



CMF reports on the performance of supervised marks and cooperatives as of November 2020

Loans in the banking system keep decelerating steadily. A 0.33 percent variation over 12 months was recorded in November, below the rate reached in October. Consumer loans fell even more sharply, at 15.07 percent in 12 months despite a monthly growth.

The FOGAPE Covid-19 guaranteed loans continue to explain the activity of the banking system. Excluding these operations, total loans would have decreased by 4.09 percent in 12 months.

In terms of credit risk, the loan-loss provisions index stood at 2.70 percent, while the arrears ratio of 90 days or more declined to 1.64 percent.

Loans by cooperatives fell for the second time in 2020, reaching 0.67 percent over 12 months. This drop was due to a 1.61 percent decline in the consumer portfolio.

December 30, 2020 – Loans in the banking system grew 0.33 percent in 12 months, a lower rate than both the one recorded in October (2.98 percent) and the one reported in the same month last year (10.60 percent). A deceleration of commercial loans, which registered an increase of 2.17 percent compared to the 6.92 percent displayed in October, explain this lower activity. The housing portfolio posted a variation of 4.95 percent, also lower than October's 5.45 percent. Meanwhile, the consumer portfolio fell for the ninth consecutive month, plummeting by 15.07 percent over 12 months (-14.81 percent in the previous month).

However, the monthly consumer rate showed a slight increase of 0.65 percent. This is due to credit cards, which account for a third of the consumer portfolio, and whose activity increased by 3.07 percent during November.

The increase in loans continues to be positively influenced by the granting of FOGAPE Covid-19 guaranteed loans. Excluding these operations, loans in the banking system would have decreased by 4.09 percent overall, while commercial loans would have declined by 5.53 percent over 12 months.

Regarding credit risk, the loan-loss provisions index again reached 2.70 percent, with the commercial portfolio indicator standing out at 2.92 percent. The arrears ratio of

90 days or more fell slightly from 1.67 to 1.64 percent, mainly due to the performance of the natural persons portfolio.

Monthly profits for November reached 241,963 million Chilean pesos (USD 316MM). The cumulative result summed CLP 1,112,990 million (USD 1,452MM), a decline of 55.30 percent compared to 12 months ago. Accordingly, the return on average equity rose to 5.98 percent and the return on average assets to 0.42 percent.

Supervised Cooperatives

Loans by savings and credit cooperatives supervised by the Commission fell for the second time this year: 0.67 percent in 12 months. A 1.61 percent drop in the consumer portfolio, which concentrates 74 percent of total loans, explains this trend.

The commercial portfolio increased by 2.33 percent over 12 months, somewhat influenced by the granting of FOGAPE Covid-19 guaranteed loans. Excluding these operations, the drop in loans granted by cooperatives would have changed from 0.67 to 0.79 percent in that span.

Regarding credit risk, all three indices decreased compared to November. The provisions index reached 3.76 percent; the arrears ratio of 90 days or more recorded 1.83 percent; and the impaired portfolio stood at 7.26 percent.

Monthly profits for November summed CLP 8,158 million (USD 10.6MM), an increase of 72.74 percent compared to the previous month. Profits have declined by 20.49 percent over 12 months.

Performance Report

Alongside this month's financial information, the Performance Report includes a review of the modification in the treatment of guarantees granted by the State for the calculation of risk-weighted assets in the banking system.

Links to Relevant Documents

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

- [Financial Report of Savings and Credit Cooperatives - November 2020](#)

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