



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

*Loans in the banking system continue their decline, recording a variation of 4.94 percent in September, below the rate reached in August. Consumer loans fell by 12.98 percent over 12 months.*

*The FOGAPE Covid-19 guaranteed loans keep boosting the activity of the banking system. Excluding said operations, loans would have only expanded by 0.52 percent over 12 months.*

*In terms of credit risk, the impairment index and arrears ratio of 90 days or more fell during September, the latter dropping to 1.75 percent.*

*Loans by supervised cooperatives also registered a decline, growing 0.30 percent over 12 months. Consumer loans fell by 0.15 percent in that span.*

**October 29, 2020** – Loans in the banking system grew by 4.94 percent in 12 months, a lower rate than the one recorded in August (5.76 percent) and below the same month last year (8.74 percent).

Once again, commercial loans boosted activity with an increase of 9.55 percent, lower than the 10.62 percent reported in August. The housing portfolio registered a rise of 5.80 percent, slightly lower compared to last month's 6.08 percent. Meanwhile, the consumer portfolio fell for the seventh consecutive month, with a decline of 12.98 percent over 12 months. The FOGAPE Covid-19 guaranteed loans have positively impacted the growth of loans in the banking system. Excluding said operations, loans would have increased only by 0.52 percent, and commercial loans only by 1.76 percent over 12 months.

In terms of credit risk, it is worth mentioning that the arrears ratio of 90 days or more fell from 1.84 to 1.75 percent, influenced by a 5.15 percent drop in the eponymous portfolio during the month. The loan-loss provisions index jumped slightly from 2.63 to 2.68 percent, while the impaired portfolio registered an unusual drop from 5.57 to 5.51 percent.

Monthly profits for September amounted to 189,018 million Chilean pesos (USD 241MM). The cumulative results totaled CLP 803,046 million (USD 1,024MM), a 62.56

percent decline compared to last year. Accordingly, the return on average equity fell to 6.07 percent and the return on average assets registered 0.43 percent.

## Supervised Cooperatives

Loans by savings and credit cooperatives supervised by the CMF increased by 0.30 percent in 12 months, below the 0.80 percent recorded in August. The consumer portfolio, which has the greatest impact in the industry, declined by 0.15 percent.

The FOGAPE Covid-19 guaranteed loans have positively impacted the growth of loans for cooperatives, but to a lesser extent compared to the banking system. Excluding said operations, the variation in the loans by saving and credit cooperatives would have been only 0.20 percent.

Regarding credit risk, all three indices fell compared to the previous month. The provisions index reached 3.82 percent, the arrears ratio of 90 days or more recorded 2.37 percent, and the impaired portfolio got 7.60 percent.

Monthly profits for September reached CLP 6,209 million (USD 8MM), growing 13.12 percent compared to August but registering an overall decline of 23.93 percent over 12 months.

## Performance Report

Alongside this month's financial information, the Performance Report includes a review of the concentration of commercial loans by region and economic activity, focusing on their participation and distribution at the national level, among other factors.

## Links to Relevant Documents

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