



## Annual Regional Banking Statistics Report

# CMF presents an in-depth look of banking activity at a regional level

- *This is the 4th version of the Report, which aims to contribute to the evaluation of local economies in terms of coverage of and access to financial services.*
- *The results highlight some effects derived from the Covid-19 pandemic, as well as measures adopted by authorities to mitigate such impacts.*

**January 18, 2022** — The Financial Market Commission (CMF) released today the 4<sup>th</sup> version of its **Annual Regional Banking Statistics Report**. The Report presents an in-depth look of banking activity at a regional level with the purpose of contributing to the evaluation of local economies. The main terms for evaluation are coverage of and access to financial services.

This version of the Report includes a series of improvements compared to previous issues. Some of them include progress in updating relevant data and detailed information sheets for each region. For this year, the Report focuses on the economic effects derived from the Covid-19 pandemic and measures adopted by authorities to mitigate them. The Report's main findings include:

## Bank Deposits

Regarding the range of banking products as of June 2021, **bank deposits** — on checking or savings accounts, demand deposits, or term deposits — grew below their historical average, increasing by only 5.8 percent annually. There was also a redistribution of deposits — which increased on average by 42.3 percent versus June 2020 — at a regional level. The Atacama Region posted the largest increase (52.4 percent), while the Metropolitan Region had a 2.9-percent decrease in that span.

In terms of demand for banking products, the Report reveals that **savings and money management products belonging to individuals** significantly increased their balances between 2020 and 2021 — expanding by 89 and 20.4 percent, respectively. **Pension fund withdrawals and State-backed monetary aid were the**

**main reasons** behind this increase. However, the same instruments belonging to businesses decreased during said period.

## Bank Loans

**Bank loans** grew slightly by 0.5 percent between June 2020 and June 2021, coinciding with a lower economic activity during the pandemic. At a regional level, the Arica y Parinacota Region (6.4 percent) and the Metropolitan Region (minus-0.9 percent) posted the best and worst performance, respectively.

Average debt of individuals on the consumer and housing portfolios remained stable over the past 12 months, while the commercial portfolio debt showed a notable increase starting on August 2020. Meanwhile, the average debt of businesses fell since September 2020.

The Ñuble Region recorded the largest growth in commercial debt (172 percent), while Los Ríos led the country in business debt growth (minus-2.1 percent). Consumer and housing debt showed their biggest increase in the Maule Region at 0.9 and 9.7 percent, respectively.

## Arrears

According to the Report, the **arrears ratio** increased during the first half of 2020, especially in the consumer portfolio. However, this ratio started trending downward in August 2020, which is consistent with pension fund withdrawals and State-backed monetary aid that allowed people to pay their loan obligations.

At a regional level and as of June 2021, the Tarapacá Region showed the largest arrears ratio for consumer loans at 7.38 percent; the Antofagasta Region had the largest one for commercial loans, with 13.03 percent; and the Atacama Region posted the largest one for housing loans (1.08 percent).

## Bank Branches

Between the first half of 2020 and the first half of 2021, the Report shows that **143 bank branches closed nationwide**, with the biggest impact seen in four regions — Atacama, Los Ríos, O'Higgins, and Metropolitan.

## Links to Relevant Documents

- [4<sup>th</sup> Annual Regional Banking Statistics Report](#)
- [Presentation on the Report](#)

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