



## Developments in the credit to non-financial corporations adjusted for sales of loans portfolios

Banco de Portugal updates today, in *BPstat* | Statistics Online, the monetary financial institutions statistics and the central credit register statistics. In parallel, sections A.7 to A.11 from Chapter A – *Main Indicators* of the Statistical Bulletin are also updated.

In the Statistical Bulletin, section A.9 – *Banking loans and deposits* and section A.11 – *Loans granted by the financial sector* now include complementary information on the development of credit granted to non-financial corporations adjusted for sales of loans portfolios to entities not belonging to the original creditor sector (cf. Annex).

These sales have important consequences given that when the resident banking sector sells loans to entities other than resident banks (case of section A.9) or the resident financial sector sells loans to entities not in the same sector (case of section A.11), the end-of-period outstanding amounts of loans decrease and influence the respective growth rate.

In order to allow for the analysis of credit developments not influenced by these operations the two sections mentioned above now include additional indicators on loans granted to non-financial corporations adjusted for sales of loans portfolios (cf. line 7 in the respective tables)<sup>1</sup>.

It should be noticed that these statistics illustrate the loans given to the economy from the perspective of the financing sector (the resident banking sector or the whole financial sector).

For the analysis of the developments of credit from the viewpoint of the sector being financed (since financing may be reallocated between creditor sectors or financial instruments), information published in section A.20 and, with greater detail, in Chapter K – *Non-financial sector indebtedness* of the Statistical Bulletin should be used. This information combines different dimensions of analysis such as debtor and creditor sectors, type of financial instrument, original maturity, economic activity and size of the company<sup>2</sup>.

### Annex: Statistical Bulletin tables – sections A.9 and A.11.

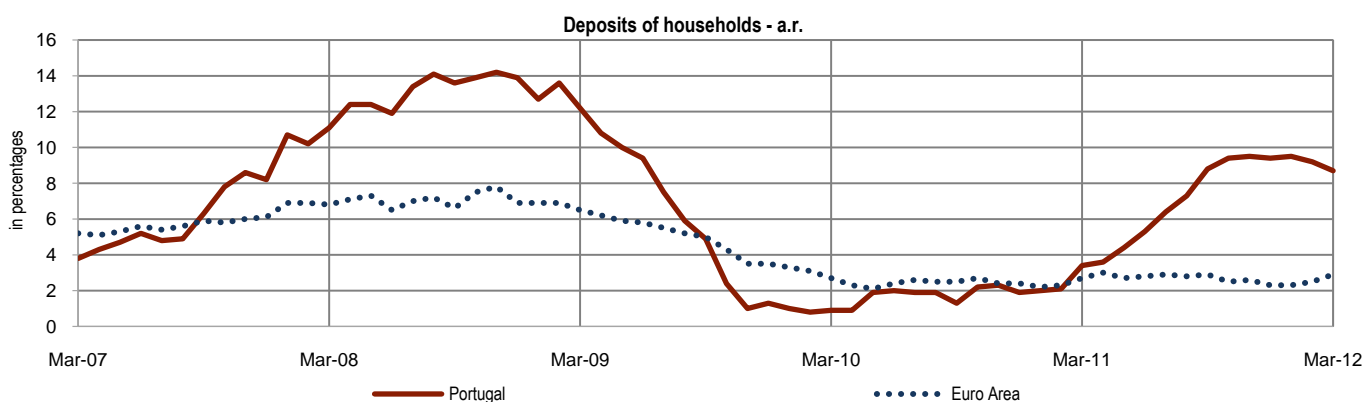
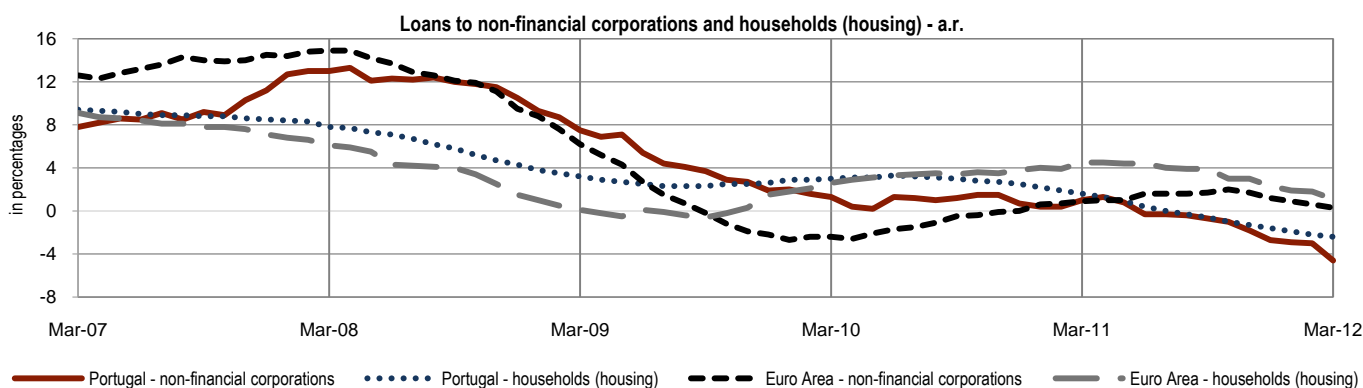
<sup>1</sup> For example, in section A.9 it can be seen that the annual rate of change of loans granted by the resident banking sector to non-financial corporations (line 1) reached -4.6 per cent at the end of March 2012 whereas the annual rate of change adjusted for the sales of loans portfolios (line 7) was -3.2 per cent in the same period. Similarly, in section A.11, the year-on-year rate of change of loans granted by the resident financial sector to non-financial corporations was -4.9 per cent at the end of March 2012 (line 1) while the adjusted rate for the sales of loans portfolios was -3.3 per cent (line 7).

<sup>2</sup> In table K.1.3 (Debt, by debtor and creditor sectors) it can be seen that total debt of the private corporations reached 306.8 billion euros at the end of February 2012. This amount was financed in the following way: 45.2 per cent by the resident financial sector (138.5 billion euros), 28.3 per cent by corporations, 16.3 per cent by the external sector (50.0 billion euros), 9.5 per cent by private individuals (29.2 billion euros) and 0.7 per cent by the general government (2.1 billion euros).

## A.9 BANKING<sup>(1)</sup> LOANS AND DEPOSITS

Source: Banco de Portugal and European Central Bank

	Portugal <sup>(2)</sup>					Euro Area <sup>(3)</sup>					
	Dec-10	Mar-11	Dec-11	Feb-12	Mar-12	Dec-10	Mar-11	Dec-11	Feb-12	Mar-12	
	1	2	3	4	5	6	7	8	9	10	
(annual rate of change - a.r. - in percentages)											
<b>Loans</b>											
1	Loans to non-financial corporations .....	0.7	1.0	-2.7	-3.0	-4.6	0.0	0.9	1.2	0.6	0.3
2	Loans to households.....	2.0	1.0	-2.2	-2.9	-3.1	2.9	3.4	1.6	1.2	0.6
3	Housing.....	2.5	1.6	-1.6	-2.2	-2.4	3.8	4.5	2.3	1.8	1.1
4	Consumption.....	0.6	-1.1	-5.8	-7.4	-7.4	-1.3	-0.9	-1.8	-1.8	-2.0
5	Other purposes.....	-1.1	-2.3	-4.0	-4.0	-4.1	2.8	2.0	0.9	0.8	0.7
6	Loans to non-financial corporations and households .....	1.4	1.0	-2.4	-2.9	-3.7	1.5	2.2	1.4	0.9	0.5
Memo item:											
7	Loans to non-financial corporations adjusted for sales of loans portfolios .....	1.4	1.7	-1.8	-2.2	-3.2	-	-	-	-	-
<b>Deposits</b>											
8	Deposits of non-financial corporations.....	19.1	6.3	-8.7	-4.3	-3.5	4.9	4.5	0.1	0.8	1.2
9	Deposits of households.....	1.9	3.4	9.4	9.2	8.7	2.4	2.7	2.3	2.5	2.9
10	of which: Overnight deposits.....	1.0	-1.2	-3.3	-6.8	-7.9	3.8	2.6	0.3	-0.4	-0.1
11	Deposits with agreed maturity.....	1.9	3.6	9.9	9.7	9.2	-2.5	1.0	5.9	7.6	8.6



(1) Includes loans and deposits on universal banks, savings banks and mutual agricultural credit banks which, along with money market funds, are the subsector of Other monetary financial institutions (OMFIs).

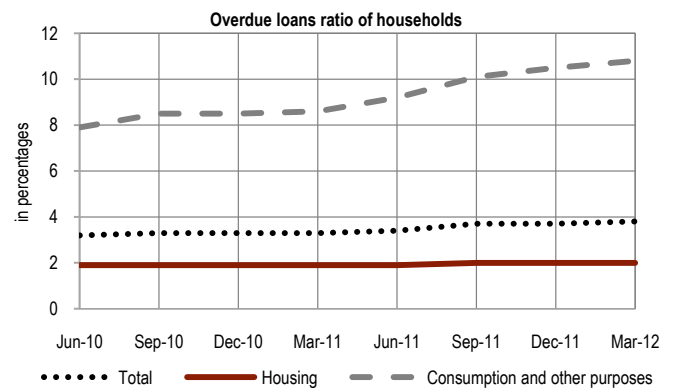
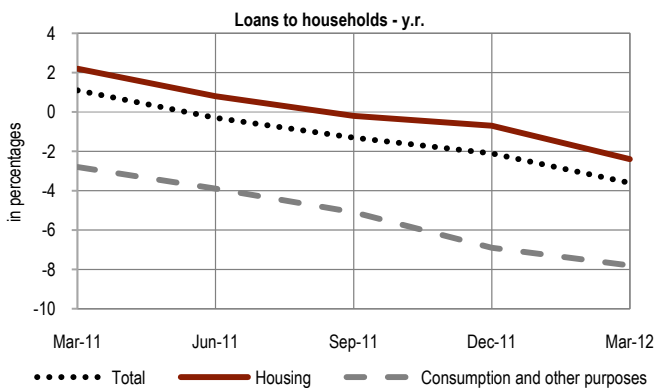
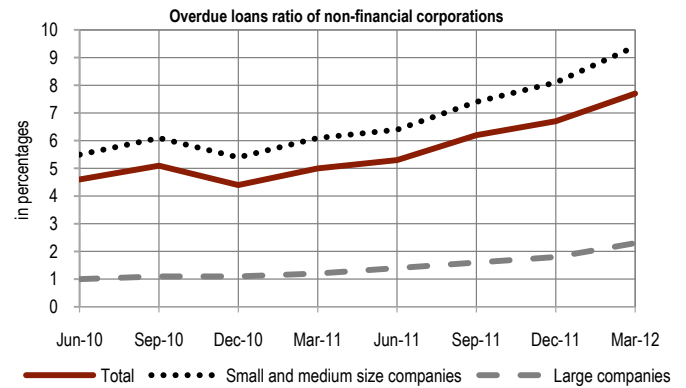
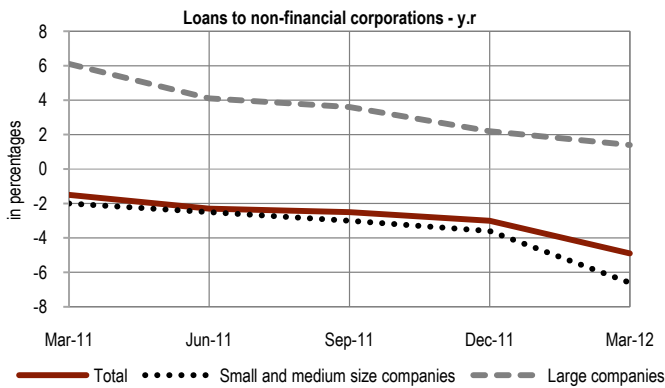
(2) Loans excludes securities and includes credit to emigrants. Annual growth rates adjusted for derecognised securitisation operations.

(3) Euro Area: changing composition.

## A.11 LOANS GRANTED BY THE FINANCIAL SECTOR<sup>(1)</sup>

Source: Banco de Portugal – Central Credit Register

	2011 Q1	2011 Q2	2011 Q3	2011 Q4	2012 Q1	2011 Q1	2011 Q2	2011 Q3	2011 Q4	2012 Q1
	(10 <sup>6</sup> euros)					(year-on-year rate of change - y.r. - in percentages)				
	1	2	3	4	5	6	7	8	9	10
<b>Granted loans</b>										
1 Non-financial corporations .....	119 245	118 872	118 079	115 345	113 461	-1.5	-2.3	-2.5	-3.0	-4.9
2 of which: Small and medium size companies <sup>(2)</sup> .....	92 275	91 817	90 556	88 582	86 182	-2.0	-2.5	-3.0	-3.6	-6.6
3 Large companies <sup>(2)</sup> .....	16 644	16 519	16 851	16 495	16 870	6.1	4.1	3.6	2.2	1.4
4 Households .....	155 762	154 469	153 414	152 152	150 169	1.1	-0.3	-1.3	-2.1	-3.6
5 Housing .....	120 871	120 066	119 468	119 120	117 992	2.2	0.8	-0.2	-0.7	-2.4
6 Consumption and other purposes <sup>(3)</sup> .....	34 890	34 403	33 946	33 032	32 177	-2.8	-3.9	-5.1	-6.9	-7.8
Memo item:										
7 Loans to non-financial corporations adjusted for sales of loans portfolios .....	-	-	-	-	-	-0.2	-0.8	-0.9	-2.1	-3.3
	(overdue loans ratio - in percentages) <sup>(4)</sup>					(borrowers with overdue loans - in percentages)				
<b>Loans in default</b>										
8 Non-financial corporations .....	5.0	5.3	6.2	6.7	7.7	21.7	22.6	23.4	24.4	26.1
9 of which: Small and medium size companies <sup>(2)</sup> .....	6.1	6.4	7.4	8.1	9.4	21.7	22.7	23.5	24.4	26.2
10 Large companies <sup>(2)</sup> .....	1.2	1.4	1.6	1.8	2.3	13.9	14.1	14.8	15.7	17.9
11 Households .....	3.3	3.4	3.7	3.7	3.8	14.2	14.3	14.5	14.6	15.3
12 Housing .....	1.9	1.9	2.0	2.0	2.0	5.5	5.5	5.7	5.7	6.1
13 Consumption and other purposes <sup>(3)</sup> .....	8.6	9.2	10.1	10.5	10.8	15.8	15.9	16.2	16.2	17.0



(1) These statistics cover all the loans granted by financial institutions resident in Portugal, including not only monetary financial institutions but also non-monetary financial institutions that grant credit like credit financial institutions, credit purchase financing companies, leasing and factoring companies and other financial intermediaries.

(2) Small and medium size companies: number of employees below 250 and a turnover not above 50 million euros or an annual balance sheet value not above 43 million euros; large companies: number of employees not below 250 and a turnover above 50 million euros or with an annual balance sheet value above 43 million. Holding companies are excluded from this classification.

(3) Includes loans granted to sole traders.

(4) Percentage of overdue loans for more than 30 days over the total amount of granted loans.