

Banking Surveillance Department

Financial Soundness Indicators*

Indicators	2004	2005	2006	2007**	2008	Mar-09	Jun-09	Sep-09
CAPITAL ADEQUACY								
Risk Weighted CAR***								
Public Sector Commercial Banks	13.4	14.5	15.2	16.1	13.2	13.9	14.5	15.6
Local Private Banks	10.1	10.6	12.7	11.8	12.1	12.7	13.3	14.2
Foreign Banks	17.4	16.4	15.0	14.6	21.8	22.4	23.7	23.8
Commercial Banks	11.4	11.9	13.3	12.8	12.7	13.3	14.0	14.9
Specialized Banks	(9.0)	(7.7)	(8.3)	(6.2)	(4.9)	(2.1)	(3.4)	(5.0)
All Banks	10.5	11.3	12.7	12.3	12.3	12.9	13.5	14.3
Tier 1 Capital to RWA								
Public Sector Commercial Banks	8.6	8.8	11.1	12.2	11.0	11.6	12.0	12.8
Local Private Banks	7.5	8.3	10.4	9.9	10.2	10.7	11.2	11.8
Foreign Banks	17.1	16.1	14.3	14.0	21.3	21.9	23.1	23.3
Commercial Banks	8.6	9.1	10.8	10.5	10.8	11.3	11.8	12.4
Specialized Banks	(15.0)	(13.6)	(13.3)	(12.5)	(10.1)	(7.4)	(7.4)	(8.2)
All Banks	7.6	8.3	10.0	10.0	10.2	10.8	11.3	11.9
Capital to Total Assets								
Public Sector Commercial Banks	8.7	12.6	12.2	13.7	10.7	11.1	10.9	11.9
Local Private Banks	6.5	7.0	9.2	10.2	10.0	10.3	10.2	10.3
Foreign Banks	8.9	9.5	10.1	11.2	14.5	14.4	14.8	14.8
Commercial Banks	7.2	8.4	9.9	10.9	10.3	10.6	10.5	10.8
Specialized Banks	(9.4)	(8.1)	(8.0)	(5.4)	(3.2)	(2.7)	(2.5)	(3.4)
All Banks	6.7	7.9	9.4	10.5	10.0	10.3	10.2	10.5
ASSET QUALITY								
NPLs to Total Loans								
Public Sector Commercial Banks	13.3	10.0	9.0	8.4	16.3	17.5	16.8	17.4
Local Private Banks	9.0	6.4	5.2	6.5	8.6	9.7	9.8	10.5
Foreign Banks	1.6	1.2	1.0	1.6	2.9	3.6	4.5	5.3
Commercial Banks	9.0	6.7	5.7	6.7	9.9	11.0	11.1	11.7
Specialized Banks	54.1	46.0	39.1	34.3	28.8	29.0	25.8	31.4
All Banks	11.6	8.3	6.9	7.6	10.5	11.5	11.5	12.4
Provision to NPLs								
Public Sector Commercial Banks	77.0	86.8	84.5	89.0	66.9	65.3	65.9	67.2
Local Private Banks	69.9	76.4	78.7	88.5	70.2	71.2	71.6	72.1
Foreign Banks	101.9	145.9	191.7	157.0	81.9	81.3	83.4	81.3
Commercial Banks	72.4	80.4	81.5	89.1	69.3	69.5	70.0	70.8
Specialized Banks	64.9	64.8	64.1	68.6	72.4	66.4	72.8	57.1
All Banks	70.4	76.7	77.8	86.1	69.6	69.2	70.2	69.7
Net NPLs to Net Loans								
Public Sector Commercial Banks	3.4	1.5	1.5	1.0	6.1	6.9	6.4	6.5
Local Private Banks	2.9	1.6	1.1	0.8	2.7	3.0	3.0	3.2
Foreign Banks	(0.0)	(0.6)	(1.0)	(0.9)	0.5	0.7	0.8	1.0
Commercial Banks	2.7	1.4	1.1	0.8	3.3	3.6	3.6	3.7
Specialized Banks	29.3	23.1	18.7	14.0	10.0	12.1	8.6	16.4
All Banks	3.8	2.1	1.6	1.1	3.4	3.9	3.7	4.1
Net NPLs to Capital								
Public Sector Commercial Banks	16.2	5.5	6.4	3.4	30.3	31.6	30.0	27.6
Local Private Banks	24.3	13.0	7.1	4.1	15.9	15.4	15.6	15.8
Foreign Banks	(0.2)	(3.0)	(5.1)	(4.1)	1.6	2.0	1.9	2.4
Commercial Banks	19.0	9.0	6.2	3.7	17.9	17.9	17.8	17.6
Specialized Banks	-	-	-	-	-	-	-	-
All Banks	29.2	14.3	9.7	5.6	19.4	19.6	19.0	19.9
EARNINGS								
Return on Assets (Before Tax)								
Public Sector Commercial Banks	2.4	3.3	4.0	3.5	0.6	1.7	1.1	1.5
Local Private Banks	1.7	2.7	3.1	2.0	1.3	1.9	1.8	1.7
Foreign Banks	2.5	3.6	3.2	1.5	0.0	1.0	0.4	0.1
Commercial Banks	2.0	2.9	3.2	2.3	1.1	1.8	1.6	1.6
Specialized Banks	(0.4)	(1.0)	(1.3)	1.4	3.2	3.8	3.3	1.3
All Banks	1.9	2.8	3.1	2.2	1.2	1.8	1.7	1.6

*Source: Quarterly FSIs are prepared on the basis of unaudited Quarterly Report of Condition submitted by banks.

**Data for 2007 has been restated on the basis of audit for the year, CAR and Tier 1 to RWA is on the basis of Basel-II.

***Data of IDBP, PPCBL, and SME is based on Basel I.

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Indicators	2004	2005	2006	2007**	2008	Mar-09	Jun-09	Sep-09
EARNINGS								
<u>Return on Assets (After Tax)</u>								
Public Sector Commercial Banks	1.3	2.2	2.7	2.5	0.5	0.9	0.6	1.0
Local Private Banks	1.2	1.8	2.1	1.4	0.9	1.2	1.1	1.0
Foreign Banks	2.0	2.5	2.1	0.7	0.3	0.4	0.1	(0.1)
Commercial Banks	1.3	2.0	2.2	1.6	0.8	1.1	1.0	1.0
Specialized Banks	(0.8)	(1.2)	(1.8)	0.7	1.8	2.4	1.9	(0.6)
All Banks	1.2	1.9	2.1	1.5	0.8	1.1	1.0	0.9
<u>ROE (Avg. Equity & Surplus) (Before Tax)</u>								
Public Sector Commercial Banks	30.8	30.7	32.4	27.2	5.2	14.7	9.5	12.8
Local Private Banks	28.8	40.1	36.2	20.4	12.9	18.1	17.8	16.4
Foreign Banks	26.7	38.9	30.0	13.1	0.0	6.7	2.8	0.4
Commercial Banks	29.0	37.2	34.7	21.8	10.6	16.8	15.2	14.7
Specialized Banks	-	-	-	-	-	-	-	-
All Banks	30.5	38.2	35.2	22.6	11.4	17.7	16.0	15.1
<u>ROE (Avg. Equity & Surplus) (After Tax)</u>								
Public Sector Commercial Banks	17.2	20.9	21.7	19.5	4.4	7.8	5.3	8.4
Local Private Banks	20.2	27.2	25.0	13.8	8.5	11.3	11.0	10.0
Foreign Banks	21.5	27.1	20.4	6.0	2.2	2.8	0.5	(0.9)
Commercial Banks	19.6	25.4	23.7	15.0	7.3	10.1	9.2	9.1
Specialized Banks	-	-	-	-	-	-	-	-
All Banks	20.3	25.8	23.8	15.4	7.8	10.7	9.7	9.0
<u>NII/Gross Income</u>								
Public Sector Commercial Banks	63.7	71.3	69.5	65.9	65.4	68.6	70.0	68.2
Local Private Banks	62.0	73.0	73.5	70.7	73.3	78.9	75.9	75.7
Foreign Banks	57.7	61.5	65.8	59.1	61.3	54.8	57.2	60.6
Commercial Banks	61.9	71.3	72.1	69.2	71.3	76.1	74.1	73.8
Specialized Banks	81.9	87.7	40.1	42.8	46.6	65.9	41.3	48.2
All Banks	62.8	72.0	70.9	68.2	70.4	75.8	73.0	73.1
<u>Cost / Income Ratio</u>								
Public Sector Commercial Banks	39.5	34.3	31.8	30.2	39.1	48.1	48.4	45.7
Local Private Banks	56.2	43.1	40.7	45.4	51.8	49.2	48.6	49.3
Foreign Banks	49.0	42.2	49.8	57.0	69.6	58.6	63.6	69.9
Commercial Banks	51.7	41.2	39.4	42.8	50.2	49.5	49.3	49.7
Specialized Banks	57.8	47.8	62.6	53.2	52.1	60.4	70.6	63.7
All Banks	52.0	41.5	40.3	43.2	50.3	49.9	50.1	50.1
LIQUIDITY								
<u>Liquid Assets/Total Assets</u>								
Public Sector Commercial Banks	43.9	35.6	33.9	37.0	30.5	31.4	30.2	29.3
Local Private Banks	34.3	32.4	31.1	32.5	27.4	29.5	30.5	30.9
Foreign Banks	39.8	41.8	41.0	41.6	45.3	49.6	54.7	57.2
Commercial Banks	37.0	33.9	32.2	33.8	28.7	30.7	31.5	31.6
Specialized Banks	25.3	25.8	23.0	27.9	24.5	21.6	22.2	19.0
All Banks	36.6	33.7	31.9	33.6	28.6	30.5	31.2	31.4
<u>Liquid Assets/Total Deposits</u>								
Public Sector Commercial Banks	52.6	44.7	42.6	47.1	38.8	40.3	38.6	38.7
Local Private Banks	42.3	40.3	40.6	42.9	35.7	39.3	39.9	41.2
Foreign Banks	53.4	57.9	61.1	61.1	71.9	79.6	84.2	83.3
Commercial Banks	45.7	42.7	42.0	44.3	37.6	41.0	41.2	42.3
Specialized Banks	154.1	183.2	205.4	247.7	229.4	243.7	206.9	193.5
All Banks	46.5	43.5	42.7	45.1	38.2	41.5	41.7	42.7
<u>Advances/Deposits</u>								
Public Sector Commercial Banks	49.7	59.8	64.6	60.0	68.4	65.2	65.0	67.0
Local Private Banks	67.3	70.8	74.5	70.1	75.4	71.4	69.2	68.8
Foreign Banks	70.1	68.7	80.1	75.2	69.1	65.1	57.5	50.2
Commercial Banks	63.6	68.4	72.7	73.8	73.8	69.9	67.9	67.8
Specialized Banks	370.5	400.7	528.4	507.3	577.0	721.3	597.2	683.3
All Banks	65.8	70.2	74.6	69.7	75.5	71.7	69.6	69.6

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