



CMF reports on the performance of supervised banks and cooperatives as of December 2022

- *Loans in the banking system fell 2.86 percent over 12 months due to a steep contraction of the commercial portfolio, less dynamism in the housing portfolio, and a decline in the consumer portfolio.*

January 31, 2023 — Loans in the banking system fell 2.86 percent over 12 months, a worse result than both the 1.45-percent decline posted in November and the 4.14-percent increase recorded in December 2021. This was due to a steep contraction of commercial loans, a fall in consumer loans, and less dynamism in housing loans.

Commercial loans decreased by 5.86 percent over 12 months versus a 3.80-percent fall in November. Consumer loans fell for the first time this year with a 0.76-percent decline versus a 0-64-percent expansion last month, while housing loans slowed their growth from 1.80 to 1.34 percent.

Regarding credit risk, the loan-loss provisions index, the arrears ratio of 90 days or more, and the impaired portfolio ratio all increased versus last month, with disparate trends across portfolios. The loan-loss provisions index grew from 2.43 to 2.46 percent after increases in the commercial and consumer portfolios; the housing portfolio had no variations. The impaired portfolio ratio increased from 4.65 to 4.74 percent in December, and the arrears ratio of 90 days or more shifted from 1.66 to 1.68 percent, with the former showing a higher rate in all portfolios and the latter a higher rate in the consumer and housing portfolios.

All coefficients also expanded compared to a year ago. The loan-loss provisions coefficient increased after a rise in the consumer portfolio coefficient; the arrears of 90 days or more saw growths across all portfolios; and the impaired portfolio coefficient rose after similar trends in the consumer and commercial portfolio coefficients.

Monthly profits for December reached CLP 330,502 million (USD 385 million), and the cumulative result for 2022 was CLP 5,497,133 million (USD 6,396 million) for an increase of 26.80 percent over 12 months. Accordingly, the return on average equity was 21.05 percent and the return on average assets was 1.44 percent. Both figures were better than the ones reported in December 2021.

Supervised Cooperatives

Loans by savings and credit cooperatives supervised by the CMF increased by 6 percent over 12 months, above the 4.21-percent increase recorded in the previous month and reversing the 2.65-percent drop recorded last year. Excluding the inorganic growth of the consumer portfolio caused by portfolio purchases by a cooperative in July and December 2022, overall loans would have grown by only 1.35 percent instead.

The consumer portfolio, which accounts for 72.82 percent of these loans, grew 7.52 percent in 12 months versus a 5.61-percent increase in November and a 4.98-percent contraction in December 2021. Excluding the portfolio purchases mentioned earlier, consumer loans would have grown by only 1.35 percent in December.

Meanwhile, the commercial portfolio rose 0.31 percent in 12 months, above the 0.09-percent increase recorded the previous month but below the 10.30-percent increase recorded a year earlier. The housing portfolio expanded 2.54 percent (0.77-percent growth in November, 2.44-percent increase in December 2021).

As for credit risk, the loan-loss provisions index fell during the month. The impaired portfolio ratio remained unchanged, and the arrears ratio of 90 days or more increased. The provisions to loans ratio decreased from 3.32 to 3.29 percent, explained by a lower indicator in the commercial and consumer portfolios, while the housing portfolio ratio remained unchanged.

The impaired portfolio ratio remained at 6.40 percent, with an increase in the consumer and housing portfolios paired with a decrease in the commercial portfolio ratio. The arrears ratio or more increased from 2.10 to 2.12 percent due to a higher ratio in the housing portfolio, while the commercial portfolio ratio decreased, and the consumer portfolio ratio remained unchanged.

Compared to December 2021, both the impaired portfolio ratio and arrears of 90 days or more increased — the former because of an increase in their respective consumer and housing indices, and the latter due to a higher rate in the commercial and housing portfolios. The loan-loss provisions ratio was below its level of a year ago after similar variations in all three portfolios.

Monthly profits for December summed CLP 12,562 million (USD 15 million), and the cumulative result for the year amounted to CLP 127,854 million (USD 149 million) for a 12-month increase of 11.29 percent. The return on average equity was 17.89 percent and the return on average assets was 4.33 percent, both favorable versus last year.

Links to Relevant Documents

- [Report on Performance of the Banking System and Cooperatives — December 2022](#)
- [Monthly Report on Financial Information of the Banking System — December 2022](#)

- [Report on Derivative and Non-Derivative Instruments of the Banking System — December 2022](#)
- [Arrears Ratio of 90 Days or More in the Banking System — December 2022](#)
- [Report on the Impaired Portfolio of the Banking System — December 2022](#)
- [Assets and Liabilities of the Chilean Banking System Abroad — December 2022](#)
- [Balance Sheet and Statements of Banks \(in plain text format\) — December 2022](#)
- [Financial Report of Savings and Credit Cooperatives — December 2022](#)

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