



CMF reports on the performance of supervised banks and cooperatives as of October 2021

- *Loans in the banking system increased by 1.42 percent over 12 months, buoyed by a 7.18-percent growth of the housing portfolio and a slower decline in the consumer and commercial portfolios — 1.16 and 1.38 percent, respectively.*
- *Meanwhile, loans granted by cooperatives fell by 3.02 percent in the same span, affected by a 5.92-percent drop in the consumer portfolio.*
- *Credit risk indices for banks and cooperatives decreased compared to last month and versus the past 12 months as well.*

November 29, 2021 — Loans in the banking system increased by 1.42 percent over 12 months, breaking a downward trend started in December 2020. Activity in the banking system was boosted by a 7.18-percent growth of the housing portfolio, as well as a slower decline in the consumer and commercial portfolios.

Indeed, commercial loans shrank by only 1.38 percent over the past year, a better rate than the 3.18-percent drop observed in September. Consumer loans decreased by 1.16 percent in the same span versus the 3.67-percent figure recorded last month.

Regarding credit risk, only the provisions index for consumer loans, which rose to 5.74 percent during the month; the impairment index for commercial loans, which was 5 percent; and the provisions index for housing loans, which stood at 0.61 percent, were the only ones not to decrease. Meanwhile, the loan-loss provisions index fell to 2.37 percent and the corporate portfolio index to 2.68 percent. The arrears ratio of 90 days or more backslid to 1.36 percent, dragging the housing, consumer, and housing portfolio coefficients down — to 1.57, 1.07 and 1.12 percent, respectively.

Monthly profits for October amounted to 356,289 million Chilean pesos (USD 442MM). The cumulative result reached CLP 3,047,708 million (USD 3,784MM), increasing by 232.14 percent compared to 12 months ago due to a lower comparison base. Back in June 2020 Itaú-Corpbanca had acknowledged an impairment of part of its goodwill and other intangible assets. Excluding this effect, the cumulative result would have expanded only by 76.94 percent in that span.

Accordingly, the return on average equity was 15.10 percent and the return on average assets reached 1.04 percent.

Supervised Cooperatives

Loans in savings and credit cooperatives supervised by the CMF declined once more this month, shrinking by 3.02 percent over the past year. The consumer portfolio — which comprises 72 percent of said loans — declined by 5.91 percent and is the main reason behind these results.

Both the commercial and consumer portfolios expanded compared to the previous month and the previous year — by 15.03 and 3.26 percent, respectively.

As for credit risk, all three indices fell during the month. The provisioning index declined to 3.38 percent; the arrears ratio of 90 days or more to 1.76 percent; and the impaired portfolio index to 6.08 percent.

Monthly profits for October amounted to 7,513 million Chilean pesos (USD 9MM). The cumulative result totaled CLP 85,941 million (USD 106MM), increasing by 53.03 percent compared to 12 months ago. Accordingly, the return on average equity was 15.71 percent and the return on average assets reached 3.68 percent.

Performance Report

Alongside this month's financial information, the Performance Report addresses the main modifications introduced in the new, updated version of the Compendium of Accounting Standards for Banks, which will become effective as of January 2022. These include greater convergence with International Financial Reporting Standards (IFRS), the incorporation of Basel III regulations, and a series of indications aimed at improving financial information disclosures.

Links to Relevant Documents

- [Report on the Performance of Banking System and Cooperatives — October 2021](#)
- [Monthly Report on the Financial Information of the Banking System — October 2021](#)
- [Report on Derivative and Non-Derivative Instruments of the Banking System — October 2021](#)
- [Indicator of individual default of 90 days in the Banking System — October 2021](#)
- [Report on the Non-Performing Loans of the Banking System — October 2021](#)
- [Assets and Liabilities of the Chilean Banking System Abroad — October 2021](#)
- [Balance Sheet and Statements of Banks \(in plain text format\) — October 2021](#)
- [Financial Report of Savings and Credit Cooperatives — October 2021](#)

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