



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

- *Loans in the banking system fell 4.49 percent over 12 months. The commercial portfolio declined by 6.23 percent, and the consumer portfolio plummeted 13.62 percent.*
- *Meanwhile, loans by savings and credit cooperatives decreased by 1.83 percent, influenced by a 3.55-percent drop in the consumer portfolio.*

May 28, 2021 – Loans in the banking system fell 4.49 percent over 12 months, a worse figure than the decline of 3.87 percent recorded last month and well below April 2020 (which registered an increase of 9.57 percent). Commercial loans declined by 6.23 percent, completing four months of contraction in a row and being the main reason for the banking system's overall decrease.

Consumer loans continue their downward trend started in March 2020, falling by 13.62 percent but faring slightly better than the 15.60-percent drop seen in March 2021. Meanwhile, the housing portfolio increased by 4.31 percent in the same span, a figure slightly lower than the 4.40 percent recorded the previous month.

State-guaranteed loan programs continue playing a countercyclical role. Excluding said operations, the commercial portfolio would have declined by 14.19 percent over 12 months and overall loans by 9.13 percent in that same span.

In terms of credit risk, the loan-loss provisions index fell slightly once more, totaling 2.61 percent (same as May 2020). The arrears ratio of 90 days or more stood at 1.55 percent for the third month in a row, while the commercial portfolio ratio increased to 1.39 percent and the impaired portfolio ratio decreased to 2.90 percent.

Monthly profits for April reached 272,483 million Chilean pesos (USD 386MM). The cumulative result grew by 39.27 percent compared to 12 months ago, totaling CLP 1,201,353 million, or USD 1,704MM. Accordingly, the return on average equity reached 7.19 percent and the return on average assets was 0.49 percent. Both figures are lower than the ones recorded in April 2020.

Supervised Cooperatives

Loans by savings and credit cooperatives supervised by the CMF fell once again during April, decreasing 1.83 percent over 12 months. A fall of 3.55 percent in the consumer portfolio, which comprises 73 percent of these loans, explains this trend. Meanwhile, the commercial portfolio grew by 7.50 percent in the same span, positively influenced by the granting of State-guaranteed loans. Excluding said operations, this portfolio would have grown only by 4.03 percent, and total loans would have decreased 1.99 percent.

Regarding credit risk, all three indices fell slightly compared to the previous month. The provisions index reached 3.54 percent, the arrears ratio of 90 days of more was 1.76 percent, and the impaired portfolio got 6.67 percent.

Monthly profits for April reached CLP 8,845 million (USD 13MM), decreasing by 14.19 percent versus the figures recoded in March. The cumulative result totaled CLP 39,699 million, or USD 56MM – an increase of 63.43 percent over 12 months. Accordingly, the return on average equity recorded 13.55 percent and the return on average assets was 3.33 percent.

Performance Report

Alongside this month's financial information, the Performance Report includes data on the new capital adequacy indicators in force as of December 2020 due to the implementation of Basel III standards since that date.

Links to Relevant Documents

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

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