

Banking Surveillance Department

Financial Soundness Indicators*

Indicators	2005	2006	2007	2008**	Jun-09	2009***	Percent	
							Mar-10	Jun-10
CAPITAL ADEQUACY								
Risk Weighted CAR****								
Public Sector Commercial Banks	14.5	15.2	16.1	13.4	14.5	15.1	13.7	13.9
Local Private Banks	10.6	12.7	11.8	11.9	13.3	13.9	13.8	14.0
Foreign Banks	16.4	15.0	14.6	21.8	23.7	23.0	22.4	22.7
Commercial Banks	11.9	13.3	12.8	12.6	14.0	14.5	14.1	14.3
Specialized Banks	(7.7)	(8.3)	(6.2)	(4.9)	(3.4)	(1.5)	(0.1)	(1.5)
All Banks	11.3	12.7	12.3	12.2	13.5	14.0	13.7	13.9
Tier 1 Capital to RWA								
Public Sector Commercial Banks	8.8	11.1	12.2	10.9	12.0	12.6	11.6	11.9
Local Private Banks	8.3	10.4	9.9	10.0	11.2	11.4	11.4	11.7
Foreign Banks	16.1	14.3	14.0	21.3	23.1	22.5	22.0	22.3
Commercial Banks	9.1	10.8	10.5	10.6	11.8	12.0	11.8	12.1
Specialized Banks	(13.6)	(13.3)	(12.5)	(10.1)	(7.4)	(5.8)	(5.3)	(5.6)
All Banks	8.3	10.0	10.0	10.1	11.3	11.6	11.4	11.7
Capital to Total Assets								
Public Sector Commercial Banks	12.6	12.2	13.7	10.7	10.9	11.3	11.1	10.0
Local Private Banks	7.0	9.2	10.2	10.0	10.2	9.9	10.2	9.9
Foreign Banks	9.5	10.1	11.2	14.5	14.8	14.8	14.0	14.6
Commercial Banks	8.4	9.9	10.9	10.3	10.5	10.4	10.5	10.1
Specialized Banks	(8.1)	(8.0)	(5.4)	(3.2)	(2.5)	(1.7)	(0.9)	(1.3)
All Banks	7.9	9.4	10.5	10.0	10.2	10.1	10.3	9.9
ASSET QUALITY								
NPLs to Total Loans								
Public Sector Commercial Banks	10.0	9.0	8.4	16.3	16.8	16.9	17.6	16.5
Local Private Banks	6.4	5.2	6.5	8.7	9.8	11.1	11.6	11.6
Foreign Banks	1.2	1.0	1.6	2.9	4.5	6.7	7.3	8.6
Commercial Banks	6.7	5.7	6.7	9.9	11.1	12.1	12.7	12.5
Specialized Banks	46.0	39.1	34.3	28.8	25.8	25.5	24.2	24.9
All Banks	8.3	6.9	7.6	10.5	11.5	12.6	13.1	12.9
Provision to NPLs								
Public Sector Commercial Banks	86.8	84.5	89.0	66.9	65.9	67.8	68.0	72.3
Local Private Banks	76.4	78.7	88.5	70.2	71.6	71.0	72.1	74.1
Foreign Banks	145.9	191.7	157.0	81.9	83.4	75.2	78.1	78.7
Commercial Banks	80.4	81.5	89.1	69.3	70.0	70.1	71.0	73.7
Specialized Banks	64.8	64.1	68.6	72.4	72.8	65.7	68.1	66.5
All Banks	76.7	77.8	86.1	69.6	70.2	69.9	70.9	73.2
Net NPLs to Net Loans								
Public Sector Commercial Banks	1.5	1.5	1.0	6.1	6.4	6.1	6.4	5.2
Local Private Banks	1.6	1.1	0.8	2.7	3.0	3.5	3.5	3.3
Foreign Banks	(0.6)	(1.0)	(0.9)	0.5	0.8	1.8	1.7	2.0
Commercial Banks	1.4	1.1	0.8	3.3	3.6	4.0	4.0	3.6
Specialized Banks	23.1	18.7	14.0	10.0	8.6	10.5	9.3	10.0
All Banks	2.1	1.6	1.1	3.4	3.7	4.1	4.2	3.8
Net NPLs to Capital								
Public Sector Commercial Banks	5.5	6.4	3.4	30.3	30.0	27.4	28.8	24.3
Local Private Banks	13.0	7.1	4.1	15.9	15.6	17.4	17.2	15.9
Foreign Banks	(3.0)	(5.1)	(4.1)	1.6	1.9	4.4	4.1	4.5
Commercial Banks	9.0	6.2	3.7	17.9	17.8	18.8	18.8	17.0
Specialized Banks	-	-	-	-	-	-	-	-
All Banks	14.3	9.7	5.6	19.4	19.0	20.4	20.2	18.4
EARNINGS								
Return on Assets (Before Tax)								
Public Sector Commercial Banks	3.3	4.0	3.5	0.6	1.1	1.5	1.9	1.8
Local Private Banks	2.7	3.1	2.0	1.3	1.8	1.3	1.9	1.8
Foreign Banks	3.6	3.2	1.5	0.0	0.4	(0.3)	0.1	0.6
Commercial Banks	2.9	3.2	2.3	1.1	1.6	1.3	1.8	1.8
Specialized Banks	(1.0)	(1.3)	1.4	3.2	3.3	3.1	2.0	2.6
All Banks	2.8	3.1	2.2	1.2	1.7	1.3	1.8	1.8

* Source: FSIs are prepared on the basis of annual audited accounts except for quarter ended Jun-09, Mar-10 and Jun-10 which are based on unaudited Quarterly Report of Condition (QRC) submitted by banks.

** Statistics for 2008 has been restated on the basis of audit for the year 2009.

*** Results of two banks are based on un-audited Quarterly Report of Condition (QRC) for the quarter ended December 31, 2009.

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

Banking Surveillance Department

Financial Soundness Indicators*

Indicators	2005	2006	2007	2008**	Jun-09	2009***	Percent	
							Mar-10	Jun-10
EARNINGS								
<u>Return on Assets (After Tax)</u>								
Public Sector Commercial Banks	2.2	2.7	2.5	0.5	0.6	1.3	1.3	1.2
Local Private Banks	1.8	2.1	1.4	0.9	1.1	0.9	1.2	1.1
Foreign Banks	2.5	2.1	0.7	0.3	0.1	(0.3)	0.1	0.4
Commercial Banks	2.0	2.2	1.6	0.8	1.0	0.9	1.2	1.1
Specialized Banks	(1.2)	(1.8)	0.7	1.8	1.9	1.2	0.1	0.6
All Banks	1.9	2.1	1.5	0.8	1.0	0.9	1.1	1.1
<u>ROE (Avg. Equity & Surplus) (Before Tax)</u>								
Public Sector Commercial Banks	30.7	32.4	27.2	5.2	9.5	13.3	16.7	16.8
Local Private Banks	40.1	36.2	20.4	12.9	17.8	13.2	18.8	18.2
Foreign Banks	38.9	30.0	13.1	0.0	2.8	(2.4)	0.7	3.8
Commercial Banks	37.2	34.7	21.8	10.6	15.2	12.4	17.4	17.1
Specialized Banks	-	-	-	-	-	-	-	-
All Banks	38.2	35.2	22.6	11.4	16.0	13.2	17.8	17.7
<u>ROE (Avg. Equity & Surplus) (After Tax)</u>								
Public Sector Commercial Banks	20.9	21.7	19.5	4.4	5.3	11.4	11.3	11.2
Local Private Banks	27.2	25.0	13.8	8.5	11.0	8.6	11.7	11.2
Foreign Banks	27.1	20.4	6.0	2.2	0.5	(2.3)	0.4	2.5
Commercial Banks	25.4	23.7	15.0	7.3	9.2	8.6	11.0	10.7
Specialized Banks	-	-	-	-	-	-	-	-
All Banks	25.8	23.8	15.4	7.8	9.7	8.9	11.1	10.9
<u>NII/Gross Income</u>								
Public Sector Commercial Banks	71.3	69.5	65.9	65.4	70.0	63.0	68.5	70.0
Local Private Banks	73.0	73.5	70.7	73.2	75.9	75.9	75.8	77.2
Foreign Banks	61.5	65.8	59.1	61.3	57.2	64.8	72.2	68.4
Commercial Banks	71.3	72.1	69.2	71.2	74.1	73.3	74.4	75.6
Specialized Banks	87.7	40.1	42.8	46.6	41.3	44.7	57.8	46.6
All Banks	72.0	70.9	68.2	70.3	73.0	72.4	74.0	74.7
<u>Cost / Income Ratio</u>								
Public Sector Commercial Banks	34.3	31.8	30.2	39.1	48.4	47.5	47.4	49.5
Local Private Banks	43.1	40.7	45.4	51.6	48.6	50.1	51.2	52.4
Foreign Banks	42.2	49.8	57.0	69.6	63.6	77.5	68.0	63.2
Commercial Banks	41.2	39.4	42.8	50.0	49.3	50.9	51.2	52.4
Specialized Banks	47.8	62.6	53.2	52.1	70.6	61.3	76.2	57.8
All Banks	41.5	40.3	43.2	50.1	50.1	51.2	51.8	52.6
LIQUIDITY								
<u>Liquid Assets/Total Assets</u>								
Public Sector Commercial Banks	35.6	33.9	37.0	30.6	30.2	31.1	29.7	33.6
Local Private Banks	32.4	31.1	32.5	26.8	30.5	32.3	32.2	33.6
Foreign Banks	41.8	41.0	41.6	45.2	54.7	55.0	58.2	58.5
Commercial Banks	33.9	32.2	33.8	28.3	31.5	32.9	32.8	34.6
Specialized Banks	25.8	23.0	27.9	24.5	22.2	19.8	15.5	17.3
All Banks	33.7	31.9	33.6	28.2	31.2	32.7	32.4	34.2
<u>Liquid Assets/Total Deposits</u>								
Public Sector Commercial Banks	44.7	42.6	47.1	38.9	38.6	40.1	38.0	41.9
Local Private Banks	40.3	40.6	42.9	35.0	39.9	43.4	42.7	44.0
Foreign Banks	57.9	61.1	61.1	71.6	84.2	82.4	88.3	85.7
Commercial Banks	42.7	42.0	44.3	37.1	41.2	44.0	43.4	44.9
Specialized Banks	183.2	205.4	247.7	229.4	206.9	167.1	148.9	134.5
All Banks	43.5	42.7	45.1	37.7	41.7	44.5	43.7	45.3
<u>Advances/Deposits</u>								
Public Sector Commercial Banks	59.8	64.6	60.0	68.4	65.0	65.2	63.9	58.3
Local Private Banks	70.8	74.5	70.1	75.1	69.2	66.6	65.4	62.7
Foreign Banks	68.7	80.1	75.2	68.9	57.5	56.1	51.2	49.6
Commercial Banks	68.4	72.7	73.8	73.6	67.9	66.0	64.6	61.4
Specialized Banks	400.7	528.4	507.3	577.0	597.2	560.8	669.3	534.5
All Banks	70.2	74.6	69.7	75.2	69.6	67.7	66.4	63.0

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