7%	8.1%	6.5%	6.3%	6.2%	5.9%
<b>NPL Ratio (net)</b>	<b>4.5%</b>	<b>3.0%</b>	<b>2.2%</b>	<b>1.7%</b>	<b>1.3%</b>	<b>1.4%</b>	<b>1.3%</b>	<b>1.3%</b>
<b>NPL coverage ratio</b>	<b>52.0%</b>	<b>51.5%</b>	<b>55.0%</b>	<b>52.5%</b>	<b>55.5%</b>	<b>56.3%</b>	<b>56.7%</b>	<b>56.3%</b>
Housing	27.1%	26.3%	30.6%	32.7%	40.4%	39.6%	38.7%	37.7%
Consumption and other	59.8%	58.8%	66.2%	64.9%	64.1%	63.3%	64.0%	59.8%
Non-financial corporations	56.5%	56.5%	56.4%	53.2%	56.0%	57.9%	58.6%	60.4%

Source: Banco de Portugal - BPSStat and Portuguese Banking System (consolidated data, unless otherwise indicated), APB

<sup>1</sup> Loans to non-financial corporations and to households refer to gross amounts on a domestic basis, and are not comparable with the amounts presented in the "Loans to customers" item (net amounts on a consolidated basis).

<sup>2</sup> Gross Domestic Product.

<sup>3</sup> NPL (Non-Performing Loans) - Loans and advances that comply with at least one of the following conditions: (i) material exposures that are more than 90 days past-due; (ii) the debtor is assessed as unlikely to pay its obligations in full without realization of collateral; (iii) impaired assets, except incurred but not reported (IBNR) impairments; and (iv) defaulted credit, in accordance with the CRR prudential concept.

<sup>4</sup> APB's calculation.

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	2018	2019	2020	2021	2022	2023	2023	2023
	Annual	Annual	Annual	Annual	Annual	1st Quarter	2nd Quarter	3rd Quarter
<b>Liquidity indicators (EUR M and %)</b>								
Loan to deposits ratio	89.0%	87.1%	84.7%	81.1%	78.2%	79.9%	79.4%	79.1%
Funding gap	-28,446	-34,595	-42,772	-57,434	-70,436	-63,432	-65,092	-66,166
Liquidity coverage ratio (LCR)	196.4%	218.5%	245.9%	260.0%	229.3%	218.3%	218.3%	232.8%
<b>Solvency and leverage indicators (EUR M and %)</b>								
Common equity Tier 1 (CET1) ratio	13.2%	14.3%	15.3%	15.5%	15.4%	15.6%	16.4%	16.4%
Total solvency ratio	15.1%	16.9%	18.0%	18.0%	18.2%	18.4%	19.0%	18.9%
RWAs	194,200	193,600	185,800	181,700	175,600	175,900	176,300	173,200
RWAs (as a % of total assets) <sup>5</sup>	54.4%	53.3%	48.6%	44.0%	43.2%	44.1%	44.2%	43.3%
Leverage ratio	7.3%	7.9%	7.7%	7.0%	6.7%	6.9%	7.3%	7.2%
	2018	2019	2020	2021	2022	2022	2023	
	Annual	Annual	Annual	Annual	Annual	Jan-Sep	Jan-Sep	
<b>Income statement data (EUR M and %)</b>								
Net interest income	6,307	6,450	6,168	6,126	7,502	5,181	8,920	
YoY change %	3.3%	2.3%	-4.4%	-0.7%	22.5%	13.2%	72.2%	
Net fee and commission income	2,913	2,969	2,840	3,063	3,272	2,419	2,391	
YoY change %	3.0%	1.9%	-4.4%	7.8%	6.8%	9.0%	-1.1%	
Income from financial operations	-18	208	122	655	452	455	393	
Gross income	9,251	9,648	9,370	10,062	11,646	8,229	12,087	
YoY change %	-14.2%	4.3%	-2.9%	7.4%	15.7%	10.7%	46.9%	
Operational costs	5,578	5,717	5,415	5,377	5,893	4,110	4,500	
YoY change %	-1.9%	2.5%	-5.3%	-0.7%	9.6%	3.6%	9.5%	
Impairment losses	1,314	1,655	2,850	975	900	521	949	
YoY change %	-61.4%	25.9%	72.3%	-65.8%	-7.7%	-34.5%	82.3%	
Net income before tax	2,508	2,870	757	2,921	4,248	3,220	5,714	
Net income <sup>6</sup>	1,074	1,752	194	1,997	3,142	2,242	4,082	
Effective tax rate <sup>7</sup> (%)	15.6%	22.1%	20.5%	21.6%	21.1%	n.a.	n.a.	
Net interest income (as a % of gross income)	68.2%	66.9%	65.8%	60.9%	64.4%	63.0%	73.8%	
Cost-to-income ratio	60.3%	59.3%	57.8%	53.4%	50.6%	49.9%	37.2%	
Impairments (as a % of gross income)	14.2%	17.2%	30.4%	9.7%	7.7%	6.3%	7.9%	
Cost of risk (%)	0.42%	0.52%	1.01%	0.33%	0.29%	0.22%	0.47%	
<b>Profitability ratios (%)<sup>8</sup></b>								
ROE	3.0%	4.8%	0.5%	5.4%	8.7%	8.3%	14.6%	
ROA	0.28%	0.45%	0.05%	0.46%	0.69%	0.66%	1.25%	
<b>Other data (domestic activity)<sup>9</sup></b>								
Number of employees	42,461	41,673	40,475	37,759	37,074	n.a.	n.a.	
YoY Change %	-2.1%	-1.9%	-2.9%	-6.7%	-1.8%	n.a.	n.a.	
Number of branches	4,127	4,028	3,826	3,529	3,362	n.a.	n.a.	
YoY Change %	-6.5%	-2.4%	-5.0%	-7.8%	-4.7%	n.a.	n.a.	

Source: Banco de Portugal - BPStat and Portuguese Banking System (consolidated data, unless otherwise indicated), APB

<sup>5</sup> Total assets of institutions subject to own funds requirements.

<sup>6</sup> Net income before minority interests.

<sup>7</sup> APB's data.

<sup>8</sup> Based on net income for the year before minority interests and average assets and equity. Annualised figures.

<sup>9</sup> Data of APB's members which reported information in each period. Excludes one APB member due to its specific business activity. Excludes one APB member due to its specific business activity.