



CMF reports on the performance of supervised banks and cooperatives as of October 2020

Loans in the banking system continue to slow down, registering a variation of 2.98 percent in October, below the rate reached in the previous month. Consumer loans keep plummeting with a decline of 14.81 percent over 12 months.

FOGAPE Covid-19 guaranteed loans continue to describe the activity of the banking system. Excluding such operations, loans would have dropped to 1.50 percent in 12 months.

In terms of credit risk, the loan-loss provisions index reached 2.70 percent, while the arrears ratio of 90 days or more fell back to 1.67 percent.

Loans by cooperatives fell for the first time this year, totaling 0.37 percent over 12 months, mainly due to a 0.91 percent decrease in consumer loans.

November 27, 2020 – Loans in the banking system grew 2.98 percent in 12 months, a lower rate than the previous month (4.94 percent) and below the rate registered in the same month last year (8.45 percent). Once again, commercial loans boosted activity with an increase of 6.92 percent, lower than the 9.55 percent reported in September. The housing portfolio grew by 5.45 percent, lower than the previous month (5.80 percent), and the consumer portfolio fell for the eighth month in a row, decreasing by 14.81 percent measured over 12 months.

The increase in loans is positively influenced by the granting of FOGAPE Covid-19 guaranteed loans. Excluding such operations, loans in the banking system would have decreased by 1.50 percent and commercial loans by 0.97 percent over 12 months.

Regarding credit risk, the loan-loss provisions index reached 2.70 percent, while the arrears ratio of 90 days or more dropped from 1.75 percent to 1.67 percent.

Monthly profits for October reached 67,981 million Chilean pesos (USD 88MM), and the cumulative result totaled CLP 871,027 million (USD 1,131MM). This figure represents a decrease of 61.58 percent compared to 12 months ago. Accordingly,

the return on average equity fell to 5.86 percent and the return on average assets reached 0.41 percent.

Supervised Cooperatives

Loans granted by savings and credit cooperatives supervised by CMF fell for the first time in the year –0.37 percent in 12 months compared to the 0.30 percent recorded in September. The consumer portfolio, which comprises 74 percent of loans, fell for the second month in a row to 0.91 percent. The commercial portfolio also declined for the first time this year, reaching 0.82 percent despite the granting of FOGAPE Covid-19 guaranteed loans, although to a lesser extent than the banking system. Excluding such operations, the fall in loans by cooperatives would have worsened from 0.37 percent to 0.48 percent in 12 months.

In terms of credit risk, all indices fell compared to September. The provisions index reached 3.77 percent, the arrears ratio of 90 days or more was 1.92 percent, and the impaired portfolio index totaled 7.32 percent.

Monthly results for October amounted to CLP 4,709 million (USD 6MM), a decrease of 9.49 percent compared to September. Profits fell by 18.53 percent in 12 months.

Performance Report

Alongside this month's financial information, the Performance Report includes a review of how dividends are distributed in the banking system in terms of regulations and evolution over the last five years, among other factors.

Links to Relevant Documents

- [Report on the Performance of Banking System and Cooperatives – October 2020](#)
- [Monthly Report on the Financial Information of the Banking System – October 2020](#)
- [Report on Derivative and Non-Derivative Instruments of the Banking System – October 2020](#)
- [Indicator of individual default of 90 days of the Banking System – October 2020](#)
- [Report on the Non-Performing Loans of the Banking System – October 2020](#)
- [Assets and Liabilities of the Chilean Banking System Abroad – October 2020](#)
- [Balance Sheet and Statements of Banks \(in plain text format\) – October 2020](#)
- [Financial Report of Savings and Credit Cooperatives – October 2020](#)

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