



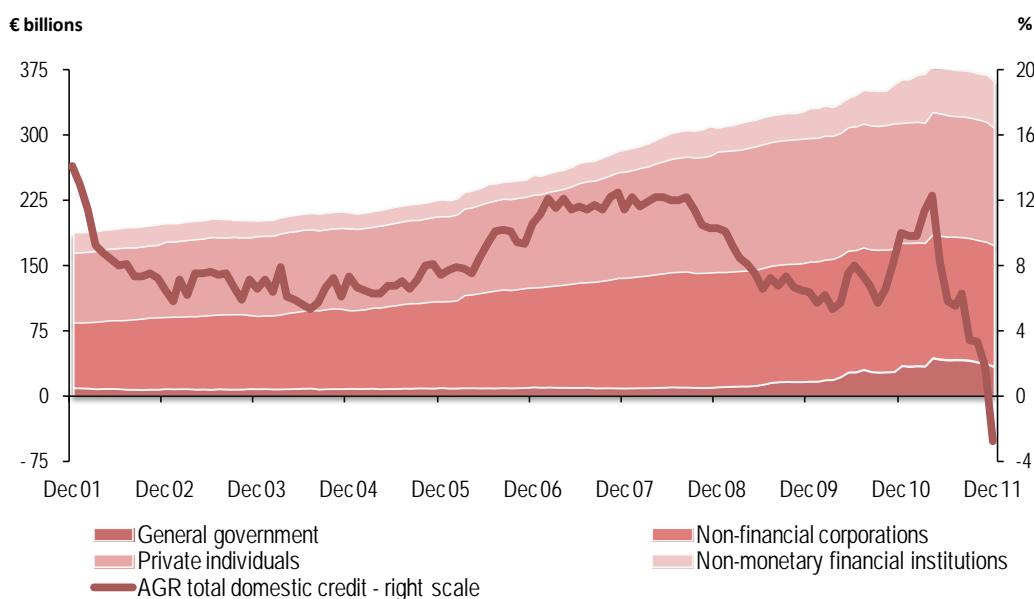
Banco de Portugal publishes Monetary and Financial Institutions (MFI)¹ balance sheet statistics for the year of 2011

Domestic credit

An the end of 2011 the outstanding amount of domestic credit was 362.8 billion euro, decreasing by 1.8 billion euro during the year. The annual growth rate fell by 12.8 p.p., from 10.0% in 2010 to -2.8% in 2011 (chart 1). In a twenty years period it is the first time that this annual growth rate assumes a negative value.

This decrease in domestic credit was mainly driven by non-financial corporations (NFC), private individuals and general government (GG), with declines respectively of 2.8, 1.4 e 1.2 billion euro.

Chart 1 - Domestic credit



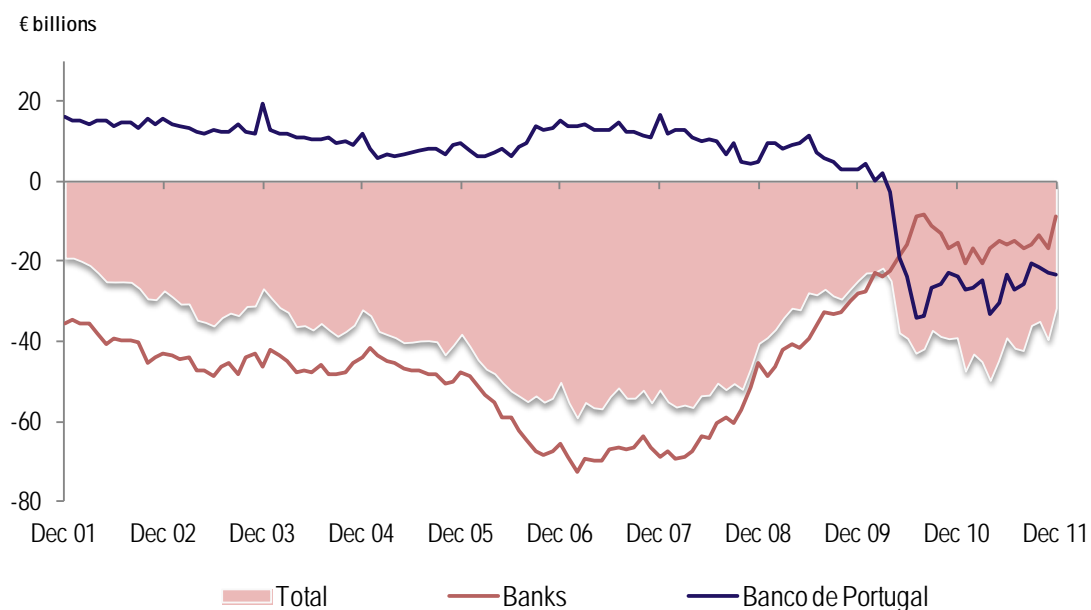
Net external assets

In 2011 the net external assets increased by 7.4 billion euro, ascending to -31.7 billion euro (chart 2). These developments contrast with the decline of 14.3 billion euro in 2010 and are driven by the increase of 6.7 billion euro in banks' external activity.

Taking into account debt securities issued by banks and held by non residents, the net external assets increased by 16.2 billion euro, due to the decline by around 9 billion euro in debt securities held by non resident entities.

¹ Includes Banco de Portugal and banks.

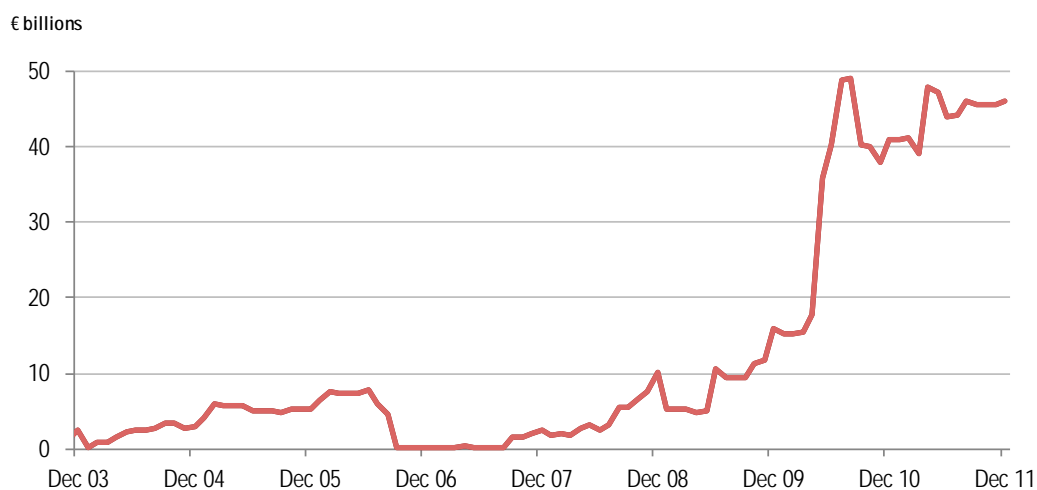
Chart 2 - Net external assets



Eurosystem financing

The outstanding amount of banks' borrowings from the Eurosystem, in the context of monetary policy operations, remained historically high. At the end of 2011, that amount reached 46.0 billion euro, after an year-on-year increase of 5.1 billion (chart 3).

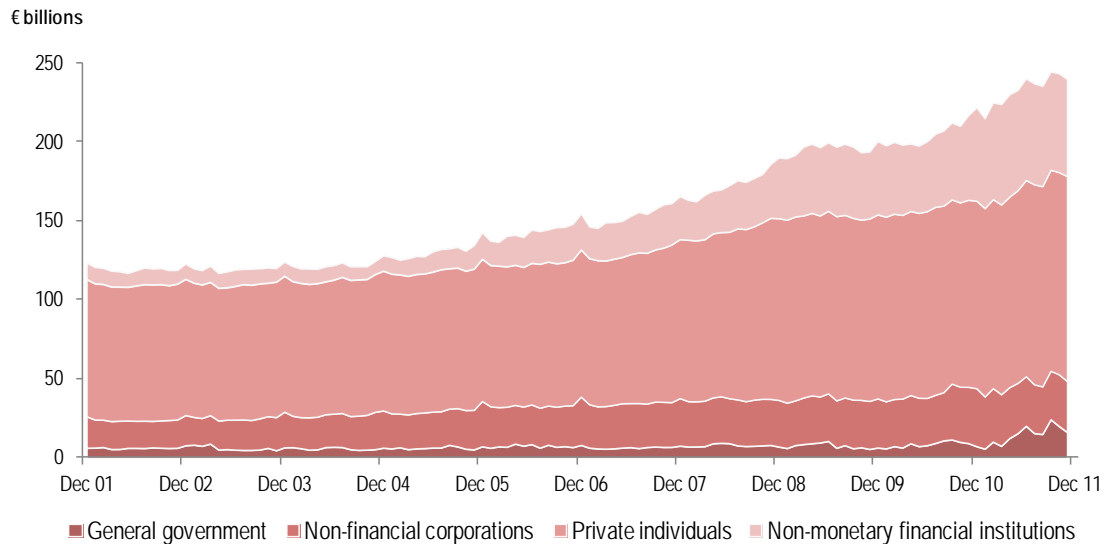
Chart 3 - Eurosystem financing to banks in Portugal



Deposits

At the end of 2011 the non-monetary sector's deposits achieved 242.2 billion euro, increasing by 20.0 billion euro during the year (chart 4). These developments were similar to the previous year trend, in which deposits rose by 21.5 billion euro to an amount outstanding of 222.2 billion euro.

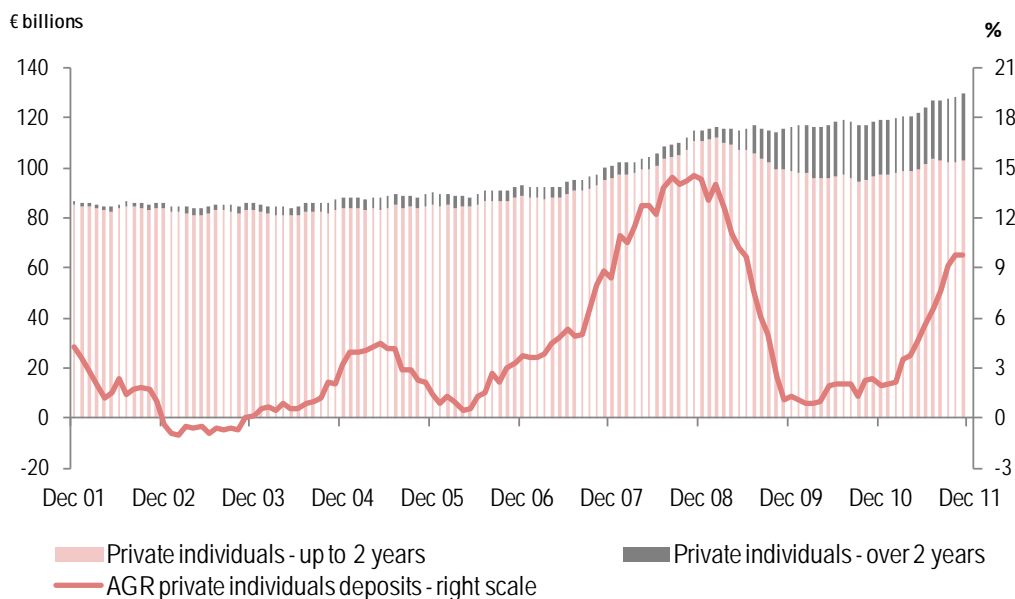
Chart 4 – Deposits



In 2011 the developments in this aggregate were mainly due to the private individuals deposits increase by 11.6 billion euro (after a 2.3 billion euro rise in 2010) and to the GG deposits increase by 9.7 billion euro. This last increase was driven by the raise both in banks (5.0 billion euro) and in *Banco de Portugal* (4.7 billion euro corresponding to the funds received and not yet withdrawn in the framework of the economic and financial assistance programme to Portugal).

Regarding private individuals deposits, the ones with an agreed maturity over 2 years increased by 6.7 billion euro while the shorter term deposits rose by 4.9 billion euro (chart 5).

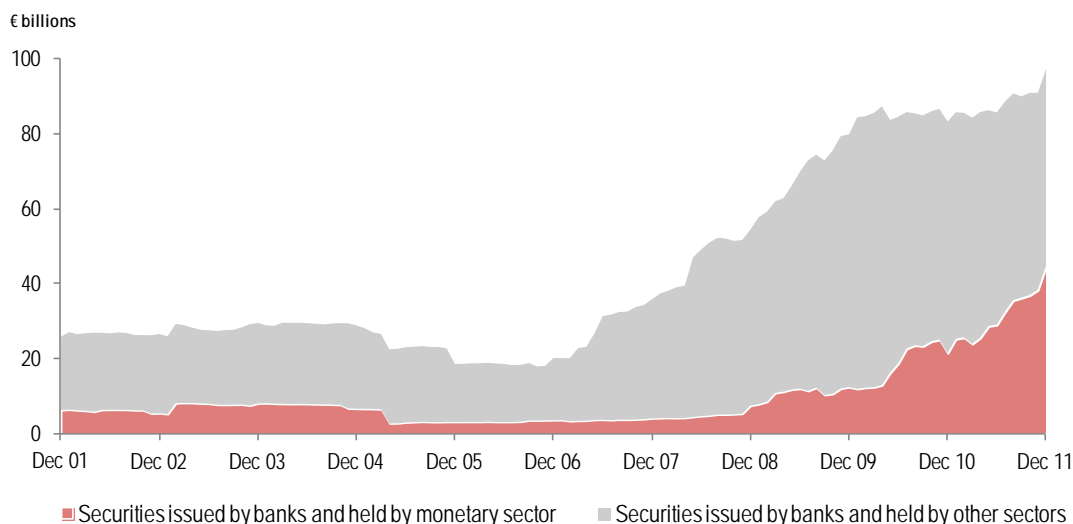
Chart 5 – Deposits of private individuals, by maturity



Securities issued

In 2011 the debt securities issued by banks continued the upward trend revealed in the last years, ascending to 97.2 billion euro in December 2011, 14.0 billion euro above the value registered in December 2010 (chart 6).

Chart 6 - Securities issued by banks



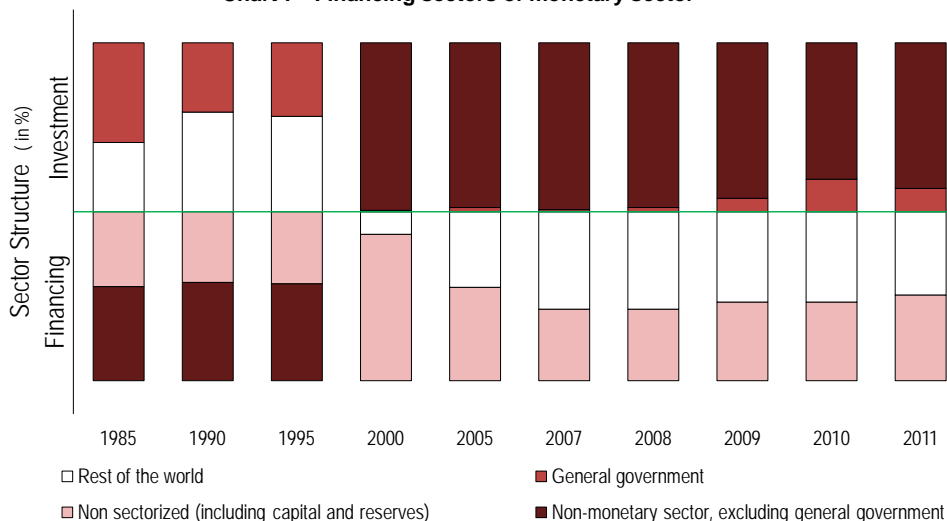
The relative weight of the securities issued by banks in the portfolio of the monetary sector increased from 25.7% to 46.0% during 2011, to offset the main fall by non-residents investors.

Financing sectors of the monetary sector

At the beginning of the 90's, the non-monetary sector excluding GG (around 58% of total funds obtained) was the main financing sector of the monetary sector. On the other hand, the GG accounted for nearly 41% of the net investment of funds. In 2011, 13.7% of the net investment of funds were channeled to the GG and 86.3% were invested in the remaining non-monetary sector (chart 7).

At the beginning of the 90's, the rest of the world (RoW) was financed by the monetary sector receiving 59% of the net investment of this sector, while in 2011 the RoW was a financing sector of the monetary sector activity with a relative weight of 49.7%.

Chart 7 - Financing sectors of monetary sector



Note: Since 2006, the rest of the world incorporates an estimate for the securities issued by banks and held by non-residents, which, for earlier periods, was included in the non-monetary sector.