

Banking Sector Indicators Overview

Associação Portuguesa de Bancos

2024 | 1st Quarter

July 2024



Banking Sector Indicators Overview | March 2024

| | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2023 | 2024 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | Annual | Annual | Annual | Annual | Annual | Annual | 1st Quarter | 1st Quarter |
| Balance sheet data (EUR M and %) | | | | | | | | |
| Total assets (A) | 384,486 | 390,302 | 411,771 | 444,846 | 442,446 | 442,152 | 434,133 | 453,799 |
| Change % | 0.9% | 1.5% | 5.5% | 8.0% | -0.5% | -0.1% | -1.9% | 2.6% |
| Loans to customers (net amounts) | 229,573 | 232,584 | 237,136 | 246,847 | 252,931 | 251,431 | 251,605 | 252,441 |
| Change % | -0.6% | 1.3% | 2.0% | 4.1% | 2.5% | -0.6% | -0.5% | 0.4% |
| <i>Loans to non-financial corporations (domestic data, gross amounts)¹</i> | 69,590 | 67,016 | 73,976 | 75,657 | 75,211 | 73,254 | 74,556 | 72,760 |
| Change % | -4.8% | -3.7% | 10.4% | 2.3% | -0.6% | -2.6% | -0.9% | -0.7% |
| <i>Loans to households (domestic data, gross amounts)¹</i> | 115,318 | 118,829 | 120,751 | 125,066 | 129,250 | 127,868 | 128,428 | 128,227 |
| Change % | 0.5% | 3.0% | 1.6% | 3.6% | 3.3% | -1.1% | -0.6% | 0.3% |
| Liabilities (L) | 349,598 | 354,090 | 375,741 | 407,866 | 406,484 | 401,915 | 397,340 | 413,038 |
| Change % | 1.3% | 1.3% | 6.1% | 8.5% | -0.3% | -1.1% | -2.2% | 2.8% |
| Deposits from customers | 258,019 | 267,179 | 279,908 | 304,281 | 323,368 | 322,150 | 315,057 | 329,007 |
| Change % | 3.3% | 3.6% | 4.8% | 8.7% | 6.3% | -0.4% | -2.6% | 2.1% |
| Resources from Central Banks | 20,358 | 17,294 | 32,300 | 41,671 | 15,979 | 3,322 | 12,777 | 1,390 |
| Change % | -14.8% | -15.1% | 86.8% | 29.0% | -61.7% | -79.2% | -20.0% | -58.1% |
| Of which: from ECB | 18,700 | 17,300 | 32,200 | 41,800 | 16,000 | 3,000 | 12,800 | 1,200 |
| Change % | -15.4% | -7.5% | 86.1% | 29.8% | -61.7% | -81.3% | -20.0% | -60.0% |
| Equity | 34,887 | 36,212 | 36,030 | 36,979 | 35,962 | 40,236 | 36,794 | 40,762 |
| Change % | -3.2% | 3.8% | -0.5% | 2.6% | -2.8% | 11.9% | 2.3% | 1.3% |
| Equity / Total assets | 9.1% | 9.3% | 8.7% | 8.3% | 8.1% | 9.1% | 8.5% | 9.0% |
| Deposits from customers/ Total assets | 67.1% | 68.5% | 68.0% | 68.4% | 73.1% | 72.9% | 72.6% | 72.5% |
| Gross assets % GDP² | 187.4% | 182.1% | 205.4% | 205.9% | 182.6% | 166.5% | 174.4% | 168.2% |
| Credit quality data (EUR M and %) | | | | | | | | |
| NPLs (gross) of which:³ | 25,852 | 17,199 | 14,413 | 12,146 | 9,858 | 8,554 | 9,735 | 8,589 |
| Housing | 4,099 | 2,673 | 2,177 | 1,816 | 1,371 | 1,581 | 1,384 | 1,668 |
| Consumption and other | 2,894 | 2,586 | 2,690 | 2,397 | 2,226 | 2,120 | 2,283 | 2,166 |
| Non-financial corporations | 17,050 | 10,783 | 8,784 | 7,533 | 6,012 | 4,488 | 5,841 | 4,438 |
| NPLs (net) of which: | 12,420 | 8,347 | 6,493 | 5,773 | 4,391 | 3,813 | 4,258 | 3,822 |
| Housing ⁴ | 2,988 | 1,970 | 1,511 | 1,222 | 817 | 980 | 836 | 1,046 |
| Consumption and other ⁴ | 1,163 | 1,065 | 909 | 841 | 799 | 842 | 838 | 866 |
| Non-financial corporations ⁴ | 7,417 | 4,691 | 3,830 | 3,525 | 2,645 | 1,764 | 2,459 | 1,735 |
| NPL Ratio | 9.4% | 6.2% | 4.9% | 3.7% | 3.0% | 2.7% | 3.1% | 2.7% |
| Housing | 3.8% | 2.4% | 2.0% | 1.6% | 1.1% | 1.3% | 1.1% | 1.4% |
| Consumption and other | 10.5% | 8.2% | 8.5% | 7.5% | 6.9% | 6.2% | 7.0% | 6.3% |
| Non-financial corporations | 18.5% | 12.3% | 9.7% | 8.1% | 6.5% | 5.0% | 6.3% | 5.0% |
| NPL Ratio (net) | 4.5% | 3.0% | 2.2% | 1.7% | 1.3% | 1.2% | 1.4% | 1.2% |
| NPL coverage ratio | 52.0% | 51.5% | 55.0% | 52.5% | 55.5% | 55.4% | 56.3% | 55.5% |
| Housing | 27.1% | 26.3% | 30.6% | 32.7% | 40.4% | 38.0% | 39.6% | 37.3% |
| Consumption and other | 59.8% | 58.8% | 66.2% | 64.9% | 64.1% | 60.3% | 63.3% | 60.0% |
| Non-financial corporations | 56.5% | 56.5% | 56.4% | 53.2% | 56.0% | 60.7% | 57.9% | 60.9% |

¹ 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).

² Gross Domestic Product.

³ 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.

⁴ APB's calculation.

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| | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2023 | 2024 |
|---|---------|---------|---------|---------|---------|---------|-------------|-------------|
| | Annual | Annual | Annual | Annual | Annual | Annual | 1st Quarter | 1st Quarter |
| Liquidity indicators (EUR M and %) | | | | | | | | |
| Loan to deposits ratio | 89.0% | 87.1% | 84.7% | 81.1% | 78.2% | 78.0% | 79.9% | 76.7% |
| Funding gap | -28,446 | -34,595 | -42,772 | -57,434 | -70,436 | -70,719 | -63,452 | -76,566 |
| Rácio de cobertura de liquidez (LCR) | 196.4% | 218.5% | 245.9% | 260.0% | 229.3% | 254.4% | 218.3% | 260.8% |
| Solvency and leverage indicators (EUR M and %) | | | | | | | | |
| Common equity Tier 1 (CET1) ratio | 13.2% | 14.3% | 15.3% | 15.5% | 15.4% | 17.1% | 15.6% | 17.1% |
| Total solvency ratio | 15.1% | 16.9% | 18.0% | 18.0% | 18.2% | 19.6% | 18.4% | 19.6% |
| RWAs | 194,200 | 193,600 | 185,800 | 181,700 | 175,600 | 173,100 | 175,900 | 175,900 |
| RWAs (as a % of total assets) ⁵ | 54.4% | 53.3% | 48.6% | 44.0% | 43.2% | 42.7% | 44.1% | 42.4% |
| Leverage ratio | 7.3% | 7.9% | 7.7% | 7.0% | 6.7% | 7.3% | 6.9% | 7.3% |
| Income statement data (EUR M and %) | | | | | | | | |
| Net interest income | 6,307 | 6,450 | 6,168 | 6,126 | 7,502 | 12,222 | 2,668 | 3,158 |
| YoY change % | 3.3% | 2.3% | -4.4% | -0.7% | 22.5% | 62.9% | 63.5% | 18.3% |
| Net fee and commission income | 2,913 | 2,969 | 2,840 | 3,063 | 3,272 | 3,214 | 805 | 806 |
| YoY change % | 3.0% | 1.9% | -4.4% | 7.8% | 6.8% | -1.8% | 2.0% | 0.1% |
| Income from financial operations | -18 | 208 | 122 | 655 | 452 | 643 | 293 | 64 |
| Gross income | 9,251 | 9,648 | 9,370 | 10,062 | 11,646 | 16,495 | 3,784 | 4,066 |
| YoY change % | -14.2% | 4.3% | -2.9% | 7.4% | 15.7% | 41.6% | 41.3% | 7.5% |
| Operational costs | 5,578 | 5,717 | 5,415 | 5,377 | 5,893 | 6,097 | 1,492 | 1,597 |
| YoY change % | -1.9% | 2.5% | -5.3% | -0.7% | 9.6% | 3.3% | 7.1% | 7.0% |
| Impairment losses | 1,314 | 1,655 | 2,850 | 975 | 900 | 1,264 | 244 | 149 |
| YoY change % | -61.4% | 25.9% | 72.3% | -65.8% | -7.7% | 40.3% | 31.3% | -39.2% |
| Net income before tax | 2,508 | 2,870 | 757 | 2,921 | 4,248 | 7,781 | 1,872 | 2,189 |
| Net income ⁶ | 1,074 | 1,752 | 194 | 1,997 | 3,142 | 5,595 | 1,264 | 1,568 |
| Effective tax rate ⁷ (%) | 15.6% | 22.1% | 20.5% | 21.6% | 21.1% | n.a. | n.a. | n.a. |
| Net interest income (as a % of gross income) | 68.2% | 66.9% | 65.8% | 60.9% | 64.4% | 74.1% | 70.5% | 77.7% |
| Cost-to-income ratio | 60.3% | 59.3% | 57.8% | 53.4% | 50.6% | 37.0% | 39.4% | 39.3% |
| Impairments (as a % of gross income) | 14.2% | 17.2% | 30.4% | 9.7% | 7.7% | 7.7% | 6.5% | 3.7% |
| Cost of risk (%) | 0.42% | 0.52% | 1.01% | 0.33% | 0.29% | 0.45% | 0.37% | 0.20% |
| Profitability ratios (%)⁸ | | | | | | | | |
| ROE | 3.0% | 4.8% | 0.5% | 5.4% | 8.7% | 14.8% | 13.9% | 15.5% |
| ROA | 0.28% | 0.45% | 0.05% | 0.46% | 0.69% | 1.28% | 1.15% | 1.40% |
| Other data (domestic activity)⁹ | | | | | | | | |
| Number of employees | 42,461 | 41,673 | 40,475 | 37,759 | 37,074 | 36,718 | n.a. | n.a. |
| YoY Change % | -2.1% | -1.9% | -2.9% | -6.7% | -1.8% | -1.0% | n.a. | n.a. |
| Number of branches | 4,127 | 4,028 | 3,826 | 3,529 | 3,364 | 3,326 | n.a. | n.a. |
| YoY Change % | -6.5% | -2.4% | -5.0% | -7.8% | -4.7% | -1.1% | n.a. | n.a. |

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

⁵ Total assets of institutions subject to own funds requirements.

⁶ Net income before minority interests.

⁷ APB's data.

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

⁹ 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.