

# Banking Sector Indicators Overview

Associação Portuguesa de Bancos

2023 | Annual

April 2024



**Banking Sector Indicators Overview | 2023**

	2016	2017	2018	2019	2020	2021	2022	2023
	Annual	Annual	Annual	Annual	Annual	Annual	Annual	Annual
<b>Balance sheet data (EUR M and %)</b>								
<b>Total assets (A)</b>	<b>385,988</b>	<b>381,069</b>	<b>384,486</b>	<b>390,302</b>	<b>411,771</b>	<b>444,846</b>	<b>442,446</b>	<b>442,161</b>
<b>Change %</b>	<b>-5.3%</b>	<b>-1.3%</b>	<b>0.9%</b>	<b>1.5%</b>	<b>5.5%</b>	<b>8.0%</b>	<b>-0.5%</b>	<b>-0.1%</b>
<b>Loans to customers (net amounts)</b>	<b>234,355</b>	<b>230,862</b>	<b>229,573</b>	<b>232,584</b>	<b>237,136</b>	<b>246,847</b>	<b>252,931</b>	<b>251,431</b>
<b>Change %</b>	<b>-4.1%</b>	<b>-1.5%</b>	<b>-0.6%</b>	<b>1.3%</b>	<b>2.0%</b>	<b>4.1%</b>	<b>2.5%</b>	<b>-0.6%</b>
<i>Loans to non-financial corporations (domestic data, gross amounts)<sup>1</sup></i>	77,324	73,128	69,590	67,016	73,976	75,657	75,211	73,254
<b>Change %</b>	<b>-5.9%</b>	<b>-5.4%</b>	<b>-4.8%</b>	<b>-3.7%</b>	<b>10.4%</b>	<b>2.3%</b>	<b>-0.6%</b>	<b>-2.6%</b>
<i>Loans to households (domestic data, gross amounts)<sup>1</sup></i>	115,708	114,692	115,318	118,829	120,751	125,066	129,250	127,868
<b>Change %</b>	<b>-2.4%</b>	<b>-0.9%</b>	<b>0.5%</b>	<b>3.0%</b>	<b>1.6%</b>	<b>3.6%</b>	<b>3.3%</b>	<b>-1.1%</b>
<b>Liabilities (L)</b>	<b>356,124</b>	<b>345,018</b>	<b>349,598</b>	<b>354,090</b>	<b>375,741</b>	<b>407,866</b>	<b>406,484</b>	<b>401,920</b>
<b>Change %</b>	<b>-4.9%</b>	<b>-3.1%</b>	<b>1.3%</b>	<b>1.3%</b>	<b>6.1%</b>	<b>8.5%</b>	<b>-0.3%</b>	<b>-1.1%</b>
<b>Deposits from customers</b>	<b>245,442</b>	<b>249,692</b>	<b>258,019</b>	<b>267,179</b>	<b>279,908</b>	<b>304,281</b>	<b>323,368</b>	<b>322,149</b>
<b>Change %</b>	<b>-3.5%</b>	<b>1.7%</b>	<b>3.3%</b>	<b>3.6%</b>	<b>4.8%</b>	<b>8.7%</b>	<b>6.3%</b>	<b>-0.4%</b>
<b>Resources from Central Banks</b>	<b>24,655</b>	<b>23,883</b>	<b>20,358</b>	<b>17,294</b>	<b>32,300</b>	<b>41,671</b>	<b>15,979</b>	<b>3,322</b>
<b>Change %</b>	<b>-13.6%</b>	<b>-3.1%</b>	<b>-14.8%</b>	<b>-15.1%</b>	<b>86.8%</b>	<b>29.0%</b>	<b>-61.7%</b>	<b>-79.2%</b>
Of which: from ECB	22,400	22,100	18,700	17,300	32,200	41,800	16,000	3,000
<b>Change %</b>	<b>-14.5%</b>	<b>-1.3%</b>	<b>-15.4%</b>	<b>-7.5%</b>	<b>86.1%</b>	<b>29.8%</b>	<b>-61.7%</b>	<b>-81.3%</b>
<b>Equity</b>	<b>29,864</b>	<b>36,051</b>	<b>34,887</b>	<b>36,212</b>	<b>36,030</b>	<b>36,979</b>	<b>35,962</b>	<b>40,241</b>
<b>Change %</b>	<b>-9.3%</b>	<b>20.7%</b>	<b>-3.2%</b>	<b>3.8%</b>	<b>-0.5%</b>	<b>2.6%</b>	<b>-2.8%</b>	<b>11.9%</b>
<b>Equity / Total assets</b>	<b>7.7%</b>	<b>9.5%</b>	<b>9.1%</b>	<b>9.3%</b>	<b>8.7%</b>	<b>8.3%</b>	<b>8.1%</b>	<b>9.1%</b>
<b>Deposits from customers/ Total assets</b>	<b>63.6%</b>	<b>65.5%</b>	<b>67.1%</b>	<b>68.5%</b>	<b>68.0%</b>	<b>68.4%</b>	<b>73.1%</b>	<b>72.9%</b>
<b>Gross assets % GDP<sup>2</sup></b>	<b>207.0%</b>	<b>194.5%</b>	<b>187.4%</b>	<b>182.1%</b>	<b>205.4%</b>	<b>205.9%</b>	<b>182.6%</b>	<b>166.4%</b>
<b>Credit quality data (EUR M and %)</b>								
<b>NPLs (gross) of which:<sup>3</sup></b>	<b>46,361</b>	<b>37,001</b>	<b>25,852</b>	<b>17,199</b>	<b>14,413</b>	<b>12,146</b>	<b>9,858</b>	<b>8,550</b>
Housing	7,929	6,297	4,099	2,673	2,177	1,816	1,371	1,580
Consumption and other	4,101	3,527	2,894	2,586	2,690	2,397	2,226	2,120
Non-financial corporations	30,160	24,184	17,050	10,783	8,784	7,533	6,012	4,484
<b>NPLs (net) of which:</b>	<b>25,364</b>	<b>18,728</b>	<b>12,420</b>	<b>8,347</b>	<b>6,493</b>	<b>5,773</b>	<b>4,391</b>	<b>3,809</b>
Housing <sup>4</sup>	6,264	4,861	2,988	1,970	1,511	1,222	817	984
Consumption and other <sup>4</sup>	1,509	1,319	1,163	1,065	909	841	799	842
Non-financial corporations <sup>4</sup>	15,412	11,149	7,417	4,691	3,830	3,525	2,645	1,753
<b>NPL Ratio</b>	<b>17.2%</b>	<b>13.3%</b>	<b>9.4%</b>	<b>6.2%</b>	<b>4.9%</b>	<b>3.7%</b>	<b>3.0%</b>	<b>2.7%</b>
Housing	7.0%	5.7%	3.8%	2.4%	2.0%	1.6%	1.1%	1.3%
Consumption and other	16.2%	13.1%	10.5%	8.2%	8.5%	7.5%	6.9%	6.2%
Non-financial corporations	29.5%	25.2%	18.5%	12.3%	9.7%	8.1%	6.5%	5.0%
<b>NPL Ratio (net)</b>	<b>9.4%</b>	<b>6.7%</b>	<b>4.5%</b>	<b>3.0%</b>	<b>2.2%</b>	<b>1.7%</b>	<b>1.3%</b>	<b>1.2%</b>
<b>NPL coverage ratio</b>	<b>45.3%</b>	<b>49.4%</b>	<b>52.0%</b>	<b>51.5%</b>	<b>55.0%</b>	<b>52.5%</b>	<b>55.5%</b>	<b>55.5%</b>
Housing	21.0%	22.8%	27.1%	26.3%	30.6%	32.7%	40.4%	37.7%
Consumption and other	63.2%	62.6%	59.8%	58.8%	66.2%	64.9%	64.1%	60.3%
Non-financial corporations	48.9%	53.9%	56.5%	56.5%	56.4%	53.2%	56.0%	60.9%

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.

## Banking Sector Indicators Overview | 2023

	2016	2017	2018	2019	2020	2021	2022	2023
	Annual	Annual	Annual	Annual	Annual	Annual	Annual	Annual
<b>Liquidity indicators (EUR M and %)</b>								
Loan to deposits ratio	95.5%	92.5%	89.0%	87.1%	84.7%	81.1%	78.2%	78.0%
Funding gap	-11,087	-18,830	-28,446	-34,595	-42,772	-57,434	-70,436	-70,718
Rácio de cobertura de liquidez (LCR)	150.8%	173.5%	196.4%	218.5%	245.9%	260.0%	229.3%	254.5%
<b>Solvency and leverage indicators (EUR M and %)</b>								
Common equity Tier 1 (CET1) ratio	11.4%	13.9%	13.2%	14.3%	15.3%	15.5%	15.4%	17.1%
Total solvency ratio	12.3%	15.2%	15.1%	16.9%	18.0%	18.0%	18.2%	19.6%
RWAs	215,400	202,200	194,200	193,600	185,800	181,700	175,600	173,200
RWAs (as a % of total assets) <sup>5</sup>	55.8%	56.0%	54.4%	53.3%	48.6%	44.0%	43.2%	42.7%
Leverage ratio	6.6%	7.8%	7.3%	7.9%	7.7%	7.0%	6.7%	7.3%
<b>Income statement data (EUR M and %)</b>								
Net interest income	5,896	6,108	6,307	6,450	6,168	6,126	7,502	12,224
YoY change %	-0.9%	3.6%	3.3%	2.3%	-4.4%	-0.7%	22.5%	62.9%
Net fee and commission income	2,688	2,827	2,913	2,969	2,840	3,063	3,272	3,213
YoY change %	-10.6%	5.2%	3.0%	1.9%	-4.4%	7.8%	6.8%	-1.8%
Income from financial operations	791	840	-18	208	122	655	452	640
Gross income	9,463	10,777	9,251	9,648	9,370	10,062	11,646	16,492
YoY change %	-11.3%	13.9%	-14.2%	4.3%	-2.9%	7.4%	15.7%	41.6%
Operational costs	5,616	5,687	5,578	5,717	5,415	5,377	5,893	6,088
YoY change %	-13.6%	1.3%	-1.9%	2.5%	-5.3%	-0.7%	9.6%	3.3%
Impairment losses	6,354	3,401	1,314	1,655	2,850	975	900	1,262
YoY change %	57.9%	-46.5%	-61.4%	25.9%	72.3%	-65.8%	-7.7%	40.3%
Net income before tax	-2,343	1,178	2,508	2,870	757	2,921	4,248	7,786
Net income <sup>6</sup>	-1,250	-92	1,074	1,752	194	1,997	3,142	5,599
Effective tax rate <sup>7</sup> (%)	22.3%	20.9%	15.6%	22.1%	20.5%	21.6%	21.1%	n.a.
Net interest income (as a % of gross income)	62.3%	56.7%	68.2%	66.9%	65.8%	60.9%	64.4%	74.1%
Cost-to-income ratio	59.3%	52.8%	60.3%	59.3%	57.8%	53.4%	50.6%	36.9%
Impairments (as a % of gross income)	67.1%	31.6%	14.2%	17.2%	30.4%	9.7%	7.7%	7.7%
Cost of risk (%)	1.79%	0.98%	0.42%	0.52%	1.01%	0.33%	0.29%	0.45%
<b>Profitability ratios (%)<sup>8</sup></b>								
ROE	-3.9%	-0.3%	3.0%	4.8%	0.5%	5.4%	8.7%	14.8%
ROA	-0.31%	-0.02%	0.28%	0.45%	0.05%	0.46%	0.69%	1.28%
<b>Other data (domestic activity)<sup>9</sup></b>								
Number of employees	45,209	43,392	42,461	41,673	40,475	37,759	37,074	36,718
YoY Change %	-4.0%	-4.0%	-2.1%	-1.9%	-2.9%	-6.7%	-1.8%	-1.0%
Number of branches	4,738	4,412	4,127	4,028	3,826	3,529	3,364	3,326
YoY Change %	-5.3%	-6.9%	-6.5%	-2.4%	-5.0%	-7.8%	-4.7%	-1.1%

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.