Second Semester 2013

A Status Report on the Philippine Financial System





This semestral report is prepared pursuant to Section 39(c), Article V of Republic Act No. 7653 (The New Central Bank Act) by the Office of Supervisory Policy Development, Supervision and Examination Sector, Bangko Sentral ng Pilipinas. This semester's report incorporates the report on the implementation of Republic Act No. 7721 (An Act Liberalizing the Entry and Scope of Operations of Foreign Banks and for Other Purposes) and the reports on BSP's Rules and Regulations Promulgated, as well as Other Actuations in Connection with Thrift Banks/Rural Banks/ Non-Stock Savings and Loan Associations under Section 27 of Republic Act No. 7906 (Thrift Banks Act of 1995), Section 29 of Republic Act No. 7353 (Rural Banks Act of 1992) and Section 26 of Republic Act No. 8367 (Revised Non-Stock Savings and Loan Association Act of 1997), and the Republic Act No. 6426 (Foreign Currency Deposit Act of the Philippines) respectively. A synopsis of the report is available online at http://www.bsp.gov.ph.

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Glossary of Terms

A. SELECTED ACCOUNTS

1. **Financial Reporting Package (FRP)** is a set of financial statements for prudential reporting purposes composed of the Balance Sheet, Income Statement and Supporting Schedules. The FRP is primarily designed to align the BSP reportorial requirements with the provisions of the Philippine Financial Reporting Standards (PFRS)/Philippine Accounting Standards (PAS) and Basel 2-based Capital Adequacy Framework. It is also designed to meet BSP's statistical requirements.

2. **Total Assets** refer to the sum of all assets, adjusted to net of "Due from Head Office/Branches/Agencies" and "Due to Head Office/Branches/Agencies" of foreign bank branches.

3. **Financial Assets (Other than Loans and Receivables)** refer to the sum of all investments in financial assets, net of direct equity investments. These include financial assets held for trading (HFT), designated at fair value through profit or loss (DFVPL), available-for-sale (AFS), held-to-maturity (HTM), unquoted debt securities classified as loans (UDSCL) and investments in non-marketable equity securities (INMES).

4. **Equity Investments** refer to equity investments in subsidiaries, associates and joint ventures.

5. For purposes of computing the average, one period covers 12 months.

   a. **Average assets** refer to the sum of total assets as of end of two periods divided by 2.

   b. **Average capital** refers to the sum of total capital accounts as of end of two periods divided by 2.

   c. **Average earning assets** refer to the sum of earning assets as of end of two periods divided by 2.

   d. **Average interest-bearing liabilities** refer to the sum of interest-bearing liabilities as of end of two periods divided by 2.

6. **Financial Liabilities Held for Trading (HFT)** refer to the sum of derivatives with negative fair value held for trading and liability for short position.

7. **Financial Liabilities Designated at Fair Value Through Profit or Loss (DFVPL)** refer to financial liabilities that upon initial recognition are designated by the bank at fair value through profit or loss.

8. **Unsecured Subordinated Debt (USD)** refers to the amortized cost of obligations arising from the issuance of unsecured subordinated debt which may be eligible as Tier 2 (supplementary) capital of the bank, subject to certain terms and conditions.

9. **Redeemable Preferred Shares** refer to preferred shares issued which provides for redemption on a specific date.

10. **Total Capital** refers to the sum of paid-in capital of locally incorporated banks, assigned capital and the allowable qualified capital component of the net "Due To/Due From Head Office/Branches/Agencies" accounts of branches of foreign banks, other equity instruments, retained earnings and undivided profits, other comprehensive income, and appraisal increment reserves.

11. **Earning Assets** refer to the sum of due from BSP, due from other banks, financial assets-debt securities (net of allowance), financial assets HFT-derivatives with positive fair value HFT-interest rate contracts (stand-alone and embedded), derivatives with positive fair value HFT-interest rate contracts (stand-alone and embedded) and TLP inclusive of IBL and RRPs (net of allowance).

12. **Interest-bearing Liabilities** refer to the sum of financial liabilities HFT, financial liabilities designated at FVPL, deposit liabilities, bills payable, unsecured subordinated debt, bonds payable, redeemable preferred shares, derivatives with negative fair value held for hedging and finance lease payment payable.

13. **Liquid Assets** refer to the sum of cash and due from banks and other financial assets (net of allowance for credit losses).

14. **Total Operating Income** refers to the sum of net interest income and non-interest income.

15. **Net Interest Income** refers to the difference between interest income, provision for losses on accrued interest income from financial assets and interest expense.

16. **Provision for Losses on Accrued Interest Income from Financial Assets** refers to the impairment loss on accrued interest income from loans and other financial assets, net of equity securities, charged against current operations.

17. **Non-Interest Income** refers to the sum of dividend income, fee-based income (including income from fiduciary activities), trading income, foreign exchange profits, profits from sale/derecognition of non-trading financial assets and liabilities, profits from sale/derecognition of non-financial assets, profits on financial assets and liabilities DFVPL, profits on fair value adjustment in hedge accounting and other non-interest income.

18. **Dividend Income** refers to cash dividends earned on equity securities held as HFT, DFVPL, AFS and INMES.

19. **Fee-based Income** refers to the sum of income from payment services, intermediation services, custodianship, underwriting and securities dealership, securitization activities, fiduciary activities and other fee-based income.

20. **Trading Income** refers to the sum of realized gains/(losses) from sale/redemption, and unrealized gains/(losses) from marking-to-market of HFT financial assets, and realized gains/(losses) from foreign exchange transactions.

21. **Non-Interest Expenses** refer to the sum of compensation and fringe benefits, taxes and licenses, other administrative expenses, depreciation and amortization, impairment losses and provisions.

22. **Losses or Recoveries on Financial Assets** refer to the sum of provision for credit losses on loans and receivables and other financial assets, bad debts written-off and recovery on charged-off assets.

23. **Income Tax Expense** refers to provision for income tax.

24. **Net Profit or Loss** refers to the difference of total operating income and non-interest expenses, plus/(less) the recoveries/(losses) on financial assets, share in the profit (loss) of unconsolidated subsidiaries, associates, joint ventures and minority interest in profit (loss) of subsidiaries.

25. **Non-Performing Loans (NPL)** refer to past due loan accounts whose principal and/or interest is unpaid for 30 days or more after due date. This applies to loans payable in lump sum and in quarterly, semi-annual or annual installments, including: the outstanding balance of loans payable in monthly installments when three or more installments are in arrears; the outstanding balance of loans payable in daily, weekly or semi-monthly installments when the total amount of arrearages reaches 10 percent of the total loan receivable balance; and restructured loans which do not meet the requirements to be treated as performing loans under existing rules and regulations, including all items in litigation. Effective January 2013, Circular No. 772 dated 16 October 2012 removed the exclusion of loans qualified as loss from NPL classification for the reporting of gross NPLs and the ratio of gross NPLs to gross TLP. The complementary concepts of net NPLs (gross NPLs less specific allowance for credit losses on TLP) and the ratio of net NPLs to gross TLP were also introduced.

26. **Real and Other Properties Acquired (ROPA)** refer to real and other properties, other than those used for banking purposes or held for investment, acquired by the bank in settlement of loans through foreclosure or *dacion* in payment and/or for other reasons, whose carrying amount will be recovered principally through a sale transaction.

27. **Non-Performing Assets (NPA)** refer to the sum of NPL and ROPA, gross. Effective March 2003, NPAs exclude performing sales contract receivables, which met certain requirements under Circular No. 380. Based on the new FRP framework provided for under Circular No. 512 dated 3 February 2006 and effective on 31 December 2006, NPA should also include non-current assets held for sale.

28. **Distressed Assets** refer to the sum of NPLs, ROPA, gross, non-current assets held for sale and performing restructured loans replaced current restructured loans.

29. **Gross Assets** refer to total assets plus allowance for credit losses on loans; allowance for credit losses on sales contract receivables (SCR); and allowance for losses on ROPA.

30. **Allowance on NPAs** refers to the sum of allowance for credit losses on loans, allowance for credit losses on SCR, allowance for losses on ROPA.

31. **Non-Current Assets Held for Sale** refer to ROPAs that are available for immediate sale in their present condition subject only to terms that are usual and customary for sales of such assets and the sale must be highly probable.

32. **Sales Contract Receivable (SCR)** refers to the amortized cost of assets acquired in settlement of loans through foreclosure or *dacion* in payment and subsequently sold on installment basis whereby the title to the said property is transferred to the buyers only upon full payment of the agreed selling price.

B. FINANCIAL AND OTHER RATIOS

1. **Capital adequacy ratio (CAR)** refers to the ratio of qualifying capital to total risk weighted assets. With the implementation of the reforms under the Basel III framework, the BSP issued Circular No. 781 dated 13 January 2013 providing the new computation of qualifying capital under the Basel III standards. Two new ratios, the Common Equity Tier 1 and Tier 1 Capital ratios, were introduced apart from the total CAR. While the three major risks (credit, market and operational risks) are still covered by the calculation of risk-based capital, the qualifying capital was strengthened through the eligibility criteria for recognition as capital including the required loss absorbency features of capital instruments.

2. **Cost-to-Income ratio** refers to the ratio of non-interest expenses to total operating income.

3. **Density ratio** refers to the ratio of the total number of domestic banking offices to the total number of cities/municipalities in the Philippines.

4. **Distressed assets ratio** refers to the ratio of distressed assets to total loans (gross of allowance for probable losses), inclusive of interbank loans, plus ROPA (gross of allowance for losses).

5. **Earning asset yield** refers to the ratio of interest income to average earning assets.

6. **Funding cost** refers to the ratio of interest expenses to average interest-bearing liabilities.

7. **Interest spread** refers to the difference between earning asset yield and funding cost.

8. **Liquid assets ratio** refers to the ratio of liquid assets to total deposit liabilities.

9. **Net interest margin** refers to the ratio of net interest income to average earning assets.

10. **NPA coverage ratio** refers to the ratio of allowance on NPAs to total NPAs.

11. **NPA ratio** refers to the ratio of NPAs to total assets, gross of allowance for probable losses.

12. **NPL coverage ratio** refers to the ratio of allowance for credit losses on loans to total NPLs.

13. **NPL ratio** refers to the ratio of NPLs to total loans (gross of allowance for credit losses), inclusive of interbank loans.

14. **Population-to-banking offices ratio (Customer Ratio)** refers to the ratio of the total population to the total number of domestic banking offices.

15. **Return on assets (ROA)** refers to the ratio of net profit or loss to average assets.

16. **Return on equity (ROE)** refers to the ratio of net profit or loss to average capital.

Prologue

The Status Report on the Philippine Financial System is a semestral report prepared by the Office of Supervisory Policy Development, Supervision and Examination Sector, Bangko Sentral ng Pilipinas (BSP), and is submitted by the Governor to the President and the Congress, in compliance with Section 39 (c), Article V of Republic Act No. 7653 or The New Central Bank Act.

This report is basically culled from the various periodic reports submitted by BSP supervised/regulated institutions to the Supervisory Data Center, Supervision and Examination Sector. At end-December 2013, BSP supervised/regulated financial institutions consisted of 673 banks with 9,262 branches and other offices, 6,229 non-bank financial institutions (NBFIs) with 11,771 branches and four offshore banking units (OBUs). (Schedule 1)

Effective 3 July 1998, the supervision and regulation of the BSP over non-banking entities were turned over to the Securities and Exchange Commission (SEC) for corporations and partnerships, and to the Department of Trade and Industry (DTI) for single proprietorships, in accordance with Section 130 of Republic Act No. 7653, except the following: non-banks with quasi-banking functions and/or with trust licenses, non-banks which are subsidiaries/affiliates of banks and quasi-banks, non-stock savings and loan associations and pawnshops.

Likewise, the supervision and regulation over building and loan associations were transferred to the Home Guarantee Corporation (HGC) effective 7 February 2002, in accordance with Section 94 of Republic Act No. 8791 (The General Banking Law of 2000).

Finally, pursuant to Circular No. 512 dated 3 February 2006, as amended and Circular No. 644 dated 10 February 2009, and in line with the adoption of the Philippine Financial Reporting Standards (PFRS) and Philippine Accounting Standards (PAS), the BSP amended the Manual of Accounts and the BSP reportorial requirements consisting of the Consolidated Statement of Condition (CSOC), Consolidated Statement of Income and Expenses (CSIE) and their supporting schedules issued under Circular 108 dated 9 May 1996, as amended for universal and commercial banks, Circular No. 270 dated 19 December 2000, as amended for thrift banks, and Circular No. 249 dated 26 June 2000, as amended for rural and cooperative banks, through the issuance of the new Financial Reporting Package (FRP) for banks. The FRP is designed to align the Manual of Accounts and the BSP reportorial requirements with the provisions of the PFRS/PAS.

The Philippine Financial System: An Assessment

The Philippine financial system benefited from a stable macroeconomic environment and continuing financial reforms as it continued to post a solid performance in 2013. Key performance metrics indicate positive growths in assets, loans, deposits and capital accounts. Asset quality was maintained despite the double-digit credit expansion in 2013. Banks and other BSP-supervised financial institutions remained well-capitalized and at par with ASEAN-5 standards. With expanding asset and stable funding base, the System sustained its profitability.

It is also important to underscore that the Philippine financial system is primarily bank-based with the total assets of the banking system accounting for 81.3 percent of the total assets of the financial system and 89.2 percent of gross domestic product (GDP)[1]. Accordingly, favorable market sentiment and the sustained influx of remittances from Overseas Filipinos continued to support domestic private consumption, which in turn, boost economic activity and bank lending. This is also supported by upbeat domestic economic activity and relatively low domestic interest rates. As of end-December 2013, core lending (total loan portfolio net of interbank loans and reverse repurchase with BSP and other banks) expanded by 16.4 percent to P4,410.1 billion from 14.3 percent last year. Credit costs[2] remained manageable at 3.3 percent wherein which banks can readily absorb given the lending spread[3] of 4.9 percent in 2013. Despite the double-digit credit expansion, the quality of banks' credit underwriting standards and commitment to asset cleanup are still on point as gross non-performing loan (NPL) ratio further eased to 2.8 percent from 3.4 percent last year. There was ample liquidity in the system as liquid assets-to-deposit ratio rose to 59.5 percent from 57.5 percent last year. Solvency ratios remained both well above BSP's regulatory minimum of 10 percent and the international standard of 8 percent.

Apart from stronger balance sheets, banks reported a positive bottom line as net profit grew by 18.5 percent to P144.9 billion from P122.3 billion in 2012. While most of banks' income came from interest-based revenues, non-interest income registered a stronger growth of 13.7 percent over net interest income's 10.9 percent. Main growth drivers were profits from sale/redemption/de-recognition of non-trading financial assets and liabilities[4] amounting to P10.7 billion or 51.3 percent contribution to growth, trading gains of P7.1 billion or 34.0 percent contribution, and fee-based income of P4.8 billion or 22.8 percent contribution.

Similarly, non-bank financial institutions under BSP's supervision reported sound and profitable operations during the review period.

Overall performance was achieved while the rest of the world suffered lower economic output as a result of Fed tapering[5] in the latter part of 2013. Moreover, the Philippines is still grappling with the twin effects of the 7.2 magnitude earthquake[6] that struck Cebu and Bohol last October 2013 and super typhoon Yolanda (Haiyan)[7] that devastated Central Philippines last November 2013. Despite the strong economic growth, the Philippine economy is still in a catch-up mode and has ample room to grow with net domestic credit-to-gross domestic product (GDP)

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[1] It generally refers to national income or economic output. In particular, it measures the total output within the geographic boundaries of the country, regardless of the nationality of the entities producing the output.

[2] Refers to the ratio of loan loss reserves or allowance for probable losses over total loan portfolio

[3] Refers to the difference of average bank lending rate over average savings deposit rate

[4] Refer to financial assets available-for-sale (AFS), held-to-maturity (HTM), unquoted debt security classified as loans (UDSCL), loans and receivables, investments in subsidiaries, associates and joint ventures. This includes gains from reclassification of debt securities booked as AFS to HTM due to the lapse of the two preceding financial years referred to in Circular No. 476 dated 16 February 2005. Under the same Circular, a bank is prohibited from using the HTM account for selling or reclassifying more than an insignificant amount of HTM investments before maturity. Any previous gain or loss on AFS debt security that has been recognized directly in equity shall be amortized by debiting or crediting this account over the remaining life of the HTM security using the effective interest method.

[5] Tapering is a financial term used to describe the 22 May 2013 announcement of US Federal Reserve Chairman Ben Bernanke during his testimony before the US Congress that the Fed may "taper" or reduce the size of its bond buying program known worldwide as quantitative easing (QE). The program which was originally designed to stimulate the US economy likewise served the secondary purpose of supporting financial market performance in recent years. It also indicates that the US policymakers are preparing to move from accommodative monetary policy to higher long-term interest rates as the US economy recovers.

[6] Reports indicate that it was 32 times stronger than the atomic bomb dropped in Hiroshima, Japan during World War II (Source: www.ndrrmc.gov.ph)

[7] Reports indicate that it is the strongest typhoon to make landfall in recorded history. It packed a strong 315 kph wind and gustiness of 378 kph and induced a 25-foot storm surge that killed 6,000 people (Source: www.ndrrmc.gov.ph).

at 50.9 percent compared with Malaysia's 134.0 percent, Singapore's 99.5 percent and Thailand's 169.6 percent. The economy's strong underlying fundamentals, limited reliance on exports, steady stream of remittances from migrant Filipinos, influx of foreign tourists and liquidity released from the restricted access to BSP's special deposit accounts (SDA) continue to support the banking system's liquidity and funding position.

Thus, the series of investment grade ratings received from major international credit rating agencies[8] in 2013 capped this year's sterling performance and provided a long overdue third party validation for the Philippines. The Philippine banking system is also the only banking system out of the 69 rated banking systems in the world that received a POSITIVE outlook from Moody's in 2013.

On the regulatory front, initiatives from the G20 countries[9] particularly the Basel III global capital standards continued to gain ground during the review period. In order to strengthen the quality of regulatory capital and introduce buffers to ensure better loss absorbency of said capital during economic downturns, Philippine universal and commercial banks are expected to migrate to the Basel III capital regime by 01 January 2014 without recourse to a staggered implementation or gradual phase out of ineligible capital instruments under Circular No. 781 dated 15 January 2013. Under the Basel III framework, all regulatory adjustments and deductions shall be applied to Core Equity Tier 1 (CET 1) of banks. The Bangko Sentral ng Pilipinas (BSP) also issued risk disclosure requirements on loss absorbency features of Additional Tier 1 and Tier 2 capital instruments under Basel III to uphold investor protection through enhanced disclosure and transparency requirements for banks under Circular No. 786 dated 15 February 2013 and aligned the capital structure of foreign bank branches with Basel III standards particularly in their capacity to absorb risks from their operations in the Philippines under Circular No. 822 dated 13 December 2013. The country's full adoption of Basel III capital standards four years ahead of the timeline set by the Basel Committee on Banking Supervision bespeaks of the strong capitalization and readiness of the Philippine banking system. As of end-September 2013, the capital adequacy ratio (CAR) of universal and commercial banks stood at 17.5 percent on a solo basis and 18.6 percent on a consolidated basis. Net Tier 1 ratio likewise remained strong at 16.4 percent.

In promoting a deeper culture of good corporate governance, the BSP tightened its rules on related party lending under Circular No. 786 dated 15 February 2013 and aligned the familial restrictions applicable to independent directors with the existing provision of the Securities Regulation Code under Circular No. 793 dated 08 April 2013. These initiatives are intended to provide the appropriate checks and balances in conglomerate structures of BSP-supervised financial institutions.

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Cognizant that ample liquidity in the system could boost real estate financing and push the gradual shift towards higher yield-higher risk consumer finance, which both have procyclical effect on the economy and may pose financial stability concerns, the BSP expanded its monitoring of real estate exposures of banks and remained poised to deploy macroprudential tools should circumstances and timing warrant the use of these tools. It also enhanced its existing reporting framework by requiring BSP-supervised institutions with credit card operations and their subsidiary/affiliate credit card companies to submit their Credit Card Business Activity Report (CCBAR)

[8] The Philippines completed its investment grade status in 2013 with the following favourable ratings actions from the triumvirate: Fitch ratings gave BBB- sovereign ratings with STABLE outlook last 27 March 2013, Standard & Poor's gave BBB- sovereign ratings with STABLE outlook last 02 May 2013 and Moody's gave Baa3 sovereign ratings with POSITIVE outlook last 03 October 2013.

[9] Refers to a group of finance ministers and central bank governors from 19 countries and the European Union. These include Argentina, Australia, Brazil, Canada, China, European Union, France, Germany, India, Indonesia, Italy, Japan, Mexico, Russia, Saudi Arabia, South Africa, South Korea, Turkey, United Kingdom, and United States.

under Circular No. 812 dated 23 September 2013 and by requiring banks to comply with the new reporting requirement for NPLs under Circular No. 814 dated 27 September 2013. In particular, the BSP requires banks to submit reports on NPL movements and age these bad loans based on the prescribed format of the BSP. Consumer loans, which include residential real estate, credit card receivables, auto loans and other consumer loans, accounted for 15.7 percent of the total loan portfolio of the banking system as of end-December 2013. These loans were generally current as the NPL ratio stood at 5.3 percent, albeit 2.5 percentage points higher than the system NPL average during the same period. Meanwhile, the real estate exposure of banks which include real estate loans and real estate investments grew by 38.5 percent year-on-year and accounted for 13.1 percent of the total loan portfolio.

On further liberalization of the banking sector, the BSP is setting the downstage for foreign investment and competition as the country joins the ASEAN Economic Community by 2015 and stands ready to tap consequential opportunities from the ASEAN Banking Integration by 2020. Toward this end, there is a need to facilitate more foreign participation in the provision of financial services, catalyze investments in the productive sectors of the economy and cultivate public-private partnerships (PPP) in critical industries. In 2013, Congress passed the amended Rural Bank Act (Republic Act No. 10574) and the BSP issued Circular No. 809 dated 23 August 2013 as the implementing rules and regulations of the law and to allow the infusion of foreign equity in the capital of rural banks (Box Article 1). The BSP is currently working closely with both Houses of Congress for the amendment of the existing Foreign Banks Law (Republic Act No. 7721) which aims to further liberalize the domestic banking industry. On PPPs, the BSP extended the allowable period for banks and quasi-banks to provide loans, credit accommodations and guarantees for infrastructure and PPP-related projects until 28 December 2016. Under Circular No. 779 dated 09 January 2013, banks can extend credit accommodations and related exposures to infrastructure and PPP-related projects up to 50 percent of their net worth.

Parallel to these, the BSP sustained its advocacy towards greater financial inclusion and consumer education. Apart from innovative and technology-enabled service delivery channels, the BSP widened the array of available microfinance-related products in the market such as microinsurance under Circular No. 782 dated 21 January 2013 and microdeposits under Circular No. 796 dated 03 May 2013. Catered for low-income clients, families with annual family income below the national average of P206,000[10] can now avail of microinsurance and only individual microfinance clients whose average daily savings account balance does not exceed P40,000 may open a microfinance savings deposit account. On consumer education and savings consciousness, the BSP launched the 'Money Matter for Kids' exhibit at the Gateway Mall, Araneta Center last 08 August 2013. The exhibit was launched in cooperation with the Department of Education, Araneta Center and Museo Pambata. It features a variety of interactive sections and engaging role-play activities that allow children to have fun while learning the value of wise money management.

Summing up, the Philippine financial system once again has proven its mettle by ending 2013 with another solid performance. In a rapidly changing global financial landscape, sustainability of reforms and stability of financial systems are solid foundations for growth.

[10]Based on the latest Family Income and Expenditure Survey (FIES) of the National Statistics Office

Box Article 1

Foreign Participation in Banking Services

Overview

The Philippine banking system was liberalized in 1994 with the passage of Republic Act No. 7721 (An Act Liberalizing the Entry and Scope of Operations of Foreign Banks in the Philippines and for Other Purposes) which opened the provision of banking services to foreign participation. Under the law, foreign banks may operate in the Philippines through the following modes of entry: (i) by establishing branches with full banking authority; (ii) by investing in up to 60 percent of the voting stock of a new banking subsidiary; and (iii) by acquiring in up to 60 percent of the voting stock of an existing domestic bank. However, the first two modes of entry have been closed and the third mode of entry is the remaining option for foreign participation in the Philippine banking system at the moment. Under the current framework, qualified banks may own or control up to 60 percent of the voting stock of universal, commercial, thrift, or rural bank, provided that the aggregate foreign-owned voting stock owned by the qualified foreign banks in a universal, commercial, thrift or rural bank, shall not exceed 60 percent of the outstanding voting stock of the bank. Meanwhile, foreign individuals and non-bank corporations may invest singly up to 40 percent of the voting stock of an existing domestic bank. The law prescribes that 70 percent of the total resources of the banking system shall be controlled by domestic banks.

Inroads to ASEAN Banking Integration by 2020

In recent years, the Philippines is actively participating in ASEAN regional cooperation initiatives to strengthen the country's relationship with regional economies and to keep pace with economic developments with the ASEAN region. The country is also set to join the ASEAN Economic Community in 2015. An integral component of said regional cooperation is the ASEAN Banking Integration Framework (ABIF) aimed to allow the entry of Qualified ASEAN Banks (QABs) and operate within ASEAN jurisdictions, to eliminate discrimination against foreign banks, and to create a more harmonized banking environment throughout the region. In order to maximize growth opportunities that can be tapped once the country integrates with the rest of the ASEAN region, further liberalization of the local financial services industry should be in order. This will entail the amendment of almost 20-year old Foreign Banks Liberalization Act to remove barriers to foreign entry, foster market competition and enable the banking regulatory framework to be responsive to the evolving needs of the global community.

The Monetary Board is endorsing a bill to Congress amending Republic Act No. 7721 which will effectively further liberalize the entry of foreign banks (FXBs) in the country. The proposed bill was intended to create a more competitive environment in the banking system and encourage greater foreign participation. The BSP's proposed amendments will provide for safety nets to ensure that the lion's share of the banking resources is still dominated by domestic banks.

Salient features of proposed amendments of the existing Foreign Banks Liberalization Act are as follows:

Modes of Entry

The proposed bill re-opened the three modes of entry under R.A. No. 7721 and increased foreign participation up to 100 percent:

(1) Acquisition of a voting stock of a bank;
(2) Setting up of new banking subsidiary; and
(3) Establishment of branches with full banking authority.

Parallel to this, the limit of the acquisition or investment of the foreign bank is increased to 100 percent from 60 percent of the voting stock of the domestic bank or new banking subsidiary, as appropriate. Moreover, the criteria for entry of foreign banks have been rationalized with the removal of the entry requirement pertaining to world and country rankings of the foreign bank so long as the applicant foreign bank is established, reputable and financially sound. The period of entry was similarly removed to allow the Monetary Board greater discretion in allowing foreign banks to establish branches in the Philippines.

Foreign banks with existing authorities may also change their original mode of entry. Existing foreign bank branches retain their original privilege to establish a limited number of additional sub-branches with no restrictions on the locations of such additional branches. These banks are given one year to comply with the capital requirements of the BSP.

Capital Requirements

Locally incorporated foreign bank branches and subsidiaries shall comply with the same minimum capital requirements in the same category of their domestic counterparty consistent with existing BSP rules and regulations. Moreover, the definition of capital was deleted to align with the provisions of the General Banking Law of 2000 (R.A. No. 8791).

Branching Privilege

The proposed bill allows a foreign bank to open up to five branches (from three branches) in locations as may be approved by the Monetary Board. Moreover, locally

incorporated subsidiaries of foreign banks are envisioned to enjoy the same branching privileges as domestic banks of the same category.

FX Participation in Foreclosure Proceedings

The proposed bill introduced a new section to allow foreign bank branches and subsidiaries to bid and participate in foreclosure proceedings of real property mortgaged to them. In recognition though of constitutional limitations on the ownership of foreign banks of lands in the Philippines, foreign banks are given a limited 5-year period within which to transfer their rights over the real property to qualified Filipinos.

The BSP also set the criteria in determining the suitability of foreign entity to invest in the voting stock of a rural bank as stipulated in Subsec. 3127.5 of the Manual of Regulations for Banks (MORB). In addition, foreign bank seeking to own up to 60 percent of voting stocks in a rural bank shall satisfy the criteria under Subsec. X105.3 of the MORB.

The passage of Republic Act No. 10574 (An Act Allowing the Infusion of Foreign Equity in the Capital of Rural Banks) in 2013, which amended the Rural Bank Act of 1992, is presumed to create opportunities for growth of the rural banking industry. Circular 809 dated 23 August 2013 issued by the BSP to implement R.A. No. 10754 is envisaged to revitalize the rural banking industry in the Philippines and improve access of banking services in the rural areas. Under Circular 809, non-Filipino citizens, excluding foreign banks, may each or in the aggregate, own, acquire or purchase, up to 60 percent of the voting stocks in a rural bank.

Impact of Foreign Participation in the Provision of Banking Services in the Philippines

A survey on the effects of foreign bank entry into the Philippine banking system has been conducted since 2008. The survey aims to determine the extent to which foreign banks are able to achieve the policy objectives embodied in Section 1 of R.A. No. 7721, which include the following: (i) attract foreign investments and serve as channels for the flow of funds and investments into the economy to promote industrialization; (ii) encourage, promote and maintain a stable, competitive, efficient and dynamic banking and financial system; (iii) contribute to the alleviation of unemployment in the country; and (iv) provide a wider variety of financial services to Philippine enterprises, households and individuals.

There are 19 FXBs operating in the country as of end-year 2013 composed of four foreign bank branches originally granted access into the country prior to the 1994 liberalization, 10 foreign bank branches that entered via Republic Act No. 7721, and the five foreign bank subsidiaries. The share of foreign banks in the assets of the Philippine banking system as of end-year 2013 slightly dropped to 10.4 percent from 11.8 percent, which was still less than half of the 30 percent ceiling prescribed under Section 3 of the Foreign Banks Liberalization Act.

Results of the survey showed that foreign bank branches and subsidiaries operating in the Philippines continued to sponsor/participate in various economic and trade activities wherein business potentials of the country were showcased and disseminated to attract additional investments and bolster relation with other countries. Moreover, FXBs continued to introduce new banking/financial technology and support systems on both front-end and back-end operations to enhance service delivery and ensure customer satisfaction. Included among these were systems to support credit and lending activities, payment and remittance, fund transfer, clearing and settlement, treasury operations, accounting and financial reporting, and information storage/retrieval. These motivated domestic banks to increase their efforts in improving the quality and availability of their banking services to be at par with foreign counterparts.

Likewise, FXBs also invested in human resources development to support their operations in the country. As of end-year 2013, a total of 1,631 seminars and trainings were attended by Filipino officers and employees. Furthermore, FXBs also continued to support the financing needs of local residents, companies and the Philippine government. In 2013, a total of eight FXBs have financed loans amounting to over US$ 0.8 billion and facilitated over US$ 6.99 billion loans. Hence, to sustain the growth and expansion of the Philippine economy, opening up further of the banking industry to FXBs could facilitate the investments and financing interests of foreign direct investors in the country.

References:

1. Circular 809 dated 23 August 2013

2. Republic Act No. 10574 approved on 24 May 2013

3. Republic Act No. 7721 approved on 18 May 1994

4. Press Release entitled, “BSP Endorses Legislation to Further Liberalize Foreign Bank Entry into the Country” posted on 24 February 2014 at www.bsp.gov.ph/publications/media

Philippine Banking System

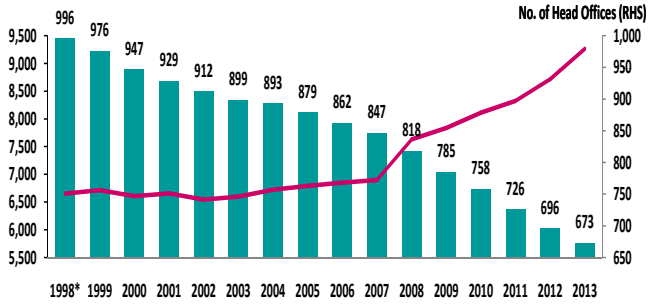
Overview

The Philippine banking system sustained its positive performance in 2013 as key performance indicators showed stronger profitability, firm liquidity position, improved asset quality, and higher capitalization. Banks' asset expansion activity is reinforced by domestically oriented deposit liabilities. Credit expansion continued on higher economic growth during the review period yet asset quality ratios remained below their pre-crisis levels. With expanding assets and deposit base against the backdrop of improved macroeconomic environment, banks' remained profitable and well-capitalized. Philippine banks, compared to its peers in Southeast Asia, is the only banking system that is rated "positive" by the international credit rating agency Moody's Investors Service. Standard & Poor's, together with Singapore, Indonesia, and Thailand, also have a positive outlook on the Philippine banking system. Meanwhile, Fitch Ratings assessed the Philippines along with Malaysia as "stable" among emerging economies like China, India, Indonesia, Mongolia, Sri Lanka, Thailand and Vietnam which received a negative outlook. The positive performance of the industry hinged not only on increased profits but also on its endeavor to develop innovative financial products and expand customer reach through alternative and technology-enabled service delivery channels to the unbanked and underbanked areas in the countryside. In terms of financial inclusion agenda, the Philippines is still the global leader in mobile banking for the unbanked in 2013 and the first in world's best regulatory environment for microfinance serving more than a million micro borrowers.

The streamlined banking landscape was complemented by the increase in financial access points for greater financial inclusion

The banking system landscape remained streamlined as a result of continued industry consolidation and the exit of weaker players. The number of head offices declined during the review period but this was offset by the increase in the number of newly established regular branches as well as so-called "light branches" or other banking offices (OBOs)/microbanking offices (MBOs) that served as additional financial access points for the effective delivery of banking services particularly in the countryside.

Figure 1
Philippine Banking System
Total Banking Units



As of end-December 2013, there were 9,935 operating banking units (up from 9,410 at end-December 2012) consisting of 673 head offices (down from 696 head offices in end-December 2012) and 9,262 branches and other offices (8,714 branches/other offices in end-December 2012). Of these branches/other offices, 51 (up from 35 banking offices at end-December 2012) are domiciled offshore[11] .

The number of banking offices is expected to further increase due to the lifting of the moratorium in restricted areas in July 2014 and banks' initiative to increase their presence in preparation for the ASEAN integration.

The current number of operating banks was 323 banks less than their peak of 996 banks at the start of the rationalization of merger and consolidation incentives of the BSP in 1998 (Figure 1).

Despite the decline in the number of operating banks, the system's physical network was augmented by the establishment of other banking offices (OBOs), specifically, microfinance-oriented OBOs (MF-OBOs)/MBOs apart from regular branches. These enabled banks to participate fully in promoting greater financial inclusion. There are now MBOs or small, scaled down units of banks that readily serve the banking needs of clients in underserved/unbanked populations, which comprised about 37 percent of cities and municipalities in the Philippines. As of end-December 2013, there were 465 MBOs that offered a wide range of financial products and services[12] particularly in hard-to-reach areas[13]. Aside

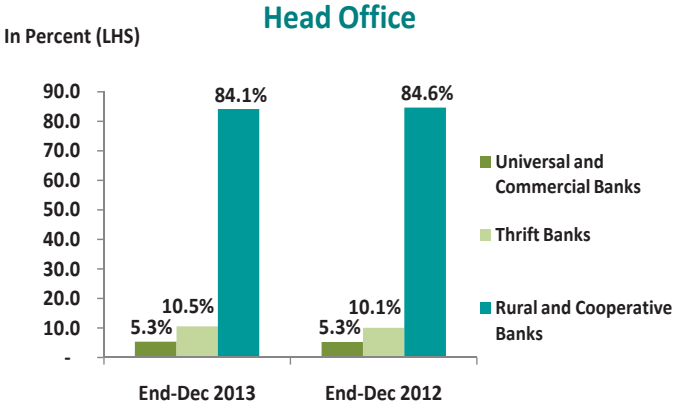
[11] The notable increase was due to the reconciliation of offices abroad due to delayed reporting of banks.

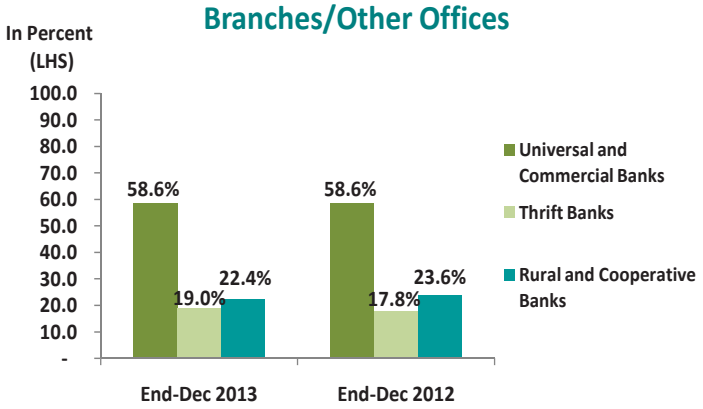
[12] Includes micro-loans, micro-deposits, check deposits of existing microfinance clients, microinsurance, e-money conversion, collection/pay-out of benefits from government, utility payments, purchase of foreign currency (IFAS Report on Financial Inclusion in the Philippines)

[13] As mentioned in the BSP Report on the State of Financial Inclusion in the Philippines, there has been a notable increase in the number of cities and municipalities with MBOs. The same report also cited the uptrend in the number of municipalities without regular banking offices but with MBOs, indicating that banks are increasingly establishing presence in municipalities where it is not economically viable to set up a full-blown branch.

Figure 2
Philippine Banking System
Physical Composition: Share to Total Banking Offices
For End-Periods Indicated

Bank Category	Dec-13			Dec-12		
	Total	Head Office	Branches/Other Offices	Total	Head Office	Branches/Other Offices
All Banks	**9,935**	**673**	**9,262**	**9,410**	**696**	**8,714**
Universal and Commercial Banks	5,461	36	5,425	5,145	37	5,108
Thrift Banks	1,828	71	1,757	1,619	70	1,549
Rural and Cooperative Banks	2,646	566	2,080	2,646	589	2,057





from the physical branches, banks capitalized on the use of electronic banking platforms such as virtual, internet and mobile banking to capture a broader slice of the market.

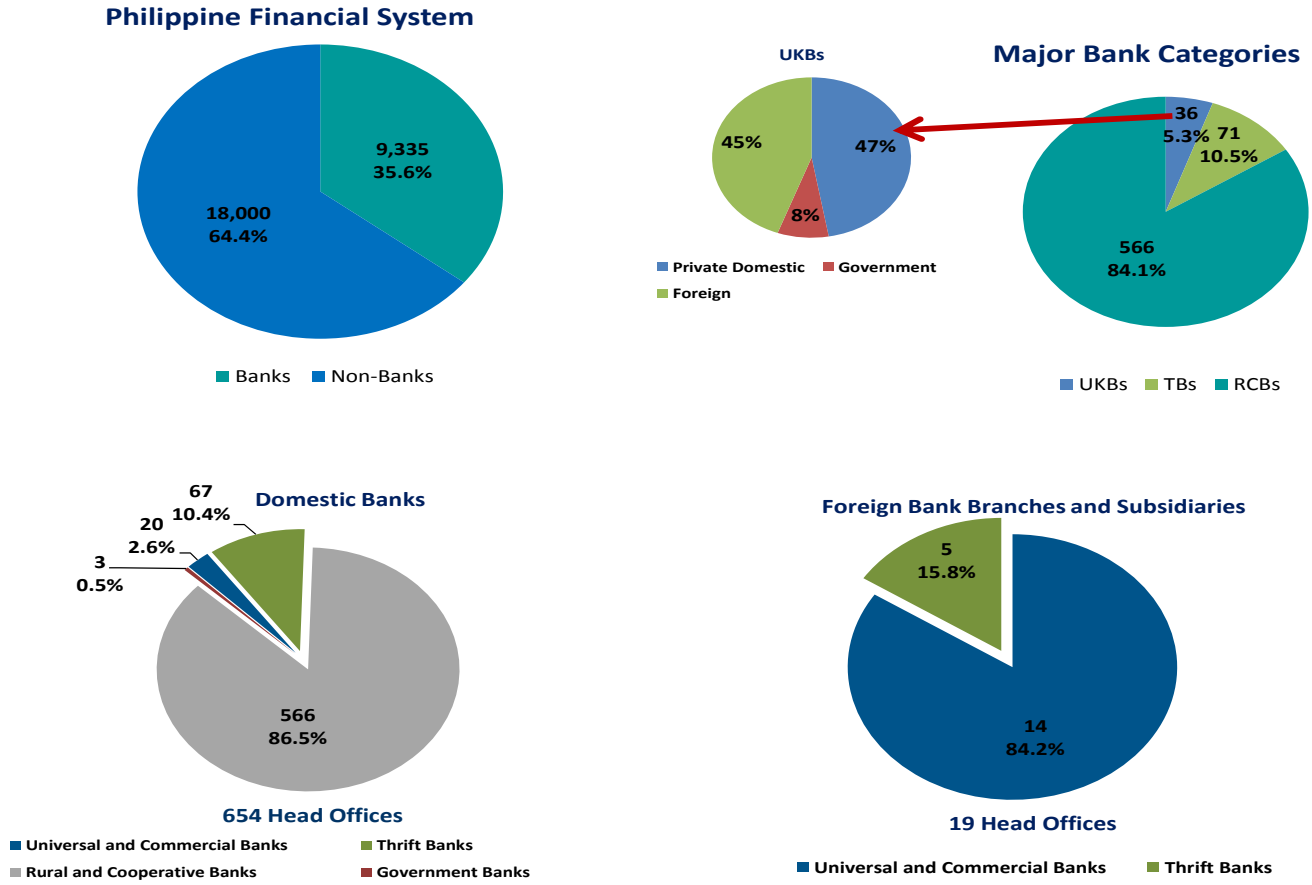
Banks accounted for 35.6 percent (up from 34.7 percent at end-December 2012) of all financial institutions being supervised by the BSP. Apart from banks, the BSP also supervises non-banks with quasi-banking functions and/or trust licenses, financial allied subsidiaries/ affiliates of banks and quasi-banks, non-stock savings and loan associations, pawnshops and other financial institutions which under special laws are subject to BSP supervision (Schedule 1). As of end-December 2013, the number of financial institutions under the effective supervision of the BSP reached 27,939 with additional 858 institutions from last year's 27,081. Of these financial institutions, pawnshops cornered the lion's share at 63.2 percent or 17,652 units (down from 64.0 percent but up from 17,335 pawnshops in 2012). As of end-December 2013, there were four offshore banking units (OBUs)[14] operating in the Philippines.

Major bank categories are universal and commercial banks, thrift banks and rural and cooperative banks. As of end-December 2013, there were 36 universal and commercial banks with 5,425 branches/other offices (down from 37 universal and commercial banks but up from 5,108 branches/other offices); 71 thrift banks with 1,757 branches/other offices (up from 70 thrift banks and 1,549 branches/other offices); and 566 rural and cooperative banks with 2,080 branches/ other offices (down from 589 rural and cooperative banks but up from 2,057 branches/other offices). Across banking groups, rural and cooperative banks (R/CBs) continued to hold a bigger slice of the banking system landscape in terms of operating head offices with a share of 84.1 percent (slightly down from 84.6 percent) as of end-December 2013. R/CBs, however, have a smaller percentage share of the system's total branch network at only 22.5 percent (down from 23.6 percent last year). This was followed by thrift banks whose share to total operating head offices stood at 10.5 percent (up from 10.1 percent last year).

On the other hand, universal and commercial banks (U/KBs) had the least number of head offices but had the most extensive network of branches at 58.6 percent (unchanged from last year). Of the total UKBs, government banks accounted for 4.7 percent (down from 4.9 percent) and foreign bank branches and subsidiaries accounted for 1.6 percent (up from 1.5 percent). With the forthcoming ASEAN economic integration by 2015, the continuing challenge for local banks is to scale up in size to be able to compete with the bigger banks in the region. Under the ASEAN Banking Integration Framework (ABIF), each ASEAN economy should have at least one qualified ASEAN bank (QAB) ready for regional passporting by 2018. The full banking integration under ABIF is in 2020.

[14] Section 1(b) of Presidential Decree No. 1034 defines OBUs as a branch, subsidiary or affiliate of a foreign banking corporation which is duly authorized by the BSP to transact offshore banking business in the Philippines.

Figure 3
Philippine Banking System
Comparative Share to Physical Network
As of End-December 2013



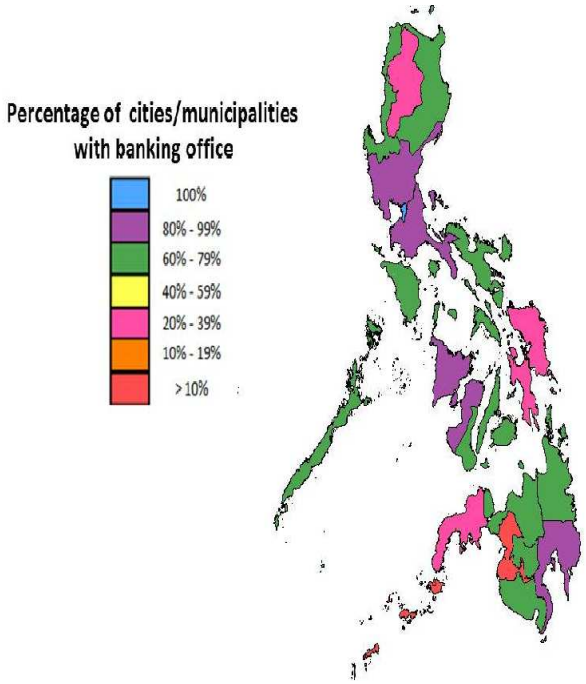
The specific composition of banking offices by major banking groups is summarized in Figure 2 and in Schedule 1.

For banks domiciled onshore, domestic banks by far outnumbered the foreign banks with R/CBs having the most number of operating banks at 86.5 percent. Of the 19 foreign bank branches and subsidiaries, on the other hand, U/KBs had the bigger proportion of head office units at 84.2 percent (Figure 3).

In terms of regional distribution, banking presence remained concentrated in highly urbanized areas of the country, i.e., National Capital Region (NCR), CALABARZON (Region IV-A), Central Luzon (Region III), Central Visayas (Region VII) and Western Visayas (Region VI). Using a geospatial map (Figure 4) of cities and municipalities with banking offices in these regions, details indicate the following: NCR had 100 percent coverage, followed by CALABARZON with 94 percent, Central Luzon with 92 percent, Western Visayas with 79 percent, Cagayan Valley with 78 percent and Davao Region with 76 percent. These regions are densely populated and mostly urbanized, making them viable hubs for business and other industries. These economic considerations made these regions prime locations for banking activities to thrive.

As of end-December 2013, there were 3,141 banking offices located in NCR which accounted for 31.8 percent of total banking offices nationwide

Figure 4
Philippine Banking System
Geospatial Map of Financial Access Points
As of End-December 2013

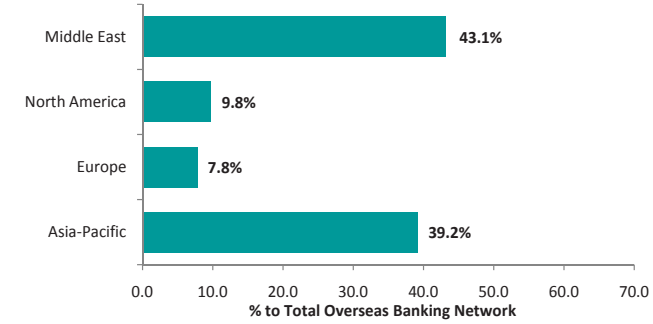


(slightly down from 31.9 percent or 2,993 banking offices last year). Other regions in the Top 5 had the following shares: CALABARZON or Region IV-A with 15.3 percent or 1,509 banking offices (up from 15.0 percent or 1,406 banking offices at end-2012), Central Luzon (Region III) with 10.1 percent or 998 banking offices (down from 10.4 percent previous year but up from 975 banking offices), Central Visayas (Region VII) with 6.6 percent or 653 banking offices (down from 6.7 percent but up from 627 banking offices), and the Western Visayas (Region VI) with 5.8 percent or 572 banking offices (unchanged from last year's share but up from 543 banking offices). Combined, these five leading regions accounted for 69.5 percent (lower than prior year's 69.8 percent) of the total banking network nationwide.

On the other side of the spectrum, the Autonomous Region of Muslim Mindanao (ARMM) still had the least bank coverage with around only eight percent of the region's cities and municipalities having banking offices. Other cities and municipalities with low bank coverage were in Eastern Visayas (Region VIII) with 27 percent, Cordillera Autonomous Region (CAR) with 34 percent, and the Zamboanga Peninsula (Region 9) with 39 percent. Establishing bank branches in these parts of the country is a challenge due to the generally low population density, geographic inaccessibility, and prevailing geo-political and socio-economic situations in these localities.

Accordingly, bank distribution in these areas remained sparse with ARMM's 0.2 percent or 21 banking offices (unchanged from last year but up from 20 banking offices), CAR's 1.5 percent or 150 banking offices (down from previous year's 1.6 percent but up from 148 banking offices), Eastern Visayas' 1.9 percent or 183 banking offices (unchanged from last year but up from 174 banking offices), and the Zamboanga Peninsula with 2.0 percent or 199 banking offices (unchanged from previous year's share but up from 190 banking offices). Collectively, these underbanked regions accounted for only 5.6 percent (down from 5.7 percent last year) or 553 banking offices (up from 532 banking offices in 2012).

Figure 5
Philippine Banking System
Distribution of Offshore Banking Offices
As of End-December 2013



*Banking offices in the Middle East mainly serve as remittance desk offices.

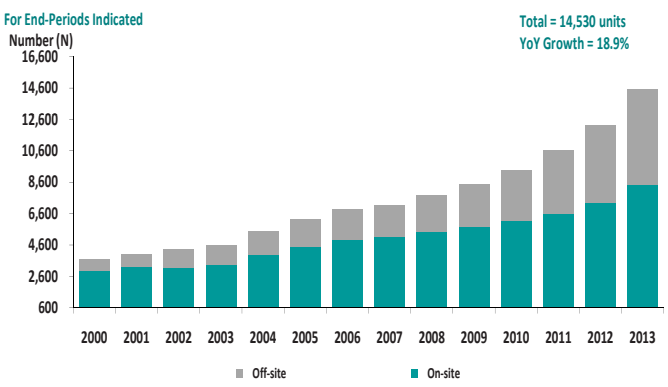
Bank coverage in most parts of the country's cities and municipalities range between 60 to 79 percent as of end-December 2013.

For overseas bank branches, bank distribution was clustered almost evenly in the Middle East and in the Asia-Pacific region (Figure 5). Banking offices in the Middle East were mostly remittance desk offices[15] at 43.1 percent or 22 offices (up from 11.4 percent or 4 banking offices at end-2012). Banking offices in the Asia-Pacific region represented 39.2 percent (20 banking offices) of the total overseas bank branches at end-2013. Meanwhile, branches in North America and Europe stood at 9.8 percent (five banking offices) and 7.8 percent (four banking offices), respectively. Increased banking presence (mostly offices of universal banks) in the Middle East reflects the strong remittance inflows coursed through the banking system. The use of formal remittance channels, particularly banks, allows access by recipients to a wider menu of financial services, including deposit accounts and various investment instruments.

As of end-December 2013, the country's bank density ratio remained unchanged from last year at six banks per city/municipality. Customer ratio though improved by 4.6 percent to 9,933 persons served per banking office from 10,410 persons per each banking office same period in 2012. Banks' density ratio trended closely with bank dispersion as banks remained similarly concentrated in highly populous, urbanized and higher income areas of the archipelago (Table 5). Meanwhile, geographic penetration of banks (banks per 1,000 sq.km.) stood at 33 banks as of end-2013 from 32 banks last year.

Banks have been responding well to market innovations for greater banking convenience. Electronic banking (e-banking) platforms have widely evolved in recent years – from automated teller

Figure 6
Philippine Banking System
Number of ATM Units
For End-Periods Indicated

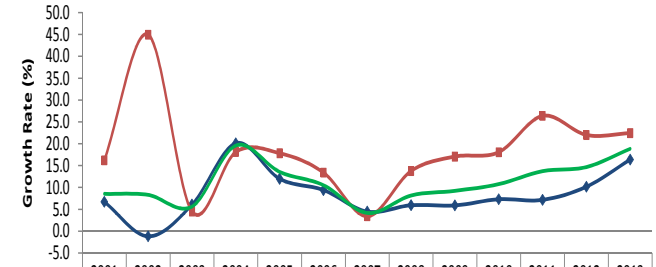


[15] Section X154 of the Manual of Regulations for Banks (MORB) sets down the rules for the establishment of branches or other offices abroad by domestic banks. These offices cover not only branches but also agencies, representative offices, remittance centers, remittance desk offices and other offices which are integral in the operations of the parent domestic bank.

machine (ATM) networks, internet banking, mobile phone banking to the use of electronic money (e-money) instruments such as cash/remittance cards and electronic wallet which are accessible via mobile phones or other access device (Figure 6). To keep pace with changing market dynamics, banks have capitalized on the use of e-banking technology to provide fast, efficient and reliable services to a broader customer base. Developments in banking technologies will likely play a pivotal role as local banks gear up for greater competition and prepare for the ASEAN banking integration by 2020.

Automated teller machines (ATMs), as one of the oldest e-banking channels in the Philippines, remained a key platform for the efficient delivery of financial services and products. As of end-December 2013, banks with ATM network reached 102 (from 71 banks at end-2012). These banks with ATMs are composed of 93 domestic banks and nine foreign bank branches and subsidiaries. The ATM network grew by 2,305 units (18.9 percent) to 14,530 (inclusive of two ATMs located overseas) from year ago's 12,225 units (Figure 6). These ATMs were mostly on-site ATMs at 58.3 percent (down from a year ago's 59.6 percent). As of end-December 2013, off-site ATMs grew by 22.5 percent compared to on-site ATM's growth of 16.4 percent year-on-year. This broadly indicated the growing utilization of mobile ATMs as an e-banking platform (Figure 7).

Figure 7
Philippine Banking System
Comparative ATM Growth
As of End-Years Indicated



	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
On-site	6.7	-1.2	6.1	20.1	12.0	9.4	4.5	6.0	5.9	7.3	7.2	10.2	16.4
Off-site	16.2	45.0	4.5	18.1	17.9	13.4	3.5	13.8	17.1	18.1	26.4	22.0	22.5
Total	8.6	8.3	5.7	19.6	13.6	10.5	4.2	8.2	9.3	10.8	13.8	14.7	18.9

By banking group, universal and commercial banks continued to hold the lion's share of the entire ATM network at 85.7 percent (slightly down from last year's 86.0 percent). The remaining shares went to thrift banks at 12.0 percent (unchanged) and rural and cooperative banks at 2.3 percent (up from 2.0 percent), respectively. The share of foreign banks stood at only 1.6 percent (unchanged from previous year).

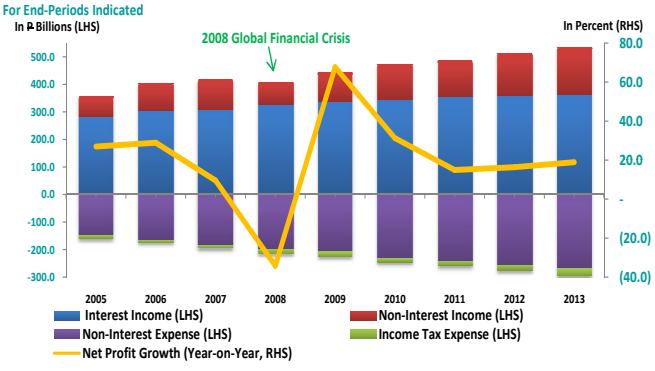
Aside from ATMs, banks have effectively utilized other e-banking platforms in catering to the needs of a diverse and increasingly sophisticated market. As of end-December 2013, there were 61 banks (down from 63 banks at end-2012) offering electronic wallet, 29 banks (down from 30 banks) with cash/remittance card products, 43 banks (down from 44 banks) with internet banking, 16 banks (unchanged) offering phone banking (computer-based, non-mobile), 33 banks (up from 31 banks) engaged in mobile banking, 13 banks (unchanged) with proprietary services and 35 banks (down from 36 banks) with hybrid mobile/internet via BancNet-MegaLink switch banking services and 20 banks offering ETFPOS for BIR Payments (Table 7).

Other notable developments that shaped the banking system's physical landscape during the semester in review include the: (1) establishment of mBank Philippines (A Thrift Bank), Inc., a microfinance-oriented thrift bank on 16 October 2013; (2) the upgrade of Asia United Bank Corporation to a universal bank category effective 25 October 2013; the merger between Iloilo City Development Bank and Producers Savings Bank Corporation with Producers Savings Bank Corporation as the surviving entity effective 12 November 2013; the consolidation of 1st Valley Bank, Inc. (A Rural Bank) and Community Rural Bank of Clarin (Misamis Occidental), Inc.[16]; and the closure of nine rural banks.

Banking sector continued to display strong profitability

Banks' net profit for the period ended 31 December 2013 stood at P144.9 billion, or 18.5 percent higher than last year's P122.3 billion (Figure 8). Growth was mainly driven by interest payments on loans provided to individuals, corporate and governments along with reduced interest payments on deposit liabilities.

Figure 8
Philippine Banking System
Results of Operations
For End-Periods Indicated



[16] The consolidated bank upgraded as a thrift bank to be known as 1st Valley Bank, Inc. (A Development Bank). The Bank commenced operations as a consolidated thrift bank on 1 August 2013.

Non-interest earning activities[17] registered rising and sizeable contribution to net profit growth reflecting the industry's search for higher yields by taking on more risky assets

Against a background of low interest rates, non-interest based revenues registered rising and sizeable contribution to growth in net profit reflecting the banks' search for higher yields. Among the non-interest based revenues, fees and commissions amounting to P59.4 billion (up by P4.8 billion or 8.8 percent year-on-year), unrealized gains from marking-to-market of financial instruments particularly of derivatives such as financial futures, options, forwards and swaps amounting to P5.0 billion (up by P14.3 billion or 283.7 percent) and profits from sale/redemption/de-recognition of non-trading financial instruments of P62.4 billion (up by P10.7 billion, or 20.8 percent) displayed notable increase (Figure 9).

Reduced interest expense coupled by higher interest payments on loans also raised net profit

Nevertheless, net interest earned on loans provided to individuals, corporate and governments (or net interest income) continued to account for a significant portion of total operating income at 60.9 percent. For the period ended 30 December 2013, net interest income rose by 10.9 perecent to P270.5 billion from P243.9 billion last year. Higher interest payments on loans coupled by reduced interest expenses related to deposit taking activity raised net interest income and overall bottom line. Interest on loans increased by P10.6 billion or 4.8 percent while interest payments on deposit liabilities declined by P14.8 billion or 17.3 percent during the period. Domestic interest rate such as savings and time deposit rates and 91-day Treasury bill rate have points, respectively (Figure 10). With narrower spread between deposit rate and the 91-day Treasury bill, funding cost slid to 1.2 percent from 1.8 percent.

Figure 9
Philippine Banking System
Non-Interest Income
For Period Ended Indicated

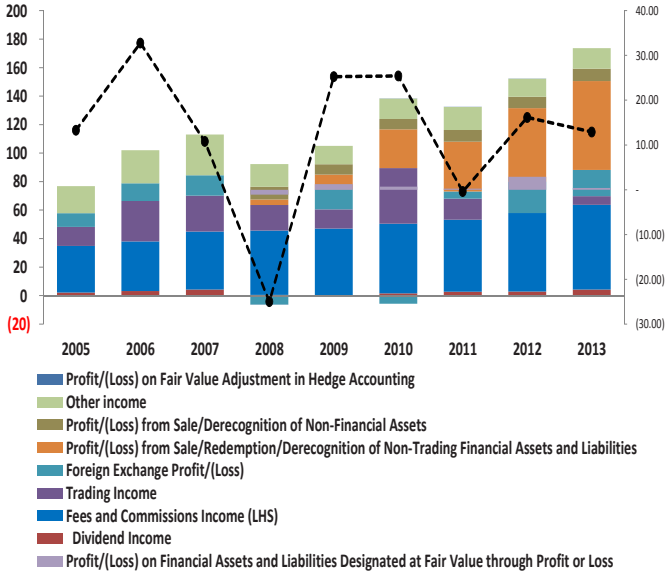
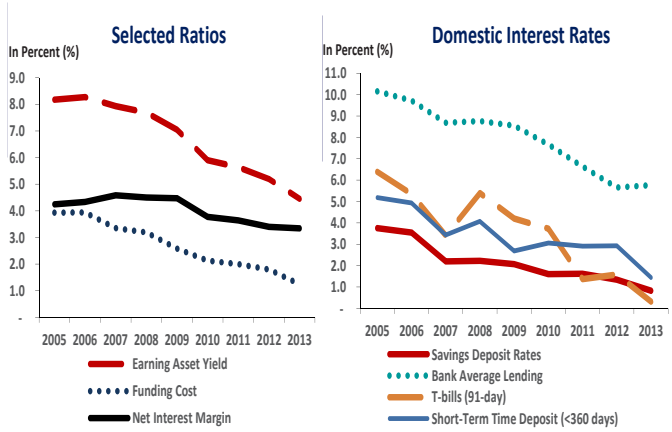


Figure 10
Philippine Banking System
Selected Ratios and Domestic Interest Rates
For End-Periods Indicated



Efficiency and profitability metrics continued to exhibit improved position

Cost-to-income (CTI) ratio, a common measure of bank efficiency, likewise eased to 60.6 percent at end-2013 from 63.2 percent last year. Return on assets (ROA) ratio was stable at 1.6 percent while return on equity (ROE) ratio improved to 13.3 percent from 12.4 percent last year (Figure 11 and 12).

Figure 11
Philippine Banking System
Cost-to-Income Ratio
For End-Periods Indicated

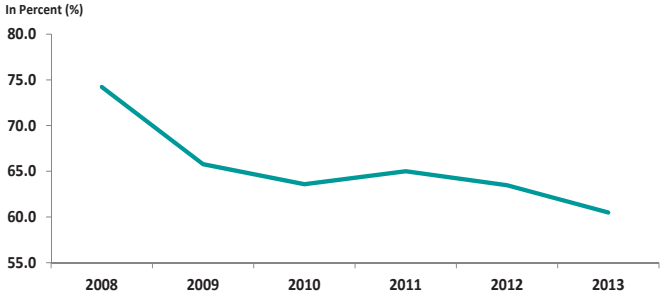
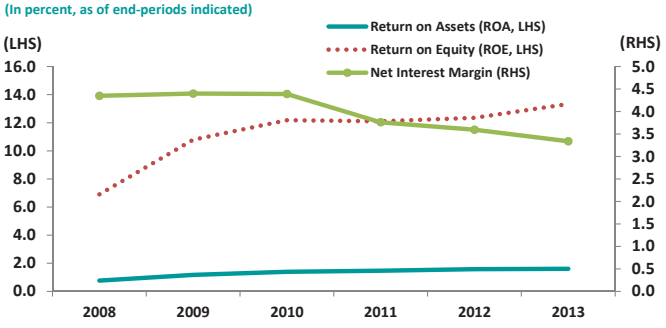


Figure 12
Philippine Banking System
Profitability Trends
(In percent, as of end-periods indicated)



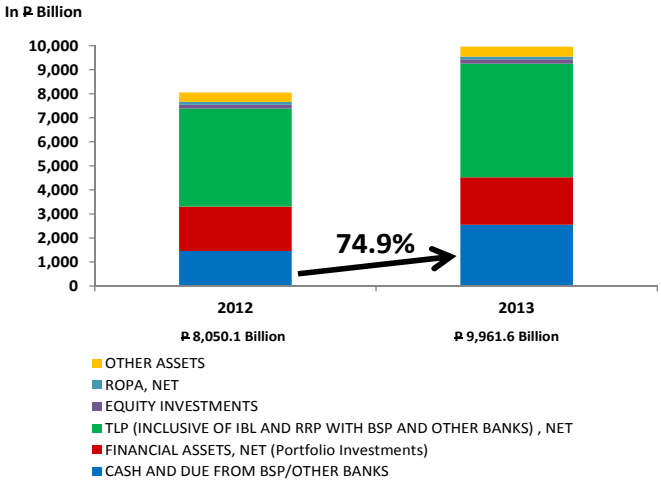
[17] Refers to fees earned on core operations such as deposit taking and lending, and fees and commissions from trading and selling of financial instruments. Source: Bank for International Settlements. Bank Accounting – An Introduction. www.fsiconnect.org

Comparative profitability indicators across various subgroups presents that government banks were the most cost-efficient at 53.2 percent (down from last year's 58.7 percent). Meanwhile, private domestic universal banks provided better returns with ROA and ROE ratios of 1.8 percent and 15.0 percent (up from previous year's 14.4 percent), respectively.

Loans still constitute the bulk of bank assets but buildup of cash was notable

Total assets of P9,961.6 billion registered a strong growth of 23.7 percent year-on-year. Banks' assets were mainly in the form of loans and cash and due from BSP/Other banks which cornered respective shares of 47.5 percent (down from 50.6 percent last year) and 25.6 percent (up from previous years' 18.1 percent) (Figure 13). However, the main driver of year-on-year growth was cash and due from BSP/ Other banks which expanded by P1,092.1 billion or 74.9 percent particularly, special deposit accounts (SDAs) with a robust expansion of P650.6 billion or 193.3 percent. Banks' preference for safe and liquid assets like the BSP-managed SDAs reflected their search for higher yield and at the same time, high demand for safety in order to manage liquidity position against the shorter maturity profile of banks financial liabilities coupled with potential market volatility in anticipation of US Federal Reserve tapering of its Quantitative Easing (QE) program.

Figure 13
Philippine Banking System
Asset Mix
For End-Periods Indicated



Meanwhile, private domestic universal banks still hold more than half of total assets in the system at 64.2 percent. Foreign banks (branches and subsidiaries), on the other hand, remained less than half of the 30.0 percent statutory limit under Section 3 of Republic Act No. 7721 (An Act Liberalizing the Entry and Scope of Operations of Foreign Banks in the Philippines) with a 10.4 percent share in end-2013 (Figure 14).

Figure 14
Philippine Banking System
Composition of Consumer Loans
Levels in PhP Billions, Ratios in Percent
As of End-Periods Indicated

	end-2013			end-2012		
	Level	% Share	NPL Ratio	Level	% Share	NPL Ratio
Consumer Loans	**721.5**	**100.0**	**6.1**	**629.3**	**100.0**	**6.7**
Auto Loans	186.3	25.8	4.2	159.9	25.4	4.6
Credit Card Receivables	157.4	21.8	9.6	148.7	23.6	11.1
Residential Real Estate Loans	320.5	44.4	3.0	264.5	42.0	4.1
Other Consumer Loans	57.4	8.0	10.7	56.2	8.9	13.0

Asset expansion was funded domestically by retail customers

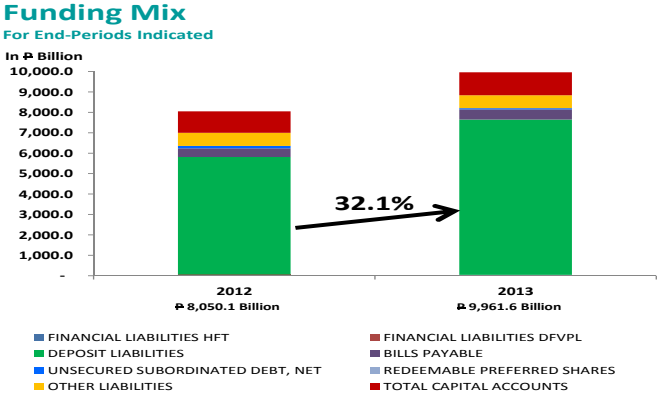
Bank funding mainly came from deposit liabilities at 86.1 percent (up from last year's 82.2 percent). Total deposit liabilities stood at P7,603.5 billion, 32.1 percent higher than last year's P5,754.6 billion. This were mostly deposit savings of residents at 98.8 percent.

By deposit product, deposit liabilities were mostly savings at 39.6 percent, time at 23.2 percent, demand and NOW at 20.0 percent and long-term negotiable certificates of deposit (LTNCD) at 17.2 percent.

Deposit liabilities were mostly in peso at 84.0 percent while foreign currency-denominated deposit liabilities made up the remaining 16.0 percent. Year-on-year, peso deposit liabilities also grew by 36.7 percent to P6,443.3 billion (Table 1).

The retail and domestic-orientation of bank funding in the Philippines denotes overall stability and partial insulation against currency exchange rate fluctuations. The growth likewise indicates the sustained depositor confidendce in the banking system. It can be noted that retail funding sources are normally less[18] sensitve to sudden changes in the condition of bank's operation.

Figure 15
Philippine Banking System
Funding Mix
For End-Periods Indicated

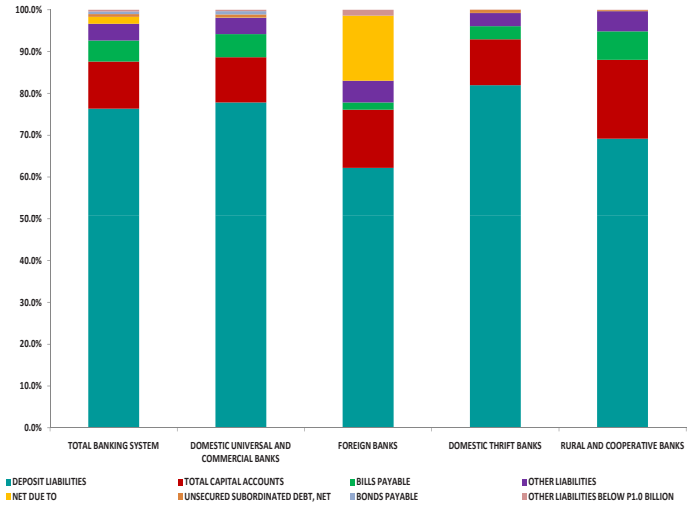


[18] Bank for International Settlements.Liquidity Risk – An Introduction. www.fsiconnect.org

Meanwhile, other sources of funding include capital at 12.7 percent which grew by 7.0 percent to P1,125.6 billion year-on-year. The remaining shares went to bills payable at 5.7 percent and other liabilities at 7.1 percent.

Specific profile across bank categories also points to deposit liabilities as a major funding source (Figure 16).

Figure 16
Philippine Banking System
Funding Profile by Bank Category
As of End-June 2013



Loan portfolio comprised primarily of lending to capital intensive industries such as real estate, renting &business activities (RERBA) and manufacturing

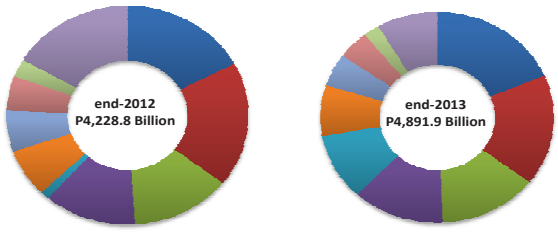
Year-on-year, the total loan portfolio (TLP gross, inclusive of interbank loans and RRP transactions with BSP and other banks) of P4,891.9 billion expanded by 15.7 percent while core lending (total loan portfolio, net of interbank loan and reverse repurchase with BSP and other banks) by 16.4 percent.

Besides the real estate sector, the three biggest recipients of loan were capital-intensive sectors such as financial intermediation, renting & business activities (RERBA) and manufacturing, as well as wholesale and retail trade (Figure 17). RERBA and financial intermediation, based on the backward and forward linkage analysis of the 2006 Input-Output (IO) accounts, are not key industry players in the market and depends highly on the performance of other industries or collectively, on the economy. This raises concern on the sustainability of these industries and their capacity to repay debt[19].

Residential real estate loans (RELs) represent the bulk of consumer loan portfolio

Consumer loans accounted for 15.3 percent of the total loan portfolio. Of these, RELs still took the largest share of the consumer loan portfolio at 44.4 percent, followed by auto loans and credit card receivables at

Figure 17
Philippine Banking System
Loan Portfolio Structure by Economic Sector
For End-Periods Indicated
In Percent



	2012	2013
Real Estate, Renting & Business Activities	17.2%	18.5%
Financial Intermediation (including IBL & RRP)	18.5%	17.0%
Manufacturing	13.4%	13.7%
Wholesale & Retail Trade	12.2%	12.8%
Loans to Individuals for Consumption Purposes	1.2%	10.2%
Electricity, Gas & Water Supply	7.1%	7.8%
Transport, Storage and Communications	6.1%	5.0%
Agriculture, Fishery, Hunting and Forestry	5.1%	4.4%
Public Admin & Defense; Compulsory Social Security	2.6%	2.2%
Others	16.6%	8.4%

25.8 percent and 21.8 percent, respectively. Residential real estate loans, similarly, posted the highest annual growth rate among the different types of consumer loans at 21.1 percent.

Figure 18
Philippine Banking System
Composition of Consumer Loans
Levels in PhP Billions, Ratios in Percent
As of End-Periods Indicated

	end-2013			end-2012		
	Level	% Share	NPL Ratio	Level	% Share	NPL Ratio
Consumer Loans	721.5	100.0	6.1	629.3	100.0	6.7
Auto Loans	186.3	25.8	4.2	159.9	25.4	4.6
Credit Card Receivables	157.4	21.8	9.6	148.7	23.6	11.1
Residential Real Estate Loans	320.5	44.4	3.0	264.5	42.0	4.1
Other Consumer Loans	57.4	8.0	10.7	56.2	8.9	13.0

Banks continue to lend to MSMEs and agri-agra borrowers, with rural and cooperative banks' compliance ratios exceeding the minimum requirements

Banks continuously provide credit accommodations to micro, small and medium enterprises (MSMEs) under R.A. No. 6977 (as amended by R.A. Nos. 8289 and 9501) as funds allocated to MSMEs totaled P403.5 billion, higher than last year's P387.7 billion. This resulted to the banking system's overall compliance ratio of 12.7 percent, which was above the required 10.0 percent (8.0 percent for Micro and Small Enterprises (MSEs) and 2.0 percent for Medium Enterprises (MEs)).

In particular, the banking system's total credit allocation to MEs of P212.2 billion resulted to a compliance ratio of 6.7 percent. While the system's loans granted to MSEs totaling P191.3 billion led to a compliance

[19] Real estate and banks ranked 35th and 47th for backward linkage while they ranked 15th and 43rd for forward linkage, respectively, among the 70 types of industry operating in the country.

ratio of 6.0 percent, rural and cooperative banks far exceeded the statutory floor at 26.6 percent. Similar to the previous year, all banking categories were in compliance with the overall ratio of 10.0 percent, 8.0 percent, and 2.0 percent for MSMEs, except for universal and commercial banks which were short in compliance with the 8.0 percent MSEs at 4.8 percent (down from 5.3 percent in 2012).

The system was also able to set aside a total of P276.4 billion of their loanable funds for agriculture and agrarian reform credit under R.A. No. 10000 (the Agri-Agra Reform Credit Act of 2009). The overall compliance of the banking system though still fell short of the 25 percent statutory requirement by 7.3 percentage points at 17.7 percent (down from last year's 23.8 percent). Rural and cooperative banks' agri-agra compliance ratios of 26.8 percent and 49.1 percent were far above the required ratios of 10 percent and 15 percent, respectively. Despite limited share in the system's TLP, rural and cooperative banks thus cater to the needs of agri-agra borrowers that may be underserved by larger banks.

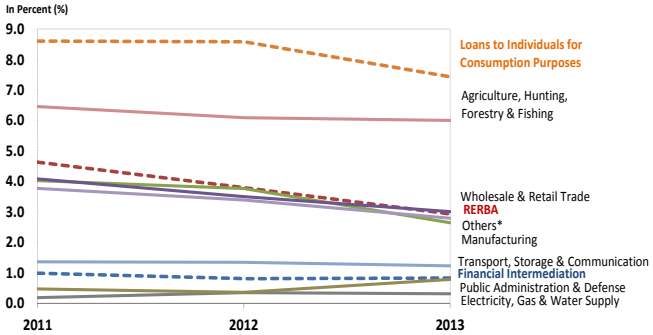
Meanwhile, the Agri-Agra compliance ratios of thrift banks at 8.3 percent and 2.4 percent are below the required ratio. Likewise, Agra compliance ratio of universal and commercial banks also fell short at 1.1 percent.

Loan and asset quality, nevertheless, showed improved levels despite expanding credit activity

Non-performing loan (NPL)[20] ratios by economic sectors are not only low but also stable over the past three years for the financial intermediation sector (0.8 percent as of end-2013) while declining for RERBA (2.9 percent), manufacturing (2.6 percent) and wholesale & retail trade (3.0 percent) sectors. An increase of P0.7 billion in NPL level was, nonetheless, noted in financial intermediation in-end 2013 (Figure 19).

On an aggregate level NPL ratio dropped to 2.8 percent from 3.4 percent in the same period last year. Loan loss provisioning, as measured by the NPL

Figure 19
Non-Performing Loans Ratio
For End-Periods Indicated)



* Composed of: Mining and Quarrying; Construction; Hotels and Restaurants; Education; Health and Social Work; Other Community, Social and Personal Service Activities; Private Households with Employed Persons; and Loans to Non-Residents
Source: FInancial Reporting Package (FRP)

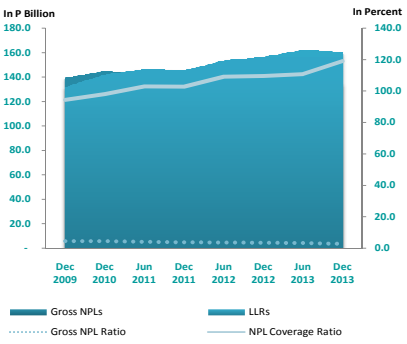
coverage ratio, was kept above 100 percent at 119.1 percent as of end-December 2013. This is indicative of banks prudent management of their credit risk exposures. ROPA-to-gross assets ratio went down to 1.3 percent from year ago's 1.6 percent ratio while the NPA ratio eased to 2.6 percent from year ago's 3.3 percent. Finally, the distressed assets ratio, a broader measure of asset quality, also improved to 5.6 percent from last year's 6.8 percent (Figure 20).

Across banking groups, rural and cooperative banks posted double-digit NPL ratios (Figure 21). The relatively higher ratios may be traced to their business model of providing adequate credit facilities to small farmers and merchants, which are considered higher credit risk compared to other bank clientele. Profitability of these segments' business activities is highly unstable and susceptible to weather-related disturbances. This raises a concern on the sustainability of these industries and their capacity to repay debt[21]. Close monitoring of potential rise in bad loans and assets may be warranted to avert potential distress that can propagate to the banking system. While RBs have the highest NPL, it has the lowest NPL coverage rates. On the other hand, UKBs have been over providing loan loss reserves.

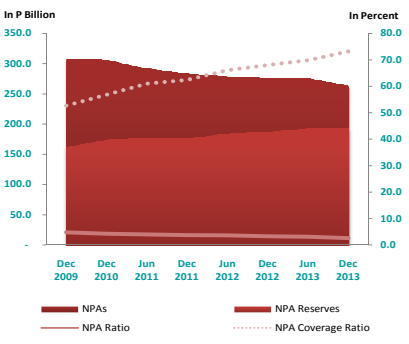
[20] Figures are computed in accordance with the NPL definition under Circular No. 772 dated 16 October 2012 effective 01 January 2013.

Figure 20
Philippine Banking System
For End-Periods Indicated

GROSS NPLs and NPL COVERAGE RATIO



NPAs and NPA COVERAGE RATIO



DISTRESSED ASSETS RATIO

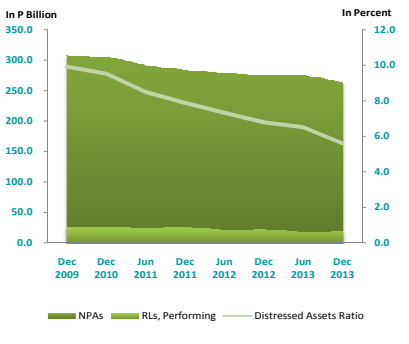


Figure 21
Philippine Banking System
Comparative NPL, NPA & Coverage Ratios
As of End-2013
In Percent

	Gross NPL Ratio	Net NPL Ratio	NPA Ratio	Coverage Ratios NPL	Coverage Ratios NPA
All Banks p/	**2.80%**	**0.60%**	**2.60%**	**119.10%**	**73.20%**
Universal and Commercial Banks	2.20%	0.20%	2.10%	142.20%	83.50%
Thrift Banks	5.50%	5.50%	6.10%	69.20%	49.40%
Rural Banks p/	13.00%	6.40%	12.90%	52.80%	38.80%
Cooperative Banks p/	12.70%	3.50%	12.30%	79.60%	58.40%

p/ Preliminary

Banks maintained ample and rising liquidity on their balance sheet

Banks opted to maintain a large share (45.4 percent) of total assets in the form of liquid assets such as cash and due from BSP/other banks and government issued securities. As a proportion of deposits, liquid assets rose to 59.5 percent at end-2013. This is 0.4 percentage point higher than its long-term trend. Additionally, the system's loan-to-deposit ratio is at 64.3 percent (Figure 22).

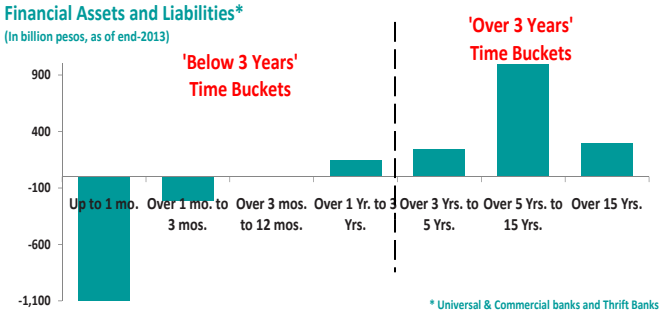
Figure 22
Philippine Banking System
Liquidity Position
For End-Periods Indicated

	2013			2012		
	Cash and Due from Banks to Deposits	Liquid Assets to Deposits Ratio	Loans (gross) to Deposits	Cash and Due from Banks to Deposits	Liquid Assets to Deposits Ratio	Loans (gross) to Deposits
All Banks p/	**33.5%**	**59.5%**	**64.3%**	**25.3%**	**57.5%**	**73.5%**
Domestic Banks	**31.4%**	**57.8%**	**62.8%**	**22.3%**	**54.3%**	**71.0%**
Private Domestic UBs	30.2%	55.2%	63.9%	21.7%	51.9%	70.8%
Private Domestic KBs	39.6%	74.8%	39.5%	30.0%	69.8%	55.4%
Government Banks	40.8%	84.5%	46.7%	26.6%	80.4%	61.7%
Thrift Banks	23.3%	33.5%	82.7%	15.6%	31.9%	85.4%
Rural Banks p/	31.0%	39.6%	94.1%	29.0%	36.5%	99.3%
Cooperative Banks p/	31.2%	34.8%	106.3%	26.6%	30.4%	121.1%
Foreign Bank Branches/ Subsidiaries	**56.6%**	**77.4%**	**80.5%**	**58.2%**	**92.4%**	**101.0%**
Foreign Bank Branches	58.9%	266.6%	82.4%	63.5%	173.3%	104.2%
Foreign Bank Subsidiaries	44.9%	308.7%	71.0%	31.0%	141.4%	84.1%

p/ Preliminary and as of end-September 2013.

This liquidity position indicates that banks are safeguarding their balance sheets from lingering uncertainties in the market and short-term maturity profile of liabilities. Negative gaps were recorded at the earliest maturity of 'up to 1 month' and 'over 1 month to 3 months' time buckets of banks' residual maturity profile of net performing assets and liabilities as of end-December 2013 (Figure 23)[22]. The existence of such maturity mismatches should not necessarily denote high liquidity risk exposure because risk management practices[23] such as contingency funding/liquidity plan and limits on the nature and amount of risk banks are willing to assume have been set up to control risk[24]. Banks also gain from maturity transformation by lending long-term and borrowing short-term.

Figure 23
Residual Maturity of Net Performing Financial Assets and Liabilities*
(In billion pesos, as of end-2013)



* Universal & Commercial banks and Thrift Banks

Banks' investments are mostly government issued debt securities booked as Available-for-Sale (AFS)

Financial assets other than loans (net of accumulated market gains/losses and allowance for credit losses) as of end-2013 are made up of government issued debt securities (P1.851.9 billion or a share of 86.5 percent) booked as Available-for-Sale (AFS) at P1,318.9 billion

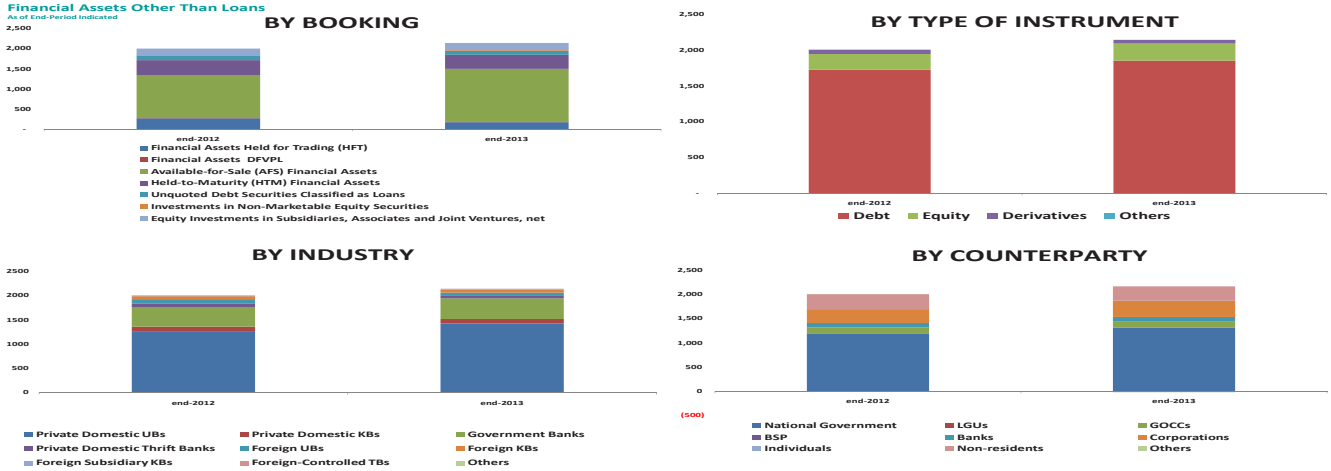
[21] Figures are computed in accordance with the NPL definition under Circular No. 772 dated 16 October 2012 effective 01 January 2013. Real estate and banks ranked 35th and 47th for backward linkage while they ranked 15th and 43rd for forward linkage, respectively, among70types of industries operating in the country.

[22] Financial assets as of end-December 2013 consisted of 53.4 percent loans and receivables, 28.1 percent due from BSP, 15.6 percent financial assets other than loans and 2.8 percent other assets while financial liabilities are 89.8 percent deposit liabilities. The figures refer to peso, foreign regular and foreign offices accounts.

[23] As cited in the Manual of Regulations for Banks

[24] Source: Manual of Regulations for Banks Volume No. 2 Appendix 74.

Figure 24
Philippine Banking System
Financial Assets Other Than Loans
As of End-Period Indicated



or a share of 61.6 percent. Residents, specifically domestic universal banks and government banks, hold a substantial fraction of portfolio and direct equity investments.

Banks posed solid capitalization levels denoting financial strength and strong cushion against losses

Capitalization of P1,125.6 billion strengthened as of end-December 2013 with the P74.1 billion or 7.0 percent increase in total capital account against 2012 levels due to fresh capital contributions from shareholders to P1,125.6 billion. The bank's capital position was boosted by the combined effects of increments in capital stock and retained earnings. Capital stock reached P541.6 billion, exhibiting a hike of 16.2 percent from same period last year. Meanwhile, retained earnings and undivided profit stood at P440.5 billion, higher by P66.7 billion or 17.9 percent last year. Classified by bank categories, all banking industries reported an increase in capital accounts and retained earnings in 2013. Banks' leverage ratio as of end-2013 stood at 11.0 percent.

On the other hand, capitalization remained strong as capital adequacy ratio (CAR) as of end-September 2013 (latest) stood at 18.6 percent on a consolidated basis and 17.5 percent on a solo basis. This is way above the BSP regulatory requirement of 10.0 percent and the Bank for International Settlements (BIS) standard of 8.0 percent. Net Tier 1 ratio was similarly solid at 16.5 percent and 16.3 percent for consolidated and solo bases, respectively. Philippines' CAR on both consolidated and solo bases are among the highest in ASEAN-5 as of end-September 2013[25]. Additionally, a map of the U/KBs risk-weighted assets (RWA) indicates that increased CAR was due to higher risk-weighted assets brought by the rise in lending to various counterparties.

Figure 25
Philippine Banking System: Capital Adequacy Ratio (CAR)

	Solo					Consolidated				
	Dec 2009	Dec 2010	Dec 2011	Dec 2012 1/	Sep 2013 1/	Dec 2009	Dec 2010	Dec 2011	Dec 2012 1/	Sep 2013 1/
(In ₱ Billion)										
Tier 1	564.1	666.4	765.8	853.5	970.2	543.0	637.8	733.3	818.5	919.4
Net Tier 1	514.2	607.6	697.1	768.2	864.6	537.5	632.2	725.8	810.7	912.4
Tier 2	150.7	155.1	162.9	158.3	122.1	152.3	156.5	164.6	160.8	124.1
Deductions	92.1	108.0	125.1	140.8	165.5	11.0	10.8	13.6	15.5	13.9
Qualifying Capital	622.7	713.5	803.6	870.9	926.8	684.4	783.4	884.3	963.7	1,029.5
Risk Weighted Assets (RWA)	4,193.3	4,461.2	4,825.4	5,040.8	5,295.6	4,336.8	4,626.4	5,012.6	5,251.6	5,528.7
(In Percent)										
Capital Adequacy Ratio	14.85	15.99	16.65	17.28	17.50	15.78	16.93	17.64	18.35	18.62
Net Tier 1 Ratio	12.26	13.62	14.45	15.24	16.33	12.39	13.67	14.48	15.44	16.50

1/ Excludes Stand-Alone Thrift, Rural and Cooperative Banks

System-level results of the stress tests conducted by the BSP[26] suggest further that banks can withstand significant movements in credit and market risks as covered banks continue to meet the regulatory minimum level of capital despite large amount of shocks. Capital is expected to further increase because of the enhancements in quality of capital and the new capital requirements for foreign bank branches.

Off-Balance Sheet Accounts

Lower derivatives transactions and trust department accounts pulled down off-balance sheet activities of banks

As of end-December 2013, the banking system's selected contingent[27] accounts which represent the off-balance sheet activities of banks stood at P5,681.7 billion, 11.4 percent lower than last year's level of P6,411.0 billion (Schedule 3). The contraction was driven mainly by the decline in derivatives transactions and trust department accounts which similarly reported a year-on-year contraction of 11.0 percent and 19.8 percent, respectively.

Selected off-balance sheet assets of banks consisted of trust department accounts[28] (43.7 percent), derivatives instruments (40.0 percent), commitments (11.7 percent), bank guarantees (3.0 percent) and trade related accounts (1.6 percent).

Figure 26
Philippine Banking System: Comparative Assets
For End-Periods Indicated, In Billion Pesos

	End-Dec 2013	2012	YOY Change (%)
On Balance Sheet	9,961.60	8,050.10	23.7
Selected Off Balance Sheet*	5,681.70	6,411.00	-11.4

* Includes trust assets of bank but discussed separately in a stand-alone section.

Strong global demand resulted in positive outturn in trade-related contingent accounts

The banking system's total trade-related contingent accounts stood at P88.7 billion, 4.0 percent higher

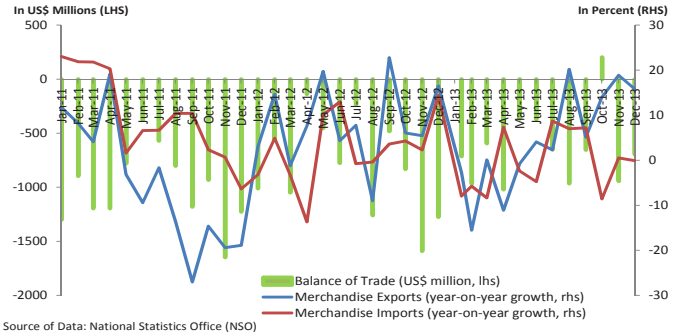
[25] As of end-December 2013, Indonesia's CAR is at 19.8 percent; Malaysia at 14.7 percent (as of end-September 2013); Singapore at 16.4 percent; and Thailand is at 15.7 percent. Source: IMF Financial Soundness Indicator and Bloomberg (Thailand). Comparability of figures is subject to available data and variances in treatment and definition.

[26] The tests are based on data for March 2013 and include thrift banks.

[27] Excludes other contingent accounts.

[28] Discussed in a separate section of the report.Cf: Trust Operations

Figure 27
Merchandise Exports and Imports, and Balance of Trade
For Periods Indicated



Source of Data: National Statistics Office (NSO)

than last year's level of P85.3 billion on account of strong global demand. At end-December 2013, trade-in goods was at a surplus amounting to US$10.1 billion due to level increase of merchandise exports. Aggregate merchandise exports for 2013 showed an increase of 3.6 percent from $52.1 billion in 2012 to $54.0 billion in 2013. Conversely, aggregate merchandise imports for the 2013 amounting to $61.7 billion showed a 0.7 percent decline compared with the $62.1 billion recorded last year (Figure 27).

The bulk of the total trade-related contingent accounts of the banking system is accounted for by foreign commercial letters of credit (LC) outstanding at 78.5 percent or P69.6 billion from 66.8 percent or P57.0 billion last year. These were foreign LCs of universal and commercial banks which held 99.7 percent of the banking system's total foreign LCs. The rest, in descending order, went to domestic commercial LCs at 11.3 percent or 10.1 billion, shipside bonds and airway bills at 7.5 percent or P6.7 billion, and export LCs confirmed at 2.7 percent or P2.4 billion.

Lingering market volatilities in global and domestic markets led to increased demand for risk protection

The inherent risks in many business transactions as well as the lingering uncertainties brought by the recent economic crisis saw the demand for risk protection instruments such as bank guarantees. As of end-December 2013, the banking system's guarantees posted a double-digit growth of 33.5 percent to P174.5 billion from last year's P131.0 billion. Bank guarantees are either stand-by LCs or outstanding guarantees issued. As of end-December 2013, LCs made up 89.6 percent or P156.4 billion of total bank guarantees. The balance was accounted for by outstanding guarantees issued at 10.4 percent or P18.1 billion. Most of bank guarantees were accounted for by universal and commercial banks which continued to hold the lion's share of bank guarantees at 99.6 percent or P173.8 billion.

Credit card lines represent a large portion of total bank commitments

Total commitments declined year-on-year by 21.3 percent to P665.2 billion from P548.5 billion last year and were mostly issued by universal and commercial banks. In particular, bank commitments on credit card lines posted an expansion of 13.4 percent to P440.9 billion from P388.7 billion last year. These credit card lines accounted for 66.3 percent of total commitments. Credit card lines are unused portions of all commitments to extend credit both to individuals for household, family and other personal expenditures as well as to commercial and industrial enterprises through credit cards.

Notional value of derivatives continue to drop on the back of modest treasury-related operations of banks

The total notional value of derivatives transactions contracted by 11.0 percent to P2,270.5 billion from P2,552.1 billion last year on the back of tempered treasury-related operations of banks and the general strengthening of the peso against the US dollar which reduced the need for hedging instruments such as foreign exchange forwards. On bank limits relative to their Peso Non-Deliverable Forwards (NDF) exposures, banks' total gross exposures to all forms of Peso NDF transactions shall be limited to a fixed percentage of the bank's capital base in order to mitigate any potential build-up of systemic risks. Unless otherwise amended, the said limit is 20 percent of unimpaired capital for domestic banks. Foreign bank branches shall have a limit equal to 100 percent of their unimpaired capital. On trend, the more sophisticated and bigger universal and commercial banks captured the lion's share of the local derivatives market.

Foreign exchange contracts still spearheaded the largest share of the local derivatives market at 65.3 percent or P1,482.6 billion. Year-on-year, foreign exchange contracts declined by 18.5 percent. Other derivatives in the Top 3 were interest rate contracts at 34.2 percent or P775.8 billion and credit derivatives at 0.5 percent or P12.1 billion.

Trust and Other Fiduciary Services

Overview

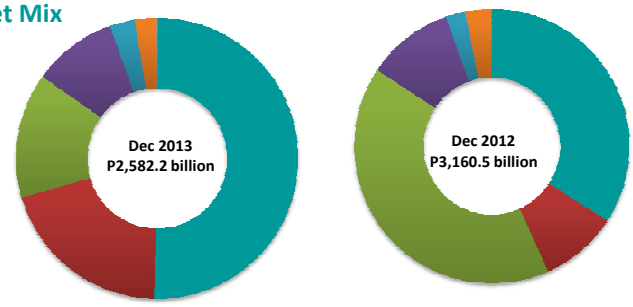
Almost a year after the memorandum that limits the access of trust departments/entities to the Special Deposit Account (SDA) facility of the BSP took effect (Memorandum No. M-2013-021), trust and other fiduciary services declined to P2,582.2 billion, lower by 18.3 percent (P578.4 billion) from last year's P3,160.5 billion. Mostly owing to the 71.3 percent (P924.4 billion) decline in cash and due from banks under which, SDA is booked. Whereas cash and due from banks used to comprise 41.0 percent (P1,297.2 billion) of the total trust assets, it now represents only 14.4 percent (P372.8 billion). In its stead, financial assets (net), took up the slack, growing by 20.4 percent (P220.7 billion) to P1,300.4 billion from last year's P1,079.7 billion. As of end-December 2013, it represented a little more than half (50.4 percent) or P1,300.4 billion from 34.2 percent last year.

In particular, the preferred investment vehicle for the period in review appeared to be equity securities, especially those booked under Financial Assets at Fair Value through Profit or Loss (FVPL) as the latter was the natural investment outlet for Unit Investment Trust Funds (UITF) which likewise exhibited a substantial increase of 184.0 percent (P367.8 billion) as of end-December 2013 being the only pooled fund allowed access to the SDA facility. (Figure 29a)

FVPL fueled the growth of Financial Assets (net), accounting for 49.5 percent (P110.1 billion) of the P222.5 billion increase in investments in debt and equity securities. This was despite of two successive quarters of decline in the Philippine Stock Exchange Index during the last half of 2013 as the uncertainty over the potential slowdown in the US Fed's stimulus program in the third quarter and the partial shutdown of the US government following the fiscal impasse over the US budget and debt ceiling dampened the performance of the Philippine Stock Market.

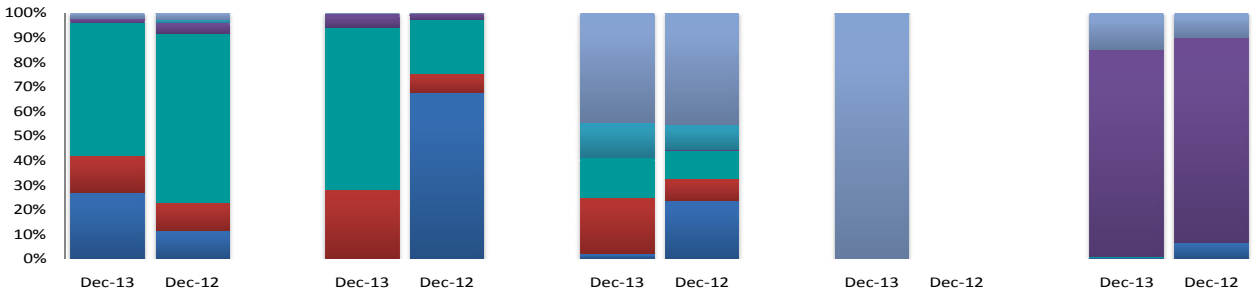
Likewise contributing to the growth in trust assets was deposits in banks, which rose by 79.4 percent (P229.8 billion) to P519.1 billion from last year's P289.3 billion. The shift to bank deposits was also a result of the gradual phase out of the SDAs for Agency Accounts and other investment management activities. (Figure 29b)

Figure 28
Trust System
Asset Mix



	Dec 2013	Dec 2012
Financial Assets, net	50.4%	34.2%
Deposits in banks	20.1%	9.2%
Cash and due from banks	14.4%	41.0%
Other Assets	9.7%	10.2%
Equity investment, net	2.9%	2.3%
Loans	2.6%	3.1%
ROPA	0.0%	0.0%

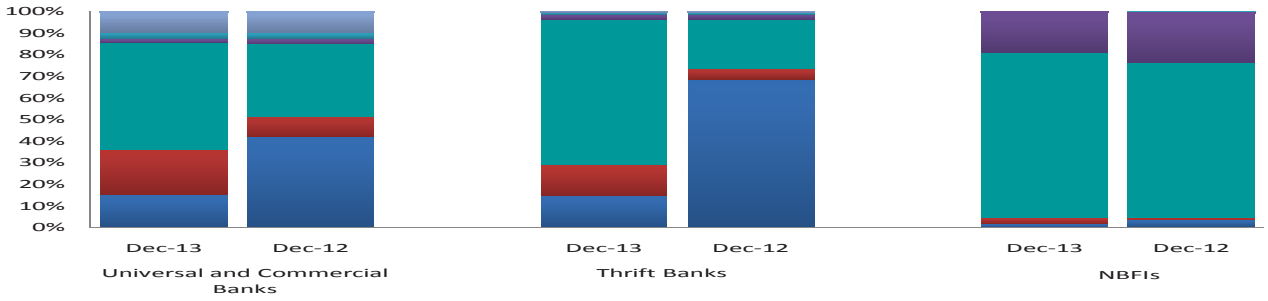
Figure 29a
Asset Mix by Total Managed Fund



	Trust		Agency		Other Fiduciary		Advisory/Consultancy		Special Purpose	
	Dec-13	Dec-12	Dec-13	Dec-12	Dec-13	Dec-12	Dec-13	Dec-12	Dec-13	Dec-12
Cash and Due from banks	26.6	11.3	0.0	67.1	1.7	23.3			0.2	6.2
Deposits in Banks	15.0	11.5	28.0	7.9	23.1	8.9			0.1	0.0
Financial Assets, net	54.2	68.4	65.8	22.0	16.1	11.6			0.2	0.1
Loans, net	1.3	4.5	5.5	2.6	0.1	0.1			84.3	83.2
Equity Investments (net)	0.5	0.9	0.1	0.1	14.2	10.2				
Other assets	...	...	...	...	...	...				
	2.4	3.3	0.7	0.4	44.9	45.9	100.0		15.3	10.5

... Less than 0.05 percent

Figure 30
Asset Mix by Financial Institution



	UKBs		TBs		NBFIs	
	Dec-13	Dec-12	Dec-13	Dec-12	Dec-13	Dec-12
Cash and Due from banks	15.0	41.5	14.5	68.1	1.4	3.4
Deposits in Banks	20.9	9.4	14.2	4.9	3.0	0.6
Financial Assets, net	49.1	33.5	67.2	22.9	75.9	71.6
Loans, net	1.9	2.7	2.2	2.3	19.4	23.8
Equity Investments (net)	3.0	2.4	1.1	0.8	0.1	0.1
Other assets	...	...	...	...	...	...
	10.1	10.6	0.9	1.1	0.1	0.4

... *Less than 0.05 percent*

Trust operations registered higher net Income

Despite the slowdown in the growth of trust assets, income from trust grew by 15.3 percent (P1.3 billion) to P9.8 billion from last year's P8.5 billion, resulting to the 10.9 percent (P0.5 billion) rise in the net income to P5.4 billion from P4.9 billion last year.

Trust accounts had a high proportion of financial assets

By assset accountabilities, the change in the type of assets held from cash and due from accounts to financial assets was observed in trust, agency, and other fiduciary accounts. The change is most evident in the agency accounts after it has been disallowed access to BSP's SDA facility. In fact, whereas trust and other fiduciary accounts and agency accounts used to have almost equal shares of total trust accountabilities at 50.4 percent and 49.1 percent, respectively, agency account's share of trust accountabilities fell to 28.4 percent as of end-2013 while trust accounts and other fiduciary services rose to 71.3 percent. (Figure 29b)

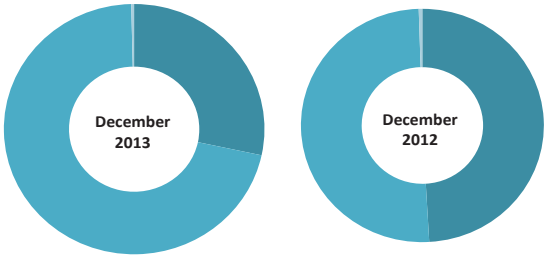
Universal/Commercial banks influence decline of trust and fiduciary accounts

By type of financial institution, the change in asset holdings may be observed in universal/commercial banks (U/KBs), thrift banks (TBs) and non-bank financial institutions (NBFIs). It was most pronounced, however, in UKBs where cash and due from accounts was reduced to P367.3 billion from P1,267.7 billion. On the other hand, financial assets grew to P1,206.0 billion from P1,023.0 billion. (Figure 30)

Trust deposits are on a downtrend since the SDA fine tuning

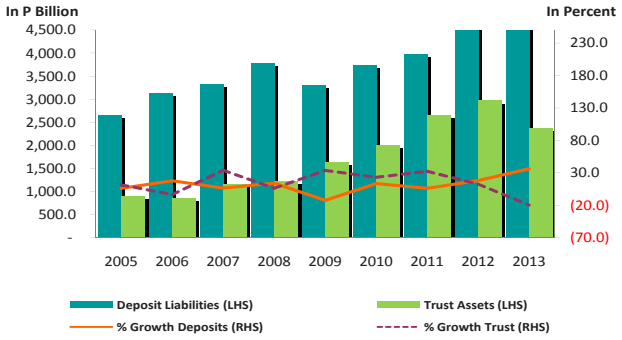
Because of the limited access to SDAs, investors were forced to lodge their finances in other forms of investment, one of which being deposits in banks. This then led to reduced trust to deposit ratios among banks with trust licenses. The said ratio dropped to 37.3 percent from 63.4 percent year-on-year. This was mostly influenced by U/KBs as the group remains to dominate both the trust and deposit market.

Figure 29b
Asset Accountabilities



	2013	2012
Agency Accounts	28.4%	49.1%
Trust Accounts	71.3%	50.4%
Special Purpose Trust	0.4%	0.5%

Figure 31
Peso Domestic Deposit Liabilities (Net of Trust Deposits) of Banks with Trust Functions vs. Trust Assets



Foreign Currency Deposit Units (FCDU)[29]

Overview

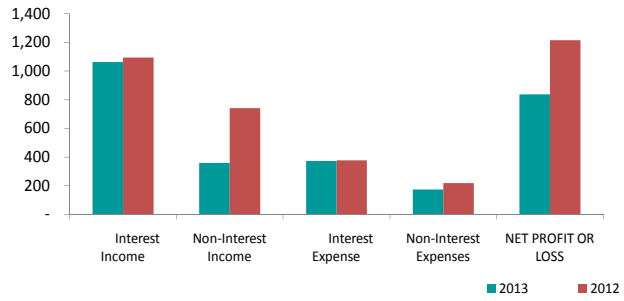
Banks authorized to engage in FCDU operations remained sound and stable for the second semester of 2013 on improved macroeconomic environment and strong performance of the Philippine banking system. Net profit though slowed down due to drop in non-interest income.

The FCDU system accounted for 15.8 percent of total system wide assets, albeit smaller in share than last year's 17.0 percent resulting from the combined effect of the contraction of portfolio investments in held-to-maturity (HTM) financial assets of US$1.6 billion and in held-for-trading financial assets amounting to US$0.5 million. Nonetheless, total assets expanded by 6.2 percent year-on-year on relatively stable funding base and efficient allocation of resources to loan and investment portfolios.

Loan quality, as measured by the non-performing loan (NPL) ratio, remained ideal and below one percent. The FCDU system similarly enjoyed sufficient liquidity and fully complied with the BSP liquidity asset cover requirement of 30 percent on all foreign currency liabilities as liquid assets-to-deposit ratio (exclusive of ROP holdings) stood at 50.7 percent, albeit lower than last year's 52.7 percent.

As of end-December 2013, there are 79 banks (36 universal and commercial banks, 30 thrift banks and 13 rural and cooperative banks) with FCDU authority. This is higher by one bank from last semester due to the granting of FCDU authority to One Network Bank, Inc. (A Rural Bank). This amount is also lower than last year's 80 banks due to the merger of Allied Banking Corporation and Philippine National Bank on 9 February 2013.

Figure 32
THE FCDU System: Results of Operations
For End-Periods Indicated
In US$ Millions



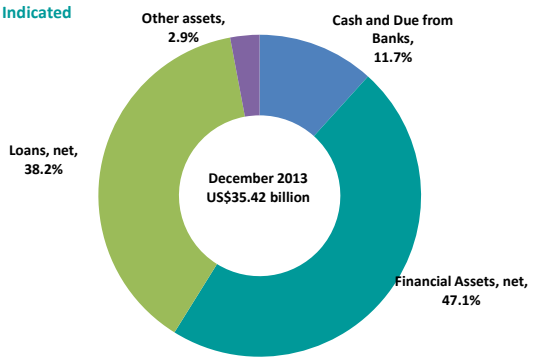
FCDU profits slowed down due to the drop in non-interest income

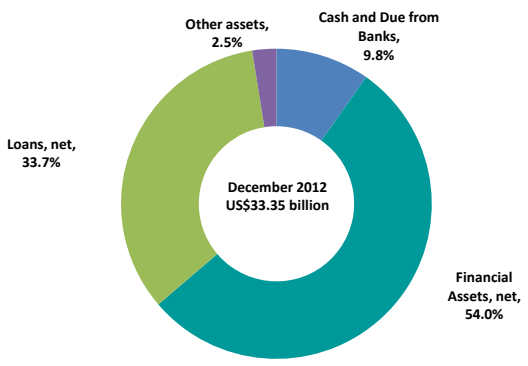
FCDU's profitability declined by 26.1 percent (US$294.8 million) semester-on-semester and 31.1 percent (US$377.1 million) year-on-year due to the drop in non-interest income. This was due to the reduction in gains on financial assets and liabilities designated at fair value through profit or loss. The drop in this account can be attributed to the fluctuating currency exchange rates. FCDU net profit accounted for 25.6 percent of the total net profit of the banking system.

On the other hand, net interest income dropped by 3.9 percent from last year as the contraction in interest income of 3.0 percent year-on-year outweighed similar decline in interest expenses of 1.2 percent. Meanwhile, non-interest expense also declined from last year by 20.2 percent mainly due to the decrease in provisions (Figure 1). All in all, FCDU operations yielded a higher cost-to-income ratio of 16.7 percent from last year's 15.1 percent) and lower return on assets ratio of 2.4 percent from last year's 3.8 percent.

[29] Prepared in compliance with Foreign Currency Deposit Act (Republic Act No. 6426)

Figure 33
FCDU Asset Mix
For End-Periods Indicated





FCDU assets expanded in end-December 2013

The FCDU system accounted for 15.8 percent of total system-wide assets. This is smaller than last year's 17.0 percent resulting from the contraction of FCDUs of TBs by 7.2 percent year-on-year. Nonetheless, total assets expanded by 23.8 percent year-on-year.

By banking group, UKBs held the largest FCDU share at 17.0 percent, followed by TBs at 6.1 percent and RCBs at 0.04 percent. Per FCDU asset mix, financial assets, net consistently accounted for the bulk of FCDU assets. As of end-December 2013, financial assets, net accounted for the 47.1 percent (smaller from last year's 54.0 percent) of the total FCDU assets, followed by loans at 38.2 percent (higher than last year's 33.7 percent), cash and due from banks at 11.7 percent (larger than last year's 9.8 percent) and other assets at 2.9 percent (higher than last year's 2.5 percent).

Manufacturing, utilities, trade, financial intermediaries and real estate sectors were the major beneficiaries of FCDU loans

FCDU loans expanded by 20.2 percent last year. FCDU loans only accounted for 4.8 percent of the total loan portfolio of the banking system. Per economic industry, manufacturing (24.0 percent), electricity, gas and water (18.7 percent), transport, storage and communication (11.0 percent), financial intermediation (10.6 percent) and real estate (6.8 percent) continued to be the major FCDU loans beneficiaries.

Asset quality of FCDU loans remained ideal

In terms of asset quality, the non-performing loan and non-performing asset (NPL/NPA) ratios of the FCDU system further improved and remained less than 0.5 percent. Meanwhile, loan loss provisioning stayed above the 100 percent mark.

Deposit liabilities continued to provide a stable funding base

Deposit liabilities still funded the majority of total resources at 77.3 percent (higher than last year's 75.5 percent), followed by bills payable at 12.8 percent (higher than last year's 8.5 percent) , bonds payable, net[30], at 4.0 percent (higher than last year's 4.3 percent), due to banks at 4.7 percent (lower than last year's 4.9 percent), capital accounts at 1.8 percent (lower than last year's 4.9 percent) and other liabilities at 3.4 percent (higher than last year's 1.9 percent) (Figure 3). Resident depositors accounted for the 97.5 percent share of total deposit liabilities while the remaining 2.5 percent share was sourced from non-resident depositors.

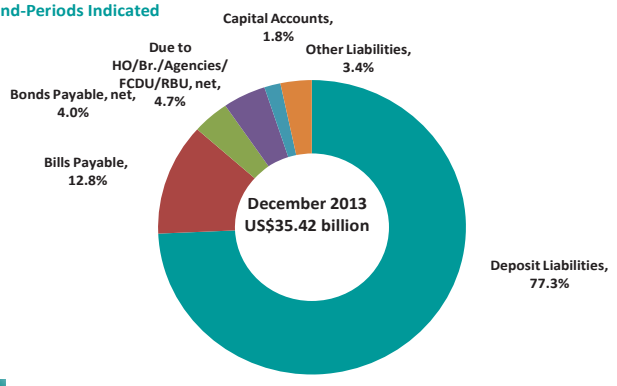
FCDU system still has ample liquidity

Liquid assets-to-deposits ratio (inclusive of ROPs) narrowed at 80.4 percent from 84.4 percent last year. Meantime, liquid assets-to-deposits (exclusive of ROPs) also narrowed at 50.7 percent from 52.7 percent last year. Meanwhile, loans-to-deposits ratio increased from 52.6 percent from last year's 45.2 percent. Overall, the liquidity coverage ratio exceeded the 30 percent limit of the BSP.

The review of residual maturity of FCDU asset and liabilities of the banking system likewise revealed preference to longer-term maturities with the bulk, at US$9.0 billion, bearing maturities between five to 15 years. Further, the System is positively gapped between one-year to more than 15 years tenor buckets which could be favorable if the peso continued to strengthen against the US dollar during these periods. Meanwhile, the FCDU system registered the largest negative gap of US$8 billion at one-month tenor bucket and indicate higher liquidity requirements if there is an adverse currency depreciation within this period as there are more foreign currency denominated deposit liabilities maturing over foreign currency denominated loans and investments. Although FCDU assets and liabilities are more sensitive to fluctuations in foreign exchange rates, the maturity profile of total assets and liabilities of the banking systemis almost similar to the FCDU system with large negative maturity gap on the one month tenor bucket and large positive gap on between the five year and 15 years tenor buckets.

[30] Bonds payable is net of unamortized bond discount based on FRP definition

Figure 34
FCDU Funding Mix
For End-Periods Indicated



Foreign Bank Branches and Subsidiaries

Overview

Foreign Bank Branches (FXBs) and subsidiariess continued to perform well in 2013. As of end-year 2013, total resources grew on the back of funds generated from due to head office/branches/agencies-abroad of foreign bank branches. There were increases in capital accounts as well as deposit liabilities. FXBs also sustained their profitability as net profit posted a double-digit growth, experienced better asset quality compared to domestic counterparts and sustained build-up of capital accounts.

On 1 January 2014, the Philippines implemented the Basel III capital framework on all universal and commercial banks (U/KBs) and their subsidiary banks/quasi-banks. Since foreign bank branches are established either as a UB or KB, the Basel III framework was then enforced upon these banks as well. By 2015, the amount of "net due to" which may be included in capital shall be inwardly remitted and converted into Philippine currency. As of end-year 2013, total capital accounts of FXBs improved by 3.5 percent to P144.2 billion from previous year's P139.3 billion. FXBs' capital adequacy ratio (CAR) on a solo basis also maintained at 22.0 percent and is still within well above the industry's CAR of 17.5 percent.

Most FXBs originated from the Asia-Pacific Region

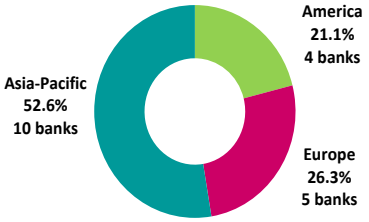
As of end-December 2013, there were 19 FXBs (composed of the four foreign bank branches originally granted access into the country prior to the 1994 liberalization, the 10 foreign bank branches ushered in R.A. No. 7721, and the 5 foreign subsidiaries), the same as last year. The number of branches and other offices though went up to 137 from 119 last year due to additions in the number of branches and other offices of foreign bank subsidiaries.

Foreign Bank Branches and Foreign Bank Subsidiaries
Composition

Entry Modes	Pre-R.A. 7721	Post-R.A. 7721
1. Foreign Bank Branches	4	10
2. Foreign Bank Subsidiaries*	-----	5

*Excludes Tong Yang Savings Bank which is a foreign Non-Bank Financial Institution linked Thrift Bank

Figure 35
Foreign Bank Branches and Foreign Bank Subsidiaries*
Country of Origin



December 2013

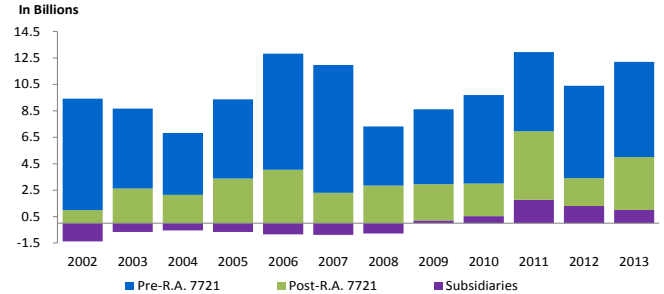
*Excludes Tong Yang Savings Bank which is a foreign Non-Bank Financial Institution linked Thrift Bank

Most FXBs in the Philippines are banks from the Asia-Pacific region with 52.6 percent share (10 out of 19 banks). FXBs from Europe came second with 26.3 percent (five banks) and from America with 21.1 percent (four banks). As of November 2013, there are 10 global systemically important banks (G-SIBs) FXBs out of the 29 G-SIBs that are operating in the Philippines.

Increases in net profits of both existing and new foreign bank branches offset the decline of bottom line figure

FXBs sustained their profitability as net profit posted a double-digit growth of 16.3 percent to P12.2 billion from P10.5 billion last year. The pre-RA 7721 FXBs and subsidiaries are driving the profitability as shown on Figure 36.

Figure 36
Foreign Bank Branches and Foreign Bank Subsidiaries
Comparative Net Profit

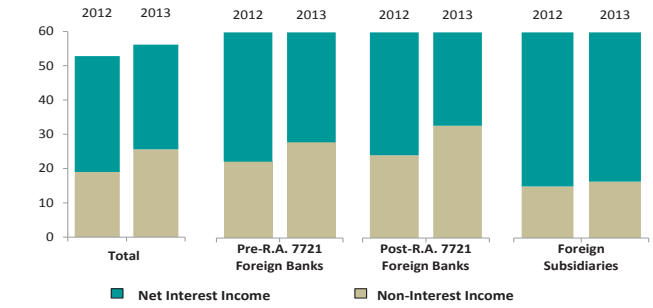


* Excludes Tong Yang Savings Bank which is a foreign Non-Bank Financial Institution linked Thrift Bank. Nonetheless, it posted a net loss of P30.0 million as of end-December 2013.

Figure 37
Foreign Bank Branches and Foreign Bank Subsidiaries
Composition of Non-Interest Income
As of End of Periods Indicated



Figure 38
Foreign Bank Branches and Foreign Bank Subsidiaries
Composition of Operating Income
For End of Year Indicated

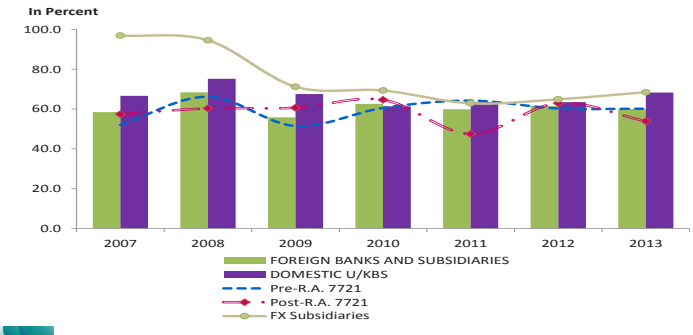


Substantial increases were noted in the following components of non-interest income: trading income by P9.6 billion (1,615 percent) to P10.2 billion (from P0.6 billion) and dividend income by P0.5 billion (113.6 percent) to P1.0 billion (from P0.4 billion). The expansion in trading income, in particular, were primarily realized gains from foreign exchange transactions which was a P10.0 billion turnaround (1,601.0 percent) from the P0.6 billion loss recorded last year. Other contributions to trading income came from unrealized gains of marked-to-market instruments amounting to P3.2 billion (219.0 percent) to P4.6 billion and profits from sale/redemption/ derecognition of non-trading financial assets and liabilities amounting to P0.3 billion (38.7 percent) to P1.3 billion.

Higher operating income improved cost efficiency ratio despite the rise in non-interest expenses

Cost-to-income (CTI) ratio of FXBs improved to 60.0 percent from last year's 61.5 percent because of faster expansion of 35.1 percent in total operating income as against the 3.7 percent growth in non-interest expenses. In comparison with domestic banks, FXBs fared better in terms of operational efficiency with the former posting a 68.3 percent CTI ratio during the review period as against domestic banks' 60.7 percent ratio.

Figure 39
Foreign Bank Branches and Foreign Bank Subsidiaries
Cost-to-Income Ratio



Return on assets (ROA) ratio is 1.2 percent (as against domestic banks' 1.7 percent). Return on equity (ROE) registered at 8.6 percent (as compared with the domestic banks' 14.0 percent).

Bank Branches and Foreign Bank Subsidiaries
Comparative Return on Assets and Return on Equity

	End-December			
	Return on Assets (in %)		Return on Equity (in %)	
	2012	2013	2012	2013
FXBs	1.2	1.2	7.9	8.6
Domestic Banks	1.7	1.7	13.1	14.0

FXBs reported positive performance in 2013

FXBs continued to perform well in 2013. As of end-year 2013, total resources grew by 9.0 percent to P1,036.6 billion from previous year's P950.7 billion on the back of funds generated from due to head office/branches/agencies-abroad of foreign bank branches (down by 43.6 percent or P93.5 billion to P120.9 billion), capital accounts (up by 3.5 percent or P4.9 billion to P144.2 billion), and deposit liabilities (up by 33.9 percent or P163.0 billion to P644.4 billion) which were partially offset by payment of relatively high cost bills payable – now up by 11.6 percent or P1.9 billion to P18.3 billion.

Asset expansion was led by foreign bank subsidiaries, which shot up by P32.6 billion (29.9 percent).

Despite being composed only of four banks, existing foreign bank branches maintained their control over the group's assets, accounting for 54.4 percent (P563.7 billion) of the total. The 10 foreign bank branches that entered post-R.A. No.7721[31] grabbed 32.0 percent (P331.4 billion) and foreign bank subsidiaries held 13.7 percent (P141.5 billion).

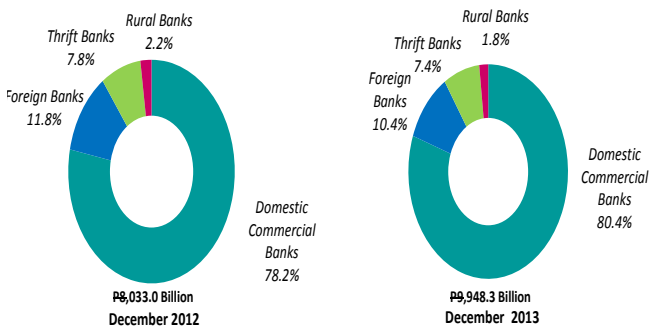
Bank Branches and Foreign Bank Subsidiaries
Comparative Market Share and Asset Growth Rate

	End-December					
	Total Assets (in Php Billion)		Market Share (in %)		Growth Rate (in %)	
	2012	2013	2012	2013	2012	2013
Pre-R.A. 7721	517.4	563.7	54.4	54.4	2.4	8.9
Post-R.A. 7721	324.4	331.4	34.1	32.0	39.6	2.2
Subsidiaries*	108.9	141.5	11.5	13.7	-3.4	29.9
Total	950.7	1,036.6	100.0	100.0	11.8	9.0

*Excludes Tong Yang Savings Bank which is a foreign Non-Bank Financial Institution linked Thrift Bank. As of end-December 2013, its total assets posted at P1.1 billion from previous year's P1.3 billion.

[31] Refers to bank entrants after the passage of R.A. No. 7721 (An Act Liberalizing the Entry and Scope of Operations of Foreign Banks in the Philippines and for other purposes).

Figure 40
Foreign Bank Branches and Foreign Bank Subsidiaries
Share in the Total Assets of the Philippine Banking System



The share of FXBs in the assets of the Philippine banking system went down to 10.4 percent from 11.8 percent, which is still less than half of the 30 percent ceiling prescribed under Section 3 of R.A. No. 7721 for foreign banks.

Overall, the subgroup remained committed in their efforts to support the policy objectives provided under Section 1 of R.A. No. 7721 (Appendix III), salient features of which include:

Attract foreign investments and serve as channels for the flow of funds and investments into the economy to promote industrialization

FXBs sponsored/participated in various economic and trade activities where business potentials of the country were showcased and disseminated to attract additional investments as well as strengthen ties with other countries. They also initiated dialogues and meetings with the public and private sector both here and abroad.

Moreover, guidebooks on investment and business opportunities in the Philippines were published in print and online; these were and made available to a wide stratification of clients.

Encourage, promote and maintain a stable, competitive, efficient and dynamic banking and financial system

FXBs continued to develop and implement banking/financial technology and support systems on both the front-end and the back-end to enhance service delivery and ensure customer satisfaction.

Contribute to the alleviation of unemployment in the country

As of end-2013, the number of Filipino personnel employed by foreign banks stood at 7,092 (revised as of 13 June 2014) or 98.6 percent of the total workforce.

Filipino officers and employees of the 19 foreign bank branches and subsidiaries operating in the country attended a total of 1,631 (revised as of 13 June 2014) courses/seminars/trainings. Of which, 1,595 were held in the country and were mostly conducted by local organizations. The remaining 36 courses/seminars/trainings were held abroad. Topics of these trainings were mostly about current trends/developments on banking operations and new banking services and products.

Provide a wider variety of financial services to Philippine enterprises, households and individuals

In 2013, FXBs reported that they have financed loans amounting to over USD 0.8 billion and have facilitated over USD 6.99 billion loans to support the financing needs of local residents, companies and the Philippine government. The bulk of these loans benefitted major corporations in the country.

Assets moving back to lending

Additional funds were largely channeled to loans at 32.1 percent (up by 6.9 percent or P32.6 billion to P504.7 billion) and financial assets at 13.0 percent (up by 18.5 percent or P30.5 billion to P134.3 billion). Funding came mostly from deposit liabilities at 62.2 percent (up by 33.9 percent or P163.0 billion to P644.4 billion) and other liabilities at 20.8 percent (down by 23.7 percent or P66.9 billion to P215.3 billion). Deposit liabilities account of foreign bank branches and subsidiaries for 8.5 percent of the total system deposit liabilities.

Loans, gross, still had the biggest share of total assets at 48.7 percent (P504.7 billion), 1.0 percentage point higher than last year's 49.7 percent share due to "back to basics"[32] strategy. This was followed by cash and due from banks at 35.2 percent share or P364.6 billion (up from last year's 29.5 percent or P280.1 billion) and by financial assets at 13.0 percent or P134.3 billion (up from 17.3 percent or P164.8 billion). FXBs were returning to traditional banking activity of lending and maximizing profit potential by placements in higher yield financial assets from funds parked in other banks.

Lending showed moderate concentration to the financial intermediation sector

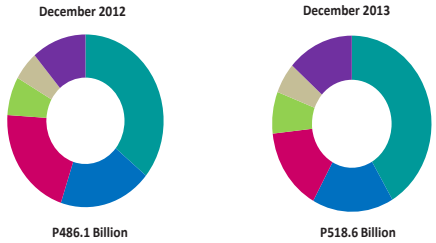
Total loan portfolio went up by P32.6 billion (6.7 percent) to 518.6 billion from P486.1 billion year-on-year. FXB loan portfolio is 10.7 percent of the system TLP.

By economic activity, most of the loans released went to financial intermediation (inclusive of IBL), cornering 40.1 percent (P207.9 billion). The concentration of this activity was less than last year's 41.5 percent (P201.8 billion). Loans to individuals for consumption purposes (i.e., credit card receivables, auto loans, other consumer loans) ranked a far second with 15.5 percent (P80.4 billion) followed by manufacturing at third with 14.8 percent (P77.0 billion).

Meanwhile, the growth in consumer loans was mostly on account of the 16.3 percent (P2.5 billion) hike in

[32] Back to basics means of returning to traditional banking activity of lending.

Figure 41
Foreign Bank Branches and Foreign Bank Subsidiaries
Loan Portfolio Structure By Industry Sector

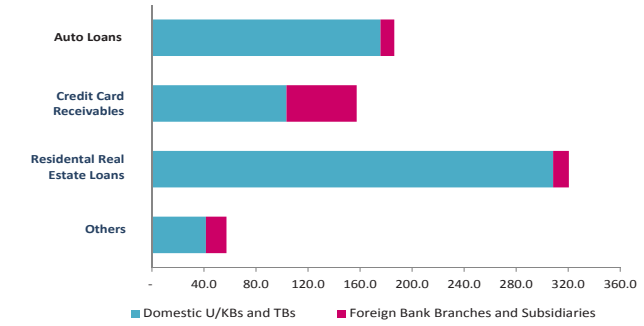


	December 2012	2013
Financial Intermediation (incl. IBL)	41.5%	40.1%
Loans to Individuals for Consumption Purposes	16.5%	15.5%
Manufacturing	15.2%	14.8%
Real Estate, Construction, Renting & Business Activities, Construction	7.7%	7.3%
Wholesale, Retail Trade & Repair	5.6%	6.3%
Others sectors	13.5%	14.8%

residential real estate loans to P1.7 billion and the 45.3 percent (P2.4 billion) increase in auto loans to P7.7 billion. Credit card receivables also posted an increase of 3.3 percent (P1.7 billion). Other consumer loans declined by 22.5 percent (P4.6 billion) to P15.8 billion.

FXBs still had better asset quality compared to domestic counterparts

Figure 42
Foreign Bank Branches and Foreign Bank Subsidiaries
Components of Consumer Loans
As of end-December 2013



FXBs NPL and NPA over the system posted at 7.5 percent and 3.4 percent, respectively.
FXBs still had better loan and asset quality than domestic banks. Their non-performing loan (NPL) ratio stood at 1.4 percent (down from last year's 1.6 percent) as against domestic banks' 2.0 percent (down from 2.5 percent) and non-performing asset (NPA) ratio of 0.7 percent (down from 0.9 percent) vis-à-vis domestic banks' 2.2 percent (down from 2.9 percent). NPL coverage ratio of foreign banks stood at 192.6 percent (up from last year's 176.7 percent ratio) while that of domestic banks was at 126.4 percent while NPA coverage ratio, FXBs had 181.9 percent (from 166.4 percent last year) while domestic banks had 68.8 percent.

Financial assets other than loans were mostly debt instruments

Next to lending, financial assets other than loans (portfolio and direct investments) accounted for 13.0 percent of FXBs total assets. Year-on-year, it declined by P30.5 billion or 18.5 percent to P134.3 billion from last year's P164.8 billion due to accumulated market losses. Portfolio investments substantially held 98.4 percent or P134.3 billion (from 98.6 percent or P164.8 billion) of total financial assets other than loans. Meanwhile, the remaining 1.6 percent share went to direct equity investments in subsidiaries, associates and joint ventures.

By type of investments, majority (85.1 percent or P116.2 billion) of FXB placements were in debt instruments, distantly followed by placements in derivatives at 11.9 percent or P16.2 billion, and by placements in equity securities at 3.0 percent or P4.0 billion.

Funding principally came from deposit liabilities

On the liabilities side, strength was mostly drawn from peso demand and NOW deposits and peso time deposits as it provided a boost of P48.3 billion (35.2 percent) and P71.6 billion (81.8 percent), respectively.

For foreign bank branches, another source of funding other than deposit liabilities came from their due to head office/branches/agencies-abroad which is included in other liabilities. This amounted to P120.9 billion at end-year 2013, albeit lower than last year's

Foreign Bank Branches and Foreign Bank Subsidiaries
Balance Sheet Structure

Major Accounts	2009	2010	2011	2012	2013
Total Assets	100.0%	100.0%	100.0%	100.0%	100.0%
Cash and Due from Banks	18.2%	24.0%	33.3%	29.5%	35.2%
Financial Assets, net (Other than Loans)	17.0%	15.9%	15.3%	17.3%	13.0%
Interbank Loans Receivable (IBL)	16.7%	8.6%	6.3%	6.9%	7.0%
Loans, net	43.8%	46.9%	40.4%	42.8%	41.6%
Equity Investments, net	0.1%	0.1%	0.1%	0.2%	0.2%
ROPA, net	0.1%	0.1%	0.1%	0.1%	0.1%
Other Assets	4.1%	4.3%	4.4%	3.2%	2.9%
Total Liabilities and Capital	100.0%	100.0%	100.0%	100.0%	100.1%
Financial Liabilities Held for Trading	3.3%	4.0%	3.1%	3.3%	1.4%
Financial Liabilities Designated at Fair Value through Profit or Loss			0.0%		0.0%
Deposits	65.1%	56.6%	55.9%	50.6%	62.2%
Bills Payable	2.7%	4.9%	4.5%	1.7%	1.8%
Other Liabilities	14.5%	20.0%	21.7%	29.7%	20.8%
Capital Accounts	14.5%	14.5%	14.8%	14.7%	13.9%

P214.4 billion by 43.6 percent and accounted for 13.5 percent (down from 26.4 percent last year) of total liabilities.

FXBs registered lower liquidity ratios but still at manageable levels

Cash and due from banks-to-deposits ratio fell to 56.6 percent from 58.2 percent year-on-year. Similarly, the decrease in growth in financial assets contracted the liquid assets-to-deposits ratio to 77.4 percent from 92.4 percent. Both indicators reflect ample liquidity maintained by foreign bank branches and subsidiaries given the capability of branches of foreign banks to generate funds from their due to head office/branches/agencies-abroad account.

FXBs sustained build-up of capital accounts

As of end-December 2013, the capital accounts of FXBs expanded by 3.5 percent (P4.9 billion) to P144.2 billion from P139.3 billion last year. The build-up largely came from foreign bank branches' assigned capital and net due head office/branches/agencies-abroad which went up by 0.8 percent to P27.2 billion and 0.5 percent to P95.3 billion, respectively.

FXBs remained solvent with a capital adequacy ratio (CAR) of 22.0 percent on a solo basis as of end-September 2013. This ratio is more than twice the BSP's minimum requirement of 10 percent and the international benchmark of 8 percent.

Derivative instruments were the main cause of decline in selected contingent accounts

As of end-December 2013, off-balance sheet transactions fell by P50.6 billion (3.6 percent) to P1,375.9 billion from P1,426.5 billion.

Derivative instruments, which accounted for 72.7 percent of the total contingent accounts, were the main cause of decline after their notional amount slid by P110.2 billion (9.9 percent) to P1,000.7 billion. The volume of foreign exchange contracts dropped by 17.2 percent to P554.9 billion.

Commitments, which contributed 22.8 percent of total contingent accounts, climbed by P51.1 billion (19.4 percent) to P314.3 billion owing to the hike in credit card lines and other commitments by 12.2 percent to P191.5 billion and 32.7 percent to P122.8 billion, respectively.

Bank guarantees, which accounted for 3.8 percent (P52.0 billion) of the contingent accounts contributed a P8.2 billion increase, drawing roughly the whole amount from standby letters of credit even as outstanding guarantees slid by P0.4 billion. The remaining balance of P8.8 billion (0.6 percent) came from trade-related accounts. This was higher by P0.3 billion from last year's level due to increases in domestic and foreign commercial letters for credit outstanding. Export letters of credit and shipside bonds/airway bills decreased by P2.0 billion and P0.2 billion, respectively. Weak export and import with trading partners affected by the global financial crisis depressed demand for trade-related instruments from banks.

Non-Bank Financial Institutions with Quasi-Banking Functions (NBQBs)

Overview

Non-bank financial institutions (NBFIs) are financial institutions that do not have a full banking license but they facilitate bank-related financial services, i.e., investment, risk pooling, contractual savings and market brokering. Only NBFIs with quasi-banking functions (NBQBs) and those without quasi-banking function but are subsidiaries and affiliates of banks and NBQBs are subject to BSP supervision.

NBQBs are financial institutions authorized by BSP to borrow funds from 20 or more lenders for their own account through issuances, endorsement or assignment with recourse or acceptance of deposit substitutes for purposes of re-lending or purchasing receivables and other obligations.

As of end-December 2013, total resources of NBQBs of P177.3 billion accounted for 39.5 percent of the total assets of the NBFIs supervised by the BSP, total of which represented 4.5 percent (P448.5 billion) of the Philippine Financial System's total resources (P9,961.6 billion). This is lower compared to last year's 42.9 percent (P186.7 billion) share which then represented 5.4 percent (P434.7 billion) of the Philippine Financial System's total resources (P8,050.1 billion). This is due to the decline in most of the asset accounts, particularly loans and investments, which comprise the bulk of the NBQB's assets.

During the review period, there were 12 operating NBQBs in the country consisting of five investment houses (IHs), six financing companies (FCs) and one other non-bank. The number of NBQBs declined from last semester's 13 operating NBQBs due to the revocation of quasi-banking license of Unicapital, Inc., an investment house, on 28 November 2013[33]. Of the 12 operating NBQBs, eight are linked to universal and commercial banks (three IHs and five FCs). The number of operating NBQBs remained small as it is only 0.2 percent of the total 6,229 NBFIs supervised/ regulated by the BSP. The overall network of NBQBs stood at 75 (12 head offices and 63 branches/other offices).

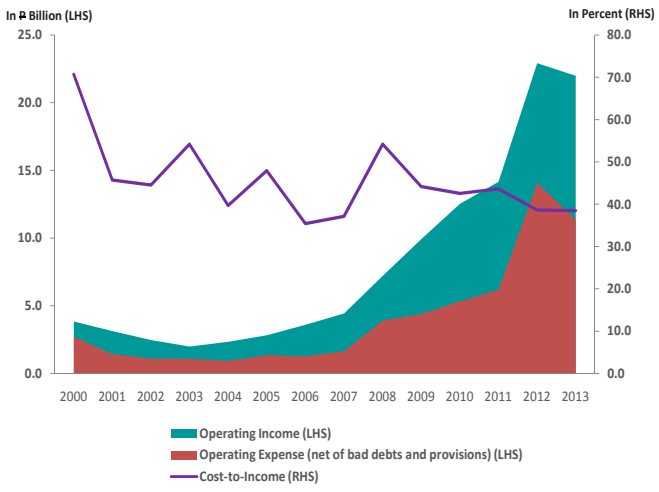
NBQBs' net profit doubled in end-December 2013

The NBQB industry posted a net profit of P16.3 billion in end-December 2013. This accounted for 41.1 percent of the total net profit of NBFIs. This is more than twice the profit recorded at end-December 2012 of P7.6 billion. IHs with QB accounted for 80.8 percent of net profit while FCs with QB accounted for 19.2 percent. Operating income slightly declined by 4.1 percent to P22.0 billion from last year's P22.9 billion due to the 26.3 percent drop in net interest income. Non-interest income also rose by 28.3 percent to P12.0 billion from P9.3 billion last year due to the increases in trading income.

Operating expenses decreased by 19.2 percent to P11.4 billion from P14.1 billion last year driven by the simultaneous decline in the cost of funds[34] (44.2 percent) and other operating expenses (4.3 percent).

Accordingly, cost-to-income ratio slightly improved to 38.5 percent from the 38.6 percent at end-December 2012 (Figure 44). Likewise, NBQBs provided better return on assets (ROA) 8.9 percent, up from 4.3 percent at end-December 2012 and return on equity (ROE) at 39.6 percent, up from 21.2 percent.

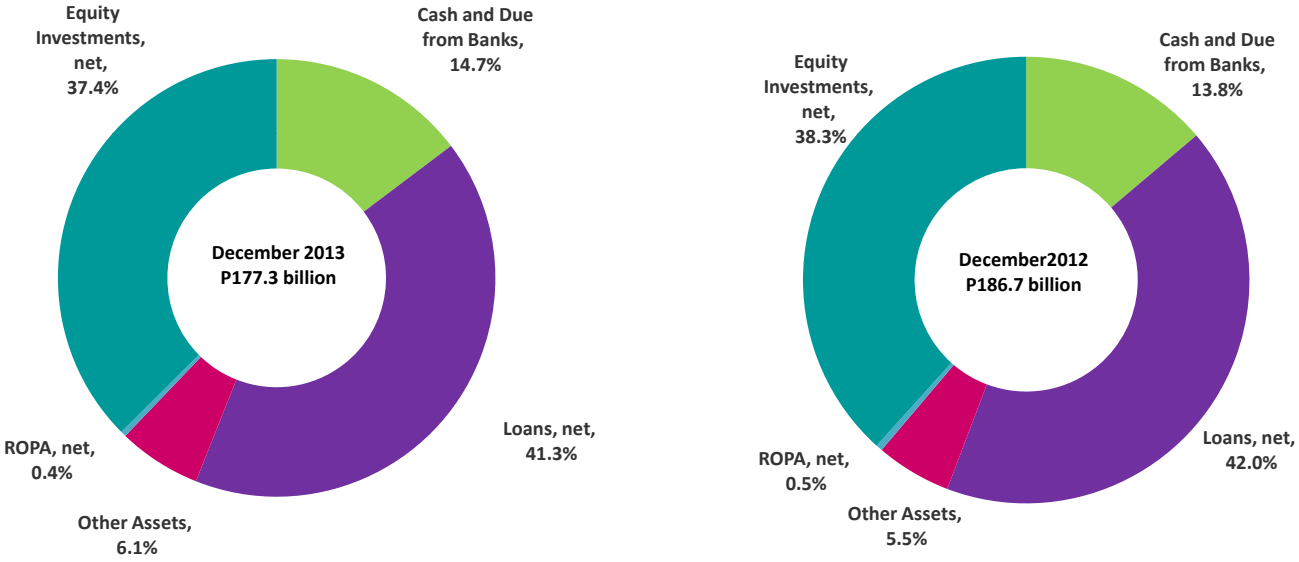
Figure 43
Non-Bank Financial Institutions with Quasi-Banking Functions (NBQBs)
Cost-to-Income Ratio



[33] Circular Letter (CL) 2013-066 dated 20 December 2013.

[34] Cf: Footnote No.2 (Assessment , p.1)

Figure 44
Non-Bank Financial Institutions with Quasi-Banking Functions (NBQBs)
Asset and Funding Mix



Resources declined due to the drop in loans and investments

Total assets of NBQBs stood at P177.3 billion, lower by 5.0 percent from last year's P186.7 billion (Table 43) on account of the 7.3 percent decline in loans and 7.2 percent drop in investments. IHs with QB held a slightly bigger share of the NBQB total assets with a share of 52.7 percent (P93.5 billion), up from last year's 50.6 percent share (but lower at P94.4 billion). Meanwhile, FCs with QB pitched in the remaining 47.3 percent share (P83.8 billion), down from last year's 49.4 percent share (P92.3 billion).

NBQB assets were mainly channeled to loans, net, and investments, net, with a combined share of 78.8 percent of total assets, down from last year's 80.3 percent (Figure 45). Loans, net, garnered 41.3 percent share (P78.4 billion), down from last year's 42.0 percent. Investments, net, on the other hand, occupied a 37.4 percent share (P66.4 billion), down from last year's 38.3 percent share (P71.5 billion). Overall, the NBQBs shifted preference to lending over investments in view of rising domestic interest rates as the yields of government securities rose in response to the Fed tapering news in the latter part of 2013.

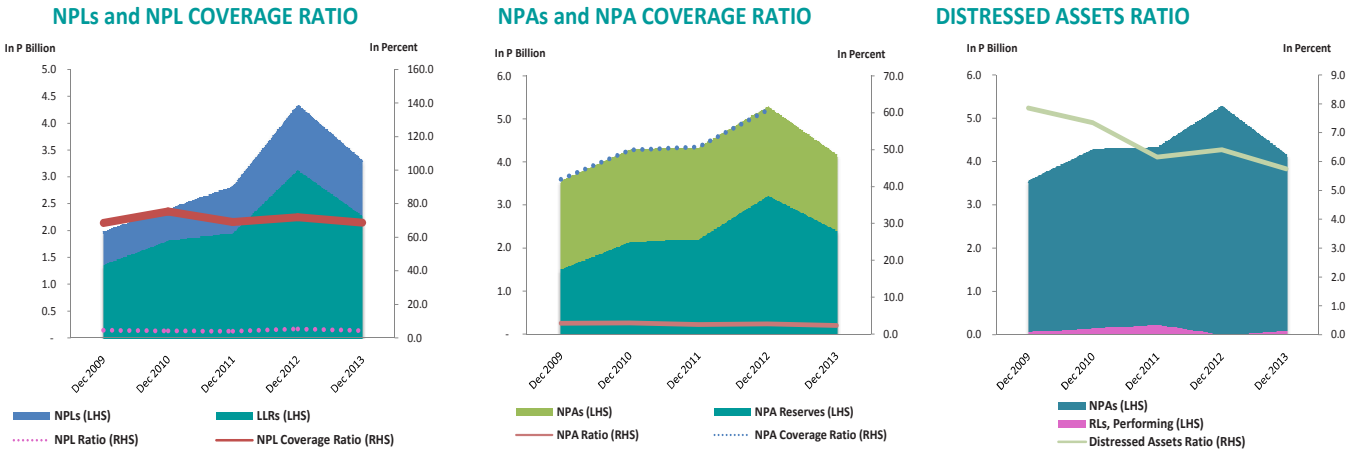
NBQBs posted improved loan and asset quality

NBQB loan and asset quality continued to improve in the second half of 2013. Non-performing loans (NPL) ratio of 4.4 percent is an improvement from last year's 5.3 percent, with a 24.1 percent drop in NPLs to P3.3 billion from last year's P4.3 billion. IHs with QB posted better NPL ratio at 0.1 percent, as against FCs with QB NPL ratio of 4.6 percent. Meanwhile, NPL coverage ratio declined to 68.6 percent from last year's 71.9 percent due to the 27.6 percent decrease in LLRs.

As of end-December 2013, NBQBs' stock of real and other properties acquired (ROPA) was stable at P0.9 billion. As a result, ROPA-to-gross assets ratio was unchanged at 0.5 percent. FCs with QB had a better ROPA-to-gross assets ratio at 0.4 percent compared to the 0.6 percent of IHs with QB. While ROPA reserves were steady at P0.1 billion,the ROPA coverage ratio improved to 14.6 percent from last year's 8.8 percent.

NBQBs' non-performing assets (NPA) ratio of 2.3 percent fell from last year's 2.8 percent. IHs with QB posted better NPA ratio at 0.6 percent, compared to the NPL ratio of FCs with QB at 3.9 percent. NPA coverage ratio narrowed down to 57.5 percent from last year's 60.7 percent due to the 25.5 percent decline in the allowance for NPAs to P2.4 billion from last year's P3.2 billion.
As of the end-December 2013, NBQBs' distressed assets went down to P4.4 billion from P5.3 billion last year. This resulted to a lower distressed assets ratio of

Figure 45
Non-Bank Financial Institutions with Quasi-Banking Functions (NBQBs)



5.8 percent from 6.4 percent last year. By subgroup, FCs with QB posted better distressed assets ratio of5.5percent compared to IHs with QB of 9.4 percent (Figure 46).

Ample liquidity, stable funding and adequate capitalization

The NBQB industry maintained ample liquidity as liquid assets-to-bills payable ratio expanded to 79.7 percent from last year's 66.2 percent. Gross loans-to-bills payable ratio also rose to 71.0 percent from last year's 66.4 percent. Most of the FCs and IHs with QB are also linked to universal and commercial banks which can cushion the NBQB industry whenever liquidity problems arise.

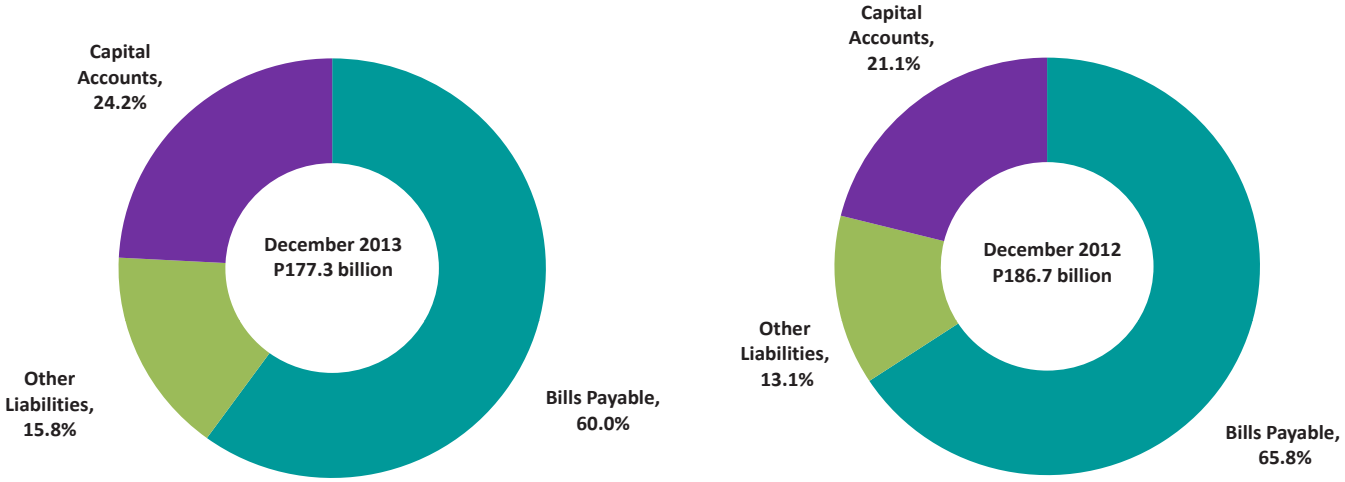
The industry's total liabilities stood at P134.4 billion, down by 8.8 percent from last year's P147.3 billion due to the 13.4 percent year-on-year declined in bills payable, which comprised the bulk at 79.1 percent, of total liabilities. Other liabilities which formed the remaining 20.9 percent of total liabilities grew by 14.3 percent (Figure 47).

The industry's total capital accounts posted a robust growth of 9.0 percent (P3.5 billion) to reach P42.9 billion from last year's P39.4 billion. This was influenced by the growth in retained earnings and undivided profits by 16.6 percent to P31.6 billion from last year's P27.1 billion. Meantime, capital stock fell by 7.8 percent to P11.3 billion from last year's P12.3 billion. This is due to the decline in the number of operating NBQBs to 13 from 14 last year.

By sub-group, IHs with QB's retained earnings rose by 37.6 percent surpassing the 16.2 percent decline in FCs with QB's retained earnings. On the other hand, the capital stock of IHs with QB fell by 13.8 percent thereby, outpacing the 4.7 percent hike in capital stock of FCs with QB, respectively.

The industry continued to be well capitalized during the review period. Total capital accounts-to-total assets ratio for NBQBs increased to 24.2 percent from last year's 21.1 percent.

Figure 46
Non-Bank Financial Institutions with Quasi-Banking (NBQBs)
Funding Mix



Non-Stock Savings and Loan Associations (NSSLAs)

Overview

Non-stock savings and loan associations (NSSLAs)[35] are non-stock, non-profit corporations engaged in the business of accumulating members' savings for lending to households by providing long-term financing for home building and/or development and for personal finance.

While there was an expansion in NSSLAs' total assets driven by higher loans, asset quality declined as the non-performing loans (NPL) ratio went up while loan loss provisioning decreased. Moreover, as profitability lessened mainly due to higher cost-to-income (CTI) ratio. Accordingly, both return on assets (ROA) and return on equity (ROE) ratios declined year-on-year.

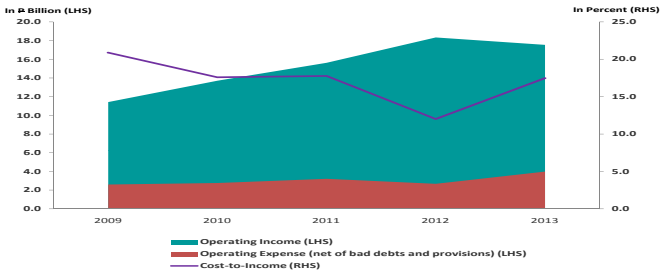
As of end-December 2013, total resources of NSSLAs comprised 29.0 percent (P130.0 billion) of the total resources of the BSP-supervised NBFIs, which constituted 4.5 percent (P448.5 billion) of the Philippine Financial System's total resources (P9, 961.6 billion). This is a higher proportion compared to last year's 28.7 percent (P124.9 billion) which then represented 5.4 percent (P434.7 billion) of the Philippine Financial System's total resources (P8, 050.1 billion).

As of end-December 2013, there were 71[36] operating NSSLAs accounting for only 1.1 percent of the total 6,229 operating NBFIs under the supervision or regulation of BSP. NSSLAs' total number of offices stood at 198 with 71 head offices and 127 branches/ other offices.

NSSLAs posted lower earnings

The NSSLA industry posted a net profit of P12.8 billion for the year ended December 2013. This accounted for 32.4 percent of the total NBFIs' profit of P39.7 billion. This is lower by 15.1 percent from P15.1 billion earned last year. Operating income dropped by 4.3 percent to P17.5 billion from last year's P18.3 billion due to the 7.5 percent contraction in net interest income. Meanwhile, non-interest income rose by

Figure 47
Non Stock Savings and Loan Associations (NSSLAs)
Cost-to-Income Ratio

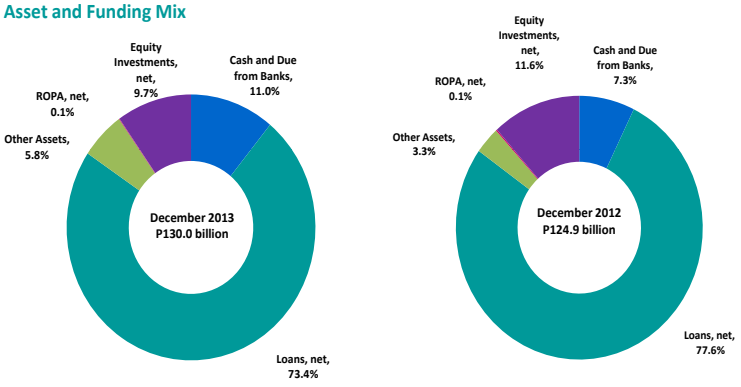


10.3 percent to P3.6 billion from P3.2 billion last year. The industry's members received lower returns as ROA and ROE decreased to 9.8 percent and 12.7 percent from 12.7 percent and 16.3 percent at end-December 2012, respectively. Moreover, the CTI ratio went up to 17.5 percent from last year's 12.0 percent due to the 48.5 percent hike in operating expenses to P4.0 billion from last year's P2.7 billion (Figure 48). In particular, overhead costs which accounted for 42.3 percent of total operating expense grew by 80.2 percent to P1.7 billion from P0.9 billion last year.

NSSLA industry assets continued to expand

Total assets of NSSLAs stood at P130.0 billion, higher by 4.1 percent from last year's P124.9 billion (Table 47). These were mainly channelled to loans[37], net with 73.4 percent share (P95.5 billion), lower than last year's 77.6 percent (P96.9 billion) share. Meantime, cash and due from banks, investments, net, real and other properties acquired and other assets held the remaining 26.6 percent (P34.6 billion) of NSSLAs' total assets, up from last year's 22.4 percent (P28.0 billion).

Figure 48
Non-Stock Savings and Loan Associations (NSSLAs)
Asset and Funding Mix



[35] NSSLAs are among the non-bank financial institutions being supervised by BSP pursuant to Republic Act No. 8367, otherwise known as the Non-Stock Savings and Loan Association Act of 1997.
[36] Net of one (1) NSSLA (Savings and Loan Association of Power Employees, Inc.) whose license was revoked early this year per Circular Letter (CL)-2-14-008 dated 17 January 2014.
[37] Loan entry for NSSLAs are still based on CSOC reporting format

NSSLAs' loan and asset quality declined in end-December 2013

NSSLAs' non-performing loans (NPL) ratio of 13.5 percent rose from last year's 9.4 percent due to the 41.0 percent year-on-year growth in NPL levels to P13.9 billion from last year's P9.8 billion. Meanwhile, the NPL coverage ratio narrowed to 50.8 percent from last year's 76.0 percent due to the 5.7 percent decline in LLRs to P7.0 billion from P7.5 billion.

As of end-December 2013, their real and other properties acquired (ROPA) improved to P0.1 billion from P0.2 billion last year. Gross assets grew by 3.6 percent to P137.1 billion. Hence, the ROPA-to-gross assets ratio stayed at 0.1 percent.

NSSLAs' non-performing assets (NPA) ratio rose to 10.2 percent from last year's 7.6 percent. The 39.4 percent build-up in non-performing assets to P14.0 billion was triggered by the 41.0 percent year-on-year growth in NPLs. NPA coverage ratio narrowed to 50.5 percent from last year's 74.6 percent due to the 5.7 percent decrease in NPA reserves to P7.0 billion from P7.5 billion.

As of the end-December 2013, NSSLAs' distressed assets ratio rose to 13.6 percent from last year's 10.0 percent resulting from the increase in distressed assets to P14.0 billion from last year's P10.0 billion (Figure 50).

NSSLAs enjoyed ample liquidity, stable funding and adequate capitalization

NSSLAs maintained adequate liquidity to service deposit withdrawals and demand for loans. For the second half of 2013, the ratio of cash and due from banks-to-deposits stood at 61.1 percent from 39.8 percent at end-December 2012 while the ratio of liquid assets-to-deposits registered at 115.4 percent from 103.3 percent at end-December 2012.

The industry's total liabilities stood at P31.2 billion, up by 14.2 percent (P3.9 billion) from last year's P27.3 billion. Deposit liabilities, which comprised the bulk (74.8 percent) of total liabilities, rose by 2.0 percent to P23.3 billion from last year's P22.9 billion. Bills payable and other liabilities, which formed the remaining 25.2 percent of total liabilities, also grew by 77.1 percent to P7.9 billion from last year's P4.5 billion.

Total capital accounts expanded by 1.3 percent (P11.3 billion) to reach P98.8 billion from last year's P97.5 billion. This was influenced by the growth in capital contributions from members and undistributed earnings. Total capital accounts-to-total assets ratio, which measures the extent of leveraging during the period, determines how much capital is needed to cushion against credit risks of the NSSLA industry. Said metric is important considering the funding structure of NSSLAs. While it was slightly down to 76.0 percent from the last year's 78.1 percent, the ratio remains high as the industry's funding source primarily comes from its members' capital contribution and undistributed profit from operation.

Figure 50
Non-Stock Savings and Loan Associations (NSSLAs)
Funding Mix

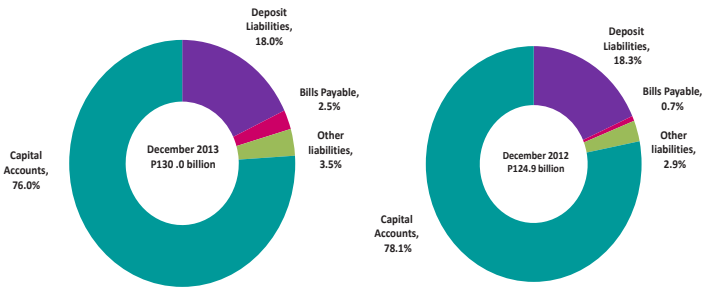
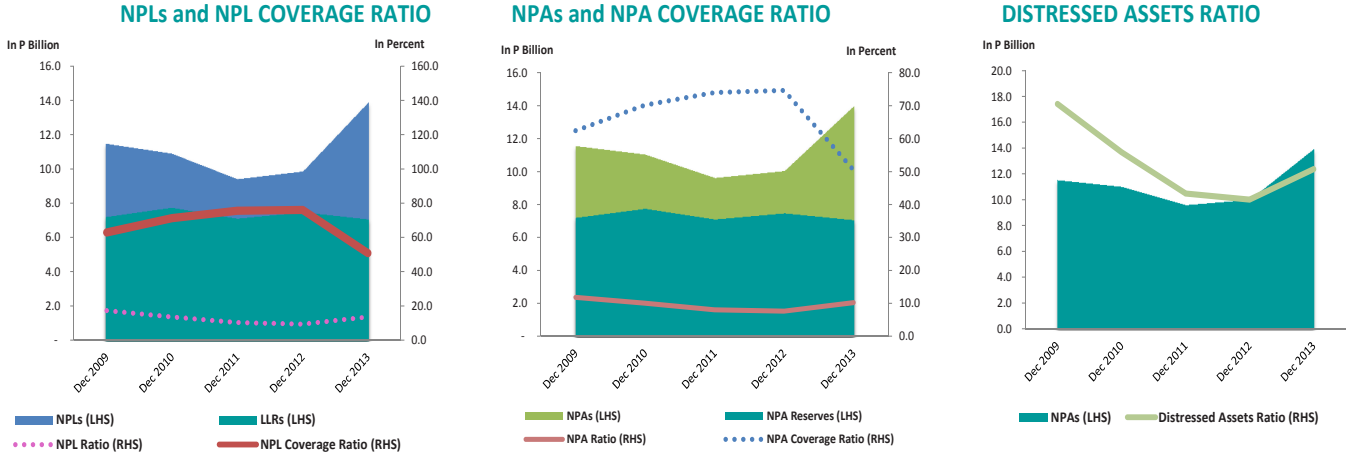


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Non-Stock Savings and Loan Associations (NSSLAs)



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Table 1. Philippine Banking System: Financial Highlights

Levels (P Billion)	2009	2010	2011	2012 r/	2013 p/
Income Statement					
Total Operating Income	316.1	358.3	370.7	396.9	444.4
Net Interest Income	209.8	225.1	238.0	243.9	270.5
Non-interest Income	106.2	133.2	132.6	153.0	173.9
Non-Interest Expenses	208.9	229.0	241.7	250.9	270.2
Losses/Recoveries on Financial Assets	(28.6)	(29.3)	(20.2)	(20.6)	(27.6)
Bad Debts/Provisions for Credit Losses	30.0	31.1	23.9	23.3	30.5
Recovery on Charged-Off Assets	1.4	1.8	3.7	2.6	2.9
Net Profit Before Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures	78.5	100.0	108.8	125.4	146.7
Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures	8.7	11.2	15.0	16.3	26.6
Total Profit/Loss Before Tax and Before Minority Interest	87.2	111.1	123.8	141.7	173.3
Income Tax Expense	17.8	20.0	19.0	19.4	28.3
Total Profit/Loss After Tax and Before Minority Interest	69.4	91.2	104.7	122.3	144.9
Minority Interest in Profit/(Loss) of Subsidiaries			-	-	-
Net Profit or Loss	69.4	91.2	104.7	122.3	144.9
Balance Sheet					
Total Assets 1/	6,192.3	6,918.3	7,335.6	8,050.1	9,961.6
Cash and Due from Banks	877.9	1,326.9	1,361.3	1,457.3	2,549.4
Financial Assets, gross (Other than Loans)	1,592.1	1,731.7	1,650.6	1,819.3	2,006.9
Financial Assets Held for Trading (HFT)	190.9	206.5	154.4	268.6	170.7
Financial Assets Designated at Fair Value through Profit and Loss (DFVPL)	10.3	8.2	9.6	8.3	6.5
Available-for-Sale (AFS) Financial Assets	651.3	795.3	868.1	1,001.6	1,333.2
Held-to-Maturity (HTM) Financial Assets	509.1	521.3	449.3	391.7	354.6
Unquoted Debt Securities Classified as Loans	196.8	175.9	148.0	128.4	121.2
Investments in Non-Marketable Equity Securities (INMES)	25.2	24.5	21.2	20.7	20.8
Allowance for Credit Losses	25.1	28.1	24.8	25.5	25.8
Accumulated Market Gains/Losses	15.9	30.2	48.3	55.3	. . .
Financial Assets, net (Other than Loans)	1,582.9	1,733.7	1,674.0	1,849.1	1,971.7
Interbank Loans Receivable (IBL)	350.0	227.3	156.3	161.1	185.1
Loans, gross (exclusive of IBL)	2,829.9	3,076.2	3,605.6	4,067.7	4,706.9
Reverse Repurchase (RRP) with BSP and Other Banks	262.2	281.4	290.3	278.3	296.7
Loans, gross (exclusive of IBL and RRP with BSP and Other Banks)	2,567.7	2,794.8	3,315.2	3,789.4	4,410.1
Allowance for Probable Losses	131.6	142.0	145.5	155.6	160.3
Loans, net (exclusive of IBL and RRP with BSP and Other Banks)	2,436.1	2,652.8	3,169.8	3,633.9	4,249.9
Equity Investment in Subsidiaries, Associates and Joint Ventures, net	122.6	133.2	151.6	164.1	180.5
ROPA, net	153.4	145.1	125.1	116.6	108.7
Other Assets, net	407.2	418.0	407.2	389.8	419.6
Total Liabilities	5,504.3	6,109.8	6,414.4	6,998.1	8,836.0
Financial Liabilities Held for Trading	36.0	53.4	40.8	52.7	40.8
Financial Liabilities DFVPL	6.3	6.5	6.5	6.2	-
Deposits	4,671.8	5,125.1	5,376.4	5,754.6	7,603.5
Peso Liabilities	3,615.0	4,023.6	4,307.7	4,712.3	6,443.3
Foreign Currency	1,056.9	1,101.5	1,068.7	1,042.2	1,160.2
Bills Payable	329.4	370.9	390.8	426.2	499.2
Other Liabilities	355.8	446.9	489.3	644.5	629.3
Unsecured Subordinated Debt	104.8	106.6	110.1	113.5	62.9
Redeemable Preferred Shares	0.1	0.5	0.4	0.3	0.3
Total Capital Accounts 2/	688.0	808.5	921.3	1,052.0	1,125.6

1/ Adjusted to net off the account "Due from Head Office" with "Due to Head Office" of branches of foreign banks
2/ Inclusive of the portion of the "Net Due to Head Office" which qualified as capita
r/ Revised
p/ Preliminary
Figures may not add up due to rounding-off
. . . Less than P0.05 billion

Table 2. Philippine Banking System: Growth Rates

Growth Rates	2009	2010	2011	2012 r/	2013 p/
Income Statement					
Total Operating Income	17.7 %	13.4 %	3.5%	8.2 %	12.0%
Net Interest Income	14.2 %	7.3 %	5.7%	3.7 %	10.9%
Non-interest Income	25.3 %	25.4 %	(0.4%)	16.4 %	13.7%
Non-Interest Expenses	4.7 %	9.6 %	5.5%	5.3 %	7.7%
Losses/Recoveries on Financial Assets	49.1 %	2.4 %	(31.1%)	3.5 %	33.8%
Bad Debts/Provisions for Credit Losses	37.2 %	3.7 %	(23.2%)	(1.4%)	31.2%
Recovery on Charged-Off Assets	(47.9%)	29.4 %	104.2%	(28.2%)	10.7%
Net Profit Before Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures	57.2 %	27.3 %	8.8%	15.5 %	16.9%
Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures	17.8 %	28.7 %	34.2%	9.1 %	62.8%
Total Profit/Loss Before Tax and Before Minority Interest	52.2 %	27.4 %	11.4%	14.7 %	22.2%
Income Tax Expense	11.9 %	12.4 %	(4.8%)	2.5 %	45.8%
Total Profit/Loss After Tax and Before Minority Interest	67.6 %	31.3 %	14.9%	17.0 %	18.5%
Minority Interest in Profit/(Loss) of Subsidiaries					
Net Profit or Loss	67.6 %	31.3 %	14.9%	17.0 %	18.5%
Balance Sheet					
Total Assets 1/	9.1 %	11.7 %	6.0%	9.8 %	23.7%
Cash and Due from Banks	5.2 %	51.1 %	2.6%	7.3 %	74.9%
Financial Assets, gross (Other than Loans)	13.4 %	8.8 %	(4.7%)	10.2 %	10.3%
Financial Assets Held for Trading (HFT)	(8.1%)	8.2 %	(25.2%)	73.9 %	(36.4%)
Financial Assets Designated at Fair Value through Profit and Loss (DFVPL)	(15.1%)	(20.4%)	17.0%	(12.6%)	(22.6%)
Available-for-Sale (AFS) Financial Assets	31.4 %	22.1 %	9.2%	15.4 %	33.1%
Held-to-Maturity (HTM) Financial Assets	5.9 %	2.4 %	(13.8%)	(12.8%)	(9.5%)
Unquoted Debt Securities Classified as Loans	3.2 %	(10.6%)	(15.8%)	(13.3%)	(5.6%)
Investments in Non-Marketable Equity Securities (INMES)	184.9 %	(2.6%)	(13.6%)	(2.4%)	0.5%
Allowance for Credit Losses	18.8 %	11.9 %	(11.7%)	2.8 %	1.1%
Accumulated Market Gains/Losses	(213.9%)	90.0 %	60.0%	15.0 %	(117.0%)
Financial Assets, net (Other than Loans)	15.7 %	9.5 %	(3.4%)	10.5 %	6.6%
Interbank Loans Receivable (IBL)	44.8 %	(35.1%)	(31.2%)	3.0 %	14.9%
Loans, gross (exclusive of IBL)	5.5 %	8.7 %	17.2%	12.8 %	15.7%
Reverse Repurchase (RRP) with BSP and Other Banks	16.4 %	7.3 %	3.2%	(4.2%)	6.6%
Loans, gross (exclusive of IBL and RRP with BSP and Other Banks)	4.5 %	8.8 %	18.6%	14.3 %	16.4%
Allowance for Probable Losses	6.9 %	7.9 %	2.4%	6.8 %	3.0%
Loans, net (exclusive of IBL and RRP with BSP and Other Banks)	4.4 %	8.9 %	19.5%	14.6 %	17.0%
Equity Investment in Subsidiaries, Associates and Joint Ventures, net	19.6 %	8.6 %	13.8%	8.3 %	10.0%
ROPA, net	(6.4%)	(5.4%)	(13.8%)	(6.6%)	(6.7%)
Other Assets, net	0.7 %	2.6 %	(2.6%)	(4.6%)	7.6%
Total Liabilities	8.4 %	11.0 %	5.0%	9.1 %	26.3%
Financial Liabilities Held for Trading	(22.9%)	48.3 %	(23.6%)	29.4 %	(22.6%)
Financial Liabilities DFVPL	(42.3%)	2.6 %	0.6%	(5.1%)	(100.0%)
Deposits	11.4 %	9.7 %	4.9%	7.1 %	32.1%
Peso Liabilities	12.4 %	11.3 %	7.1%	9.4 %	36.7%
Foreign Currency	8.1 %	4.2 %	(3.0%)	(2.5%)	11.3%
Bills Payable	(7.8%)	12.6 %	5.4%	9.3 %	17.1%
Other Liabilities	(3.9%)	25.6 %	9.5%	31.5 %	(2.4%)
Unsecured Subordinated Debt	12.0 %	1.7 %	3.4%	3.0 %	(44.6%)
Redeemable Preferred Shares	(96.6%)	459.7 %	(14.6%)	(11.3%)	(5.2%)
Total Capital Accounts 2/	14.8 %	17.5 %	13.9%	14.2 %	7.0%

1/ Adjusted to net off the account "Due from Head Office" with "Due to Head Office" of branches of foreign banks
2/ Inclusive of the portion of the "Net Due to Head Office" which qualified as capital
r/ Revised
p/ Preliminary
. . . Less than 0.05 percent

Table 3. Philippine Banking System: Selected Performance Indicators

Selected Ratios	2009	2010	2011	2012 r/	2013 p/
Profitability					
Earning Asset Yield 1/	7.0 %	5.9 %	5.6 %	5.2 %	4.5 %
Funding Cost 2/	2.6 %	2.1 %	2.0 %	1.8 %	1.2 %
Interest Spread 3/	4.5 %	3.8 %	3.6 %	3.4 %	3.2 %
Net Interest Margin 4/	4.4 %	3.9 %	3.8 %	3.6 %	3.3 %
Non-interest Income to Total Operating Income 5/	33.6 %	37.2 %	35.8 %	38.5 %	38.7 %
Cost-to-Income 6/	65.8 %	63.6 %	65.0 %	63.2 %	60.6 %
Return on Assets (ROA) 7/	1.2 %	1.4 %	1.5 %	1.6 %	1.6 %
Return on Equity (ROE) 7/	10.8 %	12.2 %	12.1 %	12.4 %	13.3 %
Liquidity					
Cash and Due from Banks to Deposits	18.8 %	25.9 %	25.3 %	25.3 %	33.5 %
Liquid Assets to Deposits 8/	52.7 %	59.7 %	56.5 %	57.5 %	59.5 %
Loans, gross to Deposits	68.1 %	64.5 %	70.0 %	73.5 %	64.3 %
Asset Quality 9/					
Restructured Loans to Total Loan Portfolio (TLP)	1.6 %	1.5 %	1.2 %	0.95 %	0.7 %
Loan Loss Reserves (LLR) to TLP	4.1 %	4.3 %	3.9 %	3.68 %	3.3 %
Gross Non-Performing Loans (NPL) to TLP	4.4 %	4.4 %	3.8 %	3.36 %	2.8 %
Net NPL to TLP	1.2 %	1.1 %	1.0 %	0.72 %	0.6 %
NPL Ratio net of IBL	4.9 %	4.7 %	3.9 %	3.49 %	2.8 %
NPL Coverage (LLR to Gross NPL)	94.4 %	98.1 %	102.7 %	109.59 %	119.1 %
Non-Performing Assets (NPA) to Gross Assets	4.8 %	4.3 %	3.8 %	3.33 %	2.6 %
NPA Coverage (NPA Reserves to NPA)	52.7 %	56.9 %	62.4 %	67.79 %	73.2 %
ROPA to Gross Assets Ratio	2.6 %	2.3 %	1.9 %	1.61 %	1.3 %
ROPA Coverage Ratio	18.2 %	19.7 %	22.1 %	23.00 %	25.3 %
Distressed Assets	9.9 %	9.5 %	7.9 %	6.78 %	5.6 %
Capital Adequacy					
Total Capital Accounts to Total Assets 10/	11.1 %	11.7 %	12.6 %	13.1 %	11.3 %
Capital Adequacy Ratio (Solo) 11/ 12/	14.9 %	16.0 %	16.7 %	17.3 %	17.5 % a/
Capital Adequacy Ratio (Consolidated) 11/ 12/	15.8 %	16.9 %	17.6 %	18.4 %	18.6 % a/

1/ Earning Asset Yield refers to the ratio of interest income to average earning assets.

2/ Funding Cost refers to the ratio of interest expenses to average interest-bearing liabilities.

3/ Interest Spread refers to the difference between earning asset yield and funding cost.

4/ Net Interest Margin refers to the ratio of net interest income to average earning assets.

5/ Non-interest income includes dividends income.

6/ Cost-to-Income Ratio refers to the ratio of non-interest expenses to total operating income.

7/ ROA and ROE refer to the ratios of net profit to average assets and capital, respectively.

8/ Liquid Assets refer to Cash and Due from Banks plus Financial Assets, net of amortization (net of financial assets in equity securities).

9/ Ratios are computed in accordance with the NPL definition as prescribed under BSP Circular No. 772 dated 16 October 2012 effective 01 January 2013. For comparative purposes, computations for periods prior to January 2013 are aligned with Circular No. 772.

10/ Total capital accounts includes redeemable preferred shares.

11/ Based on the new framework provided for under Circular No. 280 dated 29 March 2001, formally adopted 1 July 2001; Under Circular No. 360 dated 3 December 2002, adopted 1 July 2003, Universal/Commercial Banks are to incorporate market risks in addition to credit risks; Under Circular No. 538 dated 4 August 2006, effective 1 July 2007, U/KBs are to incorporate operational risk in addition to credit and market risks.

12/ CAR data as of end-December 2012 and end-September 2013 are for Universal and Commercial Banks and Subsidiary Thrift Banks; excludes Stand-Alone Thrift, Rural and Cooperative Banks

r/ Revised

p/ Preliminary

a/ Data as of end-September 2013

Table 4. Philippine Banking Offices: Number of Offices and Regional Profile

End-Dec 2013	Total	UNIVERSAL BANKS	COMMERCIAL BANKS	THRIFT BANKS	RURAL BANKS	COOPERATIVE BANKS
TOTAL	**9,935**	**5,010**	**451**	**1,828**	**2,492**	**154**
Head Offices	**673**	**21**	**15**	**71**	**530**	**36**
Branches/Other Offices	**9,262**	**4,989**	**436**	**1,757**	**1,962**	**118**
Regular Branch	8,077	4,801	426	1,512	1,249	89
Microfinance-Oriented Branch	98		1	14	83	
Regular Other Banking Office (OBO)	420	85	5	88	220	22
Microbanking Office (MBO)	465		4	101	360	
Extension Office	166	67		42	50	7
Representative Office	15	15				
Remittance Desk Office	16	16				
Marketing Office	2	2				
Sub-Branch	2	2				
Limited Purpose Branch	1	1				

	End-Dec 2012	End-Dec 2013		
		Total	Head Offices	Branches/ Other Offices
TOTAL	**9,410**	**9,935**	**673**	**9,262**
Nationwide	**9,375**	**9,884**	**673**	**9,211**
National Capital Region (NCR)	**2,993**	**3,141**	**83**	**3,058**
Luzon	**3,749**	**3,976**	**370**	**3,606**
Region I - Ilocos	413	436	45	391
Region II - Cagayan	286	310	34	276
Region III - Central Luzon	975	998	92	906
Region IV-A - CALABARZON	1,406	1,509	124	1,385
Region IV-B - MIMAROPA	206	220	24	196
Region V - Bicol	315	353	33	320
Cordillera Administrative Region (CAR)	148	150	18	132
Visayas	**1,344**	**1,408**	**125**	**1,283**
Region VI - Western Visayas	543	572	59	513
Region VII - Central Visayas	627	653	46	607
Region VIII - Eastern Visayas	174	183	20	163
Mindanao	**1,289**	**1,359**	**95**	**1,264**
Region IX - Zamboanga Peninsula	190	199	17	182
Region X - Northern Mindanao	328	347	34	313
Region XI - Davao Region	355	388	14	374
Region XII - SOCCSKSARGEN[1/]	195	197	12	185
ARMM	20	21	2	19
CARAGA	201	207	16	191
Overseas	**35**	**51**		**51**
Asia-Pacific	21	20		20
Europe	5	4		4
North America	5	5		5
Middle East	4	22		22

1/ Composed of the provinces of North Cotabato, South Cotabato, Sultan Kudarat and Sarangani, and the cities of General Santos, Koronadal, Tacurong and Kidapawan.

Table 5. Philippine Banking System: Density Ratio

	End-December 2012 r/		End-June 2013		End-December 2013	
	Banking Offices per City/ Municipality	No. of persons served by each Banking Office 1/	Banking Offices per City/ Municipality	No. of persons served by each Banking Office 1/	Banking Offices per City/ Municipality	No. of persons served by each Banking Office 1/
Nationwide	**6**	**10,410**	**6**	**10,433**	**6**	**9,933**
National Capital Region (NCR)	**176**	**3,949**	**176**	**4,068**	**185**	**3,989**
Luzon	**5**	**11,384**	**5**	**11,465**	**5**	**10,931**
Region I - Ilocos	3	13,010	3	12,477	3	11,340
Region II - Cagayan	3	12,167	3	11,975	3	10,942
Region III - Central Luzon	8	10,816	8	10,964	8	10,857
Region IV-A - CALABARZON	10	8,819	10	9,342	11	9,197
Region IV-B - MIMAROPA	3	15,425	3	14,751	3	13,182
Region V - Bicol	3	18,851	3	18,432	3	16,639
Cordillera Administrative Region (CAR)	2	11,920	2	11,723	2	11,373
Visayas	**3**	**14,748**	**3**	**14,391**	**3**	**13,406**
Region VI - Western Visayas	4	14,501	4	14,072	4	12,951
Region VII - Central Visayas	5	11,665	5	11,563	5	11,021
Region VIII - Eastern Visayas	1	26,627	1	25,578	1	23,322
Mindanao	**3**	**18,057**	**3**	**18,081**	**3**	**17,172**
Region IX - Zamboanga Peninsula	3	19,102	3	19,054	3	18,146
Region X - Northern Mindanao	4	13,809	4	13,888	4	13,202
Region XI - Davao Region	7	12,679	7	13,031	8	12,245
Region XII - SOCCSKSARGEN 2/	4	21,835	4	22,292	4	22,518
ARMM	0	185,415	0	178,058	0	162,571
CARAGA	3	13,182	3	12,919	3	12,290

r/ Revised

1/ Philippine population based on National Statistics Office (NSO) data

2/ Composed of the provinces of North Cotabato, South Cotabato, Sultan Kudarat and Sarangani, and the cities of General Santos, Koronadal, Tacurong and Kidapawan.

Table 6. Philippine Banking System: Automated Teller Machines (ATMs)

	On-site		Off-site		Total	
	Dec '12	Dec '13	Dec '12	Dec '13	Dec '12	Dec '13
TOTAL	**7,282**	**8,477**	**4,943**	**6,053**	**12,225**	**14,530**
NATIONWIDE	**7,281**	**8,476**	**4,943**	**6,052**	**12,224**	**14,528**
National Capital Region (NCR)	**3,015**	**3,412**	**2,309**	**2,772**	**5,324**	**6,184**
Luzon	**2,318**	**2,771**	**1,580**	**1,920**	**3,898**	**4,691**
Region I - Ilocos	234	279	122	156	356	435
Region II - Cagayan	124	164	41	51	165	215
Region III - Central Luzon	636	748	430	502	1,066	1,250
Region IV-A - CALABARZON	938	1,113	810	994	1,748	2,107
Region IV-B - MIMAROPA	106	136	34	40	140	176
Region V - Bicol	182	221	79	99	261	320
Cordillera Administrative Region (CAR)	98	110	64	78	162	188
Visayas	**1,030**	**1,207**	**590**	**739**	**1,620**	**1,946**
Region VI - Western Visayas	369	431	149	190	518	621
Region VII - Central Visayas	521	610	400	494	921	1,104
Region VIII - Eastern Visayas	140	166	41	55	181	221
Mindanao	**918**	**1,086**	**464**	**621**	**1,382**	**1,707**
Region IX - Zamboanga Peninsula	133	152	43	58	176	210
Region X - Northern Mindanao	208	244	119	156	327	400
Region XI - Davao Region	290	339	190	255	480	594
Region XII - SOCCSKSARGEN[1/]	171	196	88	114	259	310
ARMM	21	22	4	6	25	28
CARAGA	95	133	20	32	115	165
OVERSEAS	**1**	**1**		**1**	**1**	**2**

1/ Composed of the provinces of North Cotabato, South Cotabato, Sultan Kudarat and Sarangani, and the cities of General Santos, Koronadal, Tacurong and Kidapawan.

Table 7: Philippine Banking System: Banks Authorized to Engage in E-Banking Operations

As of End-December 2013

	Mobile	Phone Banking	Internet	Proprietary	Internet thru Bancnet & Megalink Switch	ETFPS (BIR)	Cash Card/ Remittance Card	Electronic Wallet (G-Cash/ Smart Money)
UNIVERSAL AND COMMERCIAL BANKS								
a. Domestic Banks	12	10	14	3	13	13	14	4
b. Subsidiaries of Foreign Banks	1	-	2	-	2	1	2	1
c. Branches of Foreign Banks	3	2	12	8	3	4	3	-
THRIFT BANKS								
a. Financial Institution-Linked Thrift Banks	7	4	6	1	3	2	5	2
b. Non-Linked Thrift Banks	6	-	6	-	11	-	5	4
RURAL BANKS	4	-	3	1	3	-	-	50
TOTAL	**33**	**16**	**43**	**13**	**35**	**20**	**29**	**61**

Table 8. Philippine Banking System: Profitability Indicators

Levels (P Billion)	2009	2010	2011	2012 r/	2013 p/
Total Operating Income	316.1	358.3	370.7	396.9	444.4
Net Interest Income	209.8	225.1	238.0	243.9	270.5
Interest Income	336.0	340.7	354.1	354.1	360.9
Provision for Lossses on Accrued Interest Income from Financial Assets	0.4	0.2	0.3	0.3	0.4
Interest Expenses	125.8	115.4	115.8	109.9	90.0
Non-interest Income	106.2	133.2	132.6	153.0	173.9
Dividend Income	0.3	1.5	2.7	2.8	4.3
Fee-based Income	46.7	48.9	50.5	54.6	59.4
Trading Income	13.4	39.0	14.8	(1.1)	6.0
FX Profits/Loss	14.3	(5.8)	5.0	22.0	18.4
Profit/(Loss) from Sale/Redemption/Derecognition of Non-Trading Financial Assets and Liabilities	10.1	27.2	35.0	51.7	62.4
Profit/(Loss) from Sale/Derecognition of Non-Financial Assets	7.3	7.3	8.1	7.8	8.6
Profit/(Loss) on Financial Assets and Liabilities Designated at Fair Value through Profit or Loss	1.2	0.7	0.3	2.9	0.4
Profit/(Loss) on Fair Value Adjustment in Hedge	(0.0)	. . .	. . .	. . .	(0.1)
Other Income	12.9	14.3	16.2	12.3	14.4
Non-Interest Expenses	208.9	229.0	241.7	250.9	270.2
Losses/Recoveries on Financial Assets	(28.6)	(29.3)	(20.2)	(20.6)	(27.6)
Bad Debts/Provisions for Credit Losses	30.0	31.1	23.9	23.3	30.5
Recovery on Charged-Off Assets	1.4	1.8	3.7	2.6	2.9
Net Profit Before Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures	78.5	100.0	108.8	125.4	146.7
Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures	8.7	11.2	15.0	16.3	26.6
Total Profit/Loss Before Tax and Before Minority Interest	87.2	111.1	123.8	141.7	173.3
Income Tax Expense	17.8	20.0	19.0	19.4	28.3
Total Profit/Loss After Tax and Before Minority Interest	69.4	91.2	104.7	122.3	144.9
Minority Interest in Profit/(Loss) of Subsidiaries			0.0		0.0
Net Profit or Loss	69.4	91.2	104.7	122.3	144.9
Growth Rates					
Total Operating Income	17.7%	13.4%	3.5%	8.2%	12.0%
Net Interest Income	14.2%	7.3%	5.7%	3.7%	10.9%
Interest Income	3.3%	1.4%	3.9%	1.1%	1.9%
Provision for Lossses on Accrued Interest Income from Financial Assets	91.7%	(50.7%)	56.0%	(20.5%)	25.2%
Interest Expenses	(10.9%)	(8.3%)	0.3%	(4.0%)	(18.1%)
Non-interest Income	25.3%	25.4%	(0.4%)	16.4%	13.7%
Dividend Income	(25.3%)	361.6%	75.5%	1.9%	54.9%
Fee-based Income	3.3%	4.8%	3.3%	9.3%	8.8%
Trading Income	(25.1%)	190.0%	(62.1%)	(107.4%)	(653.0%)
FX Profits/Loss	(327.5%)	(140.3%)	(187.4%)	337.0%	(16.2%)
Profit/(Loss) from Sale/Redemption/Derecognition of Non-Trading Financial Assets and Liabilities	161.3%	168.7%	28.8%	47.6%	20.8%
Profit/(Loss) from Sale/Derecognition of Non-Financial Assets	(17.5%)	0.7%	10.6%	(0.9%)	10.6%
Profit/(Loss) on Financial Assets and Liabilities Designated at Fair Value through Profit or Loss	(213.6%)	(43.9%)	(63.7%)	1050.7%	(86.9%)
Profit/(Loss) on Fair Value Adjustment in Hedge Accounting	(51.4%)	(140.2%)	(22.6%)	82.0%	(351.8%)
Other Income	(19.2%)	10.8%	13.6%	(21.9%)	17.3%
Non-Interest Expenses	4.7%	9.6%	5.5%	5.3%	7.7%
Losses/Recoveries on Financial Assets	49.1%	2.4%	(31.1%)	3.5%	33.8%
Bad Debts/Provisions for Credit Losses	37.2%	3.7%	(23.2%)	(1.4%)	31.2%
Recovery on Charged-Off Assets	(47.9%)	29.4%	104.2%	(28.2%)	10.7%
Net Profit Before Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures	57.2%	27.3%	8.8%	15.5%	16.9%
Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures	17.8%	28.7%	34.2%	9.1%	62.8%
Total Profit/Loss Before Tax and Before Minority Interest	52.2%	27.4%	11.4%	14.7%	22.2%
Income Tax Expense	11.9%	12.4%	(4.8%)	2.5%	45.8%
Total Profit/Loss After Tax and Before Minority Interest	67.6%	31.3%	14.9%	17.0%	18.5%
Minority Interest in Profit/(Loss) of Subsidiaries					
Net Profit or Loss	67.6%	31.3%	14.9%	17.0%	18.5%

r/ Revised
p/ Preliminary
. . . Less than P0.05 billion
(0.0) Less than negative P0.05 billion
Figures may not add up due to rounding-off

Table 9. Philippine Banking System: Composition of Operating Income

	2009	2010	2011	2012 r/	2013 p/
Total Operating Income	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**
Net Interest Income					
All Banks	**66.4%**	**62.8%**	**64.2%**	**61.5%**	**60.9%**
Domestic Banks	**57.5%**	**55.1%**	**55.2%**	**52.9%**	**54.0%**
Private Domestic UBs	34.4%	32.7%	32.7%	33.2%	35.0%
Private Domestic KBs	3.6%	3.6%	3.7%	2.2%	1.8%
Government Banks	8.5%	8.1%	7.7%	7.2%	7.0%
Thrift Banks	6.5%	6.4%	6.9%	6.9%	7.2%
Rural Banks	4.2%	4.1%	3.9%	3.1%	2.8%
Cooperative Banks	0.3%	0.3%	0.3%	0.2%	0.2%
Foreign Bank Branches/ Subsidiaries	**8.9%**	**7.7%**	**9.0%**	**8.5%**	**6.9%**
Foreign Bank Branches	7.3%	6.3%	7.4%	7.0%	5.5%
Foreign Bank Subsidiaries	1.5%	1.5%	1.6%	1.5%	1.4%
Non-Interest Income					
All Banks	**33.6%**	**37.2%**	**35.8%**	**38.5%**	**39.1%**
Domestic Banks	**27.2%**	**30.5%**	**29.4%**	**33.8%**	**33.4%**
Private Domestic UBs	18.1%	21.3%	20.8%	25.4%	23.1%
Private Domestic KBs	2.1%	2.7%	2.3%	1.9%	1.8%
Government Banks	3.4%	2.2%	2.6%	2.5%	3.8%
Thrift Banks	2.2%	3.1%	2.4%	2.9%	3.7%
Rural Banks	1.2%	1.1%	1.1%	1.0%	0.9%
Cooperative Banks	0.2%	0.2%	0.2%	0.1%	0.1%
Foreign Bank Branches/ Subsidiaries	**6.4%**	**6.6%**	**6.4%**	**4.8%**	**5.8%**
Foreign Bank Branches	6.0%	6.2%	6.0%	4.3%	5.3%
Foreign Bank Subsidiaries	0.4%	0.4%	0.4%	0.5%	0.5%

r/ Revised
p/ Preliminary

Table 10. Philippine Banking System: Asset Quality Indicators [1/]

Levels (P Billion)	2009	2010	2011	2012 r/	2013 p/
Total Assets	6,192.3	6,918.3	7,335.6	8,050.1	9,961.6
Gross Assets [2/]	6,354.4	7,092.0	7,512.4	8,236.1	10,154.4
Total Loan Portfolio (TLP) [3/]	3,179.2	3,303.5	3,761.9	4,228.8	4,891.9
Interbank Loans Receivable (IBL)	350.0	227.3	156.3	161.1	185.1
TLP [3/], net of Interbank Loans (IBL)	2,829.1	3,076.2	3,605.6	4,067.7	4,706.9
TLP, net of LLR	3,047.6	3,161.5	3,616.4	4,073.2	4,731.7
Gross Non-Performing Loans (NPL)	139.5	144.8	141.6	141.9	134.6
Net NPL [4/]	39.1	37.2	37.2	30.6	28.2
Loan Loss Reserves (LLR)	131.6	142.0	145.5	155.6	160.3
ROPA [3/ 5/]	168.0	160.6	141.6	132.5	128.6
ROPA (inclusive of performing SCR)	184.1	177.0	156.7	147.3	141.5
Provisions for ROPA [6/]	30.5	31.6	31.3	30.5	32.5
Restructured Loans (RL) [3/]	51.1	49.8	46.5	40.3	34.1
RL, Performing	26.0	26.0	25.7	22.1	18.9
Distressed Assets [7/]	333.5	331.4	308.9	296.5	282.2
Non-Performing Assets (NPAs) [8/]	307.5	305.4	283.2	274.4	263.3
NPA Reserves [9/]	162.1	173.7	176.8	186.0	192.8
Performing Sales Contract Receivables	16.1	16.4	15.0	14.8	12.8
Growth Rates					
Total Assets	9.1 %	11.7 %	6.0 %	9.7 %	23.7 %
Gross Assets [2/]	9.0 %	11.6 %	5.9 %	9.6 %	23.3 %
Total Loan Portfolio (TLP) [3/]	8.7 %	3.9 %	13.9 %	12.4 %	15.7 %
Interbank Loans Receivable (IBL)	44.8 %	(35.1%)	(31.2%)	3.0 %	14.9 %
TLP [3/], net of Interbank Loans (IBL)	5.5 %	8.7 %	17.2 %	12.8 %	15.7 %
TLP, net of LLR	8.8 %	3.7 %	14.4 %	12.6 %	16.2 %
Gross Non-Performing Loans (NPL)	(0.3%)	3.8 %	(2.2%)	0.3 %	(5.1%)
Net NPL [4/]	(15.2%)	(4.8%)	(0.2%)	(17.7%)	(7.8%)
Loan Loss Reserves (LLR)	6.9 %	7.9 %	2.4 %	6.9 %	3.0 %
ROPA [3/ 5/]	(6.1%)	(4.4%)	(11.8%)	(6.5%)	(2.9%)
ROPA (inclusive of performing SCR)	(5.8%)	(3.9%)	(11.5%)	(6.0%)	(3.9%)
Provisions for ROPA [6/]	(2.6%)	3.7 %	(1.0%)	(2.8%)	6.6 %
Restructured Loans (RL) [3/]	(15.7%)	(2.5%)	(6.6%)	(13.3%)	(15.4%)
RL, Performing	(25.1%)	(0.1%)	(1.0%)	(14.0%)	(14.6%)
Distressed Assets [7/]	(5.7%)	(0.6%)	(6.8%)	(4.0%)	(4.8%)
Non-Performing Assets (NPAs) [8/]	(3.5%)	(0.7%)	(7.3%)	(3.1%)	(4.1%)
NPA Reserves [9/]	5.0 %	7.1 %	1.8 %	5.2 %	3.6 %
Performing Sales Contract Receivables	(2.5%)	2.1 %	(8.3%)	(1.5%)	(13.2%)

1/ Figures are computed in accordance with the NPL definition as prescribed under BSP Circular No. 772 dated 16 October 2012 effective 01 January 2013. For comparative purposes, computations for periods prior to January 2013 are aligned with Circular No.
2/ Gross Assets refer to Total Assets plus NPA Reseves.
3/ Gross of Provisions
4/ Net NPLs refer to Gross NPLs less specific allowance for credit losses on TLP.
5/ Real and Other Properties Acquired; ROPA includes Non-Current Assets Held for Sale and Non-Performing Sales Contract
6/ Provisions for ROPA are inclusive of Accumulated Depreciation
7/ Distressed Assets refer to NPAs plus performing RLs.
8/ NPAs refer to Gross NPLs plus ROPA.
9/ NPA Reserves refer to LLR plus Provisions for ROPA.

Table 11. Universal and Commercial Banking Industry: Financial Highlights

Levels (P Billion)	2009	2010	2011	2012	2013
Income Statement					
Total Operating Income	266.9	301.0	312.3	337.5	376.0
Net Interest Income	172.9	184.0	194.0	200.9	223.2
Non-interest Income	94.0	117.0	118.3	136.6	152.8
Non-Interest Expenses	171.3	186.3	200.2	208.4	223.5
Losses/Recoveries on Financial Assets	(24.7)	(25.6)	(17.2)	(17.7)	(22.2)
Bad Debts/Provisions for Credit Losses	25.9	27.2	20.6	20.1	24.9
Recovery on Charged-Off Assets	1.2	1.6	3.4	2.4	2.7
Net Profit Before Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures	70.9	89.1	94.8	111.4	130.3
Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures	8.6	11.2	14.9	16.4	26.5
Total Profit/Loss Before Tax and Before Minority Interest	79.5	100.3	109.7	127.8	156.8
Income Tax Expense	15.7	16.9	17.1	16.8	24.3
Total Profit/Loss After Tax and Before Minority Interest	63.7	83.4	92.6	111.0	132.5
Minority Interest in Profit/(Loss) of Subsidiaries			-	-	-
Net Profit or Loss	63.7	83.4	92.6	111.0	132.5
Balance Sheet					
Total Assets [1/]	5,483.5	6,131.8	6,541.4	7,193.8	8,997.1
Cash and Due from Banks	781.9	1,210.9	1,237.6	1,331.6	2,345.2
Financial Assets, gross (Other than Loans)	1,492.6	1,617.6	1,550.1	1,723.7	1,926.3
Financial Assets Held for Trading (HFT)	188.6	199.7	150.1	263.5	165.1
Financial Assets Designated at Fair Value through Profit and Loss (DFVPL)	10.0	8.0	9.5	8.3	6.4
Available-for-Sale (AFS) Financial Assets	600.0	739.7	812.1	956.0	1,290.1
Held-to-Maturity (HTM) Financial Assets	482.5	482.4	417.4	354.7	329.8
Unquoted Debt Securities Classified as Loans	186.6	163.7	140.0	120.7	114.4
Investments in Non-Marketable Equity Securities (INMES)	24.9	24.1	20.9	20.5	20.5
Allowance for Credit Losses	24.3	27.1	23.9	24.5	24.8
Accumulated Market Gains/Losses	15.0	29.4	43.6	53.9	. . .
Financial Assets, net (Other than Loans)	1,483.2	1,620.0	1,569.8	1,753.1	1,894.1
Interbank Loans Receivable (IBL)	344.4	217.8	154.4	155.5	182.1
Loans, gross (exclusive of IBL)	2,401.6	2,607.6	3,098.0	3,495.3	4,074.9
Reverse Repurchase (RRP) with BSP and Other Banks	232.2	252.4	249.2	237.0	273.3
Loans, gross (exclusive of IBL and RRP with BSP and Other Banks)	2,169.4	2,355.3	2,848.8	3,258.3	3,801.6
Allowance for Probable Losses	112.0	118.8	121.5	128.5	130.4
Loans, net (exclusive of IBL and RRP)	2,057.4	2,236.5	2,727.3	3,129.8	3,671.1
Equity Investment in Subsidiaries, Associates and Joint Ventures, net	118.5	129.2	147.2	160.3	178.3
ROPA, net	118.2	107.8	93.9	88.0	79.5
Other Assets, net	347.8	357.2	362.1	338.6	373.6
Total Liabilities	4,884.4	5,420.2	5,726.7	6,256.8	7,993.6
Financial Liabilities Held for Trading	36.0	53.4	40.8	52.7	40.8
Financial Liabilities DFVPL	6.3	6.5	6.5	6.2	-
Deposits	4,126.3	4,513.3	4,756.0	5,097.5	6,837.5
Peso Liabilities	3,121.9	3,461.5	3,740.4	4,102.6	5,721.7
Foreign Currency	1,004.4	1,051.8	1,015.6	994.9	1,115.8
Bills Payable	293.6	332.6	354.1	380.9	462.5
Other Liabilities	320.3	412.5	461.6	612.0	595.8
Unsecured Subordinated Debt	101.9	102.1	107.7	107.4	57.0
Redeemable Preferred Shares	. . .	. . .	. . .	. . .	. . .
Total Capital Accounts [2/]	599.1	711.5	814.7	937.1	1,003.6

1/ Adjusted to net off the account "Due from Head Office" with "Due to Head Office" of branches of foreign banks
2/ Inclusive of the portion of the "Net Due to Head Office" which qualified as capita
. . . Less than P0.05 billion

Table 12. Universal and Commercial Banking Industry: Growth Rates

Growth Rates	2009	2010	2011	2012	2013
Income Statement					
Total Operating Income	19.3 %	12.8 %	3.8 %	8.1 %	11.4 %
Net Interest Income	14.5 %	6.4 %	5.5 %	3.6 %	11.1 %
Non-interest Income	29.2 %	24.5 %	1.1 %	15.5 %	11.9 %
Non-Interest Expenses	4.8 %	8.8 %	7.5 %	4.1 %	7.2 %
Losses/Recoveries on Financial Assets	52.5 %	3.4 %	(32.6 %)	2.9 %	25.5 %
Bad Debts/Provisions for Credit Losses	39.7 %	5.1 %	(24.1 %)	(2.6 %)	23.9 %
Recovery on Charged-Off Assets	(50.1 %)	42.6 %	107.7 %	(30.5 %)	11.7 %
Net Profit Before Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures	60.8 %	25.8 %	6.4 %	17.4 %	17.0 %
Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures	17.6 %	30.1 %	33.1 %	10.3 %	61.7 %
Total Profit/Loss Before Tax and Before Minority Interest	54.7 %	26.2 %	9.4 %	16.5 %	22.7 %
Income Tax Expense	12.9 %	7.6 %	0.9 %	(1.5 %)	44.6 %
Total Profit/Loss After Tax and Before Minority Interest	70.2 %	30.8 %	11.1 %	19.8 %	19.4 %
Minority Interest in Profit/(Loss) of Subsidiaries					
Net Profit or Loss	70.2 %	30.8 %	11.1 %	19.8 %	19.4 %
Balance Sheet					
Total Assets [1/]	8.9 %	11.8 %	6.7 %	10.0 %	25.1 %
Cash and Due from Banks	2.9 %	54.9 %	2.2 %	7.6 %	76.1 %
Financial Assets, gross (Other than Loans)	13.5 %	8.4 %	(4.2 %)	11.2 %	11.8 %
Financial Assets Held for Trading (HFT)	(8.3 %)	5.9 %	(24.8 %)	75.6 %	(37.4 %)
Financial Assets Designated at Fair Value through Profit and Loss (DFVPL)	(13.7 %)	(19.8 %)	18.8 %	(12.7 %)	(22.7 %)
Available-for-Sale (AFS) Financial Assets	32.4 %	23.3 %	9.8 %	17.7 %	35.0 %
Held-to-Maturity (HTM) Financial Assets	6.8 %	(0.0 %)	(13.5 %)	(15.0 %)	(7.0 %)
Unquoted Debt Securities Classified as Loans	1.6 %	(12.2 %)	(14.5 %)	(13.8 %)	(5.2 %)
Investments in Non-Marketable Equity Securities (INMES)	188.2 %	(3.1 %)	(13.2 %)	(2.2 %)	0.3 %
Allowance for Credit Losses	18.0 %	11.3 %	(11.8 %)	2.8 %	1.0 %
Accumulated Market Gains/Losses	(212.4 %)	96.5 %	48.1 %	23.8 %	(113.9 %)
Financial Assets, net (Other than Loans)	15.8 %	9.2 %	(3.1 %)	11.7 %	8.0 %
Interbank Loans Receivable (IBL)	53.4 %	(36.7 %)	(29.1 %)	0.7 %	17.1 %
Loans, gross (exclusive of IBL)	4.6 %	8.6 %	18.8 %	12.8 %	16.6 %
Reverse Repurchase (RRP) with BSP and Other Banks	6.4 %	8.7 %	(1.2 %)	(4.9 %)	15.3 %
Loans, gross (exclusive of IBL and RRP with BSP and Other Banks)	4.5 %	8.6 %	21.0 %	14.4 %	16.7 %
Allowance for Probable Losses	6.2 %	6.0 %	2.3 %	5.7 %	1.5 %
Loans, net (exclusive of IBL and RRP with BSP and Other Banks)	4.4 %	8.7 %	21.9 %	14.8 %	17.3 %
Equity Investment in Subsidiaries, Associates and Joint Ventures, net	16.5 %	9.1 %	13.9 %	8.9 %	11.2 %
ROPA, net	(7.1 %)	(8.8 %)	(12.8 %)	(6.3 %)	(9.6 %)
Other Assets, net	(1.1 %)	2.7 %	1.4 %	(6.5 %)	10.3 %
Total Liabilities	8.2 %	11.0 %	5.7 %	9.3 %	27.8 %
Financial Liabilities Held for Trading	(22.9 %)	48.3 %	(23.6 %)	29.4 %	(22.6 %)
Financial Liabilities DFVPL	(42.3 %)	2.6 %	0.6 %	(5.1 %)	(100.0 %)
Deposits	11.4 %	9.4 %	5.4 %	7.2 %	34.1 %
Peso Liablities	12.5 %	10.9 %	8.1 %	9.7 %	39.5 %
Foreign Currency	8.3 %	4.7 %	(3.4 %)	(2.0 %)	12.2 %
Bills Payable	(8.7 %)	13.3 %	6.5 %	7.6 %	21.4 %
Other Liabilities	(5.4 %)	28.8 %	11.9 %	32.6 %	(2.7 %)
Unsecured Subordinated Debt	12.4 %	0.2 %	5.5 %	(0.3 %)	(46.9 %)
Redeemable Preferred Shares	(100.0 %)				0.0%
Total Capital Accounts [2/]	15.0 %	18.8 %	14.5 %	15.0 %	7.1 %

1/ Adjusted to net off the account "Due from Head Office" with "Due to Head Office" of branches of foreign banks
2/ Inclusive of the portion of the "Net Due to Head Office" which qualified as capita
. . . Less than 0.05%

Table 13. Universal and Commercial Banking Industry: Selected Performance Indicators

Selected Ratios	2009	2010	2011	2012	2013
Profitability					
Earning Asset Yield [1/]	6.5 %	5.4 %	5.1 %	4.7 %	4.0 %
Funding Cost [2/]	2.4 %	1.9 %	1.8 %	1.6 %	1.1 %
Interest Spread [3/]	4.2 %	3.5 %	3.3 %	3.1 %	2.9 %
Net Interest Margin [4/]	4.1 %	3.6 %	3.5 %	3.3 %	3.0 %
Non-interest Income to Total Operating Income [5/]	35.2 %	38.9 %	37.9 %	40.5 %	40.6 %
Cost-to-Income [6/]	63.9 %	61.5 %	64.0 %	61.7 %	58.9 %
Return on Assets (ROA) [7/]	1.2 %	1.4 %	1.5 %	1.6 %	1.6 %
Return on Equity (ROE) [7/]	11.4 %	12.7 %	12.1 %	12.7 %	13.7 %
Liquidity					
Cash and Due from Banks to Deposits	18.9 %	26.8 %	26.0 %	26.1 %	34.3 %
Liquid Assets to Deposits [8/]	54.9 %	62.7 %	59.0 %	60.5 %	62.0 %
Loans, gross to Deposits	66.5 %	62.6 %	68.4 %	71.6 %	62.3 %
Asset Quality [9/]					
Restructured Loans to Total Loan Portfolio (TLP)	1.7 %	1.6 %	1.2 %	0.9 %	0.7 %
Loan Loss Reserves (LLR) to TLP	4.1 %	4.2 %	3.7 %	3.5 %	3.1 %
Gross Non-Performing Loans (NPL) to TLP	3.7 %	3.7 %	3.2 %	2.8 %	2.1 %
Net NPL to TLP	0.6 %	0.5 %	0.6 %	0.3 %	0.2 %
NPL Ratio net of IBL	4.2 %	4.0 %	3.3 %	2.9 %	2.2 %
NPL Coverage (LLR to Gross NPL)	109.8 %	114.3 %	118.5 %	127.7 %	144.1 %
Non-Performing Assets (NPA) to Gross Assets	4.2 %	3.6 %	3.2 %	2.8 %	2.1 %
NPA Coverage (NPA Reserves to NPA)	58.9 %	64.1 %	69.5 %	75.6 %	83.4 %
ROPA to Gross Assets Ratio	2.4 %	2.0 %	1.7 %	1.4 %	1.1 %
ROPA Coverage Ratio	20.5 %	22.3 %	24.5 %	25.5 %	28.1 %
Distressed Assets Ratio	9.0 %	8.5 %	7.0 %	5.9 %	4.7 %
Capital Adequacy					
Total Capital Accounts to Total Assets [10/]	10.9 %	11.6 %	12.5 %	13.0 %	11.2 %
Capital Adequacy Ratio (Solo) [11/]	15.0 %	16.2 %	16.7 %	17.3 %	17.5 % [a/]

1/ Earning Asset Yield refers to the ratio of interest income to average earning assets.

2/ Funding Cost refers to the ratio of interest expenses to average interest-bearing liabilities.

3/ Interest Spread refers to the difference between earning asset yield and funding cost.

4/ Net Interest Margin refers to the ratio of net interest income to average earning assets.

5/ Non-interest income now includes dividends income.

6/ Cost-to-Income Ratio refers to the ratio of non-interest expenses to total operating income.

7/ ROA and ROE refer to the ratios of net profit to average assets and capital, respectively.

8/ Liquid Assets refer to Cash and Due from Banks plus Financial Assets, net of amortization (net of financial assets in equity securities).

9/ Ratios are computed in accordance with the NPL definition as prescribed under BSP Circular No. 772 dated 16 October 2012 effective 01 January 2013. For comparative purposes, computations for periods prior to January 2013 are aligned with Circular No. 772.

10/ Total capital accounts includes redeemable preferred shares.

11/ Based on the new framework provided for under Circular No. 280 dated 29 March 2001, formally adopted 1 July 2001; Under Circular No. 360 dated 3 December 2002, adopted 1 July 2003, Universal/Commercial Banks are to incorporate market risks in addition to credit risks; Under Circular No. 538 dated 4 August 2006, effective 1 July 2007, U/KBs are to incorporate operational risk in addition to credit and market risks.

a/ Data as of end-Sep 2013

Table 14. Universal and Commercial Banking Industry: Regional Profile

	End-Dec 2012	End-Dec 2013		
		Total	Head Offices	Branches/ Other Offices
TOTAL	**5,145**	**5,461**	**36**	**5,425**
Nationwide	**5,110**	**5,410**	**36**	**5,374**
National Capital Region (NCR)	**2,400**	**2,515**	**35**	**2,480**
Luzon	**1,479**	**1,574**	**-**	**1,574**
Region I - Ilocos	172	184		184
Region II - Cagayan	95	102		102
Region III - Central Luzon	432	457		457
Region IV-A - CALABARZON	553	584		584
Region IV-B - MIMAROPA	53	63		63
Region V - Bicol	111	120		120
Cordillera Administrative Region (CAR)	63	64		64
Visayas	**673**	**718**	**-**	**718**
Region VI - Western Visayas	250	265		265
Region VII - Central Visayas	337	358		358
Region VIII - Eastern Visayas	86	95		95
Mindanao	**558**	**603**	**1**	**602**
Region IX - Zamboanga Peninsula	89	95	1	94
Region X - Northern Mindanao	131	142		142
Region XI - Davao Region	171	193		193
Region XII - SOCCSKSARGEN[1/]	104	106		106
ARMM	17	17		17
CARAGA	46	50		50
Overseas	**35**	**51**	**-**	**51**
Asia-Pacific	21	20		20
Europe	5	4		4
North America	5	5		5
Africa/Middle East	4	22		22

1/ Composed of the provinces of North Cotabato, South Cotabato, Sultan Kudarat and Sarangani, and the cities of General Santos, Koronadal, Tacurong and Kidapawan.

Table 15. Universal and Commercial Banking Industry
Automated Teller Machines (ATMs)

	On-Site		Off-Site		Total	
	Dec '12	Dec '13	Dec '12	Dec '13	Dec '12	Dec '13
TOTAL	**6,130**	**7,069**	**4,380**	**5,382**	**10,510**	**12,451**
NATIONWIDE	**6,129**	**7,068**	**4,380**	**5,381**	**10,509**	**12,449**
National Capital Region (NCR)	**2,647**	**3,007**	**2,008**	**2,428**	**4,655**	**5,435**
Luzon	**1,867**	**2,175**	**1,439**	**1,744**	**3,306**	**3,919**
Region I - Ilocos	197	224	118	151	315	375
Region II - Cagayan	111	131	41	51	152	182
Region III - Central Luzon	510	596	389	452	899	1,048
Region IV-A - CALABARZON	734	860	720	878	1,454	1,738
Region IV-B - MIMAROPA	70	88	29	36	99	124
Region V - Bicol	155	180	78	98	233	278
Cordillera Administrative Region (CAR)	90	96	64	78	154	174
Visayas	**873**	**1,013**	**522**	**657**	**1,395**	**1,670**
Region VI - Western Visayas	322	372	147	183	469	555
Region VII - Central Visayas	432	504	335	420	767	924
Region VIII - Eastern Visayas	119	137	40	54	159	191
Mindanao	**742**	**873**	**411**	**552**	**1,153**	**1,425**
Region IX - Zamboanga Peninsula	110	127	40	53	150	180
Region X - Northern Mindanao	173	203	111	145	284	348
Region XI - Davao Region	229	268	151	207	380	475
Region XII - SOCCSKSARGEN[1/]	145	167	85	111	230	278
ARMM	19	20	4	6	23	26
CARAGA	66	88	20	30	86	118
OVERSEAS	**1**	**1**		**1**	**1**	**2**

1/ Composed of the provinces of North Cotabato, South Cotabato, Sultan Kudarat and Sarangani, and the cities of General Santos, Koronadal, Tacurong and Kidapawan.

Table 16. Universal and Commercial Banking Industry: Banks Authorized to Engage in E-Banking Operations

As of End-December 2013

	Name of Bank	Mobile	Phone Banking	Internet	Proprietary	Internet thru Bancnet & Megalink Switch	ETFPS (BIR)	Cash Card/ Remittance Card	Electronic Wallet (G-Cash/ Smart Money)
Domestic Banks									
1	Asia United Bank Corporation			■		■		■	
2	Banco De Oro Universal Bank	■	■	■			■	■	■
3	Bank of Commerce			■		■			
4	Bank of the Philippine Islands	■	■	■			■	■	■
5	China Banking Corporation	■	■	■		■	■	■	■
6	Development Bank of the Philippines					■	■	■	
7	East West Banking Corporation	■	■	■		■		■	
8	Land Bank of the Philippines	■	■	■			■	■	■
9	Metropolitan Bank and Trust Company	■	■	■		■	■	■	
10	Philippine Bank of Communications					■	■		
11	Philippine National Bank	■	■	■		■	■	■	
12	Philippine Trust Company					■	■		
13	Philippine Veterans Bank					■			
14	Rizal Commercial Banking Corporation	■	■	■	■	■	■	■	
15	Robinsons Bank Corporation	■	■	■	■	■		■	
16	Security Bank Corporation	■	■	■	■	■	■	■	
17	Union Bank of the Philippines	■		■			■	■	
18	United Coconut Planters Bank.	■		■			■	■	
Subsidiaries of Foreign Banks									
1	Chinatrust (Phils.) Commercial Bank Corp.			■		■	■	■	
2	Maybank Philippines, Inc.	■		■		■		■	■
Branches of Foreign Banks									
1	ANZ Banking Group, Ltd.			■	■				
2	Bank of America, N.A.			■	■				
3	Bank of China Limited			■	■				
4	Citibank, N.A. (Phils.)	■		■			■	■	
5	Deutsche Bank AG			■	■	■	■		
6	JP Morgan Chase Bank			■	■				
7	Korea Exchange Bank			■					
8	Mega International (former ICBC)			■					
9	Mizuho Corporate Bank-Manila Branch			■					
10	Standard Chartered Bank	■	■	■	■	■	■	■	
11	The Bank of Tokyo-Mitsubishi, Ltd.			■	■				
12	The Hongkong & Shanghai Banking Corp. Ltd.	■	■	■	■	■	■	■	

Table 17. Universal and Commercial Banking Industry: Profitability Indicators

Levels (P Billion)	2009	2010	2011	2012	2013
Total Operating Income	266.9	301.0	312.3	337.5	376.0
Net Interest Income	172.9	184.0	194.0	200.9	223.2
Interest Income	275.7	276.2	288.1	289.6	295.5
Provision for Lossses on Accrued Interest Income from Financial Assets	0.3	0.1	0.2	0.1	0.3
Interest Expenses	102.5	92.1	93.9	88.7	72.0
Non-interest Income	94.0	117.0	118.3	136.6	152.8
Dividend Income	0.3	1.5	2.7	2.7	4.3
Fee-based Income	39.7	42.1	44.1	47.7	51.6
Trading Income	12.7	35.6	13.1	(4.9)	0.2
FX Profits/Loss	14.1	(5.9)	4.9	21.8	18.2
Profit/(Loss) from Sale/Redemption/Derecognition of Non-Trading Financial Assets and Liabilities	9.6	25.7	33.4	50.2	59.9
Profit/(Loss) from Sale/Derecognition of Non-Financial	6.2	6.2	6.6	6.2	6.5
Profit/(Loss) on Financial Assets and Liabilities Designated at Fair Value through Profit or Loss	1.2	0.7	0.2	2.9	0.4
Profit/(Loss) on Fair Value Adjustment in Hedge Accounting	(0.0)	. . .	. . .	. . .	(0.1)
Other Income	10.2	11.0	13.2	9.9	11.8
Non-Interest Expenses	171.3	186.3	200.2	208.4	223.5
Losses/Recoveries on Financial Assets	(24.7)	(25.6)	(17.2)	(17.7)	(22.2)
Bad Debts/Provisions for Credit Losses	25.9	27.2	20.6	20.1	24.9
Recovery on Charged-Off Assets	1.2	1.6	3.4	2.4	2.7
Net Profit Before Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures	70.9	89.1	94.8	111.4	130.3
Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures	8.6	11.2	14.9	16.4	26.5
Total Profit/Loss Before Tax and Before Minority Interest	79.5	100.3	109.7	127.8	156.8
Income Tax Expense	15.7	16.9	17.1	16.8	24.3
Total Profit/Loss After Tax and Before Minority Interest	63.7	83.4	92.6	111.0	132.5
Minority Interest in Profit/(Loss) of Subsidiaries			0.0	0.0	0.0
Net Profit or Loss	63.7	83.4	92.6	111.0	132.5
Growth Rates					
Total Operating Income	19.3 %	12.8 %	3.8 %	8.1 %	11.4 %
Net Interest Income	14.5 %	6.4 %	5.5 %	3.6 %	11.1 %
Interest Income	2.8 %	0.2 %	4.3 %	0.5 %	2.0 %
Provision for Lossses on Accrued Interest Income from Financial Assets	33.2 %	(71.9%)	160.3 %	(71.1%)	386.3 %
Interest Expenses	(12.3%)	(10.1%)	1.9 %	(5.6%)	(18.8%)
Non-interest Income	29.2 %	24.5 %	1.1 %	15.5 %	11.9 %
Dividend Income	(26.0%)	366.0 %	74.7 %	1.2 %	56.6 %
Fee-based Income	3.1 %	6.1 %	4.8 %	8.2 %	8.2 %
Trading Income	(28.5%)	180.5 %	(63.1%)	(137.2%)	(103.1%)
FX Profits/Loss	(311.0%)	(141.5%)	(183.0%)	348.0 %	(16.6%)
Profit/(Loss) from Sale/Redemption/Derecognition of Non-Trading Financial Assets and Liabilities	168.8 %	168.4 %	30.0 %	50.3 %	19.3 %
Profit/(Loss) from Sale/Derecognition of Non-Financial Assets	(21.2%)	0.0 %	5.9 %	(6.3%)	4.7 %
Profit/(Loss) on Financial Assets and Liabilities Designated at Fair Value through Profit or Loss	(211.1%)	(43.7%)	(63.6%)	1,069.1 %	(87.0%)
Profit/(Loss) on Fair Value Adjustment in Hedge	(82.1%)	(195.7%)	(22.6%)	54.9 %	(367.2%)
Other Income	(18.7%)	8.3 %	19.7 %	(25.1%)	19.7 %
Non-Interest Expenses	4.8 %	8.8 %	7.5 %	4.1 %	7.2 %
Losses/Recoveries on Financial Assets	52.5 %	3.4 %	(32.6%)	2.9 %	25.5 %
Bad Debts/Provisions for Credit Losses	39.7 %	5.1 %	(24.1%)	(2.6%)	23.9 %
Recovery on Charged-Off Assets	(50.1%)	42.6 %	107.7 %	(30.5%)	11.7 %
Net Profit Before Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures	60.8 %	25.8 %	6.4 %	17.4 %	17.0 %
Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures	17.6 %	30.1 %	33.1 %	10.3 %	61.7 %
Total Profit/Loss Before Tax and Before Minority Interest	54.7 %	26.2 %	9.4 %	16.5 %	22.7 %
Income Tax Expense	12.9 %	7.6 %	0.9 %	(1.5%)	44.6 %
Total Profit/Loss After Tax and Before Minority Interest	70.2 %	30.8 %	11.1 %	19.8 %	19.4 %
Minority Interest in Profit/(Loss) of Subsidiaries					
Net Profit or Loss	70.2 %	30.8 %	11.1 %	19.8 %	19.4 %

Figures may not add up due to rounding-off
. . . Less than P0.05 billion
(0.0) Less than negative P0.05 billion

Table 18. Universal and Commercial Banking Industry: Asset Quality Indicators [1/]

Levels (P Billion)	2009	2010	2011	2012	2013
Total Assets	5,483.5	6,131.8	6,541.4	7,193.8	8,997.13
Gross Assets [2/]	5,623.4	6,278.3	6,690.3	7,348.9	9,155.44
Total Loan Portfolio (TLP) [3/]	2,746.0	2,825.5	3,252.4	3,650.8	4,256.96
Interbank Loans Receivable (IBL)	344.4	217.8	154.4	155.5	182.09
TLP [3/], net of Interbank Loans (IBL)	2,401.6	2,607.6	3,098.0	3,495.3	4,074.87
TLP, net of LLR	2,634.0	2,706.7	3,130.9	3,522.3	4,126.52
Gross Non-Performing Loans (NPL)	102.0	104.0	102.5	100.6	90.51
Net NPL [4/]	17.4	15.5	18.0	11.3	8.05
Loan Loss Reserves (LLR)	112.0	118.8	121.5	128.5	130.44
ROPA [3/ 5/]	135.4	124.7	111.7	104.6	99.35
ROPA (inclusive of performing SCR)	146.1	135.6	121.4	114.7	107.39
Provisions for ROPA [6/]	27.8	27.8	27.4	26.7	27.87
Restructured Loans (RL) [3/]	45.4	44.1	40.2	34.2	27.90
RL, Performing	22.9	23.1	22.2	18.3	15.79
Distressed Assets [7/]	260.3	251.7	236.4	223.5	205.64
Non-Performing Assets (NPAs) [8/]	237.4	228.7	214.2	205.2	189.86
NPA Reserves [9/]	139.8	146.5	148.9	155.1	158.31
Performing Sales Contract Receivables	10.7	10.9	9.7	10.0	8.04
Growth Rates					
Total Assets	8.9 %	11.8 %	6.7 %	10.0 %	25.07 %
Gross Assets [2/]		11.6 %	6.6 %	9.8 %	24.58 %
Total Loan Portfolio (TLP) [3/]		2.9 %	15.1 %	12.2 %	16.60 %
Interbank Loans Receivable (IBL)	53.4 %	(36.7%)	(29.1%)	0.7 %	17.12 %
TLP [3/], net of Interbank Loans (IBL)		8.6 %	18.8 %	12.8 %	16.58 %
TLP, net of LLR		2.8 %	15.7 %	12.5 %	17.15 %
Gross Non-Performing Loans (NPL)		1.9 %	(1.4%)	(1.9%)	(10.0%)
Net NPL [4/]		(11.1%)	15.8 %	(37.0%)	(28.8%)
Loan Loss Reserves (LLR)		6.0 %	2.3 %	5.7 %	1.54 %
ROPA [3/ 5/]	(6.1%)	(7.9%)	(10.5%)	(6.3%)	(5.0%)
ROPA (inclusive of performing SCR)	(6.2%)	(7.2%)	(10.5%)	(5.5%)	(6.3%)
Provisions for ROPA [6/]	(2.2%)	(0.2%)	(1.3%)	(2.7%)	4.54 %
Restructured Loans (RL) [3/]	(18.4%)	(3.0%)	(8.7%)	(15.1%)	(18.3%)
RL, Performing	(29.1%)	0.6 %	(3.9%)	(17.5%)	(13.7%)
Distressed Assets [7/]		(3.3%)	(6.1%)	(5.4%)	(8.0%)
Non-Performing Assets (NPAs) [8/]		(3.7%)	(6.3%)	(4.2%)	(7.5%)
NPA Reserves [9/]		4.8 %	1.6 %	4.2 %	2.05 %
Performing Sales Contract Receivables	(6.8%)	2.0 %	(10.5%)	3.2 %	(19.9%)

1/ Figures are computed in accordance with the NPL definition as prescribed under BSP Circular No. 772 dated 16 October 2012 effective 01 January 2013. For comparative purposes, computations for periods prior to January 2013 are aligned with Circular No. 772.
2/ Gross Assets refer to Total Assets plus NPA Reseves.
3/ Gross of Provisions
4/ Net NPLs refer to Gross NPLs less specific allowance for credit losses on TLP.
5/ Real and Other Properties Acquired; ROPA includes Non-Current Assets Held for Sale and Non-Performing Sales Contract Receivables
6/ Provisions for ROPA are inclusive of Accumulated Depreciation
7/ Distressed Assets refer to NPAs plus performing RLs.
8/ NPAs refer to Gross NPLs plus ROPA.
9/ NPA Reserves refer to LLR plus Provisions for ROPA.

Table 19. Thrift Banking Industry: Financial Highlights

Levels (P Billion)	End-December 2009	2010	2011	2012	2013
Income Statement					
Total Operating Income	30.3	37.2	38.0	42.0	51.0
Net Interest Income	22.7	25.5	28.4	29.9	34.1
Non-interest Income	7.6	11.7	9.5	12.1	16.9
Non-Interest Expenses	24.0	27.1	25.8	29.1	33.0
Losses/Recoveries on Financial Assets	(2.6)	(3.3)	(1.9)	(2.7)	(5.0)
Bad Debts/Provisions for Credit Losses	2.8	3.4	2.1	2.9	5.2
Recovery on Charged-Off Assets	0.2	0.1	0.2	0.2	0.2
Net Profit Before Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures	3.7	6.7	10.3	10.2	13.0
Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures	0.1	(0.0)	0.1	(0.1)	0.1
Total Profit/Loss Before Tax and Before Minority Interest	3.8	6.7	10.4	10.1	13.1
Income Tax Expense	1.3	2.2	1.1	1.8	3.3
Total Profit/Loss After Tax and Before Minority Interest	2.4	4.5	9.3	8.3	9.8
Minority Interest in Profit/(Loss) of Subsidiaries			-		
Net Profit or Loss	2.4	4.5	9.3	8.3	9.8
Balance Sheet					
Total Assets	536.1	606.5	607.4	666.2	771.4
Cash and Due from Banks	58.1	78.0	84.9	89.1	162.9
Financial Assets, gross (Other than Loans)	91.0	104.0	90.6	86.1	69.5
Financial Assets Held for Trading (HFT)	2.3	6.8	4.3	5.1	5.5
Financial Assets Designated at Fair Value through Profit and Loss (DFVPL)	0.3	0.1	...	...	...
Available-for-Sale (AFS) Financial Assets	51.3	54.7	54.1	44.1	41.0
Held-to-Maturity (HTM) Financial Assets	26.6	31.6	25.1	30.3	17.7
Unquoted Debt Securities Classified as Loans	10.2	10.7	6.9	6.6	5.2
Investments in Non-Marketable Equity Securities (INMES)	0.3	0.2	0.1	0.1	0.1
Allowance for Credit Losses	0.5	0.6	0.5	0.6	0.6
Accumulated Market Gains/Losses	0.9	0.7	4.6	1.3	(2.3)
Financial Assets, net (Other than Loans)	91.3	104.1	94.6	86.9	66.6
Interbank Loans Receivable (IBL)	5.7	9.4	2.0	5.6	3.0
Loans, gross (exclusive of IBL)	318.3	352.5	385.5	443.6	505.2
Reverse Repurchase (RRP) with BSP and Other Banks	30.0	29.1	41.1	41.3	23.5
Loans, gross (exclusive of IBL and RRP)	288.2	323.4	344.4	402.4	481.8
Allowance for Probable Losses	14.3	16.6	16.7	18.1	20.1
Loans, net (exclusive of IBL and RRP)	274.0	306.9	327.7	384.3	461.7
Equity Investment in Subsidiaries, Associates and Joint Ventures, net	3.9	3.8	4.2	3.7	2.1
ROPA, net	26.6	28.5	21.6	18.7	18.9
Other Assets, net	46.5	46.7	31.3	36.7	32.7
Total Liabilities	474.4	539.7	533.0	585.1	685.8
Financial Liabilities Held for Trading		...	-		
Financial Liabilities DFVPL			-		
Deposits	431.0	490.6	495.2	529.8	632.4
Peso Liablities	378.6	441.0	442.1	482.6	588.2
Foreign Currency	52.4	49.6	53.0	47.2	44.3
Bills Payable	16.6	19.3	17.4	27.2	23.7
Other Liabilities	23.8	25.8	18.5	22.5	24.2
Unsecured Subordinated Debt	2.9	3.8	1.8	5.4	5.4
Redeemable Preferred Shares	0.1	0.1	0.1	0.1	0.1
Total Capital Accounts	61.7	66.8	74.4	81.1	85.6

Figures may not add up due to rounding-off
... Less than P0.05 billion
(0.0) Less than negative P0.05 billion

Table 20. Thrift Banking Industry: Growth Rates

Growth Rates	End-December 2009	2010	2011	2012	2013
Income Statement					
Total Operating Income	11.1 %	22.6 %	2.1 %	10.5 %	21.5 %
Net Interest Income	15.0 %	12.4 %	11.5 %	5.2 %	14.0 %
Non-interest Income	0.8 %	53.2 %	(18.4%)	26.3 %	40.4 %
Non-Interest Expenses	1.5 %	13.0 %	(4.8%)	12.6 %	13.5 %
Losses/Recoveries on Financial Assets	51.6 %	27.4 %	(43.5%)	42.7 %	85.9 %
Bad Debts/Provisions for Credit Losses	35.4 %	21.5 %	(39.6%)	38.2 %	81.5 %
Recovery on Charged-Off Assets	(40.7%)	(48.7%)	77.1 %	(5.4%)	17.9 %
Net Profit Before Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures	91.9 %	82.1 %	52.5 %	(0.8%)	27.5 %
Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures	44.9 %	(124.5%)	(605.6%)	(187.4%)	(169.9%)
Total Profit/Loss Before Tax and Before Minority Interest	90.7 %	77.9 %	54.3 %	(2.5%)	29.1 %
Income Tax Expense	24.3 %	65.6 %	(49.8%)	61.8 %	81.9 %
Total Profit/Loss After Tax and Before Minority Interest	169.2 %	84.6 %	105.3 %	(10.2%)	17.8 %
Minority Interest in Profit/(Loss) of Subsidiaries					
Net Profit or Loss	169.2 %	84.6 %	105.3 %	(10.2%)	17.8 %
Balance Sheet					
Total Assets	11.3 %	13.1 %	0.2 %	9.7 %	15.8 %
Cash and Due from Banks	23.8 %	34.3 %	9.0 %	4.9 %	82.8 %
Financial Assets, gross (Other than Loans)	11.7 %	14.4 %	(12.9%)	(4.9%)	(19.3%)
Financial Assets Held for Trading (HFT)	1.5 %	202.7 %	(37.0%)	17.8 %	9.0 %
Financial Assets Designated at Fair Value through Profit and Loss (DFVPL)	(48.5%)	(44.0%)	(95.2%)	5.4 %	1.7 %
Available-for-Sale (AFS) Financial Assets	20.3 %	6.6 %	(0.9%)	(18.5%)	(7.2%)
Held-to-Maturity (HTM) Financial Assets	(7.6%)	18.4 %	(20.5%)	20.7 %	(41.5%)
Unquoted Debt Securities Classified as Loans	44.9 %	4.2 %	(35.0%)	(5.1%)	(21.0%)
Investments in Non-Marketable Equity Securities (INMES)	43.7 %	(34.4%)	(46.4%)	(0.1%)	8.0 %
Allowance for Credit Losses	35.3 %	7.8 %	(10.6%)	9.2 %	4.5 %
Accumulated Market Gains/Losses	(246.2%)	(22.3%)	553.9 %	(71.4%)	(275.9%)
Financial Assets, net (Other than Loans)	13.5 %	14.1 %	(9.2%)	(8.2%)	(23.3%)
Interbank Loans Receivable (IBL)	(67.1%)	66.4 %	(78.9%)	183.3 %	(47.2%)
Loans, gross (exclusive of IBL)	13.3 %	10.8 %	9.4 %	15.1 %	13.9 %
Reverse Repurchase (RRP)with BSP and Other Banks	331.8 %	(3.2%)	41.4 %	0.3 %	(43.2%)
Loans, gross (exclusive of IBL and RRP)	5.2 %	12.2 %	6.5 %	16.8 %	19.7 %
Allowance for Probable Losses	11.1 %	15.9 %	1.0 %	8.1 %	11.1 %
Loans, net (exclusive of IBL and RRP)	4.9 %	12.0 %	6.8 %	17.3 %	20.1 %
Equity Investment in Subsidiaries, Associates and Joint Ventures, net	457.5 %	(2.2%)	9.1 %	(12.1%)	(41.9%)
ROPA, net	(5.4%)	6.8 %	(24.2%)	(13.5%)	1.5 %
Other Assets, net	15.8 %	0.3 %	(32.9%)	17.0 %	(10.8%)
Total Liabilities	10.8 %	13.7 %	(1.2%)	9.8 %	17.2 %
Financial Liabilities Held for Trading			(100.0%)		
Financial Liabilities DFVPL					
Deposits	12.0 %	13.8 %	0.9 %	7.0 %	19.4 %
Peso Liablities	13.3 %	16.5 %	0.2 %	9.1 %	21.9 %
Foreign Currency	3.3 %	(5.4%)	6.9 %	(10.9%)	(6.3%)
Bills Payable	(13.9%)	16.0 %	(9.9%)	56.2 %	(13.0%)
Other Liabilities	12.2 %	8.5 %	(28.2%)	21.7 %	7.2 %
Unsecured Subordinated Debt	0.0 %	30.3 %	(52.1%)	199.9 %	0.1 %
Redeemable Preferred Shares	157.3 %	49.5 %	8.3 %	0.7 %	0.0 %
Total Capital Accounts	15.4 %	8.3 %	11.4 %	9.0 %	5.5 %

0.0% less than 0.05 percent

Table 21 . Thrift Banking Industry: Selected Performance Indicators

Selected Ratios	End-December 2009	2010	2011	2012	2013
Profitability [1/]					
Earning Asset Yield [2/]	9.3 %	8.4 %	8.0 %	7.9 %	7.1 %
Funding Cost [3/]	3.8 %	3.4 %	2.9 %	3.0 %	2.2 %
Interest Spread [4/]	5.5 %	5.0 %	5.1 %	4.9 %	4.9 %
Net Interest Margin [5/]	5.4 %	5.1 %	5.2 %	5.1 %	5.1 %
Non-interest Income to Total Operating Income [6/]	25.2 %	31.4 %	25.1 %	28.7 %	33.2 %
Cost-to-Income [7/]	78.8 %	73.0 %	68.0 %	69.1 %	63.3 %
Return on Assets (ROA) [8/]	0.5%	0.8 %	1.5 %	1.3 %	1.4 %
Return on Equity (ROE) [8/]	4.2 %	7.0 %	13.1 %	10.7 %	11.8 %
Liquidity					
Cash and Due from Banks to Deposits	13.5 %	15.9 %	17.2 %	16.8 %	25.8 %
Liquid Assets to Deposits [9/]	34.7 %	37.1 %	36.3 %	33.2 %	36.3 %
Loans, gross to Deposits	75.2 %	73.8 %	78.3 %	84.8 %	80.4 %
Asset Quality [10/]					
Restructured Loans to Total Loan Portfolio (TLP)	1.4 %	1.1 %	1.2 %	0.9 %	0.8 %
Loan Loss Reserves (LLR) to TLP	4.4 %	4.6 %	4.3 %	4.0 %	4.0 %
Gross Non-Performing Loans (NPL) to TLP	7.9 %	7.9 %	6.6 %	5.9 %	5.5 %
Net NPL to TLP	4.3 %	4.2 %	3.1 %	2.7 %	2.4 %
NPL Ratio net of IBL	8.0 %	8.2 %	6.7 %	6.0 %	5.4 %
NPL Coverage (LLR to Gross NPL)	55.9 %	57.6 %	65.0 %	68.2 %	72.5 %
Non-Performing Assets (NPA) to Gross Assets	9.1 %	9.0 %	7.4 %	6.5 %	5.9 %
NPA Coverage (NPA Reserves to NPA)	32.9 %	35.3 %	42.9 %	47.1 %	50.7 %
ROPA to Gross Assets Ratio	4.4 %	4.4 %	3.3 %	2.7 %	2.5 %
ROPA Coverage Ratio	8.9 %	11.8 %	15.5 %	16.5 %	19.7 %
Distressed Assets	14.8 %	14.7 %	11.9 %	10.0 %	9.2 %
Capital Adequacy					
Total Capital Accounts to Total Assets [11/]	11.5 %	11.0 %	12.3 %	12.2 %	11.1 %
Capital Adequacy Ratio (Solo) [12/ 13/]	12.1 %	12.6 %	15.9 %	17.3 %	17.4 % [a/]

1/ Earning Asset Yield refers to the ratio of interest income to average earning assets.

2/ Funding Cost refers to the ratio of interest expenses to average interest-bearing liabilities.

3/ Interest Spread refers to the difference between earning asset yield and funding cost.

4/ Net Interest Margin refers to the ratio of net interest income to average earning assets.

5/ Non-interest income now includes dividends income.

6/ Cost-to-Income Ratio refers to the ratio of non-interest expenses to total operating income.

7/ ROA and ROE refer to the ratios of net profit to average assets and capital, respectively.

8// Liquid Assets refer to Cash and Due from Banks plus Financial Assets, net of amortization (net of financial assets in equity securities).

9/ Ratios are computed in accordance with the NPL definition as prescribed under BSP Circular No. 772 dated 16 October 2012 effective 01 January 2013. For comparative purposes, computations for periods prior to January 2013 are aligned with Circular No. 772.

10/ Total capital accounts includes redeemable preferred shares.

11/ Based on the new framework provided for under Circular No. 280 dated 29 March 2001, formally adopted 1 July 2001; Under Circular No. 360 dated 3 December 2002, adopted 1 July 2003, Universal/Commercial Banks are to incorporate market risks in addition to credit risks; Under Circular No. 538 dated 4 August 2006, effective 1 July 2007, U/KBs are to incorporate operational risk in addition to credit and market risks.

12/ CAR data as of end-December 2012 and end-September 2013 are for Subsidiary Thrift Banks; excludes Stand-Alone Thrift Banks

a/ Data as of end-September 2013

Table 22. Thrift Banking Industry: Regional Profile

	End-December 2012	End-December 2013		
		Total	Head Offices	Branches/ Other Offices
Nationwide	**1,619**	**1,828**	**71**	**1,757**
National Capital Region (NCR)	**515**	**545**	**29**	**516**
Luzon	**698**	**812**	**28**	**784**
Region I - Ilocos	64	74	1	73
Region II - Cagayan	43	57	2	55
Region III - Central Luzon	178	189	9	180
Region IV-A - CALABARZON	317	382	13	369
Region IV-B - MIMAROPA	37	41	2	39
Region V - Bicol	48	56	1	55
Cordillera Administrative Region (CAR)	11	13		13
Visayas	**244**	**258**	**10**	**248**
Region VI - Western Visayas	97	106	4	102
Region VII - Central Visayas	122	125	6	119
Region VIII - Eastern Visayas	25	27		27
Mindanao	**162**	**213**	**4**	**209**
Region IX - Zamboanga Peninsula	19	35		35
Region X - Northern Mindanao	40	65	1	64
Region XI - Davao Region	54	60	1	59
Region XII - SOCCSKSARGEN[1/]	24	25	1	24
ARMM	1	1		1
CARAGA	24	27	1	26

1/ Composed of the provinces of North Cotabato, South Cotabato, Sultan Kudarat and Sarangani, and the cities of General Santos, Koronadal, Tacurong and Kidapawan.

Table 23. Thrift Banking Industry: Automated Teller Machines (ATMs)

	On-site		Off-site		Total	
	Dec '12	Dec '13	Dec '12	Dec '13	Dec '12	Dec '13
Nationwide	**944**	**1,118**	**527**	**622**	**1,471**	**1,740**
National Capital Region (NCR)	**363**	**397**	**301**	**344**	**664**	**741**
Luzon	**375**	**457**	**139**	**174**	**514**	**631**
Region I - Ilocos	36	45	4	5	40	50
Region II - Cagayan	9	19			9	19
Region III - Central Luzon	98	119	40	49	138	168
Region IV-A - CALABARZON	167	194	89	115	256	309
Region IV-B - MIMAROPA	33	37	5	4	38	41
Region V - Bicol	24	34	1	1	25	35
Cordillera Administrative Region (CAR)	8	9			8	9
Visayas	**141**	**165**	**68**	**78**	**209**	**243**
Region VI - Western Visayas	43	55	2	3	45	58
Region VII - Central Visayas	83	92	65	74	148	166
Region VIII - Eastern Visayas	15	18	1	1	16	19
Mindanao	**65**	**99**	**19**	**26**	**84**	**125**
Region IX - Zamboanga Peninsula	11	13		1	11	14
Region X - Northern Mindanao	19	24	2	3	21	27
Region XI - Davao Region	22	31	16	20	38	51
Region XII - SOCCSKSARGEN[1/]	5	8	1	1	6	9
ARMM	1	1			1	1
CARAGA	7	22		1	7	23

1/ Composed of the provinces of North Cotabato, South Cotabato, Sultan Kudarat and Sarangani, and the cities of General Santos, Koronadal, Tacurong and Kidapawan.

Table 24. Thrift Banking Industry: Banks Authorized to Engage in E-Banking Operations

As of End-December 2013

	Name of Bank	Mobile	Phone Banking	Internet	Proprietary	Internet thru Bancnet & Megalink Switch	ETFPS (BIR)	Cash Card/ Remittance Card	Electronic Wallet (G-Cash/ Smart Money)
Financial Institution-Linked Thrift Banks									
1	Allied Savings Bank					■			
2	BPI Direct	■	■	■			■	■	■
3	BPI-Family Savings Bank	■	■	■			■	■	■
4	BPI-BanKo	■							
5	China Bank Savings	■		■					
6	Citibank Savings Inc.	■		■				■	
7	HSBC Savings Bank (Philippines), Inc.	■	■	■				■	
8	RCBC Savings Bank			■	■	■		■	
9	Security Bank Savings Corporation	■	■			■			
Non-Linked Thrift Banks									
1	CityState Savings Bank, Inc.					■			
2	Equicom Savings Bank, Inc.	■		■		■		■	
3	Philippine Savings Bank.	■		■		■		■	
4	Planters Development Bank	■		■				■	
5	Sterling Bank of Asia			■		■		■	
6	China Bank Savings								
7	First Consolidated Bank							■	
8	Malayan Savings Bank					■			
9	Philippine Business Bank					■			
10	Postal Bank					■			
11	Tong Yang Savings Bank					■			
12	Wealth Bank					■			
13	Pacific Ace	■		■		■			
14	GSIS Family Bank	■		■		■			
15	Queen Capital Development Bank	■							
16	Philippine Resources Savings Bank Corp. (PR Savings Bank)								■
17	Enterprise Bank, Inc.								■
18	1st Valley Bank, Inc., A Development Bank								■
19	mBank (a Thrift Bank)								■

Table 25. Thrift Banking Industry: Profitability Indicators

Levels (P Billion)	End-December 2009	2010	2011	2012	2013
Total Operating Income	30.3	37.2	38.0	42.0	51.0
Net Interest Income	22.7	25.5	28.4	29.9	34.1
Interest Income	39.1	41.9	43.5	45.9	47.7
Provision for Lossses on Accrued Interest Income from Financial Assets	0.1	0.1	...	0.1	0.1
Interest Expenses	16.3	16.3	15.0	15.9	13.6
Non-interest Income	7.6	11.7	9.5	12.1	16.9
Dividend Income	...	...	...	...	...
Fee-based Income	4.3	4.5	4.0	4.6	**5.8**
Trading Income	0.7	3.4	1.7	3.8	5.9
FX Profits/Loss	0.1	0.1	0.2	0.1	0.2
Profit/(Loss) from Sale/Redemption/Derecognition of Non-Trading Financial Assets and Liabilities	0.5	1.5	1.6	1.4	2.4
Profit/(Loss) from Sale/Derecognition of Non-Financial Assets	1.0	0.7	1.0	1.0	1.5
Profit/(Loss) on Financial Assets and Liabilities Designated at Fair Value through Profit or Loss	...	...	...	...	...
Profit/(Loss) on Fair Value Adjustment in Hedge Accounting	**(0.0)**	...	...	...	(0.0)
Other Income	0.8	1.4	1.1	1.1	1.2
Non-Interest Expenses	24.0	27.1	25.8	29.1	33.0
Losses/Recoveries on Financial Assets	(2.6)	(3.3)	(1.9)	(2.7)	(5.0)
Bad Debts/Provisions for Credit Losses	2.8	3.4	2.1	2.9	5.2
Recovery on Charged-Off Assets	0.2	0.1	0.2	0.2	0.2
Net Profit Before Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures	3.7	6.7	10.3	10.2	13.0
Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures	0.1	(0.0)	0.1	(0.1)	0.1
Total Profit/Loss Before Tax and Before Minority Interest	3.8	6.7	10.4	10.1	13.1
Income Tax Expense	1.3	2.2	1.1	1.8	3.3
Total Profit/Loss After Tax and Before Minority Interest	2.4	4.5	9.3	8.3	9.8
Minority Interest in Profit/(Loss) of Subsidiaries	...	...	...	...	0.0
Net Profit or Loss	2.4	4.5	9.3	8.3	9.8
Growth Rates					
Total Operating Income	11.1 %	22.6 %	2.1 %	10.5 %	21.5 %
Net Interest Income	15.0 %	12.4 %	11.5 %	5.2 %	14.0 %
Interest Income	4.7 %	7.1 %	3.9 %	5.4 %	4.1 %
Provision for Lossses on Accrued Interest Income from Financial Assets	65,386.9 %	(34.1%)	(35.2%)	70.9 %	6.3 %
Interest Expenses	(7.4%)	0.1 %	(8.0%)	5.7 %	(14.6%)
Non-interest Income	0.8 %	53.2 %	(18.4%)	26.3 %	40.4 %
Dividend Income	196.3 %	(31.0%)	519.9 %	120.2 %	(86.6%)
Fee-based Income	8.2 %	4.5 %	(11.7%)	15.1 %	25.8 %
Trading Income	253.7 %	358.0 %	(51.6%)	128.1 %	55.3 %
FX Profits/Loss	(66.1%)	(12.7%)	24.1 %	(13.1%)	36.5 %
Profit/(Loss) from Sale/Redemption/Derecognition of Non-Trading Financial Assets and Liabilities	75.1 %	170.9 %	7.8 %	(12.4%)	71.7 %
Profit/(Loss) from Sale/Derecognition of Non-Financial Assets	16.1 %	(26.8%)	37.5 %	(1.9%)	44.5 %
Profit/(Loss) on Financial Assets and Liabilities Designated at Fair Value through Profit or Loss	3,248.1 %	(53.2%)	(66.9%)	(38.9%)	(44.1%)
Profit/(Loss) on Fair Value Adjustment in Hedge Accounting	(305.0%)	(100.0%)	...	...	(264.0%)
Other Income	(51.5%)	63.7 %	(19.8%)	(0.9%)	12.7 %
Non-Interest Expenses	1.5 %	13.0 %	(4.8%)	12.6 %	13.5 %
Losses/Recoveries on Financial Assets	51.6 %	27.4 %	(43.5%)	42.7 %	85.9 %
Bad Debts/Provisions for Credit Losses	35.4 %	21.5 %	(39.6%)	38.2 %	81.5 %
Recovery on Charged-Off Assets	(40.7%)	(48.7%)	77.1 %	(5.4%)	17.9 %
Net Profit Before Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures	91.9 %	82.1 %	52.5 %	(0.8%)	27.5 %
Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures	44.9 %	(124.5%)	(605.6%)	(187.4%)	(169.9%)
Total Profit/Loss Before TaAG and Before Minority Interest	90.7 %	77.9 %	54.3 %	(2.5%)	29.1 %
Income Tax Expense	24.3 %	65.6 %	(49.8%)	61.8 %	81.9 %
Total Profit/Loss After Tax and Before Minority Interest	169.2 %	84.6 %	105.3 %	(10.2%)	17.8 %
Minority Interest in Profit/(Loss) of Subsidiaries					
Net Profit or Loss	169.2 %	84.6 %	105.3 %	(10.2%)	17.8 %

Figures may not add up due to rounding-off
. . . Less than P0.05 billion
(0.0) Less than negative P0.05 billion

Table 26. Thrift Banking Industry: Asset Quality Indicators [1/]

Levels (P Billion)	End-December 2009	2010	2011	2012	2013
Total Assets	536.1	606.5	607.4	666.2	771.4
Gross Assets [2/]	552.6	626.2	627.4	687.3	795.3
Total Loan Portfolio (TLP) [3/]	323.9	361.9	387.5	449.3	508.2
Interbank Loans Receivable (IBL)	5.7	9.4	2.0	5.6	3.0
TLP [3/], net of Interbank Loans (IBL)	318.3	352.5	385.5	443.6	505.2
TLP, net of LLR	309.6	345.4	370.8	431.2	488.1
Gross Non-Performing Loans (NPL)	25.6	28.8	25.7	26.5	27.7
Net NPL [4/]	14.0	15.2	11.9	12.2	12.3
Loan Loss Reserves (LLR)	14.3	16.6	16.7	18.1	20.1
ROPA [3/ 5/]	24.4	27.3	20.8	18.4	19.5
ROPA (inclusive of performing SCR)	28.9	31.8	24.9	21.8	22.9
Provisions for ROPA [6/]	2.2	3.2	3.2	3.0	3.8
Restructured Loans (RL) [3/]	4.4	4.1	4.5	4.2	4.2
RL, Performing	2.2	1.6	2.4	2.3	1.8
Distressed Assets [7/]	52.2	57.7	48.9	47.2	49.0
Non-Performing Assets (NPAs) [8/]	50.0	56.1	46.5	44.9	47.2
NPA Reserves [9/]	16.5	19.8	19.9	21.1	23.9
Performing Sales Contract Receivables	4.5	4.5	4.1	3.4	3.4
Growth Rates					
Total Assets	11.3 %	13.1 %	0.2 %	9.7 %	15.8 %
Gross Assets [2/]		13.3 %	0.2 %	9.5 %	15.7 %
Total Loan Portfolio (TLP) [3/]		11.7 %	7.1 %	15.9 %	13.1 %
Interbank Loans Receivable (IBL)	(67.1%)	66.4 %	(78.9%)	183.3 %	(47.2%)
TLP [3/], net of Interbank Loans (IBL)		10.8 %	9.4 %	15.1 %	13.9 %
TLP, net of LLR		11.5 %	7.4 %	16.3 %	13.2 %
Gross Non-Performing Loans (NPL)		12.4 %	(10.5%)	3.1 %	4.5 %
Net NPL [4/]		8.4 %	(21.6%)	2.5 %	0.6 %
Loan Loss Reserves (LLR)		15.9 %	1.0 %	8.1 %	11.1 %
ROPA [3/ 5/]	(7.7%)	11.8 %	(23.9%)	(11.7%)	6.2 %
ROPA (inclusive of performing SCR)	(5.9%)	9.8 %	(21.6%)	(12.6%)	5.1 %
Provisions for ROPA [6/]	(11.7%)	47.2 %	(0.1%)	(5.7%)	26.9 %
Restructured Loans (RL) [3/]	5.3 %	(6.1%)	9.1 %	(8.0%)	(0.1%)
RL, Performing	11.9 %	(24.5%)	45.1 %	(1.5%)	(23.0%)
Distressed Assets [7/]		10.6 %	(15.3%)	(3.4%)	3.8 %
Non-Performing Assets (NPAs) [8/]		12.1 %	(17.1%)	(3.5%)	5.2 %
NPA Reserves [9/]		20.1 %	0.8 %	5.9 %	13.4 %
Performing Sales Contract Receivables	5.4 %	(0.9%)	(7.6%)	(17.3%)	(0.9%)

1/ Figures are computed in accordance with the NPL definition as prescribed under BSP Circular No. 772 dated 16 October 2012 effective 01 January 2013. For comparative purposes, computations for periods prior to January 2013 are aligned with Circular
2/ Gross Assets refer to Total Assets plus NPA Reseves.
3/ Gross of Provisions
4/ Net NPLs refer to Gross NPLs less specific allowance for credit losses on TLP.
5/ Real and Other Properties Acquired; ROPA includes Non-Current Assets Held for Sale and Non-Performing Sales Contract
6/ Provisions for ROPA are inclusive of Accumulated Depreciation
7/ Distressed Assets refer to NPAs plus performing RLs.
8/ NPAs refer to Gross NPLs plus ROPA.
9/ NPA Reserves refer to LLR plus Provisions for ROPA.

Table 27. Rural Banking Industry: Financial Highlights

Levels (P Billion)	End-December 2010	2011	2012	End-September [a/] 2012	2013 [p/]
Income Statement					
Total Operating Income	18.6	18.7	20.9	19.8	21.1
Net Interest Income	14.7	14.5	16.0	14.8	16.2
Non-interest Income	3.9	4.2	4.9	5.0	4.9
Non-Interest Expenses	14.3	14.2	16.2	15.3	16.8
Losses/Recoveries on Financial Assets	(0.4)	(1.1)	(0.4)	(0.5)	(0.5)
Bad Debts/Provisions for Credit Losses	0.5	1.2	0.5	0.6	0.6
Recovery on Charged-Off Assets	0.1	0.1	0.1	0.1	. . .
Net Profit Before Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures	3.9	3.5	4.3	3.9	3.7
Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures					-
Total Profit/Loss Before Tax and Before Minority Interest	3.9	3.5	4.3	3.9	3.7
Income Tax Expense	0.8	0.8	1.0	0.9	0.9
Total Profit/Loss After Tax and Before Minority Interest	3.0	2.6	3.3	3.0	2.8
Minority Interest in Profit/(Loss) of Subsidiaries					-
Net Profit or Loss	3.0	2.6	3.3	3.0	2.8
Balance Sheet					
Total Assets	164.7	169.7	174.2	173.0	179.9
Cash and Due from Banks	35.4	35.8	35.9	33.7	38.6
Financial Assets, gross (Other than Loans)	9.6	9.4	9.1	9.0	10.7
Financial Assets Held for Trading (HFT)					0.1
Financial Assets Designated at Fair Value through Profit and Loss (DFVPL)		. . .	. . .	. . .	. . .
Available-for-Sale (AFS) Financial Assets	0.9	1.8	1.8	1.5	2.1
Held-to-Maturity (HTM) Financial Assets	7.0	6.4	6.1	6.4	6.9
Unquoted Debt Securities Classified as Loans	1.4	1.0	1.1	1.0	1.5
Investments in Non-Marketable Equity Securities (INMES)	0.2	0.1	0.1	0.1	0.1
Allowance for Credit Losses	0.4	0.4	0.4	0.4	0.4
Accumulated Market Gains/Losses	. . .	0.1	0.2	0.1	0.4
Financial Assets, net (Other than Loans)	9.2	9.1	8.8	8.7	10.7
Interbank Loans Receivable (IBL)		. . .			-
Loans, gross (exclusive of IBL)	104.6	109.2	115.7	115.5	117.2
Reverse Repurchase (RRP) with BSP and Other Banks		. . .	. . .	. . .	-
Loans, gross (exclusive of IBL and RRP with BSP and Other Banks)	104.6	109.2	115.7	115.5	117.2
Allowance for Probable Losses	6.0	6.2	8.2	7.7	8.8
Loans, net (exclusive of IBL and RRP with BSP and Other Banks)	98.6	103.0	107.5	107.8	108.5
Equity Investment in Subsidiaries, Associates and Joint Ventures, net	0.1	0.1	0.1	0.1	0.1
ROPA, net	8.5	9.1	8.9	9.3	9.7
Other Assets, net	13.0	12.7	13.1	13.4	12.4
Total Liabilities	136.6	139.7	142.0	141.0	145.8
Financial Liabilities Held for Trading					-
Financial Liabilities DFVPL					-
Deposits	111.7	114.6	115.8	116.3	124.5
Peso Liablities	111.6	114.6	115.8	116.3	124.5
Foreign Currency	0.1	0.1	0.1	0.1	0.1
Bills Payable	16.2	16.2	15.8	15.0	12.0
Other Liabilities	8.1	8.3	9.8	9.1	8.8
Unsecured Subordinated Debt	0.5	0.4	0.4	0.5	0.3
Redeemable Preferred Shares	0.1	0.1	0.1	0.1	0.1
Total Capital Accounts	28.1	30.0	32.3	32.0	34.2

a/ Annualized
p/ Preliminary
Figures may not add up due to rounding-off
. . . Less than P0.05 Billion
(0.0) Less than negative P0.05 Billion

Table 28. Rural Banking Industry: Growth Rates

Growth Rates	End-December 2010	2011	2012	End-September 2012	2013
Income Statement					
Total Operating Income	7.2 %	0.8 %	11.4 %	(2.4%)	6.5 %
Net Interest Income	9.3 %	(0.9%)	10.2 %	(8.6%)	9.3 %
Non-interest Income	(0.0%)	7.2 %	15.8 %	22.3 %	(1.8%)
Non-Interest Expenses	14.1 %	(1.0%)	14.4 %	(1.9%)	9.7 %
Losses/Recoveries on Financial Assets	(64.2%)	153.4 %	(63.6%)	(264.2%)	7.6 %
Bad Debts/Provisions for Credit Losses	(60.9%)	143.7 %	(60.8%)	(359.3%)	(4.2%)
Recovery on Charged-Off Assets	91.6 %	60.2 %	(23.0%)	29.3 %	(65.2%)
Net Profit Before Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures	7.4 %	(9.9%)	23.4 %	(0.6%)	(5.9%)
Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures					
Total Profit/Loss Before Tax and Before Minority Interest	7.4 %	(9.9%)	23.4 %	(0.6%)	(5.9%)
Income Tax Expense	20.3 %	0.3 %	20.3 %	(10.7%)	3.1 %
Total Profit/Loss After Tax and Before Minority Interest	4.4 %	(12.7%)	24.4 %	2.7 %	(8.5%)
Minority Interest in Profit/(Loss) of Subsidiaries					
Net Profit or Loss	4.4 %	(12.7%)	24.4 %	2.7 %	(8.5%)
Balance Sheet					
Total Assets	4.6 %	3.1 %	2.6 %	2.2 %	4.0 %
Cash and Due from Banks	0.8 %	1.1 %	0.4 %	0.1 %	14.3 %
Financial Assets, gross (Other than Loans)	17.6 %	(1.8%)	(3.6%)	(5.3%)	18.7 %
Financial Assets Held for Trading (HFT)					
Financial Assets Designated at Fair Value through Profit and Loss (DFVPL)					47.5 %
Available-for-Sale (AFS) Financial Assets		98.2 %	(2.2%)	(19.9%)	36.4 %
Held-to-Maturity (HTM) Financial Assets		(8.9%)	(4.8%)	(1.2%)	8.2 %
Unquoted Debt Securities Classified as Loans		(26.5%)	2.2 %	(0.6%)	47.3 %
Investments in Non-Marketable Equity Securities (INMES)		(40.3%)	(10.1%)	(29.2%)	22.6 %
Allowance for Credit Losses	90.3 %	(4.0%)	0.6 %	(2.3%)	0.3 %
Accumulated Market Gains/Losses		352.6 %	20.6 %	7,251.5 %	255.1 %
Financial Assets, net (Other than Loans)	15.9 %	(0.5%)	(3.4%)	(4.2%)	22.6 %
Interbank Loans Receivable (IBL)			(100.0%)	(100.0%)	
Loans, gross (exclusive of IBL)	5.6 %	4.4 %	6.0 %	4.9 %	1.5 %
Reverse Repurchase (RRP) with BSP and Other Banks			(27.6%)	(27.6%)	(100.0%)
Loans, gross (exclusive of IBL and RRP with BSP and Other Banks)	5.6 %	4.4 %	6.0 %	4.9 %	1.5 %
Allowance for Probable Losses	25.6 %	3.5 %	32.2 %	19.0 %	14.0 %
Loans, net (exclusive of IBL and RRP with BSP and Other Banks)	4.5 %	4.4 %	4.4 %	4.0 %	0.6 %
Equity Investment in Subsidiaries, Associates and Joint Ventures, net	(54.6%)	102.2 %	(26.2%)	18.5 %	58.2 %
ROPA, net	3.9 %	7.0 %	(1.8%)	4.9 %	5.0 %
Other Assets, net	10.1 %	(2.3%)	2.7 %	(3.4%)	(7.8%)
Total Liabilities	3.2 %	2.3 %	1.6 %	1.2 %	3.4 %
Financial Liabilities Held for Trading					
Financial Liabilities DFVPL					
Deposits	6.0 %	2.6 %	1.0 %	2.3 %	7.0 %
Peso Liablities	6.0 %	2.6 %	1.0 %	2.3 %	7.0 %
Foreign Currency	47.6 %	(8.0%)	22.6 %	29.4 %	7.4 %
Bills Payable	0.1 %	0.2 %	(2.7%)	(3.7%)	(20.2%)
Other Liabilities	(25.1%)	2.6 %	18.0 %	(2.9%)	(2.8%)
Unsecured Subordinated Debt		(18.9%)	(4.6%)	(13.2%)	(32.7%)
Redeemable Preferred Shares		(10.2%)	15.8 %	6.9 %	(1.8%)
Total Capital Accounts	12.1 %	7.0 %	7.4 %	7.0 %	6.7 %

a/ Annualized
p/ Preliminary

Table 29. Rural Banking Industry: Selected Performance Indicators

Selected Ratios	End-December 2010	End-December 2011	End-December 2012	End-September 2012 [a/]	End-September 2013 [p/]
Profitability [1/]					
Earning Asset Yield [2/]	15.1 %	14.1 %	14.3 %	13.5 %	13.4 %
Funding Cost [3/]	4.9 %	4.5 %	4.4 %	4.3 %	3.9 %
Interest Spread [4/]	10.2 %	9.6 %	9.9 %	9.2 %	9.5 %
Net Interest Margin [5/]	10.6 %	10.0 %	10.5 %	9.7 %	10.2 %
Non-interest Income to Total Operating Income [6/]	21.1 %	22.4 %	23.3 %	25.2 %	17.2 %
Cost-to-Income [7/]	76.9 %	74.0 %	75.6 %	75.2 %	78.2 %
Return on Assets (ROA) [8/]	1.9 %	1.6 %	1.9 %	1.8 %	1.6 %
Return on Equity (ROE) [8/]	11.4 %	9.1 %	10.6 %	9.8 %	8.4 %
Liquidity					
Cash and Due from Banks to Deposits	31.7 %	31.2 %	31.0 %	29.0 %	31.0 %
Liquid Assets to Deposits [9/]	39.9 %	39.2 %	38.6 %	36.5 %	39.6 %
Loans, gross to Deposits	93.7 %	95.3 %	99.9 %	99.3 %	94.1 %
Asset Quality [10/]					
Restructured Loans to Total Loan Portfolio (TLP)	1.4 %	1.5 %	1.2 %	1.2 %	1.6 %
Loan Loss Reserves (LLR) to TLP	5.8 %	5.7 %	7.1 %	6.7 %	7.5 %
Gross Non-Performing Loans (NPL) to TLP	10.7 %	11.0 %	11.4 %	11.2 %	12.9 %
Net NPL to TLP	5.9 %	6.3 %	5.3 %	5.5 %	6.4 %
NPL Ratio net of IBL	10.7 %	11.0 %	11.4 %	11.2 %	12.9 %
NPL Coverage (LLR to Gross NPL)	53.9 %	51.7 %	62.4 %	59.4 %	57.8 %
Non-Performing Assets (NPA) to Gross Assets	11.3 %	11.8 %	11.7 %	12.0 %	12.9 %
NPA Coverage (NPA Reserves to NPA)	34.4 %	33.2 %	41.0 %	38.5 %	38.8 %
ROPA to Gross Assets Ratio	4.8 %	4.9 %	4.5 %	4.9 %	4.9 %
ROPA Coverage Ratio	7.9 %	7.7 %	6.8 %	8.1 %	7.8 %
Distressed Assets	18.1 %	18.4 %	17.9 %	18.1 %	20.1 %
Capital Adequacy					
Total Capital Accounts to Total Assets [11/]	17.1 %	17.8 %	18.6 %	18.6 %	19.1 %
Capital Adequacy Ratio (Solo) [12/]	18.2 %	18.4 %	18.4 %	20.0 %	18.8 %

1/ End-September 2012 and end-September 2013 ratios are annualized.

2/ Earning Asset Yield refers to the ratio of interest income to average earning assets.

3/ Funding Cost refers to the ratio of interest expenses to average interest-bearing liabilities.

4/ Interest Spread refers to the difference between earning asset yield and funding cost.

5/ Net Interest Margin refers to the ratio of net interest income to average earning assets.

6/ Non-interest income now includes dividends income.

7/ Cost-to-Income Ratio refers to the ratio of non-interest expenses to total operating income.

8/ ROA and ROE refer to the ratios of net profit to average assets and capital, respectively.

9/ Liquid Assets refer to Cash and Due from Banks plus Financial Assets, net of amortization (net of financial assets in equity securities).

10/ Ratios are computed in accordance with the NPL definition as prescribed under BSP Circular No. 772 dated 16 October 2012 effective 01 January 2013. For comparative purposes, computations for periods prior to January 2013 are aligned with Circular No. 772.

11/ Total capital accounts includes redeemable preferred shares.

12/ Based on the new framework provided for under Circular No. 280 dated 29 March 2001, formally adopted 1 July 2001; Under Circular No. 360 dated 3 December 2002, adopted 1 July 2003, Universal/Commercial Banks are to incorporate market risks in addition to credit risks; Under Circular No. 538 dated 4 August 2006, effective 1 July 2007, U/KBs are to incorporate operational risk in addition to credit and market

p/ Preliminary

a/ Latest data for Rural Banks are as of end-September 2013.

Table 30. Rural Banking Industry: Regional Profile

	End-September 2012	End-December 2013		
		Total	Head Offices	Branches/ Other Offices
Nationwide	**2,482**	**2,492**	**530**	**1,962**
National Capital Region (NCR)	**76**	**80**	**18**	**62**
Luzon	**1,468**	**1,502**	**323**	**1,179**
Region I - Ilocos	163	**166**	41	125
Region II - Cagayan	123	**127**	29	98
Region III - Central Luzon	329	**328**	78	250
Region IV-A - CALABARZON	521	**529**	109	420
Region IV-B - MIMAROPA	109	**109**	20	89
Region V - Bicol	154	**175**	30	145
Cordillera Administrative Region (CAR)	69	**68**	16	52
Visayas	**412**	**417**	**107**	**310**
Region VI - Western Visayas	194	**199**	53	146
Region VII - Central Visayas	157	**159**	36	123
Region VIII - Eastern Visayas	61	**59**	18	41
Mindanao	**526**	**493**	**82**	**411**
Region IX - Zamboanga Peninsula	76	**63**	14	49
Region X - Northern Mindanao	139	**120**	31	89
Region XI - Davao Region	125	**128**	12	116
Region XII - SOCCSKSARGEN[1/]	60	**58**	10	48
ARMM	2	**3**	2	1
CARAGA	124	**121**	13	108

1/ Composed of the provinces of North Cotabato, South Cotabato, Sultan Kudarat and Sarangani, and the cities of General Santos, Koronadal, Tacurong and Kidapawan.

Table 31. Rural Banks: Automated Teller Machines (ATMs)

	On-site		Off-site		Total	
	Dec '12	Dec '13	Dec '12	Dec '13	Dec '12	Dec '13
Nationwide	**208**	**290**	**36**	**49**	**244**	**339**
National Capital Region (NCR)	**5**	**8**			**5**	**8**
Luzon	**76**	**139**	**2**	**2**	**78**	**141**
Region I - Ilocos	1	10			1	10
Region II - Cagayan	4	14			4	14
Region III - Central Luzon	28	33	1	1	29	34
Region IV-A - CALABARZON	37	59	1	1	38	60
Region IV-B - MIMAROPA	3	11			3	11
Region V - Bicol	3	7			3	7
Cordillera Administrative Region (CAR)		5				5
Visayas	**16**	**29**	**-**	**4**	**16**	**33**
Region VI - Western Visayas	4	4		4	4	8
Region VII - Central Visayas	6	14			6	14
Region VIII - Eastern Visayas	6	11			6	11
Mindanao	**111**	**114**	**34**	**43**	**145**	**157**
Region IX - Zamboanga Peninsula	12	12	3	4	15	16
Region X - Northern Mindanao	16	17	6	8	22	25
Region XI - Davao Region	39	40	23	28	62	68
Region XII - SOCCSKSARGEN[1/]	21	21	2	2	23	23
ARMM	1	1			1	1
CARAGA	22	23		1	22	24

1/ Composed of the provinces of North Cotabato, South Cotabato, Sultan Kudarat and Sarangani, and the cities of General Santos, Koronadal, Tacurong and Kidapawan.

Table 32. Rural Banks Authorized to Engage in E-Banking Operations

As of End-June 2013

	Name of Bank	Mobile	Internet	Proprietary	Internet thru Bancnet & Megalink Switch	Electronic Wallet (G-Cash/ Smart Money)
Rural Banks						
1	Agribusiness Rural Bank, Inc.					■
2	Cantilan Bank					■
3	Rural Bank of Abucay, Inc.					■
4	Rural Bank of Cauayan, Inc.					■
5	Bank of Florida					■
6	GM Bank of Luzon, Inc.					■
7	Green Bank	■			■	■
8	Rural Bank of Jaen, Inc.					■
9	New Rural Bank of Victorias, Inc.					■
10	Bangko Mabuhay (RB of Tanza)					■
11	Unity Bank	■				
12	Rang-ay Bank, Inc.					■
13	First Isabela Cooperative Bank					■
14	Zambales Rural Bank, Inc.					■
15	First Community Bank, Inc.					■
16	Bangko Kabayan Rural Bank	■	■			■
17	Upland Rural Bank of Dalaguete					■
18	Gateway Rural Bank, Inc.					■
19	First Macro Bank (RB of Pateros)					■
20	Rural Bank of Cotabato, Inc.					■
21	Cooperative Bank of Misamis Oriental					■
22	Rural Bank of Cainta, Inc.					■
23	Rural Bank of Jimenez (Mis. Occ) Inc.					■
24	Rural Bank of Pagbilao, Inc.					■
25	D' Asian Hills Bank, Inc.					■
26	Rural Bank of Bogo (Cebu), Inc.					■
27	Rural Bank of Katipunan (ZN), Inc.					■
28	Rural Bank of Labason (ZN), Inc.					■
29	Rural Bank of Dulag (LEYTE), Inc.					■
30	Ormon Bank (Bay, Laguna)					■
31	Rural bank of Tiaong(Quezon)					■
32	Quezon Capital Rural Bank,Inc.		■		■	■
33	Rural Bank of Placer, Inc.					■
34	Bank of Makati (A Rural Bank)					■
35	Rural Bank of Lebak (Sultan Kudarat)					■
36	Classic Rural Bank, Inc.					■
37	Rural Bank of Camalig (Albay), Inc.					■
38	Rural Bank of Santiago de Libon, Inc.					■
39	One Network Rural Bank, Inc.	■	■	■	■	■
40	Filipino Savers Bank, Inc.					■
41	Mallig Plains Rural Bank, Inc.					■
42	Golden Rural Bank of the Philippines, Inc.					■
43	Rural Bank of Guinobatan, Inc.					■
44	Rural Bank of President M.A. Roxas (ZN), Inc.					■
45	Rural Bank of Rosario, Inc.					■
46	Rural Bank of Capalonga (CN), Inc.					■
47	Banco Batangan Inc. (A Rural Bank)					■
48	Rural Bank of Dipolog, Inc.					■
49	Rural Bank of Compostela, Inc.					■
50	Rural Bank of Kawit, Inc.					■
51	Rural Bank of Liloy (ZN), Inc.					■

Table 33. Rural Banking Industry: Profitability Indicators

Levels (P Billion)	End-December 2010	2011	2012	End-September [a/] 2012	2013 [p/]
Total Operating Income	18.6	18.7	20.9	19.8	21.1
Net Interest Income	14.7	14.5	16.0	14.8	16.2
Interest Income	20.8	20.5	21.8	20.5	21.3
Provision for Lossses on Accrued Interest Income from Financial Assets	. . .	. . .	. . .	**0.1**	**(0.1)**
Interest Expenses	6.1	5.9	5.8	5.7	5.2
Non-interest Income	3.9	4.2	4.9	5.0	4.9
Dividend Income			. . .		. . .
Fee-based Income	2.0	2.1	2.5	2.5	2.4
Trading Income					. . .
FX Profits/Loss	. . .	. . .	(0.0)	(0.0)	. . .
Profit/(Loss) from Sale/Redemption/Derecognition of Non-Trading Financial Assets and Liabilities	. . .	. . .	0.1	0.1	0.1
Profit/(Loss) from Sale/Derecognition of Non-Financial Assets	0.3	0.4	0.7	0.8	0.8
Profit/(Loss) on Financial Assets and Liabilities Designated at Fair Value through Profit or Loss					0.0
Profit/(Loss) on Fair Value Adjustment in Hedge Accounting					0.0
Other Income	1.6	1.6	1.5	1.6	1.6
Non-Interest Expenses	14.3	14.2	16.2	15.3	16.8
Losses/Recoveries on Financial Assets	(0.4)	(1.1)	(0.4)	(0.5)	(0.5)
Bad Debts/Provisions for Credit Losses	0.5	1.2	0.5	0.6	0.6
Recovery on Charged-Off Assets	0.1	0.1	0.1	0.1	. . .
Net Profit Before Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures	3.9	3.5	4.3	3.9	3.7
Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures					0.0
Total Profit/Loss Before Tax and Before Minority Interest	3.9	3.5	4.3	3.9	3.7
Income Tax Expense	0.8	0.8	1.0	0.9	0.9
Total Profit/Loss After Tax and Before Minority Interest	3.0	2.6	3.3	3.0	2.8
Minority Interest in Profit/(Loss) of Subsidiaries					0.0
Net Profit or Loss	3.0	2.6	3.3	3.0	2.8
Growth Rates					
Total Operating Income	7.2 %	0.8 %	11.4 %	(2.4%)	6.5 %
Net Interest Income	9.3 %	(0.9%)	10.2 %	(8.6%)	9.3 %
Interest Income	6.4 %	(1.7%)	6.4 %	(9.5%)	3.6 %
Provision for Lossses on Accrued Interest Income from Financial Assets		35.4 %	(92.9%)	(54.8%)	(296.2%)
Interest Expenses	(0.5%)	(3.7%)	(2.0%)	(10.8%)	(7.7%)
Non-interest Income	(0.0%)	7.2 %	15.8 %	22.3 %	(1.8%)
Dividend Income	1,504.7 %	(15.8%)	324.7 %	63.8 %	1,120.2 %
Fee-based Income	(13.2%)	8.3 %	19.4 %	20.1 %	(7.5%)
Trading Income	(100.0%)				1,538.1 %
FX Profits/Loss	(76.3%)	(3.8%)	(130.4%)	(222.7%)	(423.5%)
Profit/(Loss) from Sale/Redemption/Derecognition of Non-Trading Financial Assets and Liabilities		27.3 %	364.0 %	211.6 %	82.0 %
Profit/(Loss) from Sale/Derecognition of Non-Financial Assets		38.3 %	68.4 %	88.2 %	2.6 %
Profit/(Loss) on Financial Assets and Liabilities Designated at Fair Value through Profit or Loss					
Profit/(Loss) on Fair Value Adjustment in Hedge Accounting					
Other Income	(0.6%)	(0.3%)	(7.4%)	4.2 %	0.1 %
Non-Interest Expenses	14.1 %	(1.0%)	14.4 %	(1.9%)	9.7 %
Losses/Recoveries on Financial Assets	(64.2%)	153.4 %	(63.6%)	(264.2%)	7.6 %
Bad Debts/Provisions for Credit Losses	(60.9%)	143.7 %	(60.8%)	(359.3%)	(4.2%)
Recovery on Charged-Off Assets	91.6 %	60.2 %	(23.0%)	29.3 %	(65.2%)
Net Profit Before Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures	7.4 %	(9.9%)	23.4 %	(0.6%)	(5.9%)
Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures					
Total Profit/Loss Before Tax and Before Minority Interest	7.4 %	(9.9%)	23.4 %	(0.6%)	(5.9%)
Income Tax Expense	20.3 %	0.3 %	20.3 %	(10.7%)	3.1 %
Total Profit/Loss After Tax and Before Minority Interest	4.4 %	(12.7%)	24.4 %	2.7 %	(8.5%)
Minority Interest in Profit/(Loss) of Subsidiaries					
Net Profit or Loss	4.4 %	(12.7%)	24.4 %	2.7 %	(8.5%)

a/ Annualized
p/ Preliminary
Figures may not add up due to rounding-off
. . . Less than P0.05 billion
(0.0) Less than negative P0.05 billion

Table 34. Rural Banking Industry: Regional Profitability Indicators

Region	End-September 2013 p/ Earning Asset Yield	Funding Cost	Interest Spread	Net Interest Margin	Cost to Income	Return on Asset (ROA)	Return on Equity (ROE)
Industry	**13.4 %**	**3.9 %**	**9.5 %**	**10.2 %**	**78.2 %**	**1.6 %**	**8.4 %**
NCR	20.2 %	8.4 %	11.8 %	14.7 %	74.0 %	2.5 %	11.8 %
Region I	9.6 %	3.5 %	6.1 %	6.4 %	102.8 %	(0.3 %)	(1.9 %)
Region II	14.4 %	4.1 %	10.3 %	11.0 %	68.6 %	2.4 %	12.1 %
Region III	10.4 %	3.1 %	7.3 %	7.6 %	88.2 %	0.7 %	3.6 %
CALABARZON	13.9 %	2.4 %	11.4 %	11.7 %	82.3 %	1.1 %	6.2 %
MIMAROPA	12.3 %	3.2 %	9.1 %	10.0 %	64.0 %	3.5 %	10.7 %
Region V	15.6 %	3.7 %	11.9 %	12.7 %	76.8 %	2.4 %	10.7 %
Region VI	11.0 %	2.1 %	8.9 %	9.1 %	67.7 %	2.6 %	15.8 %
Region VII	12.4 %	3.3 %	9.1 %	9.6 %	78.5 %	2.1 %	10.7 %
Region VIII	13.3 %	4.1 %	9.2 %	10.0 %	88.5 %	0.7 %	2.8 %
Region IX	11.1 %	2.7 %	8.5 %	9.1 %	76.5 %	1.8 %	7.2 %
Region X	18.0 %	4.9 %	13.1 %	14.2 %	71.6 %	3.0 %	12.2 %
Region XI	11.5 %	4.0 %	7.5 %	8.3 %	79.8 %	1.9 %	9.9 %
Region XII	8.6 %	2.6 %	6.0 %	6.2 %	74.1 %	1.4 %	8.8 %
CAR	12.6 %	3.0 %	9.7 %	10.2 %	81.1 %	1.5 %	6.6 %
ARMM	15.5 %	1.5 %	14.0 %	13.9 %	117.3 %	(2.8 %)	(15.7 %)
CARAGA	10.3 %	3.1 %	7.2 %	7.4 %	69.6 %	1.6 %	26.0 %

p/ Preliminary

Table 35. Rural Banking Industry: Asset Quality Indicators [1/]

	End-December			End-September	
	2010	2011	2012	2012	2013
Levels (P Billion)					
Total Assets	164.7	169.7	174.2	173.0	179.9
Gross Assets [2/]	171.4	176.6	183.0	181.5	189.4
Total Loan Portfolio (TLP) [3/]	104.6	109.2	115.7	115.5	117.2
Interbank Loans Receivable (IBL)					
TLP [3/], net of Interbank Loans (IBL)	104.6	109.2	115.7	115.5	117.2
TLP, net of LLR	98.6	103.0	107.5	107.8	108.5
Gross Non-Performing Loans (NPL)	11.2	12.0	13.2	13.0	15.2
Net NPL [4/]	6.2	6.9	6.1	6.4	7.5
Loan Loss Reserves (LLR)	6.0	6.2	8.2	7.7	8.8
ROPA [3/ 5/]	8.2	8.7	8.3	8.9	9.3
ROPA (inclusive of performing SCR)	9.2	9.8	9.6	10.1	10.6
Provisions for ROPA [6/]	0.7	0.7	0.6	0.7	0.7
Restructured Loans (RL) [3/]	1.5	1.6	1.3	1.3	1.9
RL, Performing	1.2	1.2	1.0	0.9	1.2
Distressed Assets [7/]	20.6	21.9	22.4	22.8	25.7
Non-Performing Assets (NPAs) [8/]	19.4	20.8	21.5	21.8	24.5
NPA Reserves [9/]	6.7	6.9	8.8	8.4	9.5
Performing Sales Contract Receivables	1.0	1.1	1.1	1.2	1.3
Growth Rates					
Total Assets	4.6 %	3.1 %	2.6 %	2.2 %	4.0 %
Gross Assets [2/]	5.4 %	3.1 %	3.6 %	2.9 %	4.4 %
Total Loan Portfolio (TLP) [3/]	6.4 %	4.4 %	6.0 %	4.9 %	1.5 %
Interbank Loans Receivable (IBL)					
TLP [3/], net of Interbank Loans (IBL)	6.4 %	4.4 %	6.0 %	4.9 %	1.5 %
TLP, net of LLR	5.4 %	4.4 %	4.4 %	4.0 %	0.6 %
Gross Non-Performing Loans (NPL)	1.8 %	7.9 %	9.5 %	7.1 %	17.2 %
Net NPL [4/]	(14.3%)	12.2 %	(11.8%)	(41.9%)	17.8 %
Loan Loss Reserves (LLR)	26.2 %	3.5 %	32.2 %	19.0 %	14.0 %
ROPA [3/ 5/]	5.2 %	6.4 %	(5.1%)	3.8 %	4.3 %
ROPA (inclusive of performing SCR)	6.4 %	6.7 %	(2.2%)	5.2 %	4.8 %
Provisions for ROPA [6/]	35.8 %	2.7 %	(15.7%)	2.3 %	(0.2%)
Restructured Loans (RL) [3/]	41.3 %	12.0 %	(18.5%)	(19.2%)	44.3 %
RL, Performing	54.4 %	(5.0%)	(16.8%)	(22.2%)	31.3 %
Distressed Assets [7/]	5.3 %	6.6 %	2.3 %	4.2 %	12.7 %
Non-Performing Assets (NPAs) [8/]	3.2 %	7.3 %	3.3 %	5.7 %	11.9 %
NPA Reserves [9/]	27.1 %	3.4 %	27.6 %	17.4 %	12.8 %
Performing Sales Contract Receivables	17.6 %	9.0 %	5.7 %	16.8 %	8.5 %

1/ Figures are computed in accordance with the NPL definition as prescribed under BSP Circular No. 772 dated 16 October 2012 effective 01 January 2013. For comparative purposes, computations for
2/ Gross Assets refer to Total Assets plus NPA Reseves.
3/ Gross of Provisions
4/ Net NPLs refer to Gross NPLs less specific allowance for credit losses on TLP.
5/ Real and Other Properties Acquired; ROPA includes Non-Current Assets Held for Sale and Non-
6/ Provisions for ROPA are inclusive of Accumulated Depreciation
7/ Distressed Assets refer to NPAs plus performing RLs.
8/ NPAs refer to Gross NPLs plus ROPA.
9/ NPA Reserves refer to LLR plus Provisions for ROPA.
p/ Preliminary
0.0% Less than 0.05 percent
(0.0%) Less than negative 0.05 percent

Table 36. Cooperative Banking Industry: Financial Highlights

Levels (P Billion)	End-December 2010	2011	2012		End-September 2013 [a/] 2012	2013 [p/]
Income Statement						
Total Operating Income	1.6	1.7	1.5		1.63	1.38
Net Interest Income	1.0	1.0	1.0		1.05	1.02
Non-interest Income	0.6	0.6	0.5		0.58	0.36
Non-Interest Expenses	1.3	1.5	2.2		1.48	1.93
Losses/Recoveries on Financial Assets	(0.0)	(0.0)	(0.0)		(0.01)	(0.03)
Bad Debts/Provisions for Credit Losses	. . .	. . .	. . .	. . .		. . .
Recovery on Charged-Off Assets	. . .	. . .	. . .		-	. . .
Net Profit Before Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures	0.3	0.2	(0.7)		0.14	(0.58)
Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures					-	-
Total Profit/Loss Before Tax and Before Minority Interest	0.3	0.2	(0.7)		0.14	(0.58)
Income Tax Expense	. . .	. . .	. . .	. . .		. . .
Total Profit/Loss After Tax and Before Minority Interest	0.3	0.2	(0.7)		0.13	(0.59)
Minority Interest in Profit/(Loss) of Subsidiaries					-	-
Net Profit or Loss	0.3	0.2	(0.7)		0.13	(0.59)
Balance Sheet						
Total Assets	15.4	17.0	15.5		17.08	13.17
Cash and Due from Banks	2.6	3.0	2.6		2.91	2.80
Financial Assets, gross (Other than Loans)	0.5	0.5	0.4		0.44	0.35
Financial Assets Held for Trading (HFT)					-	-
Financial Assets Designated at Fair Value through Profit and Loss (DFVPL)					-	-
Available-for-Sale (AFS) Financial Assets	. . .	. . .	. . .	. . .		. . .
Held-to-Maturity (HTM) Financial Assets	0.4	0.4	0.3		0.36	0.25
Unquoted Debt Securities Classified as Loans	0.1	0.1	0.1		0.06	. . .
Investments in Non-Marketable Equity Securities (INMES)	. . .	. . .	. . .	. . .		. . .
Allowance for Credit Losses					-	. . .
Accumulated Market Gains/Losses	. . .	. . .	. . .	. . .		. . .
Financial Assets, net (Other than Loans)	0.5	0.5	0.3		0.41	0.32
Loans, gross	11.5	12.8	12.9		13.24	9.55
Reverse Repurchase with BSP (RRP)					-	-
Loans, gross (exclusive of RRP)	11.5	12.8	12.9		13.24	9.55
Allowance for Probable Losses	0.7	1.0	2.0		1.30	0.97
Loans, net (exclusive of IBL and RRP)	10.8	11.8	10.9		11.94	8.58
Equity Investment in Subsidiaries, Associates and Joint Ventures, net	. . .	0.1	. . .	. . .		. . .
ROPA, net	0.4	0.5	0.6		0.65	0.55
Other Assets, net	1.1	1.1	1.1		1.13	0.92
Total Liabilities	13.3	14.9	14.5		15.20	10.89
Financial Liabilities Held for Trading					-	-
Financial Liabilities DFVPL					-	-
Deposits	9.5	10.7	10.5		10.93	8.98
Peso Liablities	9.5	10.7	10.5		10.93	8.98
Foreign Currency				. . .		-
Bills Payable	2.9	3.1	2.8		3.15	1.15
Other Liabilities	0.6	0.8	0.8		0.85	0.58
Unsecured Subordinated Debt	0.2	0.2	0.2		0.17	0.10
Redeemable Preferred Shares	0.2	0.2	0.1		0.10	0.08
Total Capital Accounts	2.1	2.1	1.1		1.88	2.29

a/ Annualized
p/ Preliminary
Figures may not add up due to rounding-off
. . . Less than P0.05 Billion
(0.0) Less than negative P0.05 billion

Table 37. Cooperative Banking Industry: Growth Rates

Growth Rates	End-December 2010	2011	2012	End-September [a/] 2012	2013 [p/]
Income Statement					
Total Operating Income	2.8 %	8.1 %	(8.8 %)	(0.4 %)	(15.6 %)
Net Interest Income	12.0 %	8.2 %	(2.2 %)	4.0 %	(3.0 %)
Non-interest Income	(9.1 %)	7.8 %	(19.4 %)	(7.5 %)	(38.6 %)
Non-Interest Expenses	21.7 %	15.0 %	51.7 %	2.4 %	30.5 %
Losses/Recoveries on Financial Assets	(74.5 %)	(24.2 %)	(60.2 %)	176.4 %	72.7 %
Bad Debts/Provisions for Credit Losses	(70.5 %)	(24.0 %)	(49.1 %)	53.3 %	77.2 %
Recovery on Charged-Off Assets	47.8 %	(22.9 %)	6.5 %	(59.1 %)	104.7 %
Net Profit Before Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures	(32.3 %)	(23.8 %)	(462.5 %)	(27.0 %)	(525.1 %)
Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures					
Total Profit/Loss Before Tax and Before Minority Interest	(32.3 %)	(23.8 %)	(462.5 %)	(27.0 %)	(525.1 %)
Income Tax Expense	(12.7 %)	13.2 %	213.3 %	22.2 %	118.6 %
Total Profit/Loss After Tax and Before Minority Interest	(32.4 %)	(24.0 %)	(466.5 %)	(27.5 %)	(535.4 %)
Minority Interest in Profit/(Loss) of Subsidiaries					
Net Profit or Loss	(32.4 %)	(24.0 %)	(466.5 %)	(27.5 %)	(535.4 %)
Balance Sheet					
Total Assets	1.5 %	10.3 %	(8.9 %)	4.1 %	(22.9 %)
Cash and Due from Banks	(8.0 %)	15.7 %	(15.7 %)	14.6 %	(3.8 %)
Financial Assets, gross (Other than Loans)	7.8 %	3.4 %	(31.3 %)	(16.0 %)	(19.5 %)
Financial Assets Held for Trading (HFT)					
Financial Assets Designated at Fair Value through Profit and Loss (DFVPL)					
Available-for-Sale (AFS) Financial Assets		2.5 %	2.8 %	10.2 %	103.3 %
Held-to-Maturity (HTM) Financial Assets		3.6 %	(37.0 %)	(18.0 %)	(29.6 %)
Unquoted Debt Securities Classified as Loans		0.9 %	(2.8 %)	(7.4 %)	(13.9 %)
Investments in Non-Marketable Equity Securities (INMES)		8.7 %	1.5 %	(12.3 %)	129.7 %
Allowance for Credit Losses	9.7 %		(2.3 %)	(2.3 %)	(7.2 %)
Accumulated Market Gains/Losses		59.9 %	49.0 %	52.2 %	79.3 %
Financial Assets, net (Other than Loans)	7.7 %	3.7 %	(33.2 %)	(16.9 %)	(20.4 %)
Loans, gross	5.2 %	11.6 %	0.4 %	5.2 %	(27.9 %)
Reverse Repurchase with BSP (RRP)					
Loans, gross (exclusive of RRP)	5.2 %	11.6 %	0.4 %	5.2 %	(27.9 %)
Allowance for Probable Losses	24.1 %	51.0 %	100.9 %	46.5 %	(25.7 %)
Loans, net (exclusive of IBL and RRP)	4.2 %	9.2 %	(7.9 %)	2.1 %	(28.1 %)
Equity Investment in Subsidiaries, Associates and Joint Ventures, net	(30.0 %)	52.4 %	(15.1 %)	(13.7 %)	(93.8 %)
ROPA, net	(6.9 %)	32.2 %	19.0 %	42.4 %	(15.4 %)
Other Assets, net	2.2 %	1.5 %	(1.8 %)	(3.3 %)	(18.5 %)
Total Liabilities	1.7 %	12.0 %	(3.0 %)	7.3 %	(28.4 %)
Financial Liabilities Held for Trading					
Financial Liabilities DFVPL					
Deposits	3.6 %	12.4 %	(1.4 %)	6.4 %	(17.9 %)
Peso Liablities	3.6 %	12.5 %	(1.4 %)	6.5 %	(17.8 %)
Foreign Currency	20.5 %	(56.9 %)	(43.9 %)	(40.9 %)	(100.0 %)
Bills Payable	(6.5 %)	9.5 %	(9.6 %)	7.8 %	(63.5 %)
Other Liabilities	(35.7 %)	36.6 %	7.6 %	28.9 %	(31.9 %)
Unsecured Subordinated Debt		0.1 %	0.1 %	0.1 %	(42.9 %)
Redeemable Preferred Shares		(29.0 %)	(31.6 %)	(35.0 %)	(16.4 %)
Total Capital Accounts	0.1 %	(0.2 %)	(50.2 %)	(15.9 %)	21.9 %

a/ Annualized
p/ Preliminary

Table 38. Cooperative Banking Industry: Selected Performance Indicators

Selected Ratios	End-December 2010	End-December 2011	End-December 2012	End-September [a/] 2012	End-September [a/] 2013 [p/]
Profitability [1/]					
Earning Asset Yield [2/]	13.1 %	13.1 %	11.9 %	12.3 %	10.7 %
Funding Cost [3/]	6.8 %	6.9 %	6.3 %	6.5 %	4.2 %
Interest Spread [4/]	6.3 %	6.2 %	5.6 %	5.8 %	6.5 %
Net Interest Margin [5/]	6.9 %	6.9 %	6.4 %	6.6 %	7.1 %
Non-interest Income to Total Operating Income [6/]	38.7 %	38.6 %	34.1 %	35.5 %	25.9 %
Cost-to-Income [7/]	82.2 %	87.4 %	145.4 %	90.7 %	140.3 %
Return on Assets (ROA) [8/]	1.7 %	1.2 %	(4.3 %)	0.8 %	(3.9 %)
Return on Equity (ROE) [8/]	11.9 %	9.1 %	(44.4 %)	6.6 %	(28.1 %)
Liquidity					
Cash and Due from Banks to Deposits	27.6 %	28.4 %	24.3 %	26.6 %	31.2 %
Liquid Assets to Deposits [9/]	32.6 %	33.0 %	27.4 %	30.4 %	34.8 %
Loans, gross to Deposits	120.8 %	120.0 %	122.2 %	121.1 %	106.3 %
Asset Quality [10/]					
Restructured Loans to Total Loan Portfolio (TLP)	1.0 %	1.0 %	4.2 %	4.9 %	1.4 %
Loan Loss Reserves (LLR) to TLP	5.7 %	7.7 %	15.4 %	9.8 %	10.1 %
Gross Non-Performing Loans (NPL) to TLP	8.0 %	9.8 %	20.7 %	13.9 %	12.7 %
Net NPL to TLP	3.3 %	3.0 %	6.4 %	5.0 %	3.5 %
NPL Ratio net of IBL	8.0 %	9.8 %	20.7 %	13.9 %	12.7 %
NPL Coverage (LLR to Gross NPL)	70.8 %	78.6 %	74.1 %	70.8 %	79.6 %
Non-Performing Assets (NPA) to Gross Assets	7.8 %	9.5 %	18.3 %	13.2 %	12.3 %
NPA Coverage (NPA Reserves to NPA)	53.1 %	60.3 %	63.0 %	55.7 %	58.3 %
ROPA to Gross Assets Ratio	2.1 %	2.5 %	3.1 %	3.2 %	3.7 %
ROPA Coverage Ratio	5.4 %	10.1 %	8.6 %	9.0 %	9.6 %
Distressed Assets	11.4 %	13.3 %	27.2 %	21.7 %	18.0 %
Capital Adequacy					
Total Capital Accounts to Total Assets [11/]	15.2 %	13.4 %	7.5 %	11.5 %	18.0 %
Capital Adequacy Ratio (Solo) [12/]	17.1 %	15.7 %	23.4 %	23.4 %	23.4 % [a/]

1/ End-september 2012 and end-September 2013 ratios are annualized.

2/ Earning Asset Yield refers to the ratio of interest income to average earning assets.

3/ Funding Cost refers to the ratio of interest expenses to average interest-bearing liabilities.

4/ Interest Spread refers to the difference between earning asset yield and funding cost.

5/ Net Interest Margin refers to the ratio of net interest income to average earning assets.

6/ Non-interest income now includes dividends income.

7/ Cost-to-Income Ratio refers to the ratio of non-interest expenses to total operating income.

8/ ROA and ROE refer to the ratios of net profit to average assets and capital, respectively.

9/ Liquid Assets refer to Cash and Due from Banks plus Financial Assets, net of amortization (net of financial assets in equity securities).

10/ Ratios are computed in accordance with the NPL definition as prescribed under BSP Circular No. 772 dated 16 October 2012 effective 01 January 2013. For comparative purposes, computations for periods prior to January 2013 are aligned with Circular No.

11/ Total capital accounts includes redeemable preferred shares.

12/ Based on the new framework provided for under Circular No. 280 dated 29 March 2001, formally adopted 1 July 2001; Under Circular No. 360 dated 3 December 2002, adopted 1 July 2003, Universal/Commercial Banks are to incorporate market risks in addition to credit risks; Under Circular No. 538 dated 4 August 2006, effective 1 July 2007, U/KBs are to incorporate operational risk

p/ Preliminary

a/ Latest data for Cooperative Banks are as of end-September 2012.

Table 39. Cooperative Banking Industry: Regional Profile

	End-December 2012	End-December 2013		
		Total	Head Offices	Branches/ Other Offices
Nationwide	**164**	**154**	**36**	**118**
National Capital Region (NCR)	**2**	**1**	**1**	
Luzon	**104**	**88**	**19**	**69**
Region I - Ilocos	14	12	3	9
Region II - Cagayan	25	24	3	21
Region III - Central Luzon	36	24	5	19
Region IV-A - CALABARZON	15	14	2	12
Region IV-B - MIMAROPA	7	7	2	5
Region V - Bicol	2	2	2	
Cordillera Administrative Region (CAR)	5	5	2	3
Visayas	**15**	**15**	**8**	**7**
Region VI - Western Visayas	2	2	2	
Region VII - Central Visayas	11	11	4	7
Region VIII - Eastern Visayas	2	2	2	
Mindanao	**43**	**50**	**8**	**42**
Region IX - Zamboanga Peninsula	6	6	2	4
Region X - Northern Mindanao	18	20	2	18
Region XI - Davao Region	5	7	1	6
Region XII - SOCCSKSARGEN[1/]	7	8	1	7
Autonomous Region of Muslim Mindanao	-	-		
CARAGA	7	9	2	7

1/ Composed of the provinces of North Cotabato, South Cotabato, Sultan Kudarat and Sarangani, and the cities of General Santos, Koronadal, Tacurong and Kidapawan.

Table 40. Cooperative Banking Industry: Profitability Indicators

Levels (P Billion)	End-December 2010	2011	2012	End-September [a/] 2012	2013 [p/]
Total Operating Income	1.6	1.7	1.5	1.6	1.4
Net Interest Income	1.0	1.0	1.0	1.1	1.0
Interest Income	1.8	2.0	1.9	2.0	1.5
Provision for Lossses on Accrued Interest Income from Financial Assets					0.0
Interest Expenses	0.9	0.9	0.9	0.9	0.5
Non-interest Income	0.6	0.6	0.5	0.6	**0.4**
Dividend Income					0.0
Fee-based Income	0.3	0.3	0.3	0.3	0.2
Trading Income					0.0
FX Profits/Loss	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Profit/(Loss) from Sale/Redemption/Derecognition of Non-Trading Financial Assets and Liabilities	. . .				. . .
Profit/(Loss) from Sale/Derecognition of Non-Financial Assets	. . .	. . .	. . .	. . .	. . .
Profit/(Loss) on Financial Assets and Liabilities Designated at Fair Value through Profit or Loss					0.0
Profit/(Loss) on Fair Value Adjustment in Hedge Accounting					0.0
Other Income	0.3	0.3	0.2	0.2	0.1
Non-Interest Expenses	1.3	1.5	2.2	1.5	1.9
Losses/Recoveries on Financial Assets	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Bad Debts/Provisions for Credit Losses	. . .	. . .	. . .	. . .	. . .
Recovery on Charged-Off Assets	. . .	. . .	. . .	. . .	. . .
Net Profit Before Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures	0.3	0.2	(0.7)	0.1	(0.6)
Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures					0.0
Total Profit/Loss Before Tax and Before Minority Interest	0.3	0.2	(0.7)	0.1	(0.6)
Income Tax Expense	. . .	. . .	. . .	. . .	. . .
Total Profit/Loss After Tax and Before Minority Interest	0.3	0.2	(0.7)	0.1	(0.6)
Minority Interest in Profit/(Loss) of Subsidiaries					0.0
Net Profit or Loss	0.3	0.2	(0.7)	0.1	(0.6)
Growth Rates					
Total Operating Income	2.8 %	8.1 %	(8.8 %)	(0.4 %)	(15.6 %)
Net Interest Income	12.0 %	8.2 %	(2.2 %)	4.0 %	(3.0 %)
Interest Income	7.6 %	8.1 %	(3.3 %)	1.5 %	(21.5 %)
Provision for Lossses on Accrued Interest Income from Financial Assets					
Interest Expenses	3.0 %	8.0 %	(4.5 %)	(1.2 %)	(42.9 %)
Non-interest Income	(9.1 %)	7.8 %	(19.4 %)	(7.5 %)	(38.6 %)
Dividend Income	2,043.2 %	92.7 %	135.6 %	(1,515.1 %)	(71.2 %)
Fee-based Income	(22.3 %)	0.5 %	(3.2 %)	(3.1 %)	(42.1 %)
Trading Income	(100.0 %)				
FX Profits/Loss	(37,060.9 %)	77.8 %	(16.1 %)	164.4 %	(74.4 %)
Profit/(Loss) from Sale/Redemption/Derecognition of Non-Trading Financial Assets and Liabilities		(100.0 %)		(99.9 %)	357,982.2 %
Profit/(Loss) from Sale/Derecognition of Non-Financial Assets		78.3 %	22.0 %	9.1 %	12.4 %
Profit/(Loss) on Financial Assets and Liabilities Designated at Fair Value through Profit or Loss				(100.0 %)	
Profit/(Loss) on Fair Value Adjustment in Hedge Accounting					
Other Income	9.7 %	14.3 %	(40.6 %)	(16.0 %)	(42.8 %)
Non-Interest Expenses	21.7 %	15.0 %	51.7 %	2.4 %	30.5 %
Losses/Recoveries on Financial Assets	(74.5 %)	(24.2 %)	(60.2 %)	176.4 %	72.7 %
Bad Debts/Provisions for Credit Losses	(70.5 %)	(24.0 %)	(49.1 %)	53.3 %	77.2 %
Recovery on Charged-Off Assets	47.8 %	(22.9 %)	6.5 %	(59.1 %)	104.7 %
Net Profit Before Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures	(32.3 %)	(23.8 %)	(462.5 %)	(27.0 %)	(525.1 %)
Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures					
Total Profit/Loss Before Tax and Before Minority Interest	(32.3 %)	(23.8 %)	(462.5 %)	(27.0 %)	(525.1 %)
Income Tax Expense	(12.7 %)	13.2 %	213.3 %	22.2 %	118.6 %
Total Profit/Loss After Tax and Before Minority Interest	(32.4 %)	(24.0 %)	(466.5 %)	(27.5 %)	(535.4 %)
Minority Interest in Profit/(Loss) of Subsidiaries					
Net Profit or Loss	(32.4 %)	(24.0 %)	(466.5 %)	(27.5 %)	(535.4 %)

a/ Annualized
p/ Preliminary
Figures may not add up due to rounding-off
. . . Less than P0.05 Billion
(0.0) Less than negative P0.05 billion

Table 41. Cooperative Banking Industry: Regional Profitability Indicators

Region	End-September 2013 p/						
	Earning Asset Yield	Funding Cost	Interest Spread	Net Interest Margin	Cost to Income	Return on Asset (ROA)	Return on Equity (ROE)
Industry	**10.7%**	**4.2%**	**6.5%**	**7.1%**	**140.3%**	**-3.9%**	**-28.1%**
Luzon	10.7 %	4.4 %	6.2 %	6.6 %	178.1 %	(6.7 %)	(71.1 %)
Visayas	12.5 %	5.4 %	7.0 %	8.5 %	80.1 %	2.4 %	10.1 %
Mindanao	10.1 %	3.1 %	7.0 %	7.8 %	78.4 %	2.2 %	9.8 %

p/ Preliminary

Table 42. Cooperative Banking Industry: Asset Quality Indicators [1/]

	End-December			End-September	
Levels (P Billion)	**2010**	**2011**	**2012**	**2012**	**2013 p/**
Total Assets	15.4	17.0	15.5	17.1	13.2
Gross Assets [2/]	16.1	18.1	17.5	18.4	14.2
Total Loan Portfolio (TLP) [3/]	11.5	12.8	12.9	13.2	9.5
Interbank Loans Receivable (IBL)					-
TLP [3/], net of Interbank Loans (IBL)	11.5	12.8	12.9	13.2	9.5
TLP, net of LLR	10.8	11.8	10.9	11.9	8.6
Gross Non-Performing Loans (NPL)	0.9	1.3	2.7	1.8	1.2
Net NPL [4/]	0.4	0.4	0.8	0.7	0.3
Loan Loss Reserves (LLR)	0.7	1.0	2.0	1.3	1.0
ROPA [3/ 5/]	0.3	0.5	0.5	0.6	0.5
ROPA (inclusive of performing SCR)	0.4	0.6	0.7	0.7	0.6
Provisions for ROPA [6/]	...	...	...	**0.1**	**0.1**
Restructured Loans (RL) [3/]	0.1	0.1	0.5	0.7	0.1
RL, Performing	0.1	0.1	0.5	0.6	0.1
Distressed Assets [7/]	1.4	1.8	3.7	3.0	1.8
Non-Performing Assets (NPAs) [8/]	1.3	1.7	3.2	2.4	1.7
NPA Reserves [9/]	0.7	1.0	2.0	1.4	1.0
Performing Sales Contract Receivables	0.1	0.1	0.1	0.1	0.1
Growth Rates					
Total Assets	1.5 %	10.3 %	(8.9 %)	4.1 %	(22.9 %)
Gross Assets [2/]	2.3 %	12.1 %	(2.9 %)	6.4 %	(23.0 %)
Total Loan Portfolio (TLP) [3/]	5.2 %	11.6 %	0.4 %	5.2 %	(27.9 %)
Interbank Loans Receivable (IBL)					
TLP [3/], net of Interbank Loans (IBL)	5.2 %	11.6 %	0.4 %	5.2 %	(27.9 %)
TLP, net of LLR	4.2 %	9.2 %	(7.9 %)	2.1 %	(28.1 %)
Gross Non-Performing Loans (NPL)	6.2 %	35.9 %	113.0 %	69.9 %	(33.9 %)
Net NPL [4/]	(21.1 %)	2.1 %	114.4 %	222.0 %	(49.3 %)
Loan Loss Reserves (LLR)	24.1 %	51.0 %	100.9 %	46.5 %	(25.7 %)
ROPA [3/ 5/]	(7.1 %)	34.2 %	19.8 %	46.8 %	(10.8 %)
ROPA (inclusive of performing SCR)	(4.5 %)	37.0 %	18.4 %	42.6 %	(14.2 %)
Provisions for ROPA [6/]	48.8 %	150.2 %	2.3 %	42.9 %	(5.3 %)
Restructured Loans (RL) [3/]	(45.6 %)	9.5 %	329.1 %	425.4 %	(79.1 %)
RL, Performing	(44.1 %)	(26.4 %)	589.8 %	544.2 %	(85.8 %)
Distressed Assets [7/]	(3.2 %)	31.2 %	107.3 %	91.6 %	(39.5 %)
Non-Performing Assets (NPAs) [8/]	2.2 %	35.4 %	88.1 %	63.7 %	(28.3 %)
NPA Reserves [9/]	24.7 %	53.7 %	96.5 %	46.4 %	(24.9 %)
Performing Sales Contract Receivables	12.1 %	52.1 %	11.7 %	23.3 %	(32.3 %)

1/ Figures are computed in accordance with the NPL definition as prescribed under BSP Circular No. 772 dated 16 October 2012 effective 01 January 2013. For comparative purposes, computations for periods prior to
2/ Gross Assets refer to Total Assets plus NPA Reseves.
3/ Gross of Provisions
4/ Net NPLs refer to Gross NPLs less specific allowance for credit losses on TLP.
5/ Real and Other Properties Acquired; ROPA includes Non-Current Assets Held for Sale and Non-Performing
6/ Provisions for ROPA are inclusive of Accumulated Depreciation
7/ Distressed Assets refer to NPAs plus performing RLs.
8/ NPAs refer to Gross NPLs plus ROPA.
9/ NPA Reserves refer to LLR plus Provisions for ROPA.
p/ Preliminary
... Less than P0.05 Billion

Table 43. Total Trust Operations (Philippine Banks & NBFIs): Financial Highlights

Levels (P Billion)	End-December 2009	2010	2011	2012	2013
TOTAL ASSETS	**1,790.3**	**2,217.5**	**2,857.2**	**3,160.5**	**2,582.2**
Cash and Due from banks	482.1	771.6	1,312.2	1,297.2	372.8
Cash on Hand, Checks and Other Cash Items	-	-	0.0	-	0.0
Reserve Deposit Accounts	0.4	0.4	0.4	0.3	0.4
Special Deposit Accounts	481.8	771.2	1,311.9	1,296.9	372.3
Deposits in Banks	172.4	155.5	219.5	289.3	519.1
Financial Assets, gross (net of amortization)	718.5	755.0	730.2	951.9	1,217.3
Accumulated Market Gains/Losses	21.4	62.5	79.1	128.4	83.9
Allowance for Credit Losses	0.4	0.7	0.6	0.6	0.7
Financial Assets, net	739.5	816.8	808.7	1,079.7	1,300.4
Loans, (gross)	129.3	122.2	100.6	104.8	72.8
Allowance for probable losses	5.7	3.1	3.5	6.5	6.6
Loans, net	123.6	119.1	97.0	98.3	66.2
Equity Investments (gross)	34.1	41.5	68.4	73.8	76.0
Allowance for probable losses	0.8	0.8	1.0	1.0	1.8
Accumulated Market Gain/(Loss)	-	-	-	-	-
Equity Investments (net)	33.3	40.7	67.5	72.8	74.1
ROPA (net)	0.5	0.3	0.2	0.2	0.2
Sales Contract Receivables (Non-Performing)	-	-	-	-	-
Other assets	239.0	313.6	352.1	323.0	249.4
TOTAL ACCOUNTABILITIES	**1,790.3**	**2,217.5**	**2,857.2**	**3,160.5**	**2,582.2**
Wealth/Asset/Fund Management Accounts (Trust)	653.8	734.0	813.5	974.1	1,372.7
UITF	107.6	124.5	142.2	199.9	567.7
Employee Benefit	167.2	188.9	216.2	249.6	268.5
Pre-Need	98.5	107.6	106.3	114.8	110.1
Other Institutional Trust Accounts	34.2	41.3	47.4	62.5	72.4
Personal Trust	234.2	260.5	289.9	337.3	343.0
Personal Pension Fund		-	-	-	-
Personal Retirement Fund	...	0.1	0.1	0.1	0.2
Other IndividualTrust Accounts	12.0	11.2	11.4	9.8	10.9
Wealth/Asset/Fund Management Accounts (Agency)	693.0	982.3	1,400.6	1,552.3	783.5
Employee Benefit	34.5	36.6	43.4	49.5	51.4
Pre-Need	0.0	0.1	0.7	0.8	0.7
Other Institutional Agency Accounts	335.9	448.4	612.2	683.9	399.4
Personal Pension Fund	0.1	-	-	-	0.0
Personal Retirement Fund	...	-	-	-	-
Other Individual Agency Accounts	322.5	497.2	744.4	818.1	280.8
Other Fiduciary Services	422.1	473.3	573.4	618.5	467.6
UITF	3.4	4.0	3.6	5.9	6.5
Court Trusts	26.1	34.2	61.3	62.4	67.2
Corporate Fiduciary Trust	110.3	125.5	153.2	122.4	29.3
Escrow	58.1	47.7	65.0	92.0	97.1
Custodianship	15.6	164.5	152.1	195.1	221.3
Safekeeping	1.6	0.3	0.9	0.2	0.1
Others	207.1	97.1	137.2	140.4	46.2
Advisory/Consultancy	0.1	0.1	46.0	-	-
Special Purpose Trust	21.3	27.8	23.8	15.7	9.6

Figures may not add up due to rounding-off

... Less than P0.05 billion

Table 44. Total Trust Operations (Philippine Banks & NBFIs): Growth Rates

	End-December			
	2010	2011	2012	2013
TOTAL ASSETS	**23.9%**	**28.9%**	**10.6%**	-18.3%
Cash and Due from banks	60.0%	70.1%	(1.1%)	-71.3%
Cash on Hand, Checks and Other Cash Items				
Reserve Deposit Accounts	7.6%	(6.7%)	(10.7%)	37.6 %
Special Deposit Accounts	60.1%	70.1%	(1.1%)	-71.3%
Deposits in Banks	(9.8%)	41.2%	31.8%	79.4 %
Financial Assets, gross (net of amortization)	5.1%	(3.3%)	30.4%	27.9 %
Accumulated Market Gains/Losses	191.8%	26.6%	62.3%	-34.7%
Allowance for Credit Losses	91.7%	(13.1%)	(3.9%)	23.1 %
Financial Assets, net	10.4%	(1.0%)	33.5%	20.4 %
Loans, (gross)	(5.5%)	(17.7%)	4.2%	-30.6%
Allowance for probable losses	(46.1%)	14.5%	82.9%	1.8 %
Loans, net	(3.6%)	(18.5%)	1.3%	-32.7%
Equity Investments (gross)	21.7%	64.9%	7.8%	3.0 %
Allowance for probable losses	(0.6%)	15.8%	2.4%	87.4 %
Accumulated Market Gain/(Loss)				
Equity Investments (net)	22.2%	65.9%	7.9%	1.8 %
ROPA (net)	(25.6%)	(42.0%)	(19.8%)	3.1 %
Sales Contract Receivables (Non-Performing)				
Other assets	31.2%	12.3%	(8.2%)	-22.8%
TOTAL ACCOUNTABILITIES	**23.9%**	**28.9%**	**10.6%**	-18.3%
Wealth/Asset/Fund Management Accounts (Trust)	12.3%	10.8%	19.7%	40.9 %
UITF	15.7%	14.2%	40.6%	184.0 %
Employee Benefit	12.9%	14.5%	15.5%	7.6 %
Pre-Need	9.3%	(1.2%)	8.0%	-4.1%
Other Institutional Trust Accounts	20.8%	14.7%	32.0%	15.7 %
Personal Trust	11.2%	11.3%	16.3%	1.7 %
Personal Pension Fund				
Personal Retirement Fund		42.6%	27.1%	62.0 %
Other IndividualTrust Accounts	(6.8%)	1.5%	(13.8%)	10.7 %
Wealth/Asset/Fund Management Accounts (Agency)	41.7%	42.6%	10.8%	-49.5%
Employee Benefit	6.3%	18.4%	14.1%	3.8 %
Pre-Need	305.0%	714.3%	24.6%	-18.3%
Other Institutional Agency Accounts	33.5%	36.5%	11.7%	-41.6%
Personal Pension Fund				
Personal Retirement Fund				
Other Individual Agency Accounts	54.2%	49.7%	9.9%	-65.7%
Other Fiduciary Services	12.1%	21.2%	7.9%	-24.4%
UITF	18.0%	(8.0%)	62.4%	10.5 %
Court Trusts	31.1%	79.5%	1.8%	7.6 %
Corporate Fiduciary Trust	13.8%	22.0%	(20.1%)	-76.1%
Escrow	(17.8%)	36.2%	41.5%	5.5%
Custodianship	951.4%	(7.5%)	28.3%	13.4%
Safekeeping	(80.8%)	193.2%	(79.1%)	-70.6%
Others	(53.1%)	41.3%	2.3%	-67.1%
Advisory/Consultancy	4.0%	88336.9%	(100.0%)	0.0%
Special Purpose Trust	30.5%	(14.3%)	(34.2%)	-39.0%

Table 45. Total Trust (Philippine Banks and NBFIs) : Selected Performance Indicators

Selected Ratios	End-December 2009	2010	2011	2012	2013
Liquidity					
Cash and Due from Banks to Total Accountabilities	26.9 %	34.8 %	45.9 %	41.0 %	14.4%
Liquid Assets to Total Accountabilities	67.1 %	68.8 %	71.5 %	71.2 %	61.6%
Loans (gross) to Total Accountabilities	7.2 %	5.5 %	3.5 %	3.3 %	2.8%
Asset Quality					
Non-Performing Loans (NPL) Ratio	3.2 %	1.9 %	2.2 %	2.2 %	2.2%
NPL Coverage Ratio	138.1 %	133.6 %	160.6 %	279.6 %	419.5%
Non-Performing Assets (NPA) to Gross Assets	0.3 %	0.1 %	0.1 %	0.1 %	0.1%
NPA Coverage Ratio	122.4 %	114.3 %	141.3 %	247.6 %	360.9%

Table 46. Total Trust Operations (Philippine Banks & NBFIs): Balance Sheet Structure

	End-December				
	2009	2010	2011	2012	2013
ASSETS AND ACCOUNTABILITIES					
TOTAL ASSETS	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**
Cash and Due from banks	26.9%	34.8%	45.9%	41.0%	14.4%
Cash on Hand, Checks and Other Cash Items	. . .	. . .	. . .	. . .	. . .
Reserve Deposit Accounts	. . .	. . .	. . .	. . .	. . .
Special Deposit Accounts	26.9%	34.8%	45.9%	41.0%	14.4%
Deposits in Banks	9.6%	7.0%	7.7%	9.2%	20.1%
Financial Assets, gross (net of amortization)	40.1%	34.0%	25.6%	30.1%	47.1%
Accumulated Market Gains/Losses	1.2%	2.8%	2.8%	4.1%	3.2%
Allowance for Credit Losses	. . .	. . .	. . .	. . .	. . .
Financial Assets, net	41.3%	36.8%	28.3%	34.2%	50.4%
Loans, (gross)	7.2%	5.5%	3.5%	3.3%	2.8%
Allowance for probable losses	0.3%	0.1%	0.1%	0.2%	0.3%
Loans, net	6.9%	5.4%	3.4%	3.1%	2.6%
Equity Investments (gross)	1.9%	1.9%	2.4%	2.3%	2.9%
Allowance for probable losses	. . .	. . .	. . .	. . .	. . .
Accumulated Market Gain/(Loss)	. . .	. . .	. . .	. . .	. . .
Equity Investments (net)	1.9%	1.8%	2.4%	2.3%	2.9%
ROPA (net)	. . .	. . .	. . .	. . .	. . .
Sales Contract Receivables (Non-Performing)	. . .	. . .	. . .	. . .	. . .
Other assets	13.3%	14.1%	12.3%	10.2%	9.7%
TOTAL ACCOUNTABILITIES	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**
Wealth/Asset/Fund Management Accounts (Trust)	36.5%	33.1%	28.5%	30.8%	53.2%
UITF	6.0%	5.6%	5.0%	6.3%	22.0%
Employee Benefit	9.3%	8.5%	7.6%	7.9%	10.4%
Pre-Need	5.5%	4.9%	3.7%	3.6%	4.3%
Other Institutional Trust Accounts	1.9%	1.9%	1.7%	2.0%	2.8%
Personal Trust	13.1%	11.7%	10.1%	10.7%	13.3%
Personal Pension Fund					
Personal Retirement Fund	. . .	. . .	. . .	. . .	. . .
Other Individual Trust Accounts	0.7%	0.5%	0.4%	0.3%	0.4%
Wealth/Asset/Fund Management Accounts (Agency)	38.7%	44.3%	49.0%	49.1%	30.3%
Employee Benefit	1.9%	1.7%	1.5%	1.6%	2.0%
Pre-Need					
Other Institutional Agency Accounts	18.8%	20.2%	21.4%	21.6%	15.5%
Personal Pension Fund	. . .	. . .	. . .	. . .	. . .
Personal Retirement Fund	. . .	. . .	. . .	. . .	. . .
Other Individual Agency Accounts	18.0%	22.4%	26.1%	25.9%	10.9%
Other Fiduciary Services	23.6%	21.3%	20.1%	19.6%	18.1%
UITF	0.2%	0.2%	0.1%	0.2%	0.3%
Court Trusts	1.5%	1.5%	2.1%	2.0%	2.6%
Corporate Fiduciary Trust	6.2%	5.7%	5.4%	3.9%	1.1%
Escrow	3.2%	2.2%	2.3%	2.9%	3.8%
Custodianship	0.9%	7.4%	5.3%	6.2%	8.6%
Safekeeping	. . .	. . .	. . .	. . .	. . .
Others	11.6%	4.4%	4.8%	4.4%	1.8%
Advisory/Consultancy	. . .	. . .	1.6%	. . .	. . .
Special Purpose Trust	1.2%	1.3%	0.8%	0.5%	0.4%

Figures may not add up due to rounding-off.

. . . Less than 0.05 percent

Table 47. Foreign Currency Deposit Unit: Financial Highlights

	End-December			
	2010	2011	2012	2013
In US$ Million				
Income Statement [5]				
Total Operating Income	1,184.3	1,256.3	1,457.0	1,047.6
Net Interest Income	665.3	721.7	716.8	688.8
Non-interest Income	519.0	534.5	740.3	358.8
Non-Interest Expenses	122.2	187.9	219.3	175.1
Losses/Recoveries on Financial Assets	(12.2)	(28.7)	(4.1)	(10.5)
Bad Debts/Provision for Credit Losses	(15.7)	(30.4)	(12.2)	(11.4)
Recovery on Charged-Off Assets	3.5	1.8	8.1	0.9
Net Profit Before Share in the Profit/(Loss) of Unconsolidated Subs., Associates & Joint Ventures	1,050.0	1,039.6	1,233.6	862.0
Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates & Joint Ventures				
Total Profit/Loss Before Tax & Before Minority Interest	1,050.0	1,039.6	1,233.6	862.0
Income Tax Expense	15.2	16.1	19.8	25.3
Total Profit/Loss After Tax & Before Minority Interest	1,034.8	1,023.6	1,213.8	836.7
Minority Interest in Profit/(Loss) of Subsidiaries				
Net Profit or Loss	1,034.8	1,023.6	1,213.8	836.7
Balance Sheet				
Total Assets [1]	29,689.2	30,096.5	33,328.4	35,380.2
Cash and Due from Banks	3,394.7	3,449.4	3,263.9	4,151.2
Financial Assets, gross	15,964.0	15,895.4	17,731.6	17,143.1
Allowance for Credit Losses	180.6	94.9	74.1	55.9
Accumulated Market Gains/Losses	34.0	152.4	333.2	(409.0)
Financial Assets, net	15,817.4	15,952.9	17,990.7	16,678.3
Interbank Loans Receivable (IBL), net	3,846.9	2,640.8	2,795.0	3,147.4
Loans, gross (exclusive of IBL)	6,091.1	7,342.6	8,571.8	10,483.9
Allowance for Probable Losses [2]	142.1	138.4	127.3	120.0
Loans, net (exclusive of IBL)	5,949.0	7,204.2	8,444.5	10,363.9
Equity investments, net				
ROPA, net	0.1	0.1	1.3	0.5
Other Assets, net	681.2	849.1	832.8	1,039.0
Total Liabilities	28,564.5	28,832.6	31,689.0	34,755.3
Financial Liabilities Held for Trading	78.6	108.6	103.4	97.6
Financial Liabilities DFVPL	-	-	-	-
Deposit Liabilities	24,947.7	24,201.8	25,176.3	25,911.2
Due to Other Banks	619.2	445.1	290.0	813.4
Bills Payable	1,433.9	2,274.4	2,828.2	4,537.9
Bonds Payable, net	548.2	846.3	1,421.5	1,422.4
Unsecured Subordinated Debt, net	150.0			-
Other Liabilities	275.2	275.1	249.0	305.2
Due to HO/Br./Agencies/FCDU/RBU, net [3]	511.7	681.3	1,620.3	1,667.6
Total Capital Accounts [4]	1,124.7	1,263.9	1,639.4	624.9

1 Adjusted to net off the account "Due from Head Office" with "Due to Head Office" of branches of foreign banks
2 Inclusive of General Loan Loss Provision
3 Net of Due from Head Office/Branches/Agencies (Philippine branches of foreign banks) and Due from FCDU/RBU
4 Revised based on the Financial Reporting Package (FRP) data
5 Annualized

Data Sources: Financial Reporting Package (FRP) Solo Basis; Financial Institution Library Syste
Stats generated on 29 August 201
Data mined by Systems and Reports Management Division, Supervisory Data Cente

Table 48. Foreign Currency Deposit Unit: Growth Rates

	End-December		
	2011	2012	2013
Growth Rates			
Income Statement [5]			
Total Operating Income	6.1%	16.0%	(28.1 %)
Net Interest Income	8.5%	-0.7%	(3.9 %)
Non-interest Income	3.0%	38.5%	(51.5 %)
Non-Interest Expenses	53.8%	16.7%	(20.2 %)
Losses/Recoveries on Financial Assets	135.2%	-85.7%	156.0 %
Bad Debts/Provision for Credit Losses	93.6%	(59.8 %)	(6.6 %)
Recovery on Charged-Off Assets	(48.6 %)	351.3%	(88.7 %)
Net Profit Before Share in the Profit/(Loss) of Unconsolidated Subs., Associates & Joint Ventur	(1.0 %)	18.7%	(30.1 %)
Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates & Joint Ventures			
Total Profit/Loss Before Tax & Before Minority Ir	(1.0 %)	18.7%	(30.1 %)
Income Tax Expense	5.9%	23.1%	27.9 %
Total Profit/Loss After Tax & Before Minority Int	(1.1 %)	18.6%	(31.1 %)
Minority Interest in Profit/(Loss) of Subsidiaries			
Net Profit or Loss	(1.1 %)	18.6%	(31.1 %)
Balance Sheet			
Total Assets [1]	1.4%	10.7%	6.2 %
Cash and Due from Banks	1.6%	(5.4 %)	27.2 %
Financial Assets, gross	(0.4 %)	11.6%	(3.3 %)
Allowance for Credit Losses	(47.5 %)	(21.9 %)	(24.6 %)
Accumulated Market Gains/Losses	348.2%	118.6%	(222.7 %)
Financial Assets, net	0.9%	12.8%	(7.3 %)
Interbank Loans Receivable (IBL), net	(31.4 %)	5.8%	12.6 %
Loans, gross (exclusive of IBL)	20.5%	16.7%	22.3 %
Allowance for Probable Losses [2]	(2.6 %)	(8.0 %)	(5.7 %)
Loans, net (exclusive of IBL)	21.1%	17.2%	22.7 %
Equity investments, net			
ROPA, net	0.0%	1200.0%	(65.3 %)
Other Assets, net	24.6%	(1.9 %)	24.8 %
Total Liabilities	0.9%	9.9%	9.7 %
Financial Liabilities Held for Trading	38.2%	-4.8%	(5.6 %)
Financial Liabilities DFVPL			
Deposit Liabilities	(3.0 %)	4.0%	2.9 %
Due to Other Banks	(28.1 %)	(34.8 %)	180.5 %
Bills Payable	58.6 %	24.3 %	60.5 %
Bonds Payable, net	54.4%	68.0%	0.1 %
Unsecured Subordinated Debt, net	(100.0 %)		
Other Liabilities	0.0%	-9.5%	22.6 %
Due to HO/Br./Agencies/FCDU/RBU, net [3]	33.1%	137.8 %	2.9 %
Total Capital Accounts [4]	12.4%	29.7%	(61.9 %)

1 Adjusted to net off the account "Due from Head Office" with "Due to Head Office" of branches of foreign b
2 Inclusive of General Loan Loss Provision
3 Net of Due from Head Office/Branches/Agencies (Philippine branches of foreign banks) and Due from FCDU
4 Revised based on the Financial Reporting Package (FRP) data
5 Annualized

Data Sources: Financial Reporting Package (FRP) Solo Basis; Financial Institution Library System
Stats generated on 29 August 2013
Data mined by Systems and Reports Management Division, Supervisory Data Center

Table 49. Foreign Currency Deposit Unit: Selected Performance Indicators

	End-December			
	2010	2011	2012	2013
Selected Ratios				
Liquidity				
Liquid Assets to Deposits [2] (excl. of ROPs)	47.7	49.3	52.6	50.7
Liquid Assets to Deposits [2] (incl. of ROPs)	77.0	80.2	84.4	80.4
Loans, gross to Deposits	39.8	41.3	45.1	52.6
Asset Quality				
Non-Performing Loans (NPL) Ratio [3] [4]	0.7	0.5	0.7	0.1
NPL Coverage Ratio [3] [4]	276.3	363.4	794.0	2,098.5
Non-Performing Assets (NPA) to Gross Assets [3]	0.1	0.1	0.1	0.0
NPA Coverage Ratio [3]	275.3	361.1	723.6	1,922.3
Profitability				
Cost to Income Ratio [1]	10.2	15.0	15.1	16.7
Return on Assets (ROA) [1]	3.7	3.4	3.8	2.4
Net Interest Margin [1]	2.4	2.5	2.3	2.1

1 Annualized
2 Liquid assets refers to Cash and Due from Banks plus Financial Assets, net of amortization (net of financial assets in equity securities and allowance for credit losses)
3 Exclusive of IBL
4 Circular 351 definition

Data Sources: Financial Reporting Package (FRP) Solo Basis; Financial Institution Library System
Stats generated on 29 August 2013
Data mined by Systems and Reports Management Division, Supervisory Data Center

Table 50. Foreign Bank Branches and Subsidiaries: Financial Highlights

Levels (P Billion)	2009	2010	2011	2012	2013
Income Statement					
Total Operating Income	48.3	51.5	57.1	52.8	56.2
Net Interest Income	28.1	27.7	33.3	33.8	30.5
Non-interest Income	20.2	23.8	23.8	19.0	25.6
Non-Interest Expenses	27.0	32.3	34.2	32.5	33.7
Losses/Recoveries on Financial Assets	(9.1)	(6.4)	(5.6)	(5.1)	(4.8)
Bad Debts/Provisions for Credit Losses	10.0	7.5	8.2	6.7	6.5
Recovery on Charged-Off Assets	0.9	1.1	2.7	1.6	1.7
Net Profit Before Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures	12.2	12.8	17.3	15.2	17.7
Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures	-	-	-	-	-
Total Profit/Loss Before Tax and Before Minority Interest	12.2	12.8	17.3	15.2	17.7
Income Tax Expense	3.6	3.1	4.4	4.7	5.5
Total Profit/Loss After Tax and Before Minority Interest	8.6	9.7	12.9	10.5	12.2
Minority Interest in Profit/(Loss) of Subsidiaries					
Net Profit or Loss	8.6	9.7	12.9	10.5	12.2
Balance Sheet					
Total Assets	670.6	818.8	850.6	950.7	1,036.6
Cash and Due from Banks	121.8	196.3	283.5	280.1	364.6
Financial Assets, gross (Other than Loans)	113.3	129.7	129.7	163.8	134.5
Financial Assets Held for Trading (HFT)	47.0	61.6	48.1	92.9	69.3
Financial Assets Designated at Fair Value through Profit and Loss (DFVPL)	2.3	0.9	2.2	-	0.9
Available-for-Sale (AFS) Financial Assets	53.9	57.2	67.6	62.5	56.4
Held-to-Maturity (HTM) Financial Assets	5.7	6.9	6.2	5.7	5.6
Unquoted Debt Securities Classified as Loans	4.3	3.1	5.5	2.5	2.3
Investments in Non-Marketable Equity Securities (INMES)	0.1	0.1	0.1	0.2	0.1
Allowance for Credit Losses	0.6	0.9	1.0	1.5	0.2
Accumulated Market Gains/Losses	0.1	0.3	0.4	0.4	0.5
Financial Assets, net (Other than Loans)	113.9	130.3	130.3	164.8	134.3
Interbank Loans Receivable (IBL)	112.3	70.8	53.5	65.5	73.1
Loans, gross (exclusive of IBL)	308.5	398.0	358.3	420.6	445.6
Reverse Repurchase (RRP) with BSP and Other Banks	46.1	127.1	64.3	107.2	99.1
Loans, gross (exclusive of IBL and RRP with BSP and Other Banks)	262.4	270.9	294.0	313.4	346.5
Allowance for Probable Losses	15.0	13.9	14.6	14.0	14.0
Loans, net (exclusive of IBL and RRP with BSP and Other Banks)	247.4	257.0	279.4	299.4	332.5
Equity Investment in Subsidiaries, Associates and Joint Ventures, net	1.0	1.2	1.2	2.2	2.2
ROPA, net	0.6	0.6	0.6	0.6	0.8
Other Assets, net	27.6	35.6	37.8	30.9	30.2
Total Liabilities	573.6	700.3	724.3	811.4	892.4
Financial Liabilities Held for Trading	22.0	32.5	26.2	31.4	14.4
Financial Liabilities DFVPL		-	0.0	-	-
Deposits	436.3	463.4	475.1	481.4	644.4
Peso Liablities	247.3	259.8	278.3	293.6	432.1
Foreign Currency	189.0	203.5	196.8	187.8	212.2
Bills Payable	18.3	40.4	38.6	16.4	18.3
Other Liabilities	97.0	164.0	184.4	282.1	215.3
Unsecured Subordinated Debt		-	-	-	-
Redeemable Preferred Shares		-	-	-	-
Total Capital Accounts	97.0	118.6	126.2	139.3	144.2

Figures may not add up due to rounding-off
. . . Less than P0.05 billion

Table 51. Foreign Bank Branches and Subsidiaries: Growth Rates

Growth Rates	2009	2010	2011	2012	2013
Income Statement					
Total Operating Income	(2.2 %)	6.6 %	10.8 %	(7.5 %)	6.4 %
Net Interest Income	1.7 %	(1.4 %)	20.1 %	1.7 %	(9.7 %)
Non-interest Income	(7.2 %)	17.7 %	(0.1 %)	(20.3 %)	35.1 %
Non-Interest Expenses	(20.2 %)	19.4 %	6.0 %	(5.0 %)	3.7 %
Losses/Recoveries on Financial Assets	102.2 %	(29.2 %)	(13.5 %)	(8.2 %)	(6.6 %)
Bad Debts/Provisions for Credit Losses	57.3 %	(24.4 %)	9.5 %	(18.6 %)	(3.7 %)
Recovery on Charged-Off Assets	(52.8 %)	26.3 %	144.2 %	(40.2 %)	5.8 %
Net Profit Before Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures	10.3 %	4.7 %	34.9 %	(12.2 %)	16.4 %
Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures					
Total Profit/Loss Before Tax and Before Minority Interest	10.3 %	4.7 %	34.9 %	(12.2 %)	16.4 %
Income Tax Expense	(20.5 %)	(13.6 %)	39.0 %	7.7 %	16.5 %
Total Profit/Loss After Tax and Before Minority Interest	31.7 %	12.4 %	33.5 %	(18.8 %)	16.3 %
Minority Interest in Profit/(Loss) of Subsidiaries					
Net Profit or Loss	31.7 %	12.4 %	33.5 %	(18.8 %)	16.3 %
Balance Sheet					
Total Assets	2.5 %	22.1 %	3.9 %	11.8 %	9.0 %
Cash and Due from Banks	10.3 %	61.2 %	44.4 %	(1.2 %)	30.2 %
Financial Assets, gross (Other than Loans)	(12.7 %)	14.5 %	(0.1 %)	26.3 %	(17.9 %)
Financial Assets Held for Trading (HFT)	(35.0 %)	31.0 %	(21.9 %)	93.0 %	(25.4 %)
Financial Assets Designated at Fair Value through Profit and Loss (DFVPL)	(9.1 %)	(58.6 %)	132.5 %	(100.0 %)	0.0 %
Available-for-Sale (AFS) Financial Assets	16.6 %	6.1 %	18.1 %	(7.4 %)	(9.8 %)
Held-to-Maturity (HTM) Financial Assets	35.8 %	19.4 %	(10.2 %)	(7.2 %)	(2.6 %)
Unquoted Debt Securities Classified as Loans	(2.2 %)	(28.9 %)	79.8 %	(55.1 %)	(7.1 %)
Investments in Non-Marketable Equity Securities (INMES)	(12.1 %)	(6.6 %)	4.4 %	115.7 %	(62.7 %)
Allowance for Credit Losses	(825.3 %)	50.0 %	18.9 %	41.0 %	(84.8 %)
Accumulated Market Gains/Losses	10.5 %	494.5 %	32.4 %	5.6 %	11.5 %
Financial Assets, net (Other than Loans)	(12.2 %)	14.4 %	(0.0 %)	26.5 %	(18.5 %)
Interbank Loans Receivable (IBL)	11.6 %	(37.0 %)	(24.4 %)	22.4 %	11.5 %
Loans, gross (exclusive of IBL)	1.1 %	29.0 %	(10.0 %)	17.4 %	5.9 %
Reverse Repurchase (RRP) with BSP and Other Banks	12.4 %	175.9 %	(49.4 %)	66.6 %	(7.5 %)
Loans, gross (exclusive of IBL and RRP with BSP and Other Banks)	(0.7 %)	3.2 %	8.5 %	6.6 %	10.5 %
Allowance for Probable Losses	(0.9 %)	(7.3 %)	4.9 %	(4.4 %)	0.1 %
Loans, gross (exclusive of IBL and RRP with BSP and Other Banks)	(0.7 %)	3.9 %	8.7 %	7.2 %	11.0 %
Equity Investment in Subsidiaries, Associates and Joint Ventures, net	0.0 %	21.4 %	0.0 %	82.4 %	0.0 %
ROPA, net	(17.1 %)	(3.2 %)	(1.0 %)	8.4 %	21.3 %
Other Assets, net	27.0 %	29.1 %	6.3 %	(18.4 %)	(2.1 %)
Total Liabilities	5.7 %	22.1 %	3.4 %	12.0 %	10.0 %
Financial Liabilities Held for Trading	(31.3 %)	47.4 %	(19.3 %)	19.7 %	(54.1 %)
Financial Liabilities DFVPL	(100.0 %)	0.0 %	0.0 %	(100.0 %)	0.0 %
Deposits	10.2 %	6.2 %	2.5 %	1.3 %	33.9 %
Peso Liablities	14.6 %	5.1 %	7.1 %	5.5 %	47.2 %
Foreign Currency	4.9 %	7.7 %	(3.3 %)	(4.6 %)	13.0 %
Bills Payable	(47.8 %)	120.8 %	(4.5 %)	(57.4 %)	11.6 %
Other Liabilities	29.6 %	69.2 %	12.5 %	53.0 %	(23.7 %)
Unsecured Subordinated Debt		0.0 %	0.0 %	0.0 %	0.0 %
Redeemable Preferred Shares		0.0 %	0.0 %	0.0 %	0.0 %
Total Capital Accounts	(13.1 %)	22.2 %	6.5 %	10.4 %	3.5 %

Table 52. Foreign Bank Branches and Subsidiaries: Selected Performance Indicators

Selected Ratios	2009	2010	2011	2012	2013
Profitability					
Non-interest Income to Total Operating Income [1/]	41.9 %	46.2 %	41.7 %	35.9 %	45.6 %
Cost-to-Income [2/]	55.9 %	62.6 %	59.9 %	61.5 %	60.0 %
Return on Assets (ROA) [3/]	1.3 %	1.3 %	1.6 %	1.2 %	1.2 %
Return on Equity (ROE) [3/]	8.3 %	9.0 %	10.6 %	7.9 %	8.6 %
Liquidity					
Cash and Due from Banks to Deposits	27.9 %	42.4 %	59.7 %	58.2 %	56.6 %
Liquid Assets to Deposits [4/]	54.0 %	70.5 %	87.1 %	92.4 %	77.4 %
Loans, gross to Deposits	96.4 %	101.2 %	86.7 %	101.0 %	80.5 %
Asset Quality [5/]					
Loan Loss Reserves (LLR) to TLP	3.6 %	3.0 %	3.6 %	2.9 %	2.7 %
Gross Non-Performing Loans (NPL) to TLP	2.4 %	1.9 %	2.0 %	1.6 %	1.4 %
NPL Ratio net of IBL	3.2 %	2.3 %	2.3 %	1.9 %	1.6 %
NPL Coverage (LLR to Gross NPL)	150.5 %	153.4 %	179.0 %	176.7 %	192.6 %
Non-Performing Assets (NPA) to Gross Assets	1.6 %	1.2 %	1.0 %	0.9 %	0.7 %
NPA Coverage (NPA Reserves to NPA)	141.8 %	144.3 %	168.6 %	166.4 %	181.9 %
ROPA to Gross Assets Ratio	0.1 %	0.1 %	0.1 %	0.1 %	0.0 %
ROPA Coverage Ratio	31.9 %	31.2 %	34.1 %	27.0 %	33.1 %
Distressed Assets Ratio	2.8 %	2.6 %	2.6 %	1.9 %	1.7 %
Capital Adequacy					
Total Capital Accounts to Total Assets [6/]	14.5 %	14.5 %	14.8 %	14.7 %	13.9 %
Capital Adequacy Ratio (Solo) [7/]	19.4 %	21.3 %	22.0 %	22.2 %	22.0 % [a/]

1/ Non-interest income now includes dividend income

2/ Cost-to-Income Ratio refers to the ratio of non-interest expenses to total operating income

3/ ROA and ROE refer to the ratio of annualized net profit to average assets and capital, respectively.

4/ Liquid Assets refer to Cash and Due from Banks plus Financial Assets, net of amortization (net of financial assets in equity securities).

5/ Ratios are computed in accordance with the NPL definition as prescribed under BSP Circular No. 772 dated 16 October 2012 effective 01 January 2013. For comparative purposes, computations for periods prior to January 2013 are aligned with Circular No. 772.

6/ Total capital accounts includes redeemable preferred shares

7/ Based on the new framework provided for under Circular No. 280 dated 29 March 2001, formally adopted 1 July 2001; Under Circular No. 360 dated 3 December 2002, adopted 1 July 2003, Universal/Commercial Banks are to incorporate market risks in addition to credit risks; Under Circular No. 538 dated 4 August 2006, effective 1 July 2007, U/KBs are to incorporate operational risk in addition to credit and market risks.

a/ Data for Foreign Bank Branches as of end-September 2013

Table 53. Pre-R.A. 7721 Foreign Bank Branches: Financial Highlights

Levels (P Billion)	2009	2010	2011	2012	2013
Income Statement					
Total Operating Income	32.7	34.0	35.4	34.7	35.1
Net Interest Income	19.5	18.9	21.4	21.8	18.7
Non-interest Income	13.2	15.1	13.9	12.9	16.3
Non-Interest Expenses	16.8	20.6	22.7	20.9	21.1
Losses/Recoveries on Financial Assets	(7.9)	(5.2)	(4.3)	(4.2)	(3.7)
Bad Debts/Provisions for Credit Losses	8.5	6.1	5.7	5.5	5.0
Recovery on Charged-Off Assets	0.6	0.9	1.3	1.2	1.3
Net Profit Before Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures	8.0	8.2	8.3	9.5	10.3
Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures		-	-	-	-
Total Profit/Loss Before Tax and Before Minority Interest	8.0	8.2	8.3	9.5	10.3
Income Tax Expense	2.3	1.5	2.3	2.5	3.0
Total Profit/Loss After Tax and Before Minority Interest	5.7	6.7	6.0	7.0	7.2
Minority Interest in Profit/(Loss) of Subsidiaries					
Net Profit or Loss	5.7	6.7	6.0	7.0	7.2
Balance Sheet					
Total Assets	376.3	449.9	505.4	517.4	563.7
Cash and Due from Banks	66.8	109.5	190.0	195.6	211.2
Financial Assets, gross (Other than Loans)	59.0	66.0	74.3	95.8	75.5
Financial Assets Held for Trading (HFT)	21.7	27.1	25.2	54.3	40.8
Financial Assets Designated at Fair Value through Profit and Loss (DFVPL)		-	-	-	-
Available-for-Sale (AFS) Financial Assets	37.4	38.8	46.2	41.3	34.8
Held-to-Maturity (HTM) Financial Assets		-	-	-	-
Unquoted Debt Securities Classified as Loans		-	2.9	-	-
Investments in Non-Marketable Equity Securities (INMES)	. . .	. . .	. . .	**0.1**	. . .
Allowance for Credit Losses	0.4	0.8	0.9	0.9	0.1
Accumulated Market Gains/Losses					
Financial Assets, net (Other than Loans)	59.4	66.8	75.1	96.7	75.6
Interbank Loans Receivable (IBL)	80.7	38.8	26.3	40.4	47.8
Loans, gross (exclusive of IBL)	160.1	214.5	193.1	170.7	213.1
Reverse Repurchase (RRP) with BSP and Other Banks	17.4	64.5	25.4	10.6	36.2
Loans, gross (exclusive of IBL and RRP with BSP and Other Banks)	142.7	150.0	167.7	160.1	176.9
Allowance for Probable Losses	8.3	7.0	8.4	8.0	7.9
Loans, net (exclusive of IBL and RRP with BSP and Other Banks)	134.4	142.9	159.3	152.1	169.0
Equity Investment in Subsidiaries, Associates and Joint Ventures, net	1.0	1.2	1.2	2.2	2.2
ROPA, net	. . .	. . .	. . .	. . .	. . .
Other Assets, net	16.6	26.2	28.1	19.7	21.6
Total Liabilities	337.0	390.3	443.0	455.3	500.6
Financial Liabilities Held for Trading	14.5	18.4	18.5	21.3	9.1
Financial Liabilities DFVPL		-	0.0	-	-
Deposits	253.0	253.5	267.7	281.3	357.1
Peso Liablities	155.1	152.8	171.5	178.9	244.1
Foreign Currency	98.0	100.7	96.3	102.4	113.0
Bills Payable	4.0	22.1	18.8	0.6	2.2
Other Liabilities	65.5	96.3	137.9	152.1	132.2
Unsecured Subordinated Debt		-	-	-	-
Redeemable Preferred Shares		-	-	-	-
Total Capital Accounts	39.3	59.6	62.4	62.1	63.1

Figures may not add up due to rounding-off
. . . Less than P0.05 billion

Table 54. Pre-R.A. 7721 Foreign Bank Branches: Growth Rates

Growth Rates	2009	2010	2011	2012	2013
Income Statement					
Total Operating Income	(4.8 %)	3.9 %	4.0 %	(2.0 %)	1.2 %
Net Interest Income	1.1 %	(3.2 %)	13.3 %	1.7 %	(14.0 %)
Non-interest Income	(12.3 %)	14.6 %	(7.7 %)	(7.7 %)	27.0 %
Non-Interest Expenses	(26.0 %)	22.3 %	10.3 %	(8.0 %)	1.1 %
Losses/Recoveries on Financial Assets	114.3 %	(33.8 %)	(16.7 %)	(2.9 %)	(12.5 %)
Bad Debts/Provisions for Credit Losses	60.5 %	(27.8 %)	(7.8 %)	(3.4 %)	(8.0 %)
Recovery on Charged-Off Assets	(61.8 %)	48.9 %	42.9 %	(5.0 %)	7.2 %
Net Profit Before Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures	1.0 %	2.4 %	1.2 %	14.9 %	7.6 %
Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures					
Total Profit/Loss Before Tax and Before Minority Interest	1.0 %	2.4 %	1.2 %	14.9 %	7.6 %
Income Tax Expense	(32.3 %)	(35.5 %)	53.4 %	8.0 %	21.7 %
Total Profit/Loss After Tax and Before Minority Interest	26.6 %	17.9 %	(10.5 %)	17.6 %	2.6 %
Minority Interest in Profit/(Loss) of Subsidiaries					
Net Profit or Loss	26.6 %	17.9 %	(10.5 %)	17.6 %	2.6 %
Balance Sheet					
Total Assets	2.6 %	19.6 %	12.3 %	2.4 %	8.9 %
Cash and Due from Banks	1.7 %	64.0 %	73.5 %	2.9 %	7.9 %
Financial Assets, gross (Other than Loans)	(21.0 %)	11.8 %	12.5 %	28.9 %	(21.1 %)
Financial Assets Held for Trading (HFT)	(47.8 %)	25.3 %	(7.3 %)	115.8 %	(25.0 %)
Financial Assets Designated at Fair Value through Profit and Loss (DFVPL)					0.0 %
Available-for-Sale (AFS) Financial Assets	12.6 %	4.0 %	18.9 %	(10.5 %)	(15.9 %)
Held-to-Maturity (HTM) Financial Assets					0.0 %
Unquoted Debt Securities Classified as Loans				(100.0 %)	0.0 %
Investments in Non-Marketable Equity Securities (INMES)	(18.2 %)	(0.0 %)	(5.4 %)	445.5 %	(95.5 %)
Allowance for Credit Losses	310.9 %	109.6 %	10.7 %	7.0 %	(85.2 %)
Accumulated Market Gains/Losses			285.0 %	1.3 %	(100.0 %)
Financial Assets, net (Other than Loans)	(20.6 %)	12.4 %	12.5 %	28.7 %	(21.8 %)
Interbank Loans Receivable (IBL)	9.4 %	(52.0 %)	(32.3 %)	53.7 %	18.4 %
Loans, gross (exclusive of IBL)	7.8 %	34.0 %	(10.0 %)	(11.6 %)	24.8 %
Reverse Repurchase (RRP) with BSP and Other Banks	(2.0 %)	270.1 %	(60.6 %)	(58.2 %)	240.7 %
Loans, gross (exclusive of IBL and RRP with BSP and Other Banks)	9.1 %	5.1 %	11.8 %	(4.5 %)	10.5 %
Allowance for Probable Losses	(4.4 %)	(15.4 %)	19.5 %	(5.3 %)	(0.9 %)
Loans, gross (exclusive of IBL and RRP with BSP and Other Banks)	10.1 %	6.4 %	11.4 %	(4.5 %)	11.1 %
Equity Investment in Subsidiaries, Associates and Joint Ventures, net		21.8 %		85.5 %	0.0 %
ROPA, net	(37.8 %)	(22.5 %)	(61.2 %)	(33.7 %)	413.8 %
Other Assets, net	40.2 %	57.6 %	7.3 %	(29.8 %)	9.6 %
Total Liabilities	7.4 %	15.8 %	13.5 %	2.8 %	9.9 %
Financial Liabilities Held for Trading	(23.4 %)	26.8 %	0.6 %	15.1 %	(57.4 %)
Financial Liabilities DFVPL	(100.0 %)			(100.0 %)	0.0 %
Deposits	11.0 %	0.2 %	5.6 %	5.1 %	26.9 %
Peso Liablities	13.1 %	(1.5 %)	12.2 %	4.4 %	36.4 %
Foreign Currency	7.7 %	2.8 %	(4.4 %)	6.4 %	10.4 %
Bills Payable	(75.9 %)	453.3 %	(14.8 %)	(96.9 %)	280.6 %
Other Liabilities	44.5 %	47.1 %	43.1 %	10.3 %	(13.1 %)
Unsecured Subordinated Debt					0.0 %
Redeemable Preferred Shares					0.0 %
Total Capital Accounts	(26.3 %)	51.8 %	4.7 %	(0.6 %)	1.7 %

Table 55. Pre-R.A. 7721 Foreign Bank Branches: Selected Performance Indicators

Selected Ratios	2009	2010	2011	2012	2013
Profitability					
Non-interest Income to Total Operating Income [1/]	40.3 %	44.4 %	39.4 %	37.1 %	46.6 %
Cost-to-Income [2/]	51.5 %	60.6 %	64.3 %	60.3 %	60.2 %
Return on Assets (ROA) [3/]	1.5 %	1.6 %	1.3 %	1.4 %	1.3 %
Return on Equity (ROE) [3/]	12.3 %	13.5 %	9.8 %	11.3 %	11.5 %
Liquidity					
Cash and Due from Banks to Deposits	26.4 %	43.2 %	71.0 %	69.5 %	59.1 %
Liquid Assets to Deposits [4/]	49.9 %	69.6 %	99.0 %	103.9 %	80.3 %
Loans, gross to Deposits	95.2 %	99.9 %	81.9 %	75.0 %	73.1 %
Asset Quality [5/]					
Loan Loss Reserves (LLR) to TLP	3.5 %	2.8 %	3.8 %	3.8 %	3.0 %
Gross Non-Performing Loans (NPL) to TLP	1.6 %	1.4 %	1.6 %	1.6 %	1.1 %
NPL Ratio net of IBL	2.4 %	1.6 %	1.8 %	2.0 %	1.3 %
NPL Coverage (LLR to Gross NPL)	214.0 %	201.5 %	243.2 %	230.7 %	285.9 %
Non-Performing Assets (NPA) to Gross Assets	1.0 %	0.8 %	0.7 %	0.7 %	0.5 %
NPA Coverage (NPA Reserves to NPA)	212.7 %	200.0 %	241.8 %	229.4 %	283.2 %
ROPA to Gross Assets Ratio	. . .	. . .	. . .	. . .	. . .
ROPA Coverage Ratio	43.7 %	66.3 %	84.2 %	89.5 %	45.7 %
Distressed Assets Ratio	1.8 %	2.2 %	2.4 %	1.9 %	1.4 %
Capital Adequacy					
Total Capital Accounts to Total Assets [6/]	10.4 %	13.2 %	12.4 %	12.0 %	11.2 %
Capital Adequacy Ratio (Solo) [7/]	12.8 %	17.8 %	18.8 %	18.4 %	17.6 % [a/]

1/ Non-interest income now includes dividend income

2/ Cost-to-Income Ratio refers to the ratio of non-interest expenses to total operating income

3/ ROA and ROE refer to the ratio of annualized net profit to average assets and capital, respectively.

4/ Liquid Assets refer to Cash and Due from Banks plus Financial Assets, net of amortization (net of financial assets in equity securities).

5/ Ratios are computed in accordance with the NPL definition as prescribed under BSP Circular No. 772 dated 16 October 2012 effective 01 January 2013. For comparative purposes, computations for periods prior to January 2013 are aligned with Circular No. 772.

6/ Total capital accounts includes redeemable preferred shares

7/ Based on the new framework provided for under Circular No. 280 dated 29 March 2001, formally adopted 1 July 2001; Under Circular No. 360 dated 3 December 2002, adopted 1 July 2003, Universal/Commercial Banks are to incorporate market risks in addition to credit risks; Under Circular No. 538 dated 4 August 2006, effective 1 July 2007, U/KBs are to incorporate operational risk in addition to credit and market risks.

a/ Data as of end-September 2013

. . . Less than 0.05 percent

Table 56. Post-R.A. 7721 Foreign Bank Branches: Financial Highlights

Levels (P Billion)	2009	2010	2011	2012	2013
Income Statement					
Total Operating Income	9.4	10.6	14.2	10.1	12.8
Net Interest Income	3.7	3.5	6.0	6.0	5.8
Non-interest Income	5.7	7.1	8.2	4.1	7.0
Non-Interest Expenses	5.7	6.9	6.7	6.4	6.9
Losses/Recoveries on Financial Assets	. . .	(0.0)	(0.2)	0.0	(0.1)
Bad Debts/Provisions for Credit Losses	0.1	0.2	0.4	0.3	0.3
Recovery on Charged-Off Assets	0.1	0.2	0.2	0.3	0.3
Net Profit Before Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures	3.7	3.8	7.2	3.8	5.8
Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures		-	-	-	-
Total Profit/Loss Before Tax and Before Minority Interest	3.7	3.8	7.2	3.8	5.8
Income Tax Expense	1.0	1.3	2.0	1.7	1.9
Total Profit/Loss After Tax and Before Minority Interest	2.7	2.5	5.2	2.1	4.0
Minority Interest in Profit/(Loss) of Subsidiaries					
Net Profit or Loss	2.7	2.5	5.2	2.1	4.0
Balance Sheet					
Total Assets	203.6	270.9	232.4	324.4	331.4
Cash and Due from Banks	37.7	69.3	66.3	60.2	105.2
Financial Assets, gross (Other than Loans)	35.2	47.0	33.4	50.9	43.1
Financial Assets Held for Trading (HFT)	23.8	30.4	20.9	35.5	25.4
Financial Assets Designated at Fair Value through Profit and Loss (DFVPL)	1.6	0.9	2.2	-	0.9
Available-for-Sale (AFS) Financial Assets	5.3	11.6	7.0	12.2	14.0
Held-to-Maturity (HTM) Financial Assets	2.4	2.6	1.6	1.5	1.1
Unquoted Debt Securities Classified as Loans	2.0	1.4	1.6	1.7	1.7
Investments in Non-Marketable Equity Securities (INMES)	. . .	. . .	. . .	. . .	. . .
Allowance for Credit Losses	. . .	0.1	0.2	0.4	0.2
Accumulated Market Gains/Losses	**0.1**	0.3	0.3	0.3	0.3
Financial Assets, net (Other than Loans)	35.2	46.8	33.2	51.0	43.0
Interbank Loans Receivable (IBL)	26.1	27.0	26.6	22.4	21.7
Loans, gross (exclusive of IBL)	102.2	124.9	103.7	186.6	159.9
Reverse Repurchase (RRP) with BSP and Other Banks	22.0	51.1	31.7	93.3	52.7
Loans, gross (exclusive of IBL and RRP with BSP and Other Banks)	80.2	73.8	71.9	93.3	107.2
Allowance for Probable Losses	2.0	1.8	1.7	1.7	1.8
Loans, net (exclusive of IBL and RRP with BSP and Other Banks)	78.1	72.0	70.2	91.6	105.4
Equity Investment in Subsidiaries, Associates and Joint Ventures, net	. . .	. . .	. . .	. . .	. . .
ROPA, net	. . .	. . .	. . .	. . .	. . .
Other Assets, net	4.5	4.6	4.3	6.0	3.4
Total Liabilities	159.2	224.8	184.4	264.6	272.0
Financial Liabilities Held for Trading	7.2	13.7	7.2	9.6	5.1
Financial Liabilities DFVPL		-	-	-	-
Deposits	115.6	135.7	126.6	121.6	180.0
Peso Liablities	47.8	59.0	53.5	60.2	103.8
Foreign Currency	67.9	76.7	73.1	61.4	76.3
Bills Payable	9.6	13.5	8.5	7.4	8.3
Other Liabilities	26.9	62.0	42.2	126.0	78.6
Unsecured Subordinated Debt		-	-	-	-
Redeemable Preferred Shares		-	-	-	-
Total Capital Accounts	44.4	46.0	48.0	59.8	59.4

Figures may not add up due to rounding-off
. . . Less than P0.05 billion

Table 57. Post R.A. 7721 Foreign Bank Branches: Growth Rates

Growth Rates	2009	2010	2011	2012	2013
Income Statement					
Total Operating Income	0.9 %	13.2 %	33.3 %	(28.6 %)	26.6 %
Net Interest Income	(7.4 %)	(4.5 %)	69.2 %	1.5 %	(3.8 %)
Non-interest Income	7.1 %	24.6 %	15.5 %	(50.4 %)	71.7 %
Non-Interest Expenses	1.4 %	20.6 %	(2.0 %)	(5.4 %)	8.4 %
Losses/Recoveries on Financial Assets	(184.6 %)	(121.2 %)	2,796.7 %	(116.1 %)	(279.4 %)
Bad Debts/Provisions for Credit Losses	(66.5 %)	169.6 %	121.0 %	(29.2 %)	18.1 %
Recovery on Charged-Off Assets	(35.1 %)	68.9 %	4.5 %	75.8 %	(14.9 %)
Net Profit Before Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures	2.1 %	0.6 %	92.6 %	(47.7 %)	54.7 %
Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures					
Total Profit/Loss Before Tax and Before Minority Interest	2.1 %	0.6 %	92.6 %	(47.7 %)	54.7 %
Income Tax Expense	22.0 %	29.7 %	58.8 %	(18.8 %)	13.8 %
Total Profit/Loss After Tax and Before Minority Interest	(3.6 %)	(10.0 %)	110.1 %	(59.1 %)	86.7 %
Minority Interest in Profit/(Loss) of Subsidiaries					
Net Profit or Loss	(3.6 %)	(10.0 %)	110.1 %	(59.1 %)	86.7 %
Balance Sheet					
Total Assets	7.9 %	33.0 %	(14.2 %)	39.6 %	2.2 %
Cash and Due from Banks	24.6 %	83.7 %	(4.4 %)	(9.3 %)	74.9 %
Financial Assets, gross (Other than Loans)	(10.6 %)	33.4 %	(29.0 %)	52.6 %	(15.3 %)
Financial Assets Held for Trading (HFT)	(19.9 %)	27.8 %	(31.4 %)	69.9 %	(28.6 %)
Financial Assets Designated at Fair Value through Profit and Loss (DFVPL)	(18.6 %)	(40.8 %)	132.5 %	(100.0 %)	0.0 %
Available-for-Sale (AFS) Financial Assets	30.8 %	118.4 %	(39.7 %)	73.9 %	14.9 %
Held-to-Maturity (HTM) Financial Assets	21.6 %	6.3 %	(37.3 %)	(4.4 %)	(27.8 %)
Unquoted Debt Securities Classified as Loans	25.5 %	(31.0 %)	15.4 %	3.0 %	3.3 %
Investments in Non-Marketable Equity Securities (INMES)	0.0 %	0.0 %	2.6 %	0.0 %	(0.0 %)
Allowance for Credit Losses	(105.7 %)	1,000.0 %	55.8 %	98.1 %	(41.3 %)
Accumulated Market Gains/Losses	51.5 %	492.1 %	(2.3 %)		0.0 %
Financial Assets, net (Other than Loans)	(10.3 %)	33.0 %	(29.0 %)	53.3 %	(15.6 %)
Interbank Loans Receivable (IBL)	46.8 %	3.3 %	(1.5 %)	(15.9 %)	(3.0 %)
Loans, gross (exclusive of IBL)	1.9 %	22.3 %	(17.0 %)	80.0 %	(14.3 %)
Reverse Repurchase (RRP) with BSP and Other Banks	41.0 %	132.8 %	(37.9 %)	193.8 %	(43.5 %)
Loans, gross (exclusive of IBL and RRP with BSP and Other Banks)	(5.3 %)	(8.0 %)	(2.5 %)	29.8 %	14.9 %
Allowance for Probable Losses	3.7 %	(13.4 %)	(4.2 %)	1.8 %	4.5 %
Loans, gross (exclusive of IBL and RRP with BSP and Other Banks)	(5.5 %)	(7.8 %)	(2.5 %)	30.4 %	15.1 %
Equity Investment in Subsidiaries, Associates and Joint Ventures, net					0.0 %
ROPA, net	(27.9 %)	(100.0 %)		(39.4 %)	(13.0 %)
Other Assets, net	40.2 %	2.3 %	(5.9 %)	39.6 %	(43.8 %)
Total Liabilities	10.3 %	41.2 %	(18.0 %)	43.5 %	2.8 %
Financial Liabilities Held for Trading	(45.2 %)	90.3 %	(47.5 %)	33.6 %	(47.0 %)
Financial Liabilities DFVPL	(100.0 %)				0.0 %
Deposits	17.0 %	17.4 %	(6.7 %)	(3.9 %)	48.1 %
Peso Liablities	35.5 %	23.5 %	(9.4 %)	12.7 %	72.3 %
Foreign Currency	6.8 %	13.0 %	(4.7 %)	(16.1 %)	24.3 %
Bills Payable	10.9 %	40.7 %	(36.8 %)	(12.9 %)	11.8 %
Other Liabilities	12.5 %	130.8 %	(32.0 %)	198.7 %	(37.6 %)
Unsecured Subordinated Debt					0.0 %
Redeemable Preferred Shares					
Total Capital Accounts	0.1 %	3.6 %	4.3 %	24.5 %	(0.5 %)

Table 58. Post R.A. 7721 Foreign Bank Branches: Selected Performance Indicators

Selected Ratios	2009	2010	2011	2012	2013
Profitability					
Non-interest Income to Total Operating Income [1/]	60.8 %	66.9 %	58.0 %	40.3 %	54.6 %
Cost-to-Income [2/]	60.7 %	64.6 %	47.5 %	63.0 %	53.9 %
Return on Assets (ROA) [3/]	1.4 %	1.0 %	2.1 %	0.8 %	1.2 %
Return on Equity (ROE) [3/]	6.2 %	5.5 %	11.0 %	3.9 %	6.6 %
Liquidity					
Cash and Due from Banks to Deposits	32.6 %	51.1 %	52.4 %	49.5 %	58.4 %
Liquid Assets to Deposits [4/]	63.1 %	85.6 %	78.7 %	91.4 %	82.3 %
Loans, gross to Deposits	111.0 %	112.0 %	102.9 %	171.8 %	100.9 %
Asset Quality [5/]					
Loan Loss Reserves (LLR) to TLP	1.6 %	1.2 %	1.3 %	0.8 %	1.0 %
Gross Non-Performing Loans (NPL) to TLP	0.6 %	0.1 %	0.1 %	0.0 %	0.0 %
NPL Ratio net of IBL	0.8 %	0.1 %	0.1 %	0.0 %	0.0 %
NPL Coverage (LLR to Gross NPL)	252.7 %	1,441.0 %	1,650.8 %	2,746.9 %	2,890.6 %
Non-Performing Assets (NPA) to Gross Assets	0.4 %	0.0 %	0.0 %	0.0 %	0.0 %
NPA Coverage (NPA Reserves to NPA)	251.6 %	1,441.0 %	1,579.7 %	2,606.1 %	2,747.5 %
ROPA to Gross Assets Ratio	. . .	. . .	. . .	. . .	. . .
ROPA Coverage Ratio	74.2 %	. . .	9.4 %	25.5 %	32.4 %
Distressed Assets Ratio	0.7 %	0.2 %	0.2 %	0.1 %	0.1 %
Capital Adequacy					
Total Capital Accounts to Total Assets [6/]	21.8 %	17.0 %	20.6 %	18.4 %	17.9 %
Capital Adequacy Ratio (Solo) [7/]	35.2 %	29.3 %	30.5 %	30.4 %	29.0 % [a/]

1/ Non-interest income now includes dividend income

2/ Cost-to-Income Ratio refers to the ratio of non-interest expenses to total operating income

3/ ROA and ROE refer to the ratio of annualized net profit to average assets and capital, respectively.

4/ Liquid Assets refer to Cash and Due from Banks plus Financial Assets, net of amortization (net of financial assets in equity securities).

5/ Ratios are computed in accordance with the NPL definition as prescribed under BSP Circular No. 772 dated 16 October 2012 effective 01 January 2013. For comparative purposes, computations for periods prior to January 2013 are aligned with Circular No. 772.

6/ Total capital accounts includes redeemable preferred shares

7/ Based on the new framework provided for under Circular No. 280 dated 29 March 2001, formally adopted 1 July 2001; Under Circular No. 360 dated 3 December 2002, adopted 1 July 2003, Universal/Commercial Banks are to incorporate market risks in addition to credit risks; Under Circular No. 538 dated 4 August 2006, effective 1 July 2007, U/KBs are to incorporate operational risk in addition to credit and market risks.

a/ Data as of end-September 2013

. . . Less than 0.05 percent

Table 59. Foreign Bank Subsidiaries: Financial Highlights

Levels (P Billion)	2009	2010	2011	2012	2013
Income Statement					
Total Operating Income	6.2	6.9	7.5	8.0	8.3
Net Interest Income	4.9	5.3	5.9	6.0	6.0
Non-interest Income	1.3	1.6	1.6	2.0	2.3
Non-Interest Expenses	4.5	4.8	4.7	5.2	5.7
Losses/Recoveries on Financial Assets	(1.3)	(1.2)	(1.0)	(0.9)	(1.0)
Bad Debts/Provisions for Credit Losses	1.4	1.2	2.2	1.0	1.1
Recovery on Charged-Off Assets	0.2	...	1.2	...	0.1
Net Profit Before Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures	0.5	0.9	1.8	1.9	1.6
Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures		-	-	-	-
Total Profit/Loss Before Tax and Before Minority Interest	0.5	0.9	1.8	1.9	1.6
Income Tax Expense	0.3	0.3	0.0	0.5	0.5
Total Profit/Loss After Tax and Before Minority Interest	0.2	0.5	1.8	1.3	1.0
Minority Interest in Profit/(Loss) of Subsidiaries					
Net Profit or Loss	0.2	0.5	1.8	1.3	1.0
Balance Sheet					
Total Assets	90.7	98.0	112.7	108.9	141.5
Cash and Due from Banks	17.3	17.5	27.1	24.3	48.2
Financial Assets, gross (Other than Loans)	19.1	16.7	22.0	17.1	15.9
Financial Assets Held for Trading (HFT)	1.5	4.0	2.0	3.0	3.2
Financial Assets Designated at Fair Value through Profit and Loss (DFVPL)	0.7	0.0	0.0	-	-
Available-for-Sale (AFS) Financial Assets	11.2	6.8	14.4	9.1	7.7
Held-to-Maturity (HTM) Financial Assets	3.3	4.3	4.6	4.2	4.5
Unquoted Debt Securities Classified as Loans	2.3	1.7	1.0	0.8	0.6
Investments in Non-Marketable Equity Securities (INMES)	...	...	...	...	...
Allowance for Credit Losses	0.2	(0.0)	0.0	0.2	(0.1)
Accumulated Market Gains/Losses					
Financial Assets, net (Other than Loans)	19.3	16.7	21.9	17.2	15.6
Interbank Loans Receivable (IBL)	5.5	5.0	0.7	2.8	3.6
Loans, gross (exclusive of IBL)	46.2	58.6	61.5	63.2	72.5
Reverse Repurchase (RRP) with BSP and Other Banks	6.7	11.4	7.1	3.2	10.2
Loans, gross (exclusive of IBL and RRP with BSP and Other Banks)	39.6	47.2	54.4	60.0	62.4
Allowance for Probable Losses	4.7	5.1	4.5	4.3	4.3
Loans, net (exclusive of IBL and RRP with BSP and Other Banks)	34.9	42.0	49.9	55.7	58.0
Equity Investment in Subsidiaries, Associates and Joint Ventures, net	...	...	...	...	...
ROPA, net	**1**	**1**	**1**	**1**	**1**
Other Assets, net	6.5	4.8	5.4	5.1	5.2
Total Liabilities	77.3	85.1	96.9	91.4	119.8
Financial Liabilities Held for Trading	0.3	0.4	0.5	0.4	0.2
Financial Liabilities DFVPL		-	-	-	-
Deposits	67.7	74.2	80.8	78.5	107.3
Peso Liablities	44.5	48.0	53.4	54.5	84.3
Foreign Currency	23.2	26.2	27.4	24.0	22.9
Bills Payable	4.7	4.8	11.3	8.5	7.9
Other Liabilities	4.6	5.6	4.4	4.0	4.5
Unsecured Subordinated Debt		-	-	-	-
Redeemable Preferred Shares		-	-	-	-
Total Capital Accounts	13.3	13.0	15.8	17.5	21.7

Figures may not add up due to rounding-off
. . . Less than P0.05 billion

Table 60. Foreign Bank Subsidiaries: Growth Rates

Growth Rates	2009	2010	2011	2012	2013
Income Statement					
Total Operating Income	8.1 %	10.4 %	9.4 %	6.4 %	3.1 %
Net Interest Income	13.2 %	8.1 %	11.6 %	1.8 %	(0.1 %)
Non-interest Income	(7.0 %)	18.8 %	2.4 %	22.8 %	12.8 %
Non-Interest Expenses	(18.0 %)	7.0 %	(1.0 %)	9.6 %	8.9 %
Losses/Recoveries on Financial Assets	60.5 %	(2.9 %)	(16.4 %)	(8.2 %)	9.8 %
Bad Debts/Provisions for Credit Losses	65.1 %	(12.6 %)	79.8 %	(55.5 %)	14.2 %
Recovery on Charged-Off Assets	115.6 %	(92.6 %)	10,464.0 %	(95.9 %)	99.0 %
Net Profit Before Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures	(208.7 %)	72.3 %	101.8 %	6.1 %	(16.0 %)
Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures					
Total Profit/Loss Before Tax and Before Minority Interest	(208.7 %)	72.3 %	101.8 %	6.1 %	(16.0 %)
Income Tax Expense	(0.5 %)	13.1 %	(98.4 %)	9,854.5 %	1.3 %
Total Profit/Loss After Tax and Before Minority Interest	(126.7 %)	159.2 %	230.2 %	(24.2 %)	(22.9 %)
Minority Interest in Profit/(Loss) of Subsidiaries					
Net Profit or Loss	(126.7 %)	159.2 %	230.2 %	(24.2 %)	(22.9 %)
Balance Sheet					
Total Assets	(7.9 %)	8.2 %	15.0 %	(3.4 %)	29.9 %
Cash and Due from Banks	19.6 %	1.1 %	55.4 %	(10.4 %)	98.3 %
Financial Assets, gross (Other than Loans)	21.9 %	(12.3 %)	31.6 %	(22.3 %)	(7.0 %)
Financial Assets Held for Trading (HFT)	44.6 %	164.2 %	(48.8 %)	49.2 %	4.7 %
Financial Assets Designated at Fair Value through Profit and Loss (DFVPL)	24.7 %	(100.0 %)	(85.3 %)	(100.0 %)	0.0 %
Available-for-Sale (AFS) Financial Assets	25.1 %	(39.8 %)	113.1 %	(37.1 %)	(15.3 %)
Held-to-Maturity (HTM) Financial Assets	48.2 %	28.8 %	5.9 %	(8.2 %)	6.6 %
Unquoted Debt Securities Classified as Loans	(18.3 %)	(27.0 %)	(39.8 %)	(19.7 %)	(28.9 %)
Investments in Non-Marketable Equity Securities (INMES)	(25.4 %)	(28.7 %)	25.4 %	0.0 %	0.0 %
Allowance for Credit Losses	1,653.9 %	(104.9 %)	(186.3 %)	2,203.4 %	(160.0 %)
Accumulated Market Gains/Losses	(93.6 %)	568.2 %	1,854.9 %	20.6 %	38.8 %
Financial Assets, net (Other than Loans)	23.2 %	(13.3 %)	31.1 %	(21.6 %)	(9.1 %)
Interbank Loans Receivable (IBL)	(39.5 %)	(8.0 %)	(86.5 %)	309.1 %	28.6 %
Loans, gross (exclusive of IBL)	(18.1 %)	26.7 %	5.0 %	2.8 %	14.7 %
Reverse Repurchase (RRP) with BSP and Other Banks	(12.4 %)	71.2 %	(37.4 %)	(54.5 %)	213.3 %
Loans, gross (exclusive of IBL and RRP with BSP and Other Banks)	(19.0 %)	19.2 %	15.3 %	10.3 %	4.0 %
Allowance for Probable Losses	4.0 %	9.8 %	(11.9 %)	(5.0 %)	0.3 %
Loans, gross (exclusive of IBL and RRP with BSP and Other Banks)	(21.3 %)	20.4 %	18.6 %	11.7 %	4.3 %
Equity Investment in Subsidiaries, Associates and Joint Ventures, net	(0.0 %)	0.0 %		(100.0 %)	0.0 %
ROPA, net	(16.2 %)	(2.4 %)	(0.4 %)	9.2 %	19.3 %
Other Assets, net	(2.7 %)	(25.5 %)	12.2 %	(5.5 %)	1.6 %
Total Liabilities	(8.4 %)	10.0 %	13.9 %	(5.7 %)	31.1 %
Financial Liabilities Held for Trading	1,378.1 %	24.8 %	19.2 %	(10.6 %)	(49.9 %)
Financial Liabilities DFVPL					0.0 %
Deposits	(1.9 %)	9.6 %	8.9 %	(2.9 %)	36.7 %
Peso Liablities	2.6 %	8.0 %	11.1 %	2.0 %	54.8 %
Foreign Currency	(9.6 %)	12.7 %	4.8 %	(12.4 %)	(4.5 %)
Bills Payable	(51.8 %)	2.3 %	132.6 %	(24.9 %)	(7.0 %)
Other Liabilities	(18.2 %)	22.8 %	(22.4 %)	(7.8 %)	11.2 %
Unsecured Subordinated Debt					0.0 %
Redeemable Preferred Shares					0.0 %
Total Capital Accounts	(4.8 %)	(2.7 %)	22.1 %	10.7 %	23.9 %

Table 61. Foreign Bank Subsidiaries: Selected Performance Indicators

Selected Ratios	2009	2010	2011	2012	2013
Profitability					
Non-interest Income to Total Operating Income [1/]	21.6 %	23.2 %	21.7 %	25.1 %	27.4 %
Cost-to-Income [2/]	71.7 %	69.6 %	63.0 %	64.9 %	68.5 %
Return on Assets (ROA) [3/]	0.2 %	0.6 %	1.7 %	1.2 %	0.8 %
Return on Equity (ROE) [3/]	1.5 %	4.1 %	12.3 %	8.0 %	5.3 %
Liquidity					
Cash and Due from Banks to Deposits	25.5 %	23.5 %	33.6 %	31.0 %	44.9 %
Liquid Assets to Deposits [4/]	54.0 %	46.0 %	60.7 %	52.9 %	59.5 %
Loans, gross to Deposits	76.4 %	85.7 %	77.0 %	84.1 %	71.0 %
Asset Quality [5/]					
Loan Loss Reserves (LLR) to TLP	9.0 %	8.1 %	7.3 %	6.5 %	5.7 %
Gross Non-Performing Loans (NPL) to TLP	10.2 %	8.6 %	7.4 %	6.7 %	5.8 %
NPL Ratio net of IBL	11.4 %	9.3 %	7.5 %	7.0 %	6.1 %
NPL Coverage (LLR to Gross NPL)	88.3 %	93.8 %	98.1 %	97.6 %	96.8 %
Non-Performing Assets (NPA) to Gross Assets	6.3 %	6.0 %	4.4 %	4.4 %	3.4 %
NPA Coverage (NPA Reserves to NPA)	81.2 %	86.5 %	90.4 %	89.3 %	90.4 %
ROPA to Gross Assets Ratio	0.8 %	0.7 %	0.5 %	0.5 %	0.3 %
ROPA Coverage Ratio	31.2 %	29.2 %	31.7 %	23.4 %	32.3 %
Distressed Assets Ratio	12.1 %	9.9 %	8.7 %	7.6 %	6.5 %
Capital Adequacy					
Total Capital Accounts to Total Assets [6/]	14.7 %	13.2 %	14.0 %	16.1 %	15.3 %
Capital Adequacy Ratio (Solo) [7/]	19.1 %	19.7 %	18.9 %	18.5 %	22.9 % [a/]

1/ *Non-interest income now includes dividend income*

2/ *Cost-to-Income Ratio refers to the ratio of non-interest expenses to total operating income*

3/ *ROA and ROE refer to the ratio of annualized net profit to average assets and capital, respectively.*

4/ *Liquid Assets refer to Cash and Due from Banks plus Financial Assets, net of amortization (net of financial assets in equity securities).*

5/ *Ratios are computed in accordance with the NPL definition as prescribed under BSP Circular No. 772 dated 16 October 2012 effective 01 January 2013. For comparative purposes, computations for periods prior to January 2013 are aligned with Circular No. 772.*

6/ *Total capital accounts includes redeemable preferred shares*

7/ *Based on the new framework provided for under Circular No. 280 dated 29 March 2001, formally adopted 1 July 2001; Under Circular No. 360 dated 3 December 2002, adopted 1 July 2003, Universal/Commercial Banks are to incorporate market risks in addition to credit risks; Under Circular No. 538 dated 4 August 2006, effective 1 July 2007, U/KBs are to incorporate operational risk in addition to credit and market risks.*

a/ *Preliminary data as of end-September 2013*

Table 62. Non-Banks with Quasi-Banking Functions (NBQBs)

Financial Highlights

Levels (P Billion)	End- Dec 2009	2010	2011	2012	2013
Income Statement					
Total Operating Income	9.9	12.5	14.2	22.9	22.0
Net Interest Income	6.1	7.4	8.6	13.6	10.0
Non-interest Income	3.9	5.2	5.6	9.3	12.0
Operating Expenses	6.1	7.5	8.4	14.1	11.4
Bad Debts/Provisions for Probable Losses	1.7	2.1	2.2	5.2	2.9
Other Operating Expenses	4.4	5.3	6.2	8.8	8.5
Net Operating Income	3.8	5.1	5.8	8.8	10.6
Extraordinary Credits/(Charges)	0.9	0.6	1.4	0.9	7.7
Net Income Before Tax	4.7	5.6	7.2	9.7	18.3
Provisions for Income Tax	1.1	1.1	1.5	2.2	2.0
Net Income After Tax (NIAT)	3.6	4.5	5.7	7.6	16.3
Balance Sheet					
Total Assets	120.1	139.3	167.5	186.7	177.3
Cash and Due from Banks	17.5	18.4	27.4	25.7	26.0
Interbank Loans Receivable (IBL)	0.6	0.5	0.5	0.0	0.0
Loans, gross (exclusive of IBL)	43.9	57.8	72.0	81.5	75.5
Allowance for Probable Losses	1.4	1.8	2.0	3.1	2.3
Loans, net (exclusive of IBL)	42.6	56.0	70.1	78.3	73.3
Investments, net	51.5	55.3	58.5	71.5	66.4
ROPA, net	1.4	1.6	1.3	0.9	0.7
Other Assets	6.5	7.6	9.7	10.2	10.9
Total Liabilities	96.4	110.3	135.3	147.3	134.4
Bills Payable	87.7	99.1	116.9	122.8	106.3
Other Liabilities	8.7	11.2	18.4	24.5	28.0
Total Capital Accounts	23.7	29.0	32.1	39.4	42.9

Figures may not add up due to rounding-off

Table 63. Non-Banks with Quasi-Banking Functions (NBQBs)

Selected Performance Indicators

Growth Rates	End - December 2009	2010	2011	2012	2013
Balance Sheet					
Total Assets	35.3 %	16.0 %	20.2 %	11.5 %	(5.0 %)
Cash and due from Banks	34.6 %	5.3 %	49.1 %	(6.2 %)	1.1 %
Interbank Loans Receivable (IBL)	82.5 %	(21.3 %)	1.5 %	(97.4 %)	(100.0 %)
Loans, gross (exclusive of IBL)	26.9 %	31.6 %	24.5 %	13.1 %	(7.3 %)
Allowance for Probable Losses	(3.6 %)	33.3 %	7.9 %	60.1 %	(27.6 %)
Loans, net (exclusive of IBL)	28.2 %	31.6 %	25.1 %	11.8 %	(6.5 %)
Investments, net	45.8 %	7.3 %	5.9 %	22.2 %	(7.2 %)
ROPA, net	8.4 %	7.8 %	(18.6 %)	(32.3 %)	(14.4 %)
Other Assets	16.9 %	17.5 %	27.5 %	5.2 %	6.7 %
Total Liabilities	37.5 %	14.4 %	22.7 %	8.9 %	(8.8 %)
Bills Payable	37.0 %	13.0 %	18.0 %	5.0 %	(13.4 %)
Other Liabilities	42.1 %	29.0 %	64.0 %	33.5 %	14.3 %
Total Capital Accounts	27.2 %	22.5 %	10.7 %	22.5 %	9.0 %
Selected Ratios					
Profitability					
Cost-to-Income [1/]	44.2 %	42.6 %	43.6 %	38.6 %	38.5 %
Return on Assets (ROA)	3.5 %	3.5 %	3.7 %	4.3 %	8.9 %
Return on Equity (ROE)	17.2 %	17.2 %	18.5 %	21.2 %	39.6 %
Liquidity					
Cash and Due from Banks to Bills Payable	19.9 %	18.6 %	23.5 %	21.0 %	24.5 %
Liquid Assets to Bills Payable [2/]	66.9 %	60.9 %	60.9 %	66.2 %	79.7 %
Loans, gross to Bills Payable	50.8 %	58.8 %	62.0 %	66.4 %	71.0 %
Asset Quality					
Non-performing Loans (NPL)	4.5 %	4.1 %	3.9 %	5.3 %	4.4 %
NPL Coverage	68.4 %	75.2 %	69.1 %	71.9 %	68.6 %
Non-performing Assets (NPA) to Gross Assets	2.9 %	3.0 %	2.6 %	2.8 %	2.3 %
NPA Coverage	41.9 %	49.8 %	50.7 %	60.7 %	57.5 %
Capital Adequacy					
Total Capital Accounts to Total Assets	19.7 %	20.8 %	19.2 %	21.1 %	24.2 %
Paid-in Capital to Total Capital Accounts	55.0 %	46.6 %	41.2 %	31.2 %	26.4 %
Business Mix					
Total Investments (gross) to Total Assets	43.1 %	39.5 %	34.8 %	37.7 %	36.0 %
Total Loans (gross) to Total Assets	37.1 %	41.8 %	43.3 %	43.6 %	42.6 %

1/ *Cost-to-Income Ratio refers to operating expenses, exclusive of bad debts and provisions to total operating income*

2/ *Liquid Assets refer to Cash and Due from Banks plus Investments,net (less equity investments,net)*

Table 64. Non-Banks with Quasi-Banking Functions (NBQBs)

Profitability Indicators

Levels (P Billion)	End - December 2009	2010	2011	2012	2013
Total Operating Income	9.9	12.5	14.2	22.9	22.0
Net Interest Income	6.1	7.4	8.6	13.6	10.0
Interest Income	3.2	3.5	3.9	3.4	2.5
Interest Expenses	4.4	4.6	5.3	5.9	4.1
Non-interest Income	3.9	5.2	5.6	9.3	12.0
Fee-based Income	2.0	2.5	2.9	5.1	3.9
Trading Income	0.7	1.5	1.5	2.1	4.7
Other Income	1.1	1.2	1.2	2.2	3.4
Operating Expenses	6.1	7.5	8.4	14.1	11.4
Bad Debts/Provisions for Probable Losses	1.7	2.1	2.2	5.2	2.9
Other Operating Expenses	4.4	5.3	6.2	8.8	8.5
Net Operating Income	3.8	5.1	5.8	8.8	10.6
Extraordinary Credits/(Charges)	0.9	0.6	1.4	0.9	7.7
Net Income Before Tax	4.7	5.6	7.2	9.7	18.3
Provisions for Income Tax	1.1	1.1	1.5	2.2	2.0
Net Income After Tax (NIAT)	3.6	4.5	5.7	7.6	16.3
Growth Rates					
Total Operating Income	37.6 %	26.3 %	12.9 %	61.9 %	(4.1 %)
Net Interest Income	29.6 %	21.6 %	15.8 %	58.9 %	(26.3 %)
Interest Income	24.5 %	10.1 %	11.3 %	(12.2 %)	(26.8 %)
Interest Expenses	37.5 %	4.3 %	15.5 %	10.6 %	(30.5 %)
Non-interest Income	52.2 %	33.8 %	8.8 %	66.5 %	28.3 %
Fee-based Income	13.9 %	21.0 %	16.5 %	75.9 %	(23.2 %)
Trading Income	(462.1 %)	103.4 %	0.9 %	39.6 %	126.5 %
Other Income	15.3 %	10.9 %	2.7 %	77.1 %	53.8 %
Operating Expenses	13.3 %	22.0 %	11.9 %	68.3 %	(19.2 %)
Bad Debts/Provisions for Probable Losses	16.3 %	22.8 %	2.2 %	139.3 %	(44.2 %)
Other Operating Expenses	12.1 %	21.7 %	15.7 %	43.2 %	(4.3 %)
Net Operating Income	110.5 %	33.3 %	14.4 %	52.7 %	19.9 %
Extraordinary Credits/(Charges)	31.1 %	(35.5 %)	138.4 %	(35.2 %)	767.7 %
Net Income Before Tax	88.7 %	20.2 %	27.1 %	35.9 %	88.2 %
Provisions for Income Tax	34.8 %	3.6 %	37.3 %	44.9 %	(5.9 %)
Net Income After Tax (NIAT)	113.4 %	25.0 %	24.6 %	33.5 %	115.2 %
Selected Ratios					
Earning Asset Yield [1/]	13.8 %	12.9 %	12.9 %	15.5 %	10.6 %
Funding Cost [2/]	5.8 %	4.9 %	4.9 %	4.9 %	3.6 %
Interest Spread [3/]	8.0 %	8.0 %	8.0 %	10.6 %	7.0 %
Net Interest Margin [4/]	8.0 %	8.0 %	7.9 %	10.8 %	7.5 %
Non-interest Income to Total Operating Income	38.8 %	41.1 %	39.6 %	40.7 %	54.4 %
Cost-to-Income [5/]	44.2 %	42.6 %	43.6 %	38.6 %	38.5 %
Return on Assets (ROA) [6/]	3.5 %	3.5 %	3.7 %	4.3 %	8.9 %
Return on Equity (ROE) [6/]	17.2 %	17.2 %	18.5 %	21.2 %	39.6 %

1/ Earning Asset Yield refers to the ratio of interest income to average earning assets

2/ Funding Cost refers to the ratio of interest expenses to average interest-bearing liabilities

3/ Interest Spread refers to the difference between earning asset yield and funding cost

4/ Net Interest Margin refers to the ratio of net interest income to average earning assets

5/ Cost-to-Income Ratio refers to operating expenses, exclusive of bad debts and provisions to total operating income

6/ ROA and ROE refer to the ratio of annualized NIAT to average assets and capital, respectively.

Figures may not add up due to rounding-off

Table 65. Non-Banks with Quasi-Banking Functions (NBQBs)

Asset Quality Indicators [1/]

Levels (P Billion)	End - December 2009	2010	2011	2012	2013
Total Assets	120.1	139.3	167.5	186.7	177.3
Gross Assets [2/]	121.6	141.5	169.7	189.9	179.7
Total Loan Portfolio (TLP)	44.5	58.3	72.5	81.5	75.5
Interbank Loans Receivable (IBL)	0.6	0.5	0.5	0.0	0.0
TLP, (exclusive of IBL)	43.9	57.8	72.0	81.5	75.5
TLP, net (exclusive of IBL)	42.6	56.0	70.1	78.3	73.3
Non-performing Loans (NPL)	2.0	2.4	2.8	4.3	3.3
Loan Loss Reserves (LLR)	1.4	1.8	2.0	3.1	2.3
ROPA, gross	1.6	1.9	1.5	0.9	0.9
Allowance for ROPA	0.1	0.3	0.2	0.1	0.1
Restructured Loans (RL), gross	0.1	0.3	0.3	0.1	0.3
RL, current	0.1	0.1	0.2	0.0	0.1
Non-performing Assets (NPAs) [3/]	3.6	4.3	4.3	5.3	4.2
Allowance for Probable Losses on NPAs	1.5	2.1	2.2	3.2	2.4
Growth Rates					
Total Assets	35.3 %	16.0 %	20.2 %	11.5 %	(5.0 %)
Gross Assets [2/]	34.7 %	16.4 %	19.9 %	11.9 %	(5.4 %)
TLP	27.4 %	30.9 %	24.3 %	12.4 %	(7.3 %)
IBL	82.5 %	(21.3 %)	1.5 %	(97.4 %)	(100.0 %)
TLP (exclusive of IBL)	26.9 %	31.6 %	24.5 %	13.1 %	(7.3 %)
TLP, net (exclusive of IBL)	28.2 %	31.6 %	25.1 %	11.8 %	(6.5 %)
NPL	10.2 %	21.1 %	17.5 %	53.8 %	(24.1 %)
LLR	(3.6 %)	33.3 %	7.9 %	60.1 %	(27.6 %)
ROPA, gross	9.1 %	19.3 %	(19.6 %)	(37.8 %)	(8.6 %)
Allowance for ROPA	17.6 %	143.7 %	(24.5 %)	(66.4 %)	52.0 %
RL, gross	(28.9 %)	120.7 %	32.5 %	(75.2 %)	214.9 %
RL, current	(32.4 %)	117.3 %	56.5 %	(99.1 %)	4,170.3 %
NPAs [3/]	9.7 %	20.3 %	1.2 %	21.9 %	(21.3 %)
Allowance for Probable Losses on NPAs	(2.0 %)	43.1 %	3.0 %	46.0 %	(25.5 %)
Selected Ratios					
RL to TLP	0.3 %	0.4 %	0.5 %	0.1 %	0.3 %
LLR to TLP	3.0 %	3.1 %	2.7 %	3.8 %	3.0 %
NPL Ratio (inclusive of IBL)	4.5 %	4.1 %	3.9 %	5.3 %	4.4 %
NPL Ratio (exclusive of IBL)	4.5 %	4.2 %	3.9 %	5.3 %	4.4 %
NPL Coverage [4/]	68.4 %	75.2 %	69.1 %	71.9 %	68.6 %
NPA to Gross Assets	2.9 %	3.0 %	2.6 %	2.8 %	2.3 %
NPA Coverage [5/]	41.9 %	49.8 %	50.7 %	60.7 %	57.5 %

1/ *Asset Quality Indicators defined per BSP Circular No. 351 dated 19 September 2002*

2/ *Gross Assets refer to Total Assets, net of reserves plus Loan Loss Reserves (LLR) plus provision for ROPA*

3/ *NPA refers to NPLs plus ROPA, gross excluding performing sales contracts receivable per BSP Circular*

4/ *NPL Coverage refers to the ratio of LLR to NPL*

5/ *NPA Coverage refers to the ratio of valuation reserves (for Loans and ROPA) to NPAs*

Table 66. Non-Stock Savings and Loans Associations (NSSLAs)

Financial Highlights

Levels (P Billion)	End - December 2009	2010	2011	2012	2013
Income Statement					
Total Operating Income	11.4	13.7	15.6	18.3	17.5
Net Interest Income	9.3	11.2	13.0	15.1	14.0
Non-interest Income	2.1	2.5	2.7	3.2	3.6
Operating Expenses	2.6	2.8	3.2	2.7	4.0
Bad Debts/Provisions for Probable Losses	0.2	0.4	0.4	0.5	0.9
Other Operating Expenses	2.4	2.4	2.8	2.2	3.1
Net Operating Income	8.8	10.9	12.4	15.7	13.6
Extraordinary Credits/(Charges)	0.1		(1.1)	(0.5)	(0.7)
Net Income Before Tax	8.9	10.9	11.3	15.1	12.8
Provisions for Income Tax		0.1			0.0
Net Income After Tax (NIAT)	8.9	10.9	11.3	15.1	12.8
Balance Sheet					
Total Assets	90.5	101.7	112.6	124.9	130.0
Cash and Due from Banks	16.8	11.2	9.4	9.1	14.3
Loans, gross (exclusive of IBL)	66.2	80.4	91.4	104.4	102.5
Allowance for Probable Losses	7.2	7.7	7.1	7.5	7.0
Loans, net (exclusive of IBL)	59.0	72.7	84.3	96.9	95.5
Investment, gross	10.4	12.5	13.9	14.5	12.7
ROPA, net	0.1	0.1	0.2	0.2	0.1
Other Assets	4.2	5.2	4.8	4.2	7.5
Total Liabilities	20.2	21.9	24.2	27.3	31.2
Deposits	15.6	17.8	20.3	22.9	23.3
Bills Payable	0.8	0.5	0.3	0.9	3.3
Other Liabilities	3.8	3.6	3.5	3.6	4.6
Total Capital Accounts	70.3	79.8	88.4	97.5	98.8

0.0 Less than P50 million

Figures may not add up due to rounding-off

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Schedule 1

PHYSICAL COMPOSITION

Financial Institutions Under BSP Supervision/Regulation

As of Semesters-Ended Indicated

TYPE OF FINANCIAL INSTITUTIONS (FIs)	DECEMBER 2012			JUNE 2013			DECEMBER 2013		
	TOTAL	HEAD OFFICE	OTHER OFFICES	TOTAL	HEAD OFFICE	OTHER OFFICES	TOTAL	HEAD OFFICE	OTHER OFFICES
BSP SUPERVISED/REGULATED FIs	**27,081**	**7,132**	**19,949**	**27,395**	**7,006**	**20,389**	**27,939**	**6,906**	**21,033**
I. BANKS	**9,410**	**696**	**8,714**	**9,543**	**683**	**8,860**	**9,935**	**673**	**9,262**
A. Universal and Commercial Banks	**5,145**	**37**	**5,108**	**5,234**	**36**	**5,198**	**5,461**	**36**	**5,425**
Universal Banks	**4,622**	**21**	**4,601**	**4,698**	**20**	**4,678**	**5,010**	**21**	**4,989**
Private Domestic Banks	4,147	12	4,135	4,217	11	4,206	4,523	12	4,511
Government Banks	458	3	455	464	3	461	470	3	467
Branches of Foreign Banks	17	6	11	17	6	11	17	6	11
Commercial Banks	**523**	**16**	**507**	**536**	**16**	**520**	**451**	**15**	**436**
Private Domestic Banks	432	6	426	443	6	437	337	5	332
Subsidiaries of Foreign Banks	78	2	76	80	2	78	100	2	98
Branches of Foreign Banks	13	8	5	13	8	5	14	8	6
B. Thrift Banks	**1,619**	**70**	**1,549**	**1,662**	**70**	**1,592**	**1,828**	**71**	**1,757**
Financial Institution-Linked Banks	**752**	**18**	**734**	**768**	**18**	**750**	**807**	**18**	**789**
Domestic Bank-Controlled	700	13	687	721	13	708	760	13	747
Foreign Bank-Controlled	30	3	27	25	3	22	25	3	22
NBFI-Controlled [1/]	22	2	20	22	2	20	22	2	20
Non-Linked	**867**	**52**	**815**	**894**	**52**	**842**	**1,021**	**53**	**968**
C. Rural and Cooperative Banks	**2,646**	**589**	**2,057**	**2,647**	**577**	**2,070**	**2,646**	**566**	**2,080**
Rural Banks	2,175	543	1,632	2,191	534	1,657	2,168	523	1,645
Microfinance-oriented Rural Banks	307	7	300	309	7	302	324	7	317
Cooperative Banks	164	39	125	147	36	111	154	36	118
II. NON-BANK FINANCIAL INSTITUTIONS (NBFIs)	**17,667**	**6,432**	**11,235**	**17,848**	**6,319**	**11,529**	**18,000**	**6,229**	**11,771**
A. With Quasi-Banking Function	**77**	**14**	**63**	**76**	**13**	**63**	**75**	**12**	**63**
Investment Houses	17	7	10	16	6	10	15	5	10
Financing Companies	59	6	53	59	6	53	59	6	53
Other Non-Bank with QBF Function	1	1		1	1		1	1	
B. Without Quasi-Banking Functions [2/]	**17,590**	**6,418**	**11,172**	**17,772**	**6,306**	**11,466**	**17,925**	**6,217**	**11,708**
Investment Houses	10	10		10	10		11	11	
Financing Companies	28	14	14	28	14	14	28	14	14
Investment Companies	3	3		3	3		3	3	
Securities Dealers/Brokers	13	13		13	13		13	13	
Lending Investors	1	1		1	1		1	1	
Pawnshops	17,335	6,301	11,034	17,514	6,188	11,326	17,652	6,085	11,567
Government Non-Bank Financial Institutions	2	2		2	2		2	2	
Non-Stock Savings and Loan Associations	195	71	124	198	72	126	198	71	127
Credit Card Companies	3	3		3	3		3	3	
Electronic Money Issuer - Others							4	4	
Remittance Agent							1	1	
Credit Granting Entities							9	9	
III. OFFSHORE BANKING UNITS (OBUs)	4	4		4	4		**4**	**4**	

[1/] *Includes Tong Yang Savings Bank, a foreign NBFI-controlled thrift bank*

[2/] *Except for pawnshops, one government non-bank financial institution and non-stock savings and loan associations, all NBFIs without quasi-banking functions include subsidiaries/affiliates of banks/quasi-banks pursuant to Section 130 of R.A. No. 7653 and non-subsidiary/affiliate investment houses with trust/IMA licenses.*

Source : Supervisory Data Center, Supervision and Examination Sector

Schedule 2

COMPARATIVE STATEMENT OF CONDITION

PHILIPPINE BANKING SYSTEM

As of Periods-Ended Indicated
(Amounts in Billion Pesos)

Selected Accounts	ALL BANKS 1/			UNIVERSAL & COMMERCIAL BANKS 1/ 2/			THRIFT BANKS			RURAL AND COOPERATIVE BANKS		
	End-Dec '12 r/	End-Jun '13 r/	End-Dec '13 p/	End-Dec '12	End-Jun '13	End-Dec '13	End-Dec '12	End-Jun '13	End-Dec '13	End-Sep '12	End-Jun '13	End-Sep '13
ASSETS	**8,050.111**	**8,616.530**	**9,961.612**	**7,193.817**	**7,709.601**	**8,997.132**	**666.168**	**710.970**	**771.380**	**190.126**	**195.959**	**193.100**
Cash and Due from Banks	1,457.333	1,796.345	2,549.403	1,331.580	1,620.192	2,345.158	89.118	132.804	162.881	36.635	43.348	41.363
Financial Assets (net)	1,849.104	1,884.803	1,971.692	1,753.104	1,803.965	1,894.055	86.866	70.987	66.616	9.134	9.851	11.020
Loan Portfolio (net) 3/	4,073.242	4,197.302	4,731.658	3,522.296	3,629.600	4,126.523	431.168	448.705	488.092	119.779	118.997	117.043
Equity Investments (net)	164.090	187.942	180.534	160.295	184.180	178.292	3.684	3.660	2.140	0.111	0.101	0.102
ROPA (net)	116.568	112.255	108.743	87.980	83.887	79.511	18.668	18.209	18.949	9.920	10.159	10.283
Other Assets	389.774	437.884	419.583	338.562	387.776	373.593	36.664	36.605	32.701	14.548	13.503	13.288
LIABILITIES AND CAPITAL	**8,050.111**	**8,616.530**	**9,961.612**	**7,193.817**	**7,709.601**	**8,997.132**	**666.168**	**710.970**	**771.380**	**190.126**	**195.959**	**193.100**
Liabilities	**6,998.065**	**7,499.146**	**8,836.017**	**6,256.765**	**6,715.429**	**7,993.560**	**585.087**	**623.317**	**685.813**	**156.212**	**160.400**	**156.644**
Financial Liabilities Held for Trading	52.724	61.135	40.789	52.724	61.114	40.789	-	0.021	0.001	-	-	-
Financial Liabilities DFVPL	6.196	-	-	6.196	-	-	-	-	-	-	-	-
Deposit Liabilities	5,754.555	6,351.705	7,603.465	5,097.472	5,645.386	6,837.526	529.802	571.175	632.431	127.281	135.144	133.508
Residents	5,709.205	6,281.738	7,513.146	5,055.122	5,578.272	6,750.632	526.862	568.327	629.015	127.221	135.139	133.499
Peso Liabilities	4,687.668	5,193.642	6,385.949	4,079.789	4,534.345	5,666.736	480.726	524.226	585.781	127.154	135.071	133.431
Demand and NOW	1,100.238	1,303.439	1,520.719	1,053.607	1,242.559	1,456.388	42.589	56.567	60.106	4.041	4.313	4.226
Savings	2,310.040	2,549.197	3,011.473	2,092.770	2,299.208	2,736.600	140.950	165.107	192.928	76.320	84.883	81.946
Time	1,226.597	1,281.841	1,766.861	882.737	933.575	1,387.008	297.186	302.553	332.748	46.674	45.713	47.105
LTNCD	50.793	59.165	86.895	50.674	59.004	86.741	-	-	-	0.119	0.161	0.154
Foreign Currency	1,021.537	1,088.096	1,127.197	975.334	1,043.927	1,083.895	46.137	44.101	43.234	0.066	0.068	0.068
Demand and NOW	39.176	43.639	37.973	38.794	43.219	37.482	0.383	0.421	0.491	-	-	-
Savings	466.641	506.980	525.841	446.517	484.429	503.642	20.079	22.501	22.151	0.046	0.050	0.048
Time	515.719	537.476	563.383	490.024	516.279	542.771	25.676	21.179	20.593	0.020	0.018	0.019
LTNCD	-	-	-	-	-	-	-	-	-	-	-	-
Non-Residents	45.349	69.967	90.319	42.349	67.114	86.895	2.940	2.848	3.416	0.060	0.006	0.009
Peso Liabilities	24.674	41.425	57.360	22.777	39.551	54.979	1.836	1.868	2.372	0.060	0.006	0.009
Demand and NOW	13.767	22.926	30.093	13.420	22.598	29.774	0.346	0.328	0.319	0.000	0.000	0.000
Savings	5.533	8.070	6.363	4.085	6.591	4.341	1.404	1.473	2.012	0.044	0.006	0.009
Time	5.327	10.382	20.901	5.224	10.315	20.861	0.086	0.067	0.040	0.017	-	-
LTNCD	0.047	0.047	0.003	0.047	0.047	0.003	-	-	-	-	-	-
Foreign Currency	20.675	28.542	32.959	19.572	27.563	31.915	1.103	0.980	1.044	-	-	-
Demand and NOW	1.884	7.793	6.738	1.871	7.782	6.728	0.013	0.011	0.010	-	-	-
Savings	10.607	12.168	16.384	9.551	11.232	15.364	1.056	0.936	1.020	-	-	-
Time	8.184	8.582	9.838	8.149	8.549	9.823	0.035	0.033	0.014	-	-	-
LTNCD	-	-	-	-	-	-	-	-	-	-	-	-
Bills Payable	426.224	402.423	499.244	380.885	366.552	462.456	27.173	21.968	23.652	18.166	13.902	13.137
BSP	21.039	8.420	4.324	16.333	5.938	3.349	4.168	2.282	0.848	0.538	0.199	0.127
Interbank Loans Payable	227.559	207.628	267.829	205.500	189.864	246.445	14.452	13.861	17.240	7.606	3.904	4.144
Other Deposits Substitutes	96.245	115.005	155.161	96.238	114.959	155.147	-	-	-	0.008	0.046	0.014
Others	81.381	71.370	71.930	62.814	55.791	57.515	8.553	5.826	5.564	10.014	9.753	8.851
Unsecured Subordinated Debt	113.509	91.824	62.853	107.441	85.999	57.005	5.435	5.317	5.440	0.633	0.508	0.408
Redeemable Preferred Shares	0.336	0.316	0.319	0.000	0.000	0.000	0.132	0.132	0.132	0.204	0.185	0.187
Other Liabilities	644.521	591.743	629.347	612.047	556.379	595.784	22.545	24.704	24.158	9.928	10.660	9.405
Capital Accounts	**1,052.047**	**1,117.384**	**1,125.595**	**937.052**	**994.172**	**1,003.572**	**81.081**	**87.653**	**85.567**	**33.914**	**35.559**	**36.456**
Capital Stock	466.054	529.749	541.583	391.186	450.892	462.472	51.403	54.863	54.893	23.465	23.993	24.219
Assigned Capital	27.012	27.012	27.228	27.012	27.012	27.228	-	-	-	-	-	-
Net Due to HO/Br/Ag	94.802	93.249	95.317	94.802	93.249	95.317	-	-	-	-	-	-
Other Equity Instruments 4/	31.181	30.538	29.920	29.967	28.733	27.589	1.206	1.343	1.786	0.007	0.462	0.545
Retained Earnings & Undivided Profits 5/	432.997	436.835	431.547	394.084	394.285	390.966	28.472	31.447	28.888	10.442	11.103	11.692

1/ Total assets adjusted to net off the account "Due From Head Office" with "Due to Head Office" of branches of foreign banks
2/ Inclusive of branches of foreign banks with universal banking license, other foreign bank branches and subsidiaries, and 3 government banks: Development Bank of the Philippines (DBP), Land Bank of the Philippines (LBP), and Al Amanah Islamic Bank
3/ Inclusive of Interbank Loans Receivable
4/ Inclusive of Deposits for Stock Subscription
5/ Inclusive of Other Comprehensive Income and Appraisal Increment Reserve
p/ Preliminary
r/ Revised
Note: "0.000" denotes a value below 0.0005
Figures may not add up due to rounding-off

Source : Supervisory Data Center, Supervision and Examination Sector

Schedule 2.a

COMPARATIVE STATEMENT OF CONDITION

UNIVERSAL AND COMMERCIAL BANKING INDUSTRY

As of Semesters-Ended Indicated
(Amounts in Billion Pesos)

Selected Accounts	TOTALS			UNIVERSAL BANKS 1/ 2/			COMMERCIAL BANKS 1/ 3/		
	End-Dec '12	End-Jun '13	End-Dec '13	End-Dec '12	End-Jun '13	End-Dec '13	End-Dec '12	End-Jun '13	End-Dec '13
ASSETS	**7,193.817**	**7,709.601**	**8,997.132**	**6,405.099**	**6,836.858**	**8,146.264**	**788.718**	**872.743**	**850.868**
Cash and Due from Banks	1,331.580	1,620.192	2,345.158	1,153.563	1,382.788	2,117.086	178.018	237.404	228.072
Financial Assets (net)	1,753.104	1,803.965	1,894.055	1,587.404	1,622.557	1,727.560	165.699	181.409	166.495
Loan Portfolio (net) 4/	3,522.296	3,629.600	4,126.523	3,130.498	3,231.878	3,718.633	391.798	397.722	407.890
Equity Investments (net)	160.295	184.180	178.292	158.184	182.472	177.054	2.111	1.708	1.238
ROPA (net)	87.980	83.887	79.511	78.928	74.621	72.489	9.051	9.266	7.021
Other Assets	338.562	387.776	373.593	296.521	342.542	333.442	42.040	45.234	40.151
LIABILITIES AND CAPITAL	**7,193.817**	**7,709.601**	**8,997.132**	**6,405.099**	**6,836.858**	**8,146.264**	**788.718**	**872.743**	**850.868**
Liabilities	**6,256.765**	**6,715.429**	**7,993.560**	**5,604.583**	**5,986.883**	**7,266.403**	**652.182**	**728.546**	**727.158**
Financial Liabilities Held for Trading	52.724	61.114	40.789	41.341	51.319	36.107	11.383	9.795	4.682
Financial Liabilities DFVPL	6.196	-	-	6.196	-	-	-	-	-
Deposit Liabilities	5,097.472	5,645.386	6,837.526	4,597.516	5,048.792	6,252.674	499.955	596.594	584.852
Residents	5,055.122	5,578.272	6,750.632	4,563.789	4,992.616	6,174.172	491.334	585.656	576.459
Peso Liabilities	4,079.789	4,534.345	5,666.736	3,732.221	4,106.065	5,233.177	347.568	428.280	433.559
Demand and NOW	1,053.607	1,242.559	1,456.388	914.269	1,079.435	1,286.562	139.339	163.124	169.826
Savings	2,092.770	2,299.208	2,736.600	1,967.846	2,139.514	2,581.335	124.925	159.694	155.265
Time	882.737	933.575	1,387.008	799.432	828.113	1,278.539	83.304	105.462	108.468
LTNCD	50.674	59.004	86.741	50.674	59.004	86.741	-	-	-
Foreign Currency	975.334	1,043.927	1,083.895	831.568	886.551	940.995	143.766	157.376	142.900
Demand and NOW	38.794	43.219	37.482	9.156	8.855	9.107	29.637	34.364	28.375
Savings	446.517	484.429	503.642	379.009	404.649	428.080	67.507	79.780	75.562
Time	490.024	516.279	542.771	443.402	473.047	503.808	46.622	43.232	38.963
LTNCD	-	-	-	-	-	-	-	-	-
Non-Residents	42.349	67.114	86.895	33.728	56.176	78.502	8.622	10.938	8.393
Peso Liabilities	22.777	39.551	54.979	18.802	33.621	51.407	3.976	5.930	3.573
Demand and NOW	13.420	22.598	29.774	11.465	18.227	27.420	1.955	4.371	2.354
Savings	4.085	6.591	4.341	2.275	5.064	3.156	1.811	1.527	1.185
Time	5.224	10.315	20.861	5.014	10.282	20.828	0.210	0.033	0.033
LTNCD	0.047	0.047	0.003	0.047	0.047	0.003	-	-	-
Foreign Currency	19.572	27.563	31.915	14.926	22.555	27.095	4.646	5.008	4.820
Demand and NOW	1.871	7.782	6.728	1.456	7.291	6.249	0.416	0.491	0.479
Savings	9.551	11.232	15.364	7.781	9.300	13.660	1.771	1.932	1.704
Time	8.149	8.549	9.823	5.690	5.964	7.186	2.460	2.585	2.638
LTNCD	-	-	-	-	-	-	-	-	-
Bills Payable	380.885	366.552	462.456	355.027	339.172	441.364	25.858	27.381	21.092
BSP	16.333	5.938	3.349	14.990	5.253	3.303	1.343	0.686	0.046
Interbank Loans Payable	205.500	189.864	246.445	191.788	173.816	235.334	13.712	16.048	11.111
Other Deposits Substitutes	96.238	114.959	155.147	94.800	113.163	153.270	1.437	1.796	1.877
Others	62.814	55.791	57.515	53.448	46.940	49.457	9.365	8.851	8.058
Unsecured Subordinated Debt	107.441	85.999	57.005	107.441	85.999	57.005	-	-	-
Redeemable Preferred Shares	0.000	0.000	0.000	0.000	0.000	0.000	-	-	-
Other Liabilities	612.047	556.379	595.784	497.062	461.602	479.252	114.985	94.777	116.532
Capital Accounts	**937.052**	**994.172**	**1,003.572**	**800.516**	**849.975**	**879.862**	**136.536**	**144.197**	**123.710**
Capital Stock	391.186	450.892	462.472	340.252	386.475	410.293	50.934	64.418	52.178
Assigned Capital	27.012	27.012	27.228	12.704	12.704	12.920	14.308	14.308	14.308
Net Due to HO/Br/Ag	94.802	93.249	95.317	38.113	38.113	38.761	56.690	55.137	56.556
Other Equity Instruments 5/	29.967	28.733	27.589	26.415	27.170	27.589	3.553	1.564	-
Retained Earnings & Undivided Profits 6/	394.084	394.285	390.966	383.033	385.514	390.298	11.051	8.771	0.668

1/ Total assets adjusted to net off the account "Due From Head Office" with "Due to Head Office" of branches of foreign bani
2/ Inclusive of branches of foreign banks with universal banking license and 3 government banks: Development Bank of the Philippines (DBP), Land Bank of the Philippines (LBP), and Al Amanah Islamic Bc
3/ Inclusive of the other foreign bank branches and subsidiarie
4/ Inclusive of Interbank Loans Receivable
5/ Inclusive of Deposits for Stock Subscriptior
6/ Inclusive of Other Comprehensive Income and Appraisal Increment Reserv
Note: "0.000" denotes a value below 0.0005
Figures may not add up due to rounding-off

Source : Supervisory Data Center, Supervision and Examination Sector

Schedule 2.b

COMPARATIVE STATEMENT OF CONDITION

THRIFT BANKING INDUSTRY

As of Semesters-Ended Indicated
(Amounts in Billion Pesos)

Selected Accounts	TOTALS			FINANCIAL INSTITUTION-LINKED BANKS			NON-LINKED BANKS		
	End-Dec '12	End-Jun '13	End-Dec '13	End-Dec '12	End-Jun '13	End-Dec '13	End-Dec '12	End-Jun '13	End-Dec '13
ASSETS	**666.168**	**710.970**	**771.380**	**472.716**	**508.468**	**557.486**	**193.452**	**202.502**	**213.894**
Cash and Due from Banks	89.118	132.804	162.881	61.207	101.492	128.287	27.911	31.312	34.594
Financial Assets (net)	86.866	70.987	66.616	60.255	42.215	39.125	26.611	28.771	27.492
Loan Portfolio (net) 1/	431.168	448.705	488.092	319.086	331.329	361.181	112.081	117.376	126.911
Equity Investments (net)	3.684	3.660	2.140	3.361	3.337	1.829	0.323	0.324	0.312
ROPA (net)	18.668	18.209	18.949	9.441	9.364	9.871	9.227	8.845	9.078
Other Assets	36.664	36.605	32.701	19.366	20.731	17.194	17.298	15.874	15.507
LIABILITIES AND CAPITAL	**666.168**	**710.970**	**771.380**	**472.716**	**508.468**	**557.486**	**193.452**	**202.502**	**213.894**
Liabilities	**585.087**	**623.317**	**685.813**	**416.999**	**448.723**	**498.737**	**168.088**	**174.594**	**187.075**
Financial Liabilities Held for Trading	-	0.021	0.001	-	0.019	-	-	0.002	0.001
Financial Liabilities DFVPL	-	-	-	-	-	-	-	-	-
Deposit Liabilities	529.802	571.175	632.431	392.432	420.871	471.783	137.370	150.304	160.648
Residents	526.862	568.327	629.015	389.503	418.040	468.385	137.359	150.287	160.631
Peso Liabilities	480.726	524.226	585.781	350.058	381.256	432.484	130.668	142.970	153.298
Demand and NOW	42.589	56.567	60.106	28.165	40.097	42.019	14.424	16.469	18.086
Savings	140.950	165.107	192.928	91.637	110.687	133.979	49.313	54.420	58.949
Time	297.186	302.553	332.748	230.256	230.472	256.485	66.931	72.081	76.263
LTNCD	-	-	-	-	-	-	-	-	-
Foreign Currency	46.137	44.101	43.234	39.445	36.784	35.901	6.691	7.317	7.333
Demand and NOW	0.383	0.421	0.491	0.383	0.421	0.491	-	-	-
Savings	20.079	22.501	22.151	18.803	20.132	20.092	1.276	2.369	2.059
Time	25.676	21.179	20.593	20.260	16.231	15.318	5.415	4.948	5.274
LTNCD	-	-	-	-	-	-	-	-	-
Non-Residents	2.940	2.848	3.416	2.928	2.830	3.399	0.011	0.017	0.017
Peso Liabilities	1.836	1.868	2.372	1.825	1.852	2.358	0.011	0.016	0.014
Demand and NOW	0.346	0.328	0.319	0.346	0.328	0.319	0.000	0.000	0.000
Savings	1.404	1.473	2.012	1.400	1.466	2.008	0.004	0.008	0.005
Time	0.086	0.067	0.040	0.079	0.058	0.032	0.007	0.008	0.009
LTNCD	-	-	-	-	-	-	-	-	-
Foreign Currency	1.103	0.980	1.044	1.103	0.979	1.041	0.000	0.001	0.003
Demand and NOW	0.013	0.011	0.010	0.013	0.011	0.010	-	-	-
Savings	1.056	0.936	1.020	1.055	0.935	1.017	0.000	0.001	0.003
Time	0.035	0.033	0.014	0.035	0.033	0.014	-	0.000	0.000
LTNCD	-	-	-	-	-	-	-	-	-
Bills Payable	27.173	21.968	23.652	7.545	7.417	8.959	19.629	14.552	14.692
BSP	4.168	2.282	0.848	1.555	0.634	0.071	2.613	1.649	0.777
Interbank Loans Payable	14.452	13.861	17.240	5.899	6.694	8.802	8.554	7.167	8.438
Other Deposits Substitutes	-	-	-	-	-	-	-	-	-
Others	8.553	5.826	5.564	0.091	0.089	0.087	8.462	5.737	5.477
Unsecured Subordinated Debt	5.435	5.317	5.440	2.970	2.971	2.972	2.465	2.346	2.467
Redeemable Preferred Shares	0.132	0.132	0.132	0.031	0.031	0.031	0.101	0.101	0.101
Other Liabilities	22.545	24.704	24.158	14.022	17.414	14.991	8.524	7.289	9.167
Capital Accounts	**81.081**	**87.653**	**85.567**	**55.718**	**59.745**	**58.749**	**25.364**	**27.908**	**26.818**
Capital Stock	51.403	54.863	54.893	29.029	29.203	29.203	22.374	25.661	25.690
Assigned Capital	-	-	-	-	-	-	-	-	-
Net Due to HO/Br/Ag	-	-	-	-	-	-	-	-	-
Other Equity Instruments 2/	1.206	1.343	1.786	-	-	0.446	1.206	1.343	1.340
Retained Earnings & Undivided Profits 3/	28.472	31.447	28.888	26.689	30.542	29.100	1.783	0.905	(0.212)

1/ Inclusive of Interbank Loans Receivable
2/ Inclusive of Deposits for Stock Subscription
3/ Inclusive of Other Comprehensive Income and Appraisal Increment Reserve
Note: "0.000" denotes a value below 0.0005
Figures may not add up due to rounding-off

Source : Supervisory Data Center, Supervision and Examination Sector

Schedule 2.c

COMPARATIVE STATEMENT OF CONDITION

RURAL AND COOPERATIVE BANKING INDUSTRY

As of Periods-Ended Indicated
(Amounts in Billion Pesos)

Selected Accounts	TOTALS			RURAL BANKS			COOPERATIVE BANKS		
	End-Sep '12	End-Jun '13	End-Sep '13	End-Sep '12	End-Jun '13	End-Sep '13	End-Sep '12	End-Jun '13	End-Sep '13
ASSETS	**190.126**	**195.959**	**193.100**	**173.048**	**182.808**	**179.926**	**17.078**	**13.151**	**13.174**
Cash and Due from Banks	36.635	43.348	41.363	33.722	40.445	38.561	2.912	2.903	2.803
Financial Assets (net)	9.134	9.851	11.020	8.727	9.511	10.696	0.407	0.339	0.324
Loan Portfolio (net) 1/	119.779	118.997	117.043	107.843	110.538	108.465	11.935	8.460	8.578
Equity Investments (net)	0.111	0.101	0.102	0.062	0.099	0.099	0.048	0.003	0.003
ROPA (net)	9.920	10.159	10.283	9.274	9.630	9.736	0.647	0.529	0.547
Other Assets	14.548	13.503	13.288	13.420	12.585	12.369	1.128	0.917	0.919
LIABILITIES AND CAPITAL	**190.126**	**195.959**	**193.100**	**173.048**	**182.808**	**179.926**	**17.078**	**13.151**	**13.174**
Liabilities	**156.212**	**160.400**	**156.644**	**141.009**	**149.474**	**145.756**	**15.203**	**10.926**	**10.888**
Financial Liabilities Held for Trading	-	-	-	-	-	-	-	-	-
Financial Liabilities DFVPL	-	-	-	-	-	-	-	-	-
Deposit Liabilities	127.281	135.144	133.508	116.347	126.172	124.526	10.934	8.972	8.982
Residents	127.221	135.139	133.499	116.287	126.166	124.517	10.934	8.972	8.982
Peso Liabilities	127.154	135.071	133.431	116.224	126.098	124.449	10.930	8.972	8.982
Demand and NOW	4.041	4.313	4.226	3.910	4.228	4.138	0.131	0.085	0.088
Savings	76.320	84.883	81.946	71.330	79.316	76.430	4.990	5.567	5.516
Time	46.674	45.713	47.105	40.865	42.392	43.727	5.809	3.321	3.378
LTNCD	0.119	0.161	0.154	0.119	0.161	0.154	-	-	-
Foreign Currency	0.066	0.068	0.068	0.063	0.068	0.068	0.003	-	-
Demand and NOW	-	-	-	-	-	-	-	-	-
Savings	0.046	0.050	0.048	0.046	0.050	0.048	0.000	-	-
Time	0.020	0.018	0.019	0.017	0.018	0.019	0.003	-	-
LTNCD	-	-	-	-	-	-	-	-	-
Non-Residents	0.060	0.006	0.009	0.060	0.006	0.009	-	-	-
Peso Liabilities	0.060	0.006	0.009	0.060	0.006	0.009	-	-	-
Demand and NOW	0.000	0.000	0.000	0.000	0.000	0.000	-	-	-
Savings	0.044	0.006	0.009	0.044	0.006	0.009	-	-	-
Time	0.017	-	-	0.017	-	-	-	-	-
LTNCD	-	-	-	-	-	-	-	-	-
Foreign Currency	-	-	-	-	-	-	-	-	-
Demand and NOW	-	-	-	-	-	-	-	-	-
Savings	-	-	-	-	-	-	-	-	-
Time	-	-	-	-	-	-	-	-	-
LTNCD	-	-	-	-	-	-	-	-	-
Bills Payable	18.166	13.902	13.137	15.014	12.727	11.987	3.152	1.176	1.150
BSP	0.538	0.199	0.127	0.506	0.191	0.120	0.032	0.008	0.007
Interbank Loans Payable	7.606	3.904	4.144	6.035	3.398	3.660	1.571	0.506	0.484
Other Deposits Substitutes	0.008	0.046	0.014	0.006	0.034	0.001	0.001	0.012	0.012
Others	10.014	9.753	8.851	8.466	9.104	8.205	1.548	0.648	0.646
Unsecured Subordinated Debt	0.633	0.508	0.408	0.458	0.409	0.309	0.174	0.099	0.100
Redeemable Preferred Shares	0.204	0.185	0.187	0.110	0.109	0.108	0.095	0.076	0.079
Other Liabilities	9.928	10.660	9.405	9.080	10.058	8.828	0.848	0.602	0.577
Capital Accounts	**33.914**	**35.559**	**36.456**	**32.039**	**33.333**	**34.170**	**1.875**	**2.225**	**2.286**
Capital Stock	23.465	23.993	24.219	22.074	22.686	22.888	1.391	1.307	1.331
Assigned Capital	-	-	-	-	-	-	-	-	-
Net Due to HO/Br/Ag	-	-	-	-	-	-	-	-	-
Other Equity Instruments 2/	0.007	0.462	0.545	0.001	0.438	0.470	0.006	0.024	0.075
Retained Earnings & Undivided Profits 3/	10.442	11.103	11.692	9.964	10.209	10.812	0.478	0.895	0.880

1/ Inclusive of Interbank Loans Receivable
2/ Inclusive of Deposits for Stock Subscription
3/ Inclusive of Other Comprehensive Income and Appraisal Increment Reserve
Note: "0.000" denotes a value below 0.0005
Figures may not add up due to rounding-off

Source : Supervisory Data Center, Supervision and Examination Sector

Schedule 3

SELECTED CONTINGENT ACCOUNTS

PHILIPPINE BANKING SYSTEM

As of Semesters-Ended Indicated
(Amounts in Billion Pesos)

Selected Accounts	TOTAL			UNIVERSAL and COMMERCIAL BANKS			THRIFT BANKS		
	End-Dec '12	End-Jun '13	End-Dec '13	End-Dec '12	End-Jun '13	End-Dec '13	End-Dec '12	End-Jun '13	End-Dec '13
TRADE-RELATED ACCOUNTS	**85.275**	**69.192**	**88.698**	**84.940**	**67.986**	**87.787**	**0.335**	**1.206**	**0.911**
Domestic Commercial Letters of Credit Outstanding	4.002	4.852	10.062	3.951	4.477	9.369	0.050	0.375	0.693
Foreign Commercial Letters of Credit Outstanding	56.993	52.889	69.619	56.709	52.295	69.409	0.285	0.593	0.210
Export LCs - Confirmed	4.469	2.750	2.354	4.469	2.750	2.354	-	-	-
Shipside Bonds/Airway Bills	19.811	8.702	6.663	19.811	8.464	6.656	-	0.238	0.007
BANK GUARANTEES	**130.791**	**145.021**	**174.547**	**129.843**	**144.277**	**173.848**	**0.947**	**0.744**	**0.699**
Stand-by Letters of Credit	119.409	128.938	156.421	118.600	128.278	155.801	0.809	0.661	0.621
Outstanding Guarantees Issued	11.382	16.083	18.126	11.243	16.000	18.048	0.139	0.083	0.078
COMMITMENTS	**548.532**	**608.025**	**665.203**	**543.759**	**603.875**	**660.136**	**4.773**	**4.149**	**5.067**
Underwritten Accounts Unsold	-	-	-	-	-	-	-	-	-
Committed Credit Lines for CPs Issued	1.121	1.832	0.011	1.090	1.803	-	0.031	0.029	0.011
Credit Card Lines	388.768	421.000	440.941	387.794	420.008	439.417	0.974	0.992	1.523
Others	158.643	185.192	224.252	154.875	182.064	220.718	3.768	3.128	3.534
DERIVATIVES INSTRUMENTS*	**2,552.107**	**3,034.526**	**2,270.519**	**2,542.851**	**3,031.775**	**2,268.122**	**9.255**	**2.751**	**2.396**
Interest Rate Contracts	717.763	763.345	775.827	708.508	761.029	773.447	9.255	2.316	2.380
Foreign Exchange Contracts	1,819.446	2,255.940	1,482.586	1,819.446	2,255.505	1,482.569	-	0.436	0.017
Equity Contracts	-	-	-	-	-	-	-	-	-
Credit Derivatives	14.898	15.240	12.106	14.898	15.240	12.106	-	-	-
TRUST DEPARTMENT ACCOUNTS	**3,094.261**	**2,973.335**	**2,482.688**	**3,054.176**	**2,938.802**	**2,454.428**	**40.085**	**34.533**	**28.260**

** Notional Amounts of Derivatives Held For Trading (Stand-Alone and Embedded)*
Figures may not add up due to rounding-off

Source : Supervisory Data Center, Supervision and Examination Sector

Schedule 3.a

SELECTED CONTINGENT ACCOUNTS

UNIVERSAL AND COMMERCIAL BANKING INDUSTRY

As of Semesters-Ended Indicated

(Amounts in Billion Pesos)

Selected Accounts	TOTAL			UNIVERSAL BANKS			COMMERCIAL BANKS		
	End-Dec '12	End-Jun '13	End-Dec '13	End-Dec '12	End-Jun '13	End-Dec '13	End-Dec '12	End-Jun '13	End-Dec '13
TRADE-RELATED ACCOUNTS	**84.940**	**67.986**	**87.787**	**80.162**	**64.201**	**83.559**	**4.778**	**3.785**	**4.228**
Domestic Commercial Letters of Credit Outstanding	3.951	4.477	9.369	3.330	4.232	9.050	0.621	0.245	0.319
Foreign Commercial Letters of Credit Outstanding	56.709	52.295	69.409	53.478	49.499	66.557	3.230	2.797	2.852
Export LCs - Confirmed	4.469	2.750	2.354	3.936	2.481	1.813	0.534	0.269	0.540
Shipside Bonds/Airway Bills	19.811	8.464	6.656	19.418	7.989	6.139	0.393	0.475	0.517
BANK GUARANTEES	**129.843**	**144.277**	**173.848**	**115.046**	**131.720**	**152.724**	**14.797**	**12.557**	**21.124**
Stand-by Letters of Credit	118.600	128.278	155.801	105.515	116.906	135.811	13.086	11.371	19.989
Outstanding Guarantees Issued	11.243	16.000	18.048	9.532	14.814	16.913	1.711	1.186	1.135
COMMITMENTS	**543.759**	**603.875**	**660.136**	**413.777**	**461.521**	**510.061**	**129.982**	**142.354**	**150.074**
Underwritten Accounts Unsold			-			-			-
Committed Credit Lines for CPs Issued	1.090	1.803	-			-	1.090	1.803	-
Credit Card Lines	387.794	420.008	439.417	260.654	280.649	292.693	127.140	139.359	146.725
Others	154.875	182.064	220.718	153.123	180.872	217.369	1.752	1.192	3.349
DERIVATIVES INSTRUMENTS *	**2,542.851**	**3,031.775**	**2,268.122**	**2,290.672**	**2,654.999**	**2,022.971**	**252.179**	**376.775**	**245.152**
Interest Rate Contracts	708.508	761.029	773.447	661.267	718.983	726.598	47.240	42.046	46.849
Foreign Exchange Contracts	1,819.446	2,255.505	1,482.569	1,617.840	1,924.283	1,286.493	201.606	331.222	196.077
Equity Contracts			-			-			-
Credit Derivatives	14.898	15.240	12.106	11.565	11.733	9.880	3.333	3.507	2.226
TRUST DEPARTMENT ACCOUNTS	**3,054.176**	**2,938.802**	**2,454.428**	**2,798.681**	**2,699.233**	**2,229.219**	**255.495**	**239.568**	**225.209**

** Notional Amounts of Derivatives Held For Trading (Stand-Alone and Embedded)*

Figures may not add up due to rounding-off

Source : Supervisory Data Center, Supervision and Examination Sector

Schedule 3.b

SELECTED CONTINGENT ACCOUNTS

THRIFT BANKING INDUSTRY

As of Semesters-Ended Indicated
(Amounts in Billion Pesos)

Selected Accounts	TOTAL			FINANCIAL INSTITUTION LINKED BANKS			NON-LINKED BANKS		
	End-Dec '12	End-Jun '13	End-Dec '13	End-Dec '12	End-Jun '13	End-Dec '13	End-Dec '12	End-Jun '13	End-Dec '13
TRADE-RELATED ACCOUNTS	**0.335**	**1.206**	**0.911**		**0.003**	-	**0.335**	**1.202**	**0.911**
Domestic Commercial Letters of Credit Outstanding	0.050	0.375	0.693		0.003	-	0.050	0.371	0.693
Foreign Commercial Letters of Credit Outstanding	0.285	0.593	0.210			-	0.285	0.593	0.210
Export LCs - Confirmed			-			-			-
Shipside Bonds/Airway Bills		0.238	0.007			-		0.238	0.007
BANK GUARANTEES	**0.947**	**0.744**	**0.699**	**0.404**	**0.195**	**0.209**	**0.544**	**0.549**	**0.490**
Stand-by Letters of Credit	0.809	0.661	0.621	0.304	0.154	0.171	0.505	0.507	0.450
Outstanding Guarantees Issued	0.139	0.083	0.078	0.100	0.041	0.038	0.039	0.043	0.040
COMMITMENTS	**4.773**	**4.149**	**5.067**	**1.264**	**1.541**	**2.150**	**3.509**	**2.608**	**2.917**
Underwritten Accounts Unsold			-			-			-
Committed Credit Lines for CPs Issued	0.031	0.029	0.011			-	0.031	0.029	0.011
Credit Card Lines	0.974	0.992	1.523	0.974	0.992	1.523			-
Others	3.768	3.128	3.534	0.290	0.549	0.627	3.478	2.579	2.906
DERIVATIVES INSTRUMENTS*	**9.255**	**2.751**	**2.396**	**7.818**	**1.238**	**0.842**	**1.437**	**1.513**	**1.555**
Interest Rate Contracts	9.255	2.316	2.380	7.818	0.804	0.826	1.437	1.512	1.554
Foreign Exchange Contracts		0.436	0.017		0.435	0.016		0.001	0.001
Equity Contracts			-			-			-
Credit Derivatives			-			-			-
TRUST DEPARTMENT ACCOUNTS	**40.085**	**34.533**	**28.260**	**34.857**	**27.260**	**16.134**	**5.228**	**7.273**	**12.125**

** Notional Amounts of Derivatives Held For Trading (Stand-Alone and Embedded)*
Figures may not add up due to rounding-off

Source : Supervisory Data Center, Supervision and Examination Sector

Schedule 4

Trust and Fund Management Operations - Assets and Accountabilities

Philippine Banks and Non-Bank Financial Institutions (NBFIs)

As of Semesters-Ended Indicated

(Amounts in Billion Pesos)

Selected Accounts	ALL BANKS/NBFIs			UNIVERSAL AND COMMERCIAL BANKS			THRIFT BANKS			NBFIs		
	End-Dec '12	End-Jun '13	End-Dec '13	End-Dec '12	End-Jun '13	End-Dec '13	End-Dec '12	End-Jun '13	End-Dec '13	End-Dec '12	End-Jun '13	End-Dec '13
TOTAL ASSETS	**3,160.529**	**3,039.319**	**2,582.151**	**3,054.176**	**2,938.802**	**2,454.428**	**39.962**	**34.533**	**28.260**	**66.391**	**65.984**	**99.463**
Peso / Regular Assets	**2,970.715**	**2,853.784**	**2,379.043**	**2,864.952**	**2,753.932**	**2,252.321**	**39.372**	**33.868**	**27.390**	**66.391**	**65.984**	**99.333**
Cash and Due from banks	1,297.188	1,147.124	372.708	1,267.705	1,129.285	367.211	27.225	16.600	4.102	2.258	1.238	1.395
Deposits in Banks	230.150	204.256	461.329	227.812	199.165	454.468	1.930	3.495	3.832	0.408	1.596	3.030
Financial Assets, net	955.882	1,128.538	1,161.296	899.743	1,067.010	1,067.633	8.573	12.793	18.287	47.567	48.734	75.376
Loans, net	95.470	63.859	65.069	78.749	50.159	45.115	0.905	0.430	0.617	15.816	13.270	19.336
Equity Investments (net)	72.661	74.520	73.821	72.260	74.125	73.448	0.308	0.308	0.308	0.093	0.087	0.065
ROPA (net)	0.161	0.153	0.165	0.161	0.153	0.165			-			-
Other assets	319.206	235.333	244.656	318.524	234.032	244.283	0.433	0.242	0.242	0.249	1.059	0.131
FCDU/EFCDU Assets	**189.814**	**185.535**	**203.107**	**189.224**	**184.870**	**202.106**	**0.590**	**0.665**	**0.870**	**0.000**		**0.131**
Cash and Due from banks		0.059	0.062		0.059	0.062			-			-
Deposits in Banks	59.194	59.163	57.789	59.184	59.138	57.620	0.010	0.025	0.168			0.001
Financial Assets, net	123.825	120.055	139.132	123.255	119.426	138.313	0.570	0.629	0.690			0.129
Loans, net	2.830	1.114	1.103	2.830	1.114	1.103			-			-
Equity Investments (net)	0.148	0.005	0.310	0.148	0.005	0.310			-			-
ROPA (net)			-			-			-			-
Other assets	3.817	5.138	4.711	3.807	5.127	4.699	0.010	0.011	0.012	0.000		0.000
TOTAL ACCOUNTABILITIES	**3,160.529**	**3,039.319**	**2,582.151**	**3,054.176**	**2,938.802**	**2,454.428**	**39.962**	**34.533**	**28.260**	**66.391**	**65.984**	**99.463**
Peso / Regular Accountabilities	**2,970.715**	**2,853.784**	**2,379.043**	**2,864.952**	**2,753.932**	**2,252.321**	**39.372**	**33.868**	**27.390**	**66.391**	**65.984**	**99.333**
Wealth/Asset/Fund Management Accounts (Trust)	2,381.214	2,400.768	1,953.125	2,284.227	2,301.714	1,826.999	30.607	33.074	26.798	66.380	65.980	99.329
UITF	163.595	392.405	533.867	163.513	392.249	529.330	0.064	0.113	4.254	0.018	0.043	0.283
Employee Benefit	295.697	317.052	316.923	288.745	308.216	307.061	2.065	3.485	4.164	4.887	5.351	5.698
Pre-Need	113.754	121.411	109.245	111.237	118.514	106.403	0.584	0.605	0.556	1.934	2.291	2.285
Others-Institutional Accounts	716.078	727.244	443.295	667.834	682.045	369.958	8.865	8.406	4.258	39.379	36.793	69.079
Personal Trust	280.375	279.366	277.386	276.602	275.383	273.593	2.975	3.219	3.035	0.797	0.764	0.759
Personal Pension Fund			-			-			-			-
Personal Retirement Fund	0.087	0.073	0.155	0.087	0.073	0.155			-			-
Others-Individual Accounts	811.630	563.218	272.254	776.209	525.234	240.499	16.055	17.246	10.530	19.365	20.738	21.225
Other Fiduciary Services	573.811	441.936	416.351	565.035	441.138	415.755	8.765	0.794	0.592	0.011	0.004	0.004
Advisory/Consultancy	0.000		-	0.000		-	0.000		-	0.000		-
Special Purpose Trust	15.690	11.080	9.567	15.690	11.080	9.567			-			-
FCDU/EFCDU Accountabilities	**189.814**	**185.535**	**203.107**	**189.224**	**184.870**	**202.106**	**0.590**	**0.665**	**0.870**			**0.131**
Wealth/Asset/Fund Management Accounts (Trust)	145.153	146.312	151.837	144.564	145.648	150.977	0.589	0.664	0.729			0.131
UITF	36.280	34.677	33.837	36.278	34.675	33.704	0.002	0.002	0.002			0.131
Employee Benefit	3.431	2.933	2.987	3.429	2.931	2.985	0.002	0.002	0.002			-
Pre-Need	1.841	1.773	1.490	1.841	1.773	1.490			-			-
Others-Institutional Accounts	30.331	30.569	28.478	30.321	30.531	28.455	0.010	0.039	0.023			-
Personal Trust	56.937	59.435	65.638	56.646	59.106	65.294	0.290	0.329	0.344			-
Personal Pension Fund		0.001	0.001		0.001	0.001			-			-
Personal Retirement Fund	0.035	0.036	0.042	0.035	0.036	0.042			-			-
Others-Individual Accounts	16.299	16.886	19.364	16.014	16.594	19.006	0.285	0.293	0.358			-
Other Fiduciary Services	44.661	39.223	51.270	44.660	39.222	51.129	0.001	0.001	0.141			-
Advisory/Consultancy			-			-			-			-
Special Purpose Trust			-			-			-			-

Note: "0.000" denotes a value below 0.0005

Figures may not add up due to rounding-off

Source : Supervisory Data Center, Supervision and Examination Sector

Schedule 4.a

Trust and Fund Management Operations - Assets and Accountabilities

Philippine Banks and Non-Bank Financial Institutions (NBFIs)

As of Semesters-Ended Indicated

(Amounts in Billion Pesos)

Selected Accounts	TOTAL TRUST			TRUST			AGENCY			OTHER FIDUCIARY			ADVISORY AND CONSULTANCY			SPECIAL PURPOSE		
	End-Dec '12	End-Jun '13	End-Dec '13	End-Dec '12	End-Jun '13	End-Dec '13	End-Dec '12	End-Jun '13	End-Dec '13	End-Dec '12	End-Jun '13	End-Dec '13	End-Dec '12	End-Jun '13	End-Dec '13	End-Dec '12	End-Jun '13	End-Dec '13
TOTAL ASSETS	**3,160.529**	**3,039.319**	**2,582.151**	**974.057**	**1,239.760**	**1,372.739**	**1,552.311**	**1,307.320**	**732.223**	**618.472**	**481.159**	**467.622**	**0.000**		-	**15.690**	**11.080**	**9.567**
Peso / Regular Assets	**2,970.715**	**2,853.784**	**2,379.043**	**857.422**	**1,123.365**	**1,250.351**	**1,523.793**	**1,277.403**	**702.774**	**573.811**	**441.936**	**416.351**	**0.000**		-	**15.690**	**11.080**	**9.567**
Cash and Due from banks	1,297.188	1,147.124	372.708	110.183	233.538	364.651	1,041.789	805.127	0.019	144.244	107.932	8.020			-	0.972	0.527	0.018
Deposits in Banks	230.150	204.256	461.329	81.336	121.525	171.414	113.139	51.177	197.994	35.673	30.724	91.916			-	0.001	0.830	0.005
Financial Assets, net	955.882	1,128.538	1,161.296	584.090	700.439	659.517	324.886	382.777	460.755	46.891	45.305	41.008			-	0.016	0.016	0.016
Loans, net	95.470	63.859	65.069	43.779	23.886	17.718	37.967	31.793	38.999	0.667	0.024	0.289			-	13.057	8.156	8.063
Equity Investments (net)	72.661	74.520	73.821	8.644	6.479	6.822	0.830	0.711	0.631	63.187	67.330	66.368			-			-
ROPA (net)	0.161	0.153	0.165	0.048	0.044	0.046	0.038	0.038	0.049	0.074	0.071	0.070			-			-
Other assets	319.206	235.333	244.656	29.342	37.455	30.182	5.143	5.778	4.327	283.077	190.549	208.681	0.000		-	1.644	1.551	1.466
FCDU/EFCDU Assets	**189.814**	**185.535**	**203.107**	**116.635**	**116.395**	**122.387**	**28.518**	**29.917**	**29.450**	**44.661**	**39.223**	**51.270**	**0.000**		-			-
Cash and Due from banks		0.059	0.062		0.059	0.062			-			-			-			-
Deposits in Banks	59.194	59.163	57.789	31.105	33.504	34.767	8.878	9.859	7.006	19.211	15.800	16.017			-			-
Financial Assets, net	123.825	120.055	139.132	82.409	78.816	84.195	16.604	18.421	20.871	24.812	22.819	34.066			-			-
Loans, net	2.830	1.114	1.103	0.139	0.102	0.063	2.576	0.891	0.916	0.115	0.121	0.124			-			-
Equity Investments (net)	0.148	0.005	0.310	0.138		0.305		0.005	0.006	0.010		-			-			-
ROPA (net)			-			-			-			-			-			-
Other assets	3.817	5.138	4.711	2.844	3.913	2.996	0.460	0.741	0.652	0.513	0.483	1.063	0.000		-			-
TOTAL ACCOUNTABILITIES	**3,160.529**	**3,039.319**	**2,582.151**	**974.057**	**1,239.760**	**1,372.739**	**1,552.311**	**1,307.320**	**732.223**	**618.472**	**481.159**	**467.622**	**0.000**		-	**15.690**	**11.080**	**9.567**
Peso / Regular Accountabilities	**2,970.715**	**2,853.784**	**2,379.043**	**857.422**	**1,123.365**	**1,250.351**	**1,523.793**	**1,277.403**	**702.774**	**573.811**	**441.936**	**416.351**	**0.000**		-	**15.690**	**11.080**	**9.567**
Wealth/Asset/Fund Management Accounts (Trust)	2,381.214	2,400.768	1,953.125	857.422	1,123.365	1,250.351	1,523.793	1,277.403	702.774			-			-			-
UITF	163.595	392.405	533.867	163.595	392.405	533.867			-			-			-			-
Employee Benefit	295.697	317.052	316.923	246.300	265.297	265.675	49.396	51.755	51.248			-			-			-
Pre-Need	113.754	121.411	109.245	112.933	120.585	108.573	0.822	0.826	0.672			-			-			-
Others-Institutional Accounts	716.078	727.244	443.295	53.773	65.348	63.999	662.305	661.895	379.296			-			-			-
Personal Trust	280.375	279.366	277.386	280.375	279.366	277.386			-			-			-			-
Personal Pension Fund			-			-			-			-			-			-
Personal Retirement Fund	0.087	0.073	0.155	0.087	0.073	0.155			-			-			-			-
Others-Individual Accounts	811.630	563.218	272.254	0.359	0.292	0.696	811.271	562.926	271.558			-			-			-
Other Fiduciary Services	573.811	441.936	416.351			-			-	573.811	441.936	416.351			-			-
Advisory/Consultancy	0.000		-			-			-			-	0.000		-			-
Special Purpose Trust	15.690	11.080	9.567			-			-			-			-	15.690	11.080	9.567
FCDU/EFCDU Accountabilities	**189.814**	**185.535**	**203.107**	**116.635**	**116.395**	**122.387**	**28.518**	**29.917**	**29.450**	**44.661**	**39.223**	**51.270**			-			-
Wealth/Asset/Fund Management Accounts (Trust)	145.153	146.312	151.837	116.635	116.395	122.387	28.518	29.917	29.450			-			-			-
UITF	36.280	34.677	33.837	36.280	34.677	33.837			-			-			-			-
Employee Benefit	3.431	2.933	2.987	3.339	2.684	2.859	0.093	0.249	0.129			-			-			-
Pre-Need	1.841	1.773	1.490	1.841	1.773	1.490			-			-			-			-
Others-Institutional Accounts	30.331	30.569	28.478	8.749	8.437	8.352	21.582	22.133	20.125			-			-			-
Personal Trust	56.937	59.435	65.638	56.937	59.435	65.638			-			-			-			-
Personal Pension Fund		0.001	0.001			-		0.001	0.001			-			-			-
Personal Retirement Fund	0.035	0.036	0.042	0.035	0.036	0.042			-			-			-			-
Others-Individual Accounts	16.299	16.886	19.364	9.456	9.352	10.170	6.843	7.534	9.194			-			-			-
Other Fiduciary Services	44.661	39.223	51.270			-			-	44.661	39.223	51.270			-			-
Advisory/Consultancy			-			-			-			-			-			-
Special Purpose Trust			-			-			-			-			-			-

Note: "0.000" denotes a value below 0.0005

Figures may not add up due to rounding-off

Source : Supervisory Data Center, Supervision and Examination Sector

Schedule 4.b

Trust and Fund Management Operations - Assets and Accountabilities

Universal and Commercial Banks

As of Semesters-Ended Indicated

(Amounts in Billion Pesos)

Selected Accounts	TOTAL TRUST			TRUST			AGENCY			OTHER FIDUCIARY			ADVISORY AND CONSULTANCY			SPECIAL PURPOSE		
	End-Dec '12	End-Jun '13	End-Dec '13	End-Dec '12	End-Jun '13	End-Dec '13	End-Dec '12	End-Jun '13	End-Dec '13	End-Dec '12	End-Jun '13	End-Dec '13	End-Dec '12	End-Jun '13	End-Dec '13	End-Dec '12	End-Jun '13	End-Dec '13
TOTAL ASSETS	**3,054.176**	**2,938.802**	**2,454.428**	**963.698**	**1,227.106**	**1,355.069**	**1,465.094**	**1,220.255**	**622.907**	**609.695**	**480.360**	**466.885**	**0.000**		-	**15.690**	**11.080**	**9.567**
Peso / Regular Assets	**2,864.952**	**2,753.932**	**2,252.321**	**847.358**	**1,111.045**	**1,233.162**	**1,436.870**	**1,190.668**	**593.838**	**565.035**	**441.138**	**415.755**	**0.000**		-	**15.690**	**11.080**	**9.567**
Cash and Due from banks	1,267.705	1,129.285	367.211	109.240	232.252	359.167	1,021.401	788.801	0.006	136.092	107.705	8.020			-	0.972	0.527	0.018
Deposits in Banks	227.812	199.165	454.468	80.768	120.717	169.347	111.611	47.426	193.740	35.432	30.192	91.376			-	0.001	0.830	0.005
Financial Assets, net	899.743	1,067.010	1,067.633	576.339	691.207	650.581	276.864	330.519	376.081	46.525	45.268	40.955			-	0.016	0.016	0.016
Loans, net	78.749	50.159	45.115	43.768	23.871	17.600	21.257	18.108	19.163	0.667	0.024	0.289			-	13.057	8.156	8.063
Equity Investments (net)	72.260	74.125	73.448	8.264	6.106	6.449	0.808	0.689	0.631	63.187	67.330	66.368			-			-
ROPA (net)	0.161	0.153	0.165	0.048	0.044	0.046	0.038	0.038	0.049	0.074	0.071	0.070			-			-
Other assets	318.524	234.032	244.283	28.930	36.847	29.971	4.891	5.087	4.167	283.059	190.547	208.679	0.000		-	1.644	1.551	1.466
FCDU/EFCDU Assets	**189.224**	**184.870**	**202.106**	**116.340**	**116.061**	**121.908**	**28.224**	**29.587**	**29.070**	**44.660**	**39.222**	**51.129**	**0.000**		-			-
Cash and Due from banks		0.059	0.062		0.059	0.062			-			-			-			-
Deposits in Banks	59.184	59.138	57.620	31.101	33.501	34.761	8.873	9.838	6.987	19.210	15.799	15.872			-			-
Financial Assets, net	123.255	119.426	138.313	82.122	78.489	83.725	16.321	18.118	20.518	24.812	22.819	34.070			-			-
Loans, net	2.830	1.114	1.103	0.139	0.102	0.063	2.576	0.891	0.916	0.115	0.121	0.124			-			-
Equity Investments (net)	0.148	0.005	0.310	0.138		0.305		0.005	0.006	0.010		-			-			-
ROPA (net)			-			-			-			-			-			-
Other assets	3.807	5.127	4.699	2.840	3.910	2.992	0.454	0.735	0.643	0.513	0.483	1.063	0.000		-			-
TOTAL ACCOUNTABILITIES	**3,054.176**	**2,938.802**	**2,454.428**	**963.698**	**1,227.106**	**1,355.069**	**1,465.094**	**1,220.255**	**622.907**	**609.695**	**480.360**	**466.885**	**0.000**		-	**15.690**	**11.080**	**9.567**
Peso / Regular Accountabilities	**2,864.952**	**2,753.932**	**2,252.321**	**847.358**	**1,111.045**	**1,233.162**	**1,436.870**	**1,190.668**	**593.838**	**565.035**	**441.138**	**415.755**	**0.000**		-	**15.690**	**11.080**	**9.567**
Wealth/Asset/Fund Management Accounts (Trust)	2,284.227	2,301.714	1,826.999	847.358	1,111.045	1,233.162	1,436.870	1,190.668	593.838			-			-			-
UITF	163.513	392.249	529.330	163.513	392.249	529.330			0			-			-			-
Employee Benefit	288.745	308.216	307.061	243.028	260.559	260.162	45.717	47.657	46.899			-			-			-
Pre-Need	111.237	118.514	106.403	110.415	117.688	105.732	0.822	0.826	0.672			-			-			-
Others-Institutional Accounts	667.834	682.045	369.958	53.353	64.801	63.494	614.481	617.244	306.463			-			-			-
Personal Trust	276.602	275.383	273.593	276.602	275.383	273.593						-			-			-
Personal Pension Fund			-			-			-			-			-			-
Personal Retirement Fund	0.087	0.073	0.155	0.087	0.073	0.155			-			-			-			-
Others-Individual Accounts	776.209	525.234	240.499	0.359	0.292	0.696	775.850	524.942	239.804			-			-			-
Other Fiduciary Services	565.035	441.138	415.755			-				565.035	441.138	415.755			-			-
Advisory/Consultancy	0.000		-			-						-	0.000		-			-
Special Purpose Trust	15.690	11.080	9.567			-						-			-	15.690	11.080	9.567
FCDU/EFCDU Accountabilities	**189.224**	**184.870**	**202.106**	**116.340**	**116.061**	**121.908**	**28.224**	**29.587**	**29.070**	**44.660**	**39.222**	**51.129**			-			-
Wealth/Asset/Fund Management Accounts (Trust)	144.564	145.648	150.977	116.340	116.061	121.908	28.224	29.587	29.070			-			-			-
UITF	36.278	34.675	33.704	36.278	34.675	33.704						-			-			-
Employee Benefit	3.429	2.931	2.985	3.337	2.682	2.856	0.093	0.249	0.129			-			-			-
Pre-Need	1.841	1.773	1.490	1.841	1.773	1.490			-			-			-			-
Others-Institutional Accounts	30.321	30.531	28.455	8.747	8.436	8.351	21.574	22.095	20.103			-			-			-
Personal Trust	56.646	59.106	65.294	56.646	59.106	65.294						-			-			-
Personal Pension Fund		0.001	0.001			-		0.001	0.001			-			-			-
Personal Retirement Fund	0.035	0.036	0.042	0.035	0.036	0.042			-			-			-			-
Others-Individual Accounts	16.014	16.594	19.006	9.456	9.352	10.170	6.558	7.242	8.837			-			-			-
Other Fiduciary Services	44.660	39.222	51.129							44.660	39.222	51.129			-			-
Advisory/Consultancy			-									-			-			-
Special Purpose Trust			-									-			-			-

Note: "0.000" denotes a value below 0.0005

Figures may not add up due to rounding-off

Source : Supervisory Data Center, Supervision and Examination Sector

Schedule 4.c

Trust and Fund Management Operations - Assets and Accountabilities

Thrift Banks

As of Semesters-Ended Indicated

(Amounts in Billion Pesos)

Selected Accounts	TOTAL TRUST			TRUST			AGENCY			OTHER FIDUCIARY			ADVISORY AND CONSULTANCY			SPECIAL PURPOSE		
	End-Dec '12	End-Jun '13	End-Dec '13	End-Dec '12	End-Jun '13	End-Dec '13	End-Dec '12	End-Jun '13	End-Dec '13	End-Dec '12	End-Jun '13	End-Dec '13	End-Dec '12	End-Jun '13	End-Dec '13	End-Dec '12	End-Jun '13	End-Dec '13
TOTAL ASSETS	**39.962**	**34.533**	**28.260**	**5.904**	**7.678**	**12.278**	**25.293**	**26.060**	**15.249**	**8.766**	**0.795**	**0.733**	**0.000**		-			-
Peso / Regular Assets	**39.372**	**33.868**	**27.390**	**5.609**	**7.345**	**11.929**	**24.999**	**25.729**	**14.869**	**8.765**	**0.794**	**0.592**	**0.000**		-			-
Cash and Due from banks	27.225	16.600	4.102	0.463	0.886	4.102	18.612	15.489	0.000	8.150	0.225	-			-			-
Deposits in Banks	1.930	3.495	3.832	0.441	0.535	1.879	1.255	2.428	1.416	0.234	0.531	0.537			-			-
Financial Assets, net	8.573	12.793	18.287	4.032	5.419	5.417	4.175	7.337	12.817	0.366	0.037	0.053			-			-
Loans, net	0.905	0.430	0.617	0.007	0.010	0.038	0.898	0.420	0.579			-			-			-
Equity Investments (net)	0.308	0.308	0.308	0.308	0.308	0.308			-			-			-			-
ROPA (net)			-			-			-			-			-			-
Other assets	0.433	0.242	0.242	0.358	0.186	0.185	0.059	0.055	0.057	0.016	0.001	0.001	0.000		-			-
FCDU/EFCDU Assets	**0.590**	**0.665**	**0.870**	**0.295**	**0.333**	**0.349**	**0.294**	**0.330**	**0.380**	**0.001**	**0.001**	**0.141**	**0.000**		-			-
Cash and Due from banks			-			-			-			-			-			-
Deposits in Banks	0.010	0.025	0.168	0.004	0.003	0.004	0.004	0.021	0.019	0.001	0.001	0.145			-			-
Financial Assets, net	0.570	0.629	0.690	0.287	0.326	0.341	0.283	0.303	0.353			(0.004)			-			-
Loans, net			-			-			-			-			-			-
Equity Investments (net)			-			-			-			-			-			-
ROPA (net)			-			-			-			-			-			-
Other assets	0.010	0.011	0.012	0.004	0.004	0.004	0.006	0.007	0.008			-	0.000		-			-
TOTAL ACCOUNTABILITIES	**39.962**	**34.533**	**28.260**	**5.904**	**7.678**	**12.278**	**25.293**	**26.060**	**15.249**	**8.766**	**0.795**	**0.733**	**0.000**		-			-
Peso / Regular Accountabilities	**39.372**	**33.868**	**27.390**	**5.609**	**7.345**	**11.929**	**24.999**	**25.729**	**14.869**	**8.765**	**0.794**	**0.592**	**0.000**		-			-
Wealth/Asset/Fund Management Accounts (Tr	30.607	33.074	26.798	5.609	7.345	11.929	24.999	25.729	14.869			-			-			-
UITF	0.064	0.113	4.254	0.064	0.113	4.254			-			-			-			-
Employee Benefit	2.065	3.485	4.164	1.957	3.378	4.059	0.107	0.107	0.105			-			-			-
Pre-Need	0.584	0.605	0.556	0.584	0.605	0.556			-			-			-			-
Others-Institutional Accounts	8.865	8.406	4.258	0.029	0.030	0.024	8.836	8.376	4.235			-			-			-
Personal Trust	2.975	3.219	3.035	2.975	3.219	3.035						-			-			-
Personal Pension Fund			-			-			-			-			-			-
Personal Retirement Fund			-			-			-			-			-			-
Others-Individual Accounts	16.055	17.246	10.530	0.000	0.000	0.000	16.055	17.246	10.529			-			-			-
Other Fiduciary Services	8.765	0.794	0.592			-				8.765	0.794	0.592			-			-
Advisory/Consultancy	0.000		-			-						-	0.000		-			-
Special Purpose Trust			-			-						-			-			-
FCDU/EFCDU Accountabilities	**0.590**	**0.665**	**0.870**	**0.295**	**0.333**	**0.349**	**0.294**	**0.330**	**0.380**	**0.001**	**0.001**	**0.141**			-			-
Wealth/Asset/Fund Management Accounts (Tr	0.589	0.664	0.729	0.295	0.333	0.349	0.294	0.330	0.380			-			-			-
UITF	0.002	0.002	0.002	0.002	0.002	0.002						-			-			-
Employee Benefit	0.002	0.002	0.002	0.002	0.002	0.002			-			-			-			-
Pre-Need			-			-			-			-			-			-
Others-Institutional Accounts	0.010	0.039	0.023	0.001	0.001	0.001	0.009	0.038	0.022			-			-			-
Personal Trust	0.290	0.329	0.344	0.290	0.329	0.344						-			-			-
Personal Pension Fund			-			-			-			-			-			-
Personal Retirement Fund			-			-			-			-			-			-
Others-Individual Accounts	0.285	0.293	0.358			-	0.285	0.293	0.358			-			-			-
Other Fiduciary Services	0.001	0.001	0.141							0.001	0.001	0.141			-			-
Advisory/Consultancy			-									-			-			-
Special Purpose Trust			-									-			-			-

Note: "0.000" denotes a value below 0.0005

Figures may not add up due to rounding-off

Source : Supervisory Data Center, Supervision and Examination Sector

Schedule 4.d

Trust and Fund Management Operations - Assets and Accountabilities

Non-Bank Financial Institutions (NBFIs)

As of Semesters-Ended Indicated

(Amounts in Billion Pesos)

Selected Accounts	TOTAL TRUST			TRUST			AGENCY			OTHER FIDUCIARY			ADVISORY AND CONSULTANCY			SPECIAL PURPOSE		
	End-Dec '12	End-Jun '13	End-Dec '13	End-Dec '12	End-Jun '13	End-Dec '13	End-Dec '12	End-Jun '13	End-Dec '13	End-Dec '12	End-Jun '13	End-Dec '13	End-Dec '12	End-Jun '13	End-Dec '13	End-Dec '12	End-Jun '13	End-Dec '13
TOTAL ASSETS	**66.391**	**65.984**	**99.463**	**4.455**	**4.976**	**5.392**	**61.924**	**61.005**	**94.068**	**0.011**	**0.004**	**0.004**	**0.000**		-			-
Peso / Regular Assets	**66.391**	**65.984**	**99.333**	**4.455**	**4.976**	**5.261**	**61.924**	**61.005**	**94.068**	**0.011**	**0.004**	**0.004**	**0.000**		-			-
Cash and Due from banks	2.258	1.238	1.395	0.480	0.399	1.382	1.776	0.837	0.013	0.002	0.002	-			-			-
Deposits in Banks	0.408	1.596	3.030	0.127	0.272	0.189	0.273	1.323	2.838	0.007	0.001	0.003			-			-
Financial Assets, net	47.567	48.734	75.376	3.720	3.813	3.519	43.847	44.921	71.857			-			-			-
Loans, net	15.816	13.270	19.336	0.004	0.005	0.080	15.812	13.265	19.256			-			-			-
Equity Investments (net)	0.093	0.087	0.065	0.071	0.065	0.065	0.022	0.022	0.000			-			-			-
ROPA (net)			-			-			-			-			-			-
Other assets	0.249	1.059	0.131	0.054	0.422	0.026	0.193	0.636	0.104	0.002	0.001	0.001	0.000		-			-
FCDU/EFCDU Assets	**0.000**		**0.131**			**0.131**			-			-	**0.000**		-			-
Cash and Due from banks			-			-			-			-			-			-
Deposits in Banks			0.001			0.001			-			-			-			-
Financial Assets, net			0.129			0.129			-			-			-			-
Loans, net			-			-			-			-			-			-
Equity Investments (net)			-			-			-			-			-			-
ROPA (net)			-			-			-			-			-			-
Other assets	0.000		0.000			0.000			-			-	0.000		-			-
TOTAL ACCOUNTABILITIES	**66.391**	**65.984**	**99.463**	**4.455**	**4.976**	**5.392**	**61.924**	**61.005**	**94.068**	**0.011**	**0.004**	**0.004**	**0.000**		-			-
Peso / Regular Accountabilities	**66.391**	**65.984**	**99.333**	**4.455**	**4.976**	**5.261**	**61.924**	**61.005**	**94.068**	**0.011**	**0.004**	**0.004**	**0.000**		-			-
Wealth/Asset/Fund Management Accounts (Trust)	66.380	65.980	99.329	4.455	4.976	5.261	61.924	61.005	94.068			-			-			-
UITF	0.018	0.043	0.283	0.018	0.043	0.283			-			-			-			-
Employee Benefit	4.887	5.351	5.698	1.315	1.360	1.454	3.572	3.991	4.245			-			-			-
Pre-Need	1.934	2.291	2.285	1.934	2.291	2.285			-			-			-			-
Others-Institutional Accounts	39.379	36.793	69.079	0.391	0.518	0.481	38.988	36.275	68.598			-			-			-
Personal Trust	0.797	0.764	0.759	0.797	0.764	0.759						-			-			-
Personal Pension Fund			-			-			-			-			-			-
Personal Retirement Fund			-			-			-			-			-			-
Others-Individual Accounts	19.365	20.738	21.225			-	19.365	20.738	21.225			-			-			-
Other Fiduciary Services	0.011	0.004	0.004			-				0.011	0.004	0.004			-			-
Advisory/Consultancy	0.000		-			-						-	0.000		-			-
Special Purpose Trust			-			-						-			-			-
FCDU/EFCDU Accountabilities			**0.131**			**0.131**			-			-			-			-
Wealth/Asset/Fund Management Accounts (Trust)			0.131			0.131			-			-			-			-
UITF			0.131			0.131						-			-			-
Employee Benefit			-			-			-			-			-			-
Pre-Need			-			-			-			-			-			-
Others-Institutional Accounts			-			-			-			-			-			-
Personal Trust			-			-						-			-			-
Personal Pension Fund			-			-			-			-			-			-
Personal Retirement Fund			-			-			-			-			-			-
Others-Individual Accounts			-			-			-			-			-			-
Other Fiduciary Services			-									-			-			-
Advisory/Consultancy			-									-			-			-
Special Purpose Trust			-									-			-			-

Figures may not add up due to rounding-off

Source : Supervisory Data Center, Supervision and Examination Sector

Schedule 4.e

Trust and Fund Management Operations - Income and Expenses

Philippine Banks and Non-Bank Financial Institutions (NBFIs)

For the Period-Ended Indicated
(Amounts in Billion Pesos)

Selected Accounts	ALL BANKS/NBFIs			UNIVERSAL AND COMMERCIAL BANKS			THRIFT BANKS			NBFIs		
	End-Dec '12	End-Jun '13	End-Dec '13	End-Dec '12	End-Jun '13	End-Dec '13	End-Dec '12	End-Jun '13	End-Dec '13	End-Dec '12	End-Jun '13	End-Dec '13
TRUST INCOME	**8.469**	**4.837**	**9.763**	**8.252**	**4.735**	**9.544**	**0.129**	**0.046**	**0.094**	**0.088**	**0.056**	**0.125**
Fees and Commissions	8.440	4.819	9.713	8.224	4.717	9.494	0.128	0.046	0.094	0.088	0.055	0.125
Other Income	0.029	0.017	0.050	0.028	0.017	0.050	0.000	0.000	0.000	0.000	0.000	0.000
TRUST EXPENSES	**3.581**	**1.685**	**4.342**	**3.441**	**1.607**	**4.160**	**0.059**	**0.041**	**0.078**	**0.081**	**0.038**	**0.104**
Compensation/Fringe Benefits	1.292	0.694	1.585	1.204	0.647	1.532	0.037	0.018	0.036	0.052	0.029	0.017
Taxes and Licenses	0.514	0.295	0.668	0.505	0.291	0.600	0.004	0.000	0.002	0.006	0.004	0.066
Other Administrative Expenses	0.424	0.262	0.555	0.403	0.240	0.516	0.009	0.019	0.033	0.011	0.003	0.007
Depreciation/Amortization	0.407	0.190	0.418	0.403	0.188	0.404	0.004	0.002	0.003	0.001	0.000	0.011
Allocated Indirect Expenses	0.652	0.122	0.815	0.641	0.121	0.814	0.003	0.001	0.001	0.008	0.000	0.000
Other Expenses	0.291	0.123	0.301	0.285	0.120	0.294	0.003	0.002	0.003	0.003	0.002	0.003
OPERATING INCOME / (LOSS)	**4.887**	**3.152**	**5.421**	**4.811**	**3.128**	**5.383**	**0.069**	**0.006**	**0.016**	**0.007**	**0.018**	**0.021**

Note: "0.000" denotes a value below 0.0005
Figures may not add up due to rounding-off

Source : Supervisory Data Center, Supervision and Examination Sector

Schedule 5

Comparative Statement of Income and Expenses

Philippine Banking System

For the Period-Ended Indicated
(Amounts in Billion Pesos)

Selected Accounts	ALL BANKS			UNIVERSAL & COMMERCIAL BANKS 1/			THRIFT BANKS			RURAL AND COOPERATIVE BANKS		
	Jan-Dec '12 r/	Jan-Jun '13 r/	Jan-Dec '13 p/	Jan-Dec '12	Jan-Jun '13	Jan-Dec '13	Jan-Dec '12	Jan-Jun '13	Jan-Dec '13	Jan-Sep '12	Jan-Jun '13	Jan-Sep '13
Operating Income	**396.901**	**247.230**	**444.444**	**337.547**	**206.936**	**376.027**	**41.955**	**28.551**	**50.996**	**17.399**	**11.744**	**17.421**
Net Interest Income	**243.932**	**128.852**	**270.525**	**200.922**	**103.681**	**223.194**	**29.903**	**16.242**	**34.076**	**13.107**	**8.929**	**13.255**
Interest Income	354.085	178.642	360.913	289.648	143.142	295.497	45.860	23.444	47.721	18.577	12.057	17.696
Provision for Losses on Accrued Interest	0.303	0.268	0.379	0.054	0.199	0.263	0.082	0.064	0.087	0.167	0.005	0.029
Less: Interest Expenses	109.850	49.522	90.009	88.672	39.262	72.040	15.876	7.137	13.557	5.303	3.122	4.411
Non-interest Income	**152.969**	**118.378**	**173.918**	**136.625**	**103.255**	**152.833**	**12.052**	**12.308**	**16.920**	**4.292**	**2.815**	**4.166**
Dividend Income	2.769	2.341	4.288	2.733	2.334	4.279	0.035	0.005	0.005	0.001	0.002	0.004
Fee-based Income	54.637	29.397	59.421	47.707	25.365	51.616	4.610	2.697	5.800	2.320	1.336	2.005
Trading Income/(Loss)	(1.091)	6.874	6.033	(4.875)	1.066	0.151	3.783	5.801	5.876	0.000	0.007	0.007
Foreign Exchange Income/(Loss)	21.972	13.336	18.404	21.844	13.259	18.222	0.132	0.076	0.180	(0.004)	0.002	0.002
Other Income/(Loss)	74.682	66.430	85.772	69.216	61.232	78.565	3.492	3.730	5.060	1.974	1.468	2.147
Non-Interest Expenses	**250.880**	**136.802**	**270.201**	**208.448**	**110.417**	**223.498**	**29.086**	**17.140**	**33.021**	**13.346**	**9.244**	**13.681**
Losses/Recoveries on Financial Assets	**(20.616)**	**(13.231)**	**(27.591)**	**(17.725)**	**(10.902)**	**(22.245)**	**(2.675)**	**(2.124)**	**(4.973)**	**(0.216)**	**(0.205)**	**(0.373)**
Net Profit Before Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures Accounted for Using the Equity Method	**125.405**	**97.198**	**146.652**	**111.374**	**85.616**	**130.284**	**10.194**	**9.287**	**13.002**	**3.837**	**2.295**	**3.367**
Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures Accounted for Using the Equity Method	**16.338**	**16.761**	**26.602**	**16.420**	**16.750**	**26.544**	**(0.082)**	**0.011**	**0.057**			-
Total Profit/Loss Before Tax and Before Minority Interest	**141.743**	**113.959**	**173.254**	**127.794**	**102.367**	**156.828**	**10.112**	**9.297**	**13.059**	**3.837**	**2.295**	**3.367**
Income Tax Expense	19.427	15.443	28.324	16.826	13.375	24.339	1.794	1.619	3.263	0.807	0.449	0.722
Total Profit/Loss After Tax and Before Minority Interest	**122.316**	**98.515**	**144.930**	**110.968**	**88.992**	**132.489**	**8.318**	**7.678**	**9.796**	**3.030**	**1.846**	**2.645**
Minority Interest in Profit/(Loss) of Subsidiaries			-			-			-			-
NET PROFIT/(LOSS)	**122.316**	**98.515**	**144.930**	**110.968**	**88.992**	**132.489**	**8.318**	**7.678**	**9.796**	**3.030**	**1.846**	**2.645**
Profitability												
Return on Assets (%)	**1.6**	**2.0**	**1.6**	**1.6**	**2.0**	**1.6**	**1.3**	**1.7**	**1.4**	**1.7**	**1.3**	**1.1**
Return on Equity (%)	**12.4**	**15.4**	**13.3**	**12.7**	**15.8**	**13.7**	**10.7**	**14.1**	**11.8**	**9.6**	**7.0**	**6.2**

1/ Inclusive of branches of foreign banks with universal banking license, other foreign bank branches and subsidiaries, and 3 government banks: Development Bank of the Philippines (DBP), Land Bank of the Philippines (LBP), and Al Amanah Islamic Bank
p/ Preliminary
r/ Revised
Note: "0.000" denotes a value below 0.0005
Figures may not add up due to rounding-off

Source : Supervisory Data Center, Supervision and Examination Sector

Schedule 5.a

Comparative Statement of Income and Expenses

Universal and Commercial Banking Industry

For the Period-Ended Indicated
(Amounts in Billion Pesos)

Selected Accounts	TOTAL			UNIVERSAL BANKS 1/			COMMERCIAL BANKS 2/		
	Jan-Dec '12	Jan-Jun '13	Jan-Dec '13	Jan-Dec '12	Jan-Jun '13	Jan-Dec '13	Jan-Dec '12	Jan-Jun '13	Jan-Dec '13
Operating Income	**337.547**	**206.936**	**376.027**	**295.433**	**180.767**	**331.662**	**42.114**	**26.169**	**44.364**
Net Interest Income	**200.922**	**103.681**	**223.194**	**174.596**	**90.540**	**198.200**	**26.327**	**13.141**	**24.994**
Interest Income	289.648	143.142	295.497	253.884	125.226	264.117	35.764	17.916	31.380
Provision for Losses on Accrued Interest	0.054	0.199	0.263	(0.163)	0.042	0.038	0.217	0.157	0.225
Less: Interest Expenses	88.672	39.262	72.040	79.451	34.644	65.879	9.220	4.618	6.161
Non-interest Income	**136.625**	**103.255**	**152.833**	**120.838**	**90.227**	**133.462**	**15.788**	**13.028**	**19.370**
Dividend Income	2.733	2.334	4.279	2.727	2.303	4.248	0.006	0.031	0.031
Fee-based Income	47.707	25.365	51.616	41.854	21.919	45.116	5.853	3.445	6.500
Trading Income/(Loss)	(4.875)	1.066	0.151	(4.812)	(4.186)	(5.758)	(0.063)	5.251	5.909
Foreign Exchange Income/(Loss)	21.844	13.259	18.222	18.310	15.253	19.054	3.534	(1.994)	(0.832)
Other Income/(Loss)	69.216	61.232	78.565	62.759	54.937	70.803	6.457	6.295	7.762
Non-Interest Expenses	**208.448**	**110.417**	**223.498**	**181.965**	**95.440**	**195.553**	**26.483**	**14.977**	**27.945**
Losses/Recoveries on Financial Assets	**(17.725)**	**(10.902)**	**(22.245)**	**(15.244)**	**(9.849)**	**(19.701)**	**(2.481)**	**(1.053)**	**(2.544)**
Net Profit Before Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures Accounted for Using the Equity Method	**111.374**	**85.616**	**130.284**	**98.224**	**75.478**	**116.408**	**13.150**	**10.139**	**13.876**
Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures Accounted for Using the Equity Method	**16.420**	**16.750**	**26.544**	**16.423**	**16.749**	**26.542**	**(0.003)**	**0.001**	**0.002**
Total Profit/Loss Before Tax and Before Minority Interest	**127.794**	**102.367**	**156.828**	**114.646**	**92.227**	**142.951**	**13.148**	**10.140**	**13.877**
Income Tax Expense	16.826	13.375	24.339	13.233	10.504	19.465	3.593	2.871	4.874
Total Profit/Loss After Tax and Before Minority Interest	**110.968**	**88.992**	**132.489**	**101.413**	**81.722**	**123.485**	**9.555**	**7.269**	**9.003**
Minority Interest in Profit/(Loss) of Subsidiaries			-			-			-
NET PROFIT/(LOSS)	**110.968**	**88.992**	**132.489**	**101.413**	**81.722**	**123.485**	**9.555**	**7.269**	**9.003**
Profitability									
Return on Assets (%)	**1.6**	**2.0**	**1.6**	**1.7**	**2.1**	**1.7**	**1.2**	**1.4**	**1.1**
Return on Equity (%)	**12.7**	**15.8**	**13.7**	**13.7**	**17.2**	**14.7**	**7.1**	**8.4**	**6.9**

1/ Inclusive of branches of foreign banks with universal banking license and 3 government banks: Development Bank of the Philippines (DBP), Land Bank of the Philippines (LBP), and Al Amanah Islamic Ban
2/ Inclusive of the other foreign bank branches and subsidiaries
Note: "0.000" denotes a value below 0.0005
Figures may not add up due to rounding-off

Source : Supervisory Data Center, Supervision and Examination Sector

Schedule 5.b

COMPARATIVE STATEMENT OF INCOME AND EXPENSES

THRIFT BANKING INDUSTRY

For the Period-Ended Indicated
(Amounts in Billion Pesos)

Selected Accounts	TOTAL			FINANCIAL INSTITUTION LINKED BANKS			NON-LINKED BANKS		
	Jan-Dec '12	Jan-Jun '13	Jan-Dec '13	Jan-Dec '12	Jan-Jun '13	Jan-Dec '13	Jan-Dec '12	Jan-Jun '13	Jan-Dec '13
Operating Income	**41.955**	**28.551**	**50.996**	**30.330**	**20.537**	**37.098**	**11.625**	**8.014**	**13.898**
Net Interest Income	**29.903**	**16.242**	**34.076**	**21.386**	**11.574**	**24.596**	**8.517**	**4.668**	**9.480**
Interest Income	45.860	23.444	47.721	32.167	16.331	33.713	13.693	7.112	14.008
Provision for Losses on Accrued Interest	0.082	0.064	0.087	0.082	0.062	0.086	0.000	0.002	0.002
Less: Interest Expenses	15.876	7.137	13.557	10.699	4.694	9.031	5.176	2.443	4.526
Non-interest Income	**12.052**	**12.308**	**16.920**	**8.945**	**8.962**	**12.501**	**3.108**	**3.346**	**4.419**
Dividend Income	0.035	0.005	0.005	0.002	0.001	0.001	0.034	0.003	0.004
Fee-based Income	4.610	2.697	5.800	3.639	2.248	4.861	0.971	0.449	0.939
Trading Income/(Loss)	3.783	5.801	5.876	2.859	4.530	4.492	0.924	1.271	1.383
Foreign Exchange Income/(Loss)	0.132	0.076	0.180	0.091	0.043	0.105	0.041	0.033	0.075
Other Income/(Loss)	3.492	3.730	5.060	2.354	2.141	3.043	1.138	1.589	2.017
Non-Interest Expenses	**29.086**	**17.140**	**33.021**	**18.802**	**10.753**	**20.868**	**10.284**	**6.387**	**12.153**
Losses/Recoveries on Financial Assets	**(2.675)**	**(2.124)**	**(4.973)**	**(2.535)**	**(1.874)**	**(4.382)**	**(0.140)**	**(0.251)**	**(0.591)**
Net Profit Before Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures Accounted for Using the Equity Method	**10.194**	**9.287**	**13.002**	**8.993**	**7.910**	**11.847**	**1.201**	**1.376**	**1.155**
Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures Accounted for Using the Equity Method	**(0.082)**	**0.011**	**0.057**	**(0.083)**	**0.011**	**0.057**	**0.001**		-
Total Profit/Loss Before Tax and Before Minority Interest	**10.112**	**9.297**	**13.059**	**8.910**	**7.921**	**11.905**	**1.202**	**1.376**	**1.155**
Income Tax Expense	1.794	1.619	3.263	1.619	1.474	2.796	0.174	0.146	0.468
Total Profit/Loss After Tax and Before Minority Interest	**8.318**	**7.678**	**9.796**	**7.291**	**6.447**	**9.109**	**1.027**	**1.231**	**0.687**
Minority Interest in Profit/(Loss) of Subsidiaries			-			-			-
NET PROFIT/(LOSS)	**8.318**	**7.678**	**9.796**	**7.291**	**6.447**	**9.109**	**1.027**	**1.231**	**0.687**
Profitability									
Return on Assets (%)	**1.3**	**1.7**	**1.4**	**1.6**	**2.0**	**1.8**	**0.5**	**0.9**	**0.3**
Return on Equity (%)	**10.7**	**14.1**	**11.8**	**13.6**	**17.4**	**15.9**	**4.2**	**6.6**	**2.6**

Note: "0.000" denotes a value below 0.0005
Figures may not add up due to rounding-off

Source : Supervisory Data Center, Supervision and Examination Sector

Schedule 5.c

Comparative Statement of Income and Expenses

Rural and Cooperative Banking Industry

For the Period-Ended Indicated
(Amounts in Billion Pesos)

Selected Accounts	TOTAL			RURAL BANKS			COOPERATIVE BANKS		
	Jan-Sep '12	Jan-Jun '13	Jan-Sep '13	Jan-Sep '12	Jan-Jun '13	Jan-Sep '13	Jan-Sep '12	Jan-Jun '13	Jan-Sep '13
Operating Income	**17.399**	**11.744**	**17.421**	**16.215**	**10.993**	**16.390**	**1.184**	**0.751**	**1.031**
Net Interest Income	**13.107**	**8.929**	**13.255**	**12.345**	**8.362**	**12.479**	**0.763**	**0.567**	**0.776**
Interest Income	18.577	12.057	17.696	17.120	11.246	16.588	1.457	0.811	1.107
Provision for Losses on Accrued Interest	0.167	0.005	0.029	0.167	0.005	0.029			-
Less: Interest Expenses	5.303	3.122	4.411	4.609	2.878	4.080	0.694	0.244	0.332
Non-interest Income	**4.292**	**2.815**	**4.166**	**3.870**	**2.631**	**3.910**	**0.421**	**0.184**	**0.256**
Dividend Income	0.001	0.002	0.004	0.000	0.002	0.004	0.000	0.000	0.000
Fee-based Income	2.320	1.336	2.005	2.060	1.254	1.878	0.260	0.081	0.127
Trading Income/(Loss)	0.000	0.007	0.007	0.000	0.007	0.007			-
Foreign Exchange Income/(Loss)	(0.004)	0.002	0.002	(0.002)	0.002	0.002	(0.002)		-
Other Income/(Loss)	1.974	1.468	2.147	1.811	1.366	2.019	0.163	0.102	0.129
Non-Interest Expenses	**13.346**	**9.244**	**13.681**	**12.247**	**8.701**	**12.874**	**1.099**	**0.543**	**0.807**
Losses/Recoveries on Financial Assets	**(0.216)**	**(0.205)**	**(0.373)**	**(0.207)**	**(0.201)**	**(0.346)**	**(0.009)**	**(0.004)**	**(0.028)**
Net Profit Before Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures Accounted for Using the Equity Method	**3.837**	**2.295**	**3.367**	**3.761**	**2.091**	**3.170**	**0.076**	**0.204**	**0.197**
Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures Accounted for Using the Equity Method			-			-			-
Total Profit/Loss Before Tax and Before Minority Interest	**3.837**	**2.295**	**3.367**	**3.761**	**2.091**	**3.170**	**0.076**	**0.204**	**0.197**
Income Tax Expense	0.807	0.449	0.722	0.805	0.447	0.718	0.002	0.002	0.003
Total Profit/Loss After Tax and Before Minority Interest	**3.030**	**1.846**	**2.645**	**2.957**	**1.644**	**2.451**	**0.074**	**0.202**	**0.194**
Minority Interest in Profit/(Loss) of Subsidiaries			-			-			-
NET PROFIT/(LOSS)	**3.030**	**1.846**	**2.645**	**2.957**	**1.644**	**2.451**	**0.074**	**0.202**	**0.194**
Profitability									
Return on Assets (%)	**1.7**	**1.3**	**1.1**	**1.8**	**1.7**	**1.6**	**0.8**	**(3.8)**	**(3.9)**
Return on Equity (%)	**9.6**	**7.0**	**6.2**	**9.8**	**9.3**	**8.4**	**6.6**	**(26.3)**	**(28.1)**

r/ Revised
Note: "0.000" denotes a value below 0.0005
Figures may not add up due to rounding-off

Source : Supervisory Data Center, Supervision and Examination Sector

Schedule 6

OFFICES OF FOREIGN BANK BRANCHES AND SUBSIDIARIES

AS OF YEARS-ENDED INDICATED

	Type of Foreign Bank	2011			2012			2013		
		TOTAL	HEAD OFFICE	OTHER OFFICES	TOTAL	HEAD OFFICE	OTHER OFFICES	TOTAL	HEAD OFFICE	OTHER OFFICES
FOREIGN BANK OFFICES		**158**	**19**	**139**	**138**	**19**	**119**	**156**	**19**	**137**
A.	**Pre-R.A. 7721 Foreign Bank Branches**	**20**	**4**	**16**	**20**	**4**	**16**	**20**	**4**	**16**
1	Bank of America, N.A. [1/]	1	1	0	1	1	0	1	1	0
2	Citibank, N.A. [1/]	6	1	5	6	1	5	6	1	5
3	The Hongkong and Shanghai Banking Corp. Ltd. [2/]	7	1	6	7	1	6	7	1	6
4	Standard Chartered Bank [2/]	6	1	5	6	1	5	6	1	5
B.	**Post-R.A. 7721 Foreign Bank Branches**	**10**	**10**	**0**	**10**	**10**	**0**	**11**	**10**	**1**
1	Australia and New Zealand Banking Group, Ltd. [2/]	1	1	0	1	1	0	1	1	0
2	Bangkok Bank Public Co., Ltd. [1/]	1	1	0	1	1	0	1	1	0
3	The Bank of Tokyo-Mitsubishi, Ltd. [1/]	1	1	0	1	1	0	1	1	0
4	JP Morgan Chase Bank National [1/]	1	1	0	1	1	0	1	1	0
5	Deutsche Bank [2/]	1	1	0	1	1	0	1	1	0
6	Mizuho Corporate Bank [2/]	1	1	0	1	1	0	1	1	0
7	Mega Int'l Commercial Bank Co. Ltd. [1/]	1	1	0	1	1	0	1	1	0
8	Korea Exchange Bank [1/]	1	1	0	1	1	0	2	1	1
9	ING Bank N.V. [2/]	1	1	0	1	1	0	1	1	0
10	Bank of China, Manila Branch [1/]	1	1	0	1	1	0	1	1	0
C.	**Foreign Bank Subsidiaries [5/]**	**128**	**5**	**123**	**108**	**5**	**103**	**125**	**5**	**120**
1	CTBC Bank (Philippines) Corp. [1/]	24	1	23	24	1	23	23	1	22
2	Maybank Phils., Inc. [1/]	52	1	51	54	1	53	77	1	76
3	United Overseas Bank Philippines [3/]	1	1		1	1	0	1	1	0
4	HSBC Savings Bank (Phils.), Inc. [3/]	15	1	14	10	1	9	9	1	8
5	Citibank Savings [3/ 4/]	36	1	35	19	1	18	15	1	14

1/ With commercial banking license
2/ With universal banking license
3/ With thrift banking license
4/ Entry through Section 8 of Republic Act No. 7606 (Thrift Banks Act of 1995)
5/ Excludes Tong Yang Savings Bank which is a foreign Non-Bank Financial Institution linked Thrift Bank. As of end-December 2013, Tong Yang Savings Bank consists of 1 Head Office and 2 Other Offices.

Source: Supervisory Data Center, Supervision and Examination Sector

Schedule 6.a

COMPARATIVE STATEMENT OF CONDITION

BRANCHES AND SUBSIDIARIES OF FOREIGN BANKS

AS OF YEARS-ENDED INDICATED

(Amounts in Billion Pesos)

Selected Accounts	TOTAL			Pre-R.A. 7721 Foreign Bank Branches			Post-R.A. 7721 Foreign Bank Branches			Subsidiaries of Foreign Banks		
	2011	2012	2013	2011	2012	2013	2011	2012	2013	2011	2012	2013
ASSETS	**850.572**	**950.687**	**1,036.629**	**505.426**	**517.402**	**563.693**	**232.426**	**324.384**	**331.428**	**112.720**	**108.902**	**141.508**
Cash and Due from Banks	283.486	280.104	364.572	190.043	195.644	211.179	66.315	60.167	105.211	27.128	24.294	48.182
Financial Assets (net)	130.275	164.805	134.262	75.113	96.669	75.641	33.239	50.957	43.013	21.922	17.179	15.608
Loan Portfolio (net)	397.197	472.078	504.621	210.963	203.137	253.010	128.555	207.237	179.820	57.679	61.705	71.792
Equity Investments (net)	1.217	2.220	2.220	1.197	2.220	2.220			-	0.020		-
ROPA (net)	0.572	0.620	0.752	0.005	0.003	0.017	0.004	0.003	0.002	0.563	0.614	0.733
Other Assets	37.825	30.859	30.201	28.104	19.728	21.626	4.312	6.021	3.382	5.409	5.110	5.193
LIABILITIES AND CAPITAL	**850.572**	**950.687**	**1,036.629**	**505.426**	**517.402**	**563.693**	**232.426**	**324.384**	**331.428**	**112.720**	**108.902**	**141.508**
Liabilities	724.333	811.359	892.390	443.000	455.344	500.587	184.439	264.626	271.988	96.894	91.389	119.815
Financial Liabilities Held for Trading	26.211	31.371	14.390	18.541	21.341	9.089	7.179	9.591	5.082	0.491	0.439	0.220
Financial Liabilities DFVPL	0.047		-	0.047		-			-			-
Deposit Liabilities	475.073	481.415	644.390	267.732	281.342	357.100	126.559	121.603	180.039	80.781	78.470	107.251
Peso Liabilities	278.283	293.629	432.144	171.458	178.941	244.053	53.453	60.235	103.786	53.372	54.453	84.305
Demand and NOW	127.272	137.404	185.747	83.810	92.011	116.444	24.311	26.303	41.123	19.151	19.090	28.180
Savings	59.789	68.689	87.254	29.173	32.835	50.954	15.191	17.601	14.651	15.424	18.253	21.649
Time/LTNCD	91.223	87.536	159.143	58.475	54.095	76.655	13.951	16.330	48.012	18.797	17.110	34.476
Foreign Currency	196.789	187.786	212.245	96.274	102.402	113.047	73.106	61.368	76.253	27.409	24.016	22.946
Demand and NOW	29.855	36.374	38.943	29.166	35.695	38.169	0.289	0.285	0.274	0.400	0.394	0.500
Savings	120.675	124.063	147.437	54.027	58.184	65.463	52.103	52.263	66.569	14.545	13.616	15.404
Time/LTNCD	46.260	27.349	25.866	13.081	8.523	9.415	20.714	8.820	9.409	12.464	10.006	7.042
Bills Payable	38.566	16.438	18.343	18.808	0.577	2.196	8.505	7.411	8.284	11.252	8.451	7.863
Deposit Substitutes	0.604	0.320	0.146	0.603	0.319	0.145			-	0.001	0.001	0.001
Others	37.961	16.118	18.197	18.204	0.258	2.051	8.505	7.411	8.284	11.251	8.450	7.862
Unsecured Subordinated Debt			-			-			-			-
Redeemable Preferred Shares			-			-			-			-
Other Liabilities	184.437	282.136	215.267	137.872	152.084	132.203	42.196	126.022	78.584	4.369	4.029	4.480
Capital Accounts	126.238	139.328	144.239	62.425	62.057	63.106	47.986	59.757	59.440	15.826	17.513	21.693
Capital Stock	15.264	15.845	19.922			-			-	15.264	15.845	19.922
Assigned Capital	24.953	27.012	27.228	13.567	13.567	13.783	11.386	13.446	13.446			-
Net Due to HO/Br/Ag	85.459	94.802	95.317	48.859	48.491	49.323	36.600	46.312	45.994			-
Other Equity Instruments			-			-			-			-
Retained Earnings & Undivided Profits	0.562	1.668	1.771			-			-	0.562	1.668	1.771

Source: Supervisory Data Center, Supervision and Examination Sector

Schedule 6.b

SELECTED CONTINGENT ACCOUNTS

BRANCHES AND SUBSIDIARIES OF FOREIGN BANKS

AS OF YEARS-ENDED INDICATED

(Amounts in Billion Pesos)

Selected Accounts	TOTAL			Pre-R.A. 7721 Foreign Bank Branches			Post-R.A. 7721 Foreign Bank Branches			Subsidiaries of Foreign Banks		
	2011	2012	2013	2011	2012	2013	2011	2012	2013	2011	2012	2013
TRADE-RELATED ACCOUNTS	**9.255**	**8.518**	**8.794**	**5.911**	**4.985**	**4.526**	**2.730**	**2.885**	**3.487**	**0.614**	**0.648**	**0.780**
Domestic Commercial Letters of Credit Outstanding	0.414	0.155	0.473	0.035		0.209	0.344	0.140	0.255	0.035	0.015	0.009
Foreign Commercial Letters of Credit Outstanding	3.600	3.495	5.685	1.190	1.283	2.521	1.837	1.626	2.535	0.574	0.586	0.629
Export LCs - Confirmed	4.537	4.158	2.116	4.117	3.284	1.439	0.419	0.874	0.545			0.132
Shipside Bonds/Airway Bills	0.705	0.710	0.520	0.570	0.418	0.357	0.130	0.245	0.153	0.005	0.047	0.011
BANK GUARANTEES	**30.345**	**43.856**	**52.015**	**14.319**	**13.635**	**17.498**	**15.319**	**28.099**	**32.126**	**0.707**	**2.122**	**2.391**
Stand-by Letters of Credit	25.112	38.825	47.370	13.529	12.800	17.203	11.081	24.395	28.374	0.501	1.630	1.792
Outstanding Guarantees Issued	5.234	5.031	4.645	0.790	0.835	0.295	4.238	3.705	3.752	0.206	0.492	0.599
COMMITMENTS	**149.873**	**263.193**	**314.317**	**122.571**	**219.796**	**261.121**	**26.475**	**42.132**	**51.547**	**0.828**	**1.264**	**1.648**
Underwritten Accounts Unsold			-			-			-			-
Committed Credit Lines for CPs Issued			-			-			-			-
Credit Card Lines	121.695	170.675	191.512	121.096	169.701	190.491			-	0.599	0.974	1.021
Others	28.178	92.518	122.804	1.474	50.096	70.630	26.475	42.132	51.547	0.229	0.290	0.627
DERIVATIVE INSTRUMENTS	**1,570.759**	**1,110.888**	**1,000.724**	**921.946**	**587.983**	**539.192**	**638.249**	**509.119**	**450.335**	**10.565**	**13.786**	**11.197**
Interest Rate Contracts	493.215	437.812	444.346	300.811	267.305	278.938	188.683	167.182	162.034	3.721	3.325	3.374
Foreign Exchange Contracts	1,074.565	670.408	554.946	618.156	318.010	258.823	449.565	341.937	288.301	6.844	10.461	7.823
Equity Contracts	0.089		-	0.089		-			-			-
Credit Derivatives	2.890	2.668	1.431	2.890	2.668	1.431			-			-
TRUST DEPARTMENT ACCOUNTS	**348.071**	**401.956**	**361.340**	**270.443**	**320.241**	**287.921**	**65.742**	**72.310**	**69.760**	**11.886**	**9.404**	**3.659**

Source: Supervisory Data Center, Supervision and Examination Sector

Schedule 6.c

Comparative Statement of Income and Expenses

Branches and Subsidiaries of Foreign Banks

For the Years Indicated
(Amounts in Billion Pesos)

Selected Accounts	TOTAL			Pre-R.A. 7721 Foreign Bank Branches			Post-R.A. 7721 Foreign Bank Branches			Subsidiaries of Foreign Banks		
	2011	2012	2013	2011	2012	2013	2011	2012	2013	2011	2012	2013
Operating Income	**57.072**	**52.787**	**56.152**	**35.357**	**34.652**	**35.071**	**14.177**	**10.117**	**12.811**	**7.538**	**8.018**	**8.271**
Net Interest Income	**33.275**	**33.833**	**30.543**	**21.424**	**21.786**	**18.730**	**5.951**	**6.040**	**5.811**	**5.900**	**6.007**	**6.002**
Interest Income	41.574	40.892	35.691	24.664	25.105	20.552	9.561	8.253	7.730	7.349	7.534	7.410
Provision for Losses on Accrued Interest	0.022	0.011	0.012	0.011		(0.002)			-	0.011	0.011	0.015
Less: Interest Expenses	8.277	7.048	5.136	3.230	3.319	1.824	3.609	2.212	1.919	1.438	1.517	1.393
Non-interest Income	**23.797**	**18.954**	**25.609**	**13.934**	**12.866**	**16.340**	**8.225**	**4.077**	**7.000**	**1.637**	**2.011**	**2.269**
Dividend Income	0.531	0.449	0.959	0.530	0.437	0.927	0.000	0.009	0.031	0.001	0.003	0.001
Fee-based Income	10.504	11.680	11.672	8.143	9.358	8.745	1.837	1.694	1.974	0.525	0.628	0.952
Trading Income/(Loss)	4.606	0.593	10.168	1.497	1.259	3.203	2.734	(0.949)	6.317	0.375	0.282	0.648
Foreign Exchange Income/(Loss)	2.156	3.209	0.042	2.113	0.494	1.992	0.036	2.647	(2.044)	0.007	0.068	0.094
Other Income/(Loss)	5.999	3.023	2.768	1.651	1.318	1.473	3.619	0.675	0.721	0.729	1.029	0.574
Non-Interest Expenses	**34.206**	**32.480**	**33.694**	**22.724**	**20.907**	**21.127**	**6.737**	**6.372**	**6.904**	**4.745**	**5.201**	**5.664**
Losses/Recoveries on Financial Assets	**(5.568)**	**(5.113)**	**(4.774)**	**(4.340)**	**(4.213)**	**(3.688)**	**(0.211)**	**0.034**	**(0.061)**	**(1.018)**	**(0.934)**	**(1.025)**
Net Profit Before Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures Accounted for Using the Equity Method	**17.298**	**15.194**	**17.684**	**8.293**	**9.532**	**10.256**	**7.230**	**3.780**	**5.846**	**1.775**	**1.883**	**1.582**
Share in the Profit/(Loss) of Unconsolidated Subsidiaries, Associates and Joint Ventures Accounted for Using the Equity Method			-			-			-			-
Total Profit/Loss Before Tax and Before Minority Interest	**17.298**	**15.194**	**17.684**	**8.293**	**9.532**	**10.256**	**7.230**	**3.780**	**5.846**	**1.775**	**1.883**	**1.582**
Income Tax Expense	4.356	4.691	5.467	2.306	2.491	3.032	2.044	1.659	1.887	0.005	0.541	0.548
Total Profit/Loss After Tax and Before Minority Interest	**12.942**	**10.503**	**12.217**	**5.987**	**7.041**	**7.224**	**5.186**	**2.121**	**3.959**	**1.769**	**1.341**	**1.034**
Minority Interest in Profit/(Loss) of Subsidiaries			-			-			-			-
NET PROFIT/(LOSS)	**12.942**	**10.503**	**12.217**	**5.987**	**7.041**	**7.224**	**5.186**	**2.121**	**3.959**	**1.769**	**1.341**	**1.034**
Profitability												
Return on Assets (%)	**1.6**	**1.2**	**1.2**	**1.3**	**1.4**	**1.3**	**2.1**	**0.8**	**1.2**	**1.7**	**1.2**	**0.8**
Return on Equity (%)	**10.6**	**7.9**	**8.6**	**9.8**	**11.3**	**11.5**	**11.0**	**3.9**	**6.6**	**12.3**	**8.0**	**5.3**

Figures may not add up due to rounding-off

Source : Supervisory Data Center, Supervision and Examination Sector

Schedule 7

COMPARATIVE STATEMENT OF CONDITION

NON-BANK FINANCIAL INSTITUTIONS (NBFIs)

As of Semesters-Ended Indicated

(Amounts in Billion Pesos)

Selected Accounts	ALL NBFIs 1/			NBQBs			NSSLAs			Other NBFIs 1/		
	End-Dec '12 r/	End-Jun '13 r/	End-Dec '13 p/	End-Dec '12	End-Jun '13	End-Dec '13 p/	End-Dec '12	End-Jun '13	End-Dec '13 p/	End-Dec '12 r/	End-Jun '13 r/	End-Dec '13 p/
ASSETS	**434.807**	**449.412**	**448.582**	**186.680**	**181.421**	**177.287**	**124.895**	**132.978**	**132.978**	**123.231**	**135.013**	**138.318**
Cash and Due from Banks	46.476	55.318	56.631	25.730	29.853	26.022	9.101	11.166	11.166	11.645	14.299	19.443
Loan Portfolio (net)	240.256	234.561	239.443	78.352	66.306	73.275	96.903	101.439	101.439	65.001	66.816	64.729
Investments (net)	117.242	121.225	117.175	71.540	74.352	66.368	14.548	9.614	9.614	31.154	37.259	41.193
ROPA (net)	3.197	3.218	2.931	0.855	0.777	0.731	0.185	0.208	0.208	2.157	2.233	1.992
Other Assets	27.636	35.090	32.401	10.204	10.133	10.890	4.158	10.551	10.551	13.274	14.406	10.960
LIABILITIES AND CAPITAL	**434.807**	**449.412**	**448.582**	**186.680**	**181.421**	**177.287**	**124.895**	**132.978**	**132.978**	**123.231**	**135.013**	**138.318**
Liabilities	**241.707**	**240.106**	**240.487**	**147.293**	**137.102**	**134.368**	**27.349**	**30.359**	**30.359**	**67.065**	**72.646**	**75.761**
Deposit Liabilities	**22.896**	**25.286**	**23.345**			-	**22.896**	**25.286**	**25.286**			**(1.941)**
Peso Liabilities	22.896	25.286	23.345			-	22.896	25.286	25.286			(1.941)
Demand and NOW			-			-			-			-
Savings	19.641	22.171	15.590			-	19.641	22.171	22.171			(6.581)
Time	3.255	3.114	7.755			-	3.255	3.114	3.114			4.640
Foreign Currency			-			-			-			
Bills Payable	**162.317**	**152.784**	**155.008**	**122.758**	**110.864**	**106.335**	**0.864**	**1.607**	**1.607**	**38.694**	**40.313**	**47.066**
Deposit Substitutes	88.472	89.235	86.066	82.555	88.069	84.822			-	5.918	1.166	1.244
Others	73.844	63.548	68.942	40.204	22.794	21.513	0.864	1.607	1.607	32.776	39.147	45.822
Special Financing			-			-			-			-
Time Certificates of Deposits - SF			-			-			-			-
Special Time Deposits			-			-			-			-
Unsecured Subordinated Debt			-			-			-			-
Other Liabilities	**56.495**	**62.036**	**62.134**	**24.535**	**26.238**	**28.033**	**3.589**	**3.466**	**3.466**	**28.371**	**32.333**	**30.635**
Capital Accounts	**193.100**	**209.306**	**208.094**	**39.387**	**44.320**	**42.919**	**97.546**	**102.619**	**102.619**	**56.166**	**62.367**	**62.557**
Capital Stock	137.921	142.758	140.048	12.290	12.033	11.335	83.749	86.618	86.618	41.882	44.107	42.096
Assigned Capital			-			-			-			-
Net Due to H.O.			-			-			-			-
Surplus, Surplus Reserves & Undivided Profits	55.178	66.548	68.046	27.097	32.287	31.584	13.798	16.001	16.001	14.284	18.260	20.461

1/ *Includes only the reporting entities*

p/ *Preliminary*

Figures may not add up due to rounding-off

Source : Supervisory Data Center, Supervision and Examination Sector

Schedule 7.a

Comparative Statement of Income and Expenses

Non-Bank Financial Institutions (NBFIs)

For the Periods-Ended Indicated
(Amounts in Billion Pesos)

Selected Accounts	ALL NBFIs 1/			NBQBs			NSSLAs			Other NBFIs 1/		
	End-Dec '12 r/	End-Jun '13 r/	End-Dec '13 p/	End-Dec '12	End-Jun '13	End-Dec '13 p/	End-Dec '12	End-Jun '13	End-Dec '13 p/	End-Dec '12 r/	End-Jun '13 r/	End-Dec '13 p/
OPERATING INCOME	**63.751**	**41.455**	**68.691**	**22.926**	**11.766**	**21.991**	**18.339**	**10.197**	**17.543**	**22.486**	**19.491**	**29.157**
Net Interest Income	**40.479**	**23.665**	**36.343**	**13.599**	**4.759**	**10.023**	**15.107**	**8.470**	**13.978**	**11.773**	**10.435**	**12.342**
Interest Income	49.037	27.364	43.107	19.460	6.974	14.097	16.124	8.954	15.079	13.452	11.437	13.931
Less: Interest Expenses	8.557	3.700	6.764	5.862	2.215	4.074	1.017	0.483	1.101	1.679	1.001	1.589
Non-interest Income	**23.271**	**17.790**	**32.348**	**9.327**	**7.007**	**11.967**	**3.232**	**1.727**	**3.565**	**10.713**	**9.056**	**16.815**
Fee-based Income	10.204	5.284	10.626	5.055	1.920	3.881	2.681	1.502	3.074	2.469	1.862	3.671
Trading Income/(Loss)	2.315	3.955	4.860	2.085	3.872	4.723			-	0.230	0.083	0.137
Income from Corollary Businesses 2/	2.418	2.418	2.418			-			-	2.418	2.418	2.418
Other Income/(Loss)	8.335	6.133	14.444	2.188	1.215	3.364	0.551	0.225	0.491	5.596	4.693	10.589
OPERATING EXPENSES	**32.275**	**21.967**	**31.918**	**14.078**	**5.751**	**11.378**	**2.684**	**2.413**	**3.985**	**15.512**	**13.804**	**16.555**
Bad Debts Written Off	**0.122**	**0.172**	**0.217**	0.121	**0.172**	**0.217**			**0.000**	**0.000**		**0.000**
Provision for Probable Losses	**5.925**	**1.947**	**4.071**	**5.114**	**1.165**	**2.702**	**0.482**	**0.547**	**0.920**	**0.328**	**0.236**	**0.450**
Other Operating Expenses	**26.228**	**19.848**	**27.630**	**8.843**	**4.414**	**8.459**	**2.202**	**1.866**	**3.065**	**15.184**	**13.568**	**16.105**
Overhead Costs	15.184	12.206	17.110	5.287	3.191	5.877	0.935	0.942	1.685	8.962	8.073	9.549
Other Expenses	11.044	7.642	10.519	3.555	1.223	2.582	1.267	0.924	1.380	6.222	5.495	6.557
NET OPERATING INCOME (LOSS)	**31.476**	**19.487**	**36.773**	**8.848**	**6.016**	**10.613**	**15.654**	**7.784**	**13.558**	**6.973**	**5.687**	**12.603**
Extraordinary Credits/(Charges)	**0.709**	**3.596**	**7.299**	**0.889**	**3.696**	**7.713**	**(0.537)**	**(0.253)**	**(0.721)**	**0.358**	**0.153**	**0.306**
NET INCOME/(LOSS) BEFORE TAX	**32.185**	**23.083**	**44.072**	**9.737**	**9.711**	**18.326**	**15.117**	**7.532**	**12.837**	**7.331**	**5.840**	**12.909**
Provision for income tax	**3.649**	**2.152**	**3.714**	**2.168**	**0.950**	**2.041**	-	-	-	**1.481**	**1.201**	**1.673**
NET INCOME/(LOSS) AFTER TAX	**28.536**	**20.931**	**40.358**	**7.568**	**8.761**	**16.285**	**15.117**	**7.532**	**12.837**	**5.850**	**4.639**	**11.236**
Profitability												
Return on Assets (%)	**7.0**	**7.8**	**9.0**	**4.3**	**7.2**	**8.9**	**12.7**	**13.3**	**9.8**	**5.4**	**3.9**	**8.3**
Return on Equity (%)	**15.0**	**17.6**	**19.8**	**21.2**	**30.8**	**39.6**	**16.3**	**17.1**	**12.7**	**11.5**	**9.6**	**18.0**

1/ Includes only the reporting entities
2/ Pawnshops' income from foreign exchange dealing/money changing, remittances, bills payments and other corollary businesses
p/ Preliminary
r/ Revised
Note: "0.000" denotes a value below 0.0005
Figures may not add up due to rounding-off

Source : Supervisory Data Center, Supervision and Examination Sector

CHANGES IN BANK REGULATIONS
01 January 2013 to 31 December 2013

A. Circulars

No.	Date	Particulars	Rationale	Applicable to
779	1/09/13	Amendment to regulations on single borrower's limit (SBL) so as to extend the applicability of the additional 25 percent SBL for infrastructure and/or development projects under the Public-Private Partnership (PPP) Program of the government The additional 25 percent shall now be allowed for a period of six years instead of the previous three-year period from 28 December 2010.	To encourage the financial sector's participation in the PPP Program of the government	U/KBs TBs R/CBs NBQBs
780	1/10/13	Approval of the establishment of a Currency Exchange Facility (CEF) for Overseas Filipino Workers (OFWs) returning from Syria The maximum amount of Syrian currency that may be exchanged for pesos shall be equivalent to not more than P10,000.00 per eligible person. The facility shall be open to those who have returned from Syria from 01 January 2012 and shall be available for a period of four months reckoned from 30 January 2013.	To assist the OFWs who were displaced by the conflict in Syria The facility will allow OFWs and their families returning from Syria to exchange Syrian currency for Philippine pesos.	U/KBs TBs R/CBs
781	1/15/13	Basel III implementing guidelines on minimum capital requirements The guidelines shall apply to all universal/commercial banks (U/KBs) and their subsidiary banks and quasi-banks starting 01 January 2014.	To introduce a set of reforms aimed at strengthening the definition /composition of regulatory capital and introducing buffers to ensure better ability to absorb losses, among others	U/KBs and their Subsidiary Banks and Quasi-Banks

A. Circulars

No.	Date	Particulars	Rationale	Applicable to
782	1/21/13	Amendments to Appendix 45 (Notes on Microfinance) of Section X361 of the MORB so as to specify that for purposes of microinsurance products, poor and low-income clients shall refer to those with annual family income below the national average based on the latest available National Statistics Office (NSO) Family Income and Expenditure Survey (FIES). The 2009 national average annual family income is P206,000.	To provide support to poor and low-income clients through greater access to credit from formal channels	U/KBs TBs R/CBs
783	1/21/13	Amendment to regulations on relocation and voluntary closure/sale of branches/other banking offices	To simplify the procedures for the relocation of branches and shorten the period for prior notice to depositors before branch closure	U/KBs TBs R/CBs
784	1/25/13	Amendments on exclusions from single borrower's loan (SBL) limit and equity investment ceilings	To strengthen the application of the SBL limit and the equity investment ceilings on underwriting exposures of universal banks (UBs) and investment houses (IHs)	U/KBs TBs R/CBs
785	1/25/13	Amendment to the regulations on individual and aggregate ceilings on loans, other credit accommodations and guarantees to directors, officers, stockholders and their related interests so as to specify that the portion of loans and other credit accommodations covered by guarantees of international / regional institutions / multilateral financial institutions where the Philippine Government is a member /shareholder, such as the International Finance Corporation and the Asian Development Bank shall be excluded in determining compliance with the individual and aggregate ceilings	To rationalize existing regulations on DOSRI loans by excluding from the individual and aggregate ceilings loans and other credit accommodations covered by guarantees of international/ regional institutions/multilateral financial institutions where the Philippine Government is a member/shareholder, such as the International Finance Corporation and the Asian Development Bank	U/KBs TBs R/CBs
786	2/15/13	Risk disclosure requirements on loss absorbency features of Additional Tier 1 and Tier 2 capital instruments under Basel III	To uphold investor protection through enhanced disclosure and transparency	U/KBs and their Subsidiary Banks and Quasi-Banks

A. Circulars

No.	Date	Particulars	Rationale	Applicable to
787	2/20/13	Temporary relief of one year from 20 February 2013 to comply with the required inclusion of effective interest rate (EIR) in the pawn ticket under Circular No. 754 dated 17 April 2012	To give pawnshops more time to comply with the required inclusion of EIR in the pawn ticket on condition that they meet the requirements for alternative compliance	Pawnshops
788	2/26/13	Amendments to required disclosures in the Published Balance Sheet Banks shall disclose the following additional information in the quarterly published/posted Balance Sheet: For Solo Balance Sheet (Head Office and Branches/Other Offices: • Gross total loan portfolio (TLP) • Specific allowance for credit losses on the TLP • Non-performing loans (NPLs) a. Gross NPLs b. Ratio of Gross NPLs to gross TLP c. Net NPLs d. Ratio of net NPLs to gross TLP (%) • Classified loans and other risk assets, gross allowance for credit losses • DOSRI loans and receivables, gross of allowance for credit losses • Ratio of DOSRI loans and receivables, gross of allowance for credit losses, to gross TLP (%) • Gross non-performing DOSRI loans and receivables • Ratio of gross non-performing DOSRI loans and receivables to gross TLP (%) • Percent compliance with Magna Carta (8 percent for micro and small enterprises and 2 percent for medium enterprises) • Return on equity (%) • CAR, on solo basis, as prescribed under existing regulations (Total CAR and Tier 1 CAR) • Deferred charges not yet written down • Unbooked allowance for credit losses on financial instruments received	To strengthen disclosure requirements in relation to recently issued regulation on the computation of a bank's NPLs	U/KBs TBs R/CBs

A. Circulars

No.	Date	Particulars	Rationale	Applicable to
788	2/26/13	(Continuation of Cir. 788) For Consolidated Balance Sheet (parent bank and financial allied subsidiaries excluding subsidiary insurance companies): • List of financial allied subsidiaries (excluding subsidiary insurance companies) • List of subsidiary insurance companies • CAR on consolidated basis, as prescribed under existing regulations (Total CAR and Tier 1 CAR)	To strengthen disclosure requirements in relation to recently issued regulation on the computation of a bank's NPLs	U/KBs TBs R/CBs
789	2/28/13	Amendments to the MORNBFI applicable to Non-Stock Savings and Loan Associations such as the inclusion of new provisions on lending policies under Section 4301S; amendments to existing provisions on authority, loan limits and maturity of loans; and amendments to the prescribed rate of annual supervisory fees for an NSSLA beginning assessable year 2012 which shall be 1/65 of 1% of its Average Assessable Assets (AAA) of the immediately preceding year but shall not exceed the maximum amount prescribed	To rationalize existing regulations applicable to NSSLAs	NSSLAs
790	3/06/13	Macro-prudential Measure for Handling Non-Deliverable Forwards (NDFs) Involving the Philippine Peso	To mitigate the buildup of systemic risks and protect against undue concentration in market usage	U/KBs TBs R/CBs
791	4/03/13	Restoration of the 2009 assessment rates for Annual Supervisory Fees (ASF) charged on banks and NBQBs for year 2013 onwards	To rationalize assessment rates for ASF charged on banks and NBQBs	U/KBs TBs R/CBs NBQBs
792	5/03/13	Valid identification cards for financial transactions	To update the requirements on the use of valid ID cards for all types of financial transactions	U/KBs TBs R/CBs NBFIs
793	4/08/13	Amendment to align the familial restrictions applicable to "independent director" with the existing provision of the Securities Regulation Code	To align BSP regulations on the definition of "independent director" with the implementing rules of the Securities Regulation Code	U/KBs TBs R/CBs

A. Circulars

No.	Date	Particulars	Rationale	Applicable to
794	4/18/13	Amendments to foreign exchange (FX) regulations which constitute the sixth phase of reforms to the FX regulatory framework Some of the reforms include: 1. Increase in the amount of FX that may be sold over-the-counter (OTC) by authorized banks and FX corporations to residents without documentation for services transactions (from US$60,000 to US$120,000 or its equivalent in other foreign currency; 2. Increase in the amount of FX that may be purchased using unspent pesos of departing non-resident tourists or *balikbayan* without need to show proof/s of previous sale of FX for pesos (from US$5,000 to US$10,000 or its equivalent in other foreign currency calculated at prevailing exchange rates); 3. Allowing the following as funding for onshore peso accounts of non-residents: a. onshore peso receipts of non-residents from residents for services rendered by the former to the latter; b. peso receipts of onshore expatriates with contracts of less than 1 year representing salary/allowance/other benefits; and c. onshore peso funds of foreign students enrolled in the Philippines and non-resident Filipinos. 4. Inclusion of the following as allowable forms of investment for Philippine residents that may be funded with FX to be purchased from authorized banks and their FX corporations: a. offshore FX-denominated global funds/mutual funds and unit investment trust funds;	To keep foreign exchange policies responsive to current economic conditions	U/KBs TBs R/CBs

A. Circulars

No.	Date	Particulars	Rationale	Applicable to
794	4/18/13	(Continuation of Cir. 794) b. FX intercompany loans of resident enterprises to their offshore parent companies /subsidiaries with an original tenor of at least 1 year; c. Real property abroad, including condominium units; d. Debt securities issued offshore by both residents and non-residents that are in local banks' asset inventory; and e. Equity securities issued by residents that are listed abroad.	To keep foreign exchange policies responsive to current economic conditions	U/KBs TBs R/CBs
795	4/18/13	Guidelines on the temporary window for the purchase of foreign exchange to service unregistered private sector foreign loans	To enhance and facilitate access of corporates to FX for their legitimate transactions by inducing a shift of their FX transactions from the parallel to the formal FX market	U/KBs TBs R/CBs
796	5/03/13	Amendments to Appendix 45 (Notes on Microfinance) of Section X361 of the MORB on the general features of a microfinance savings deposit account, specifying that only individual microfinance clients whose average daily savings account balance does not exceed forty thousand pesos (P40,000.00) may open a microfinance savings deposit account	This expands the menu of microfinance products/services available to low-income clients	U/KBs TBs R/CBs
797	5/22/13	Enforcement actions on banks in relation to the requirement for a Monetary Board opinion on the implications of the borrowings of the government or any of its political subdivisions and instrumentalities (Section 123 of R. A. No. 7653 or The New Central Bank Act)	To implement sanctions against banks for any violation or failure to comply with the requirements of Section 123 of R. A. No. 7653	U/KBs TBs R/CBs

A. Circulars

No.	Date	Particulars	Rationale	Applicable to
798	6/18/13	Amendments to Section 3 of Circular No. 755 dated 20 April 2012	To implement the guidelines of the Truth in Lending Act, i.e, registration and payment of registration fee, as a means to enhance loan transaction transparency that shall be applicable for all entities with credit-granting facilities*/	SEC or DTI-registered Corporations, Organizations, Partnerships and Single Proprietorships Engaged in Credit-Granting Activities
799	6/21/13	Fixing the rate of interest, in the absence of stipulation, on a loan or forbearance of any money, goods or credits and judgmental awards at 6 percent per annum effective 01 July 2013.	To fix the rate of interest on loans or on forbearance of money, goods or credits where there is no stipulated rate under the contract or judgment	U/KBs TBs R/CBs NBFIs
800	6/21/13	Amendment to the regulation on the approval of the election of college undergraduates as trustees of non-stock savings and loans associations (NSSLAs)	To rationalize the minimum qualifications of trustees of NSSLAs by allowing a re-elected college undergraduate to sit as trustee without prior BSP approval provided that the previous approval was obtained on or after 1 January 2011 and that the trustee has had continuous service within the said NSSLA	NSSLAs
801	6/27/13	Revised cross-selling framework ➢ Only retail financial products which do not create exposure to investment risks may be cross-sold inside bank premises. These include: 1. Retail lending or loan products such as credit cards, home mortgage loans, personal loans, auto loans, and other related retail loan products; 2. Insurance products such as term insurance, traditional/ whole life/endowment, non-life insurance and other related insurance products; 3. Other retail financial products such as cash cards, debit cards, and other related products; 4. Other similar financial products as may be authorized by the Monetary Board.	To liberalize the framework for the cross-selling of financial products by banks	U/KBs TBs R/CBs

*/Banks and other NBFIs are covered by Circular No. 730 dated 17 July 2011 and Circular No. 754 dated 17 April 2012.

A. Circulars

No.	Date	Particulars	Rationale	Applicable to
802	6/21/13	Amendment of Section X156 of the MORB on the submission to the BSP of the notice of intended closure of banks and/or their branches or other offices due to local holidays	To rationalize existing guidelines on banking days and hours by requiring banks and/or their branches, extension offices (EOs), or other banking offices (OBOs) to submit to the BSP a prior notice of the intended closure of their offices on account of a local festivity not covered by a Presidential Proclamation at least two working days before the intended date of closure	U/KBs TBs R/CBs
803	7/05/13	Amendment to regulations on single borrower's limit (SBL) ➢ The additional 15% SBL which is in addition to the 25% regular SBL shall only be available for borrowings of oil companies to finance oil importation. It shall only be allowed for a period of 3 years from 3 March 2011 or, until 3 March 2014. Said additional loans, credit accommodations and guarantees outstanding as of the end of the 3-year period and in excess of 25% of the lending bank's net worth shall not be increased but shall be reduced and once reduced, said exposures shall not be increased thereafter.	Extends the period (from 2 years to 3 years) by which the additional 15 percent SBL (in addition to the 25 percent regular SBL) shall be available for borrowings of oil companies to finance oil importation Recognizes the role and importance of the oil industry in ensuring the adequate supply of oil and other petroleum products in the country	U/KBs TBs R/CBs
804	7/12/13	Approval of the reopening of Syrian Pound (SYP) Currency Exchange Facility (CEF) for OFWs returning from Syria	To assist OFWs under the BSP's CEF Program	U/KBs TBs R/CBs
805	8/08/13	Senior citizens priority lane in BSP supervised financial institutions	To comply with the requirements of R.A. No. 9994 (An Act Granting Additional Benefits and Privileges to Senior Citizens, Further Amending R.A. No. 7432 of 1992 as Amended by R.A. No. 9257 of 2003) To provide support to the improvement of the total well-being of the elderly and their full participation in society, and to motivate and encourage them to contribute to nation-building	U/KBs TBs R/CBs NBFIs

A. Circulars

No.	Date	Particulars	Rationale	Applicable to
806	8/15/13	Establishment of two separate rediscounting windows – Rediscounting Window I (RW I) for U/KBs and Rediscounting Window II (RW II) for TBs, RBs and Coop Banks	To align the BSP rediscounting window with the BSP's market-based monetary operations framework and with the international central banking practice of scaling down directed credit operations	U/KBs TBs R/CBs
807	8/15/13	Changes in the Exporters' Dollar and Yen Rediscount Facility (EDYRF)	The operational adjustments in the EDYRF are aimed at broadening the range of acceptable collateral in the facility to include dollar-denominated trust receipts (TRs) covering the importation of goods and raw materials, and dollar term loans to finance capital expenditure (CAPEX) or plant expansion/modernization of exporters.	U/KBs TBs R/CBs
808	8/22/13	Guidelines on information technology risk management (ITRM) for all banks and other BSP supervised financial institutions	The enhanced ITRM framework is expected to strengthen management of risks, security of operations and governance on IT-related activities, as well as reinforce regulations on consumer protection on electronic products and services by tackling the growing number of new and sophisticated technological threats.	U/KBs TBs R/CBs NBFIs
809	8/23/13	Amendments to relevant provisions of the MORB implementing R.A. No. 10574 (An Act Allowing the Infusion of Foreign Equity in the Capital of Rural Banks, Amending R.A. No. 7353, Otherwise Known as "The Rural Banks Act of 1992")	To revitalize the rural banking industry and improve access of banking services to the rural areas in the country	U/KBs TBs R/CBs
810	8/30/13	Amendments to the guidelines governing the issuance of long-term negotiable certificates of time deposits (LTNCTDs) with respect to: 1. additional requirements for the issuance of LTNCTD 2. any change in the identity of the issuing bank's registry bank, underwriter/arranger, selling agent and/or market maker	Rationalizes existing regulations on the issuance of LTNCTDs	U/KBs TBs R/CBs

A. Circulars

No.	Date	Particulars	Rationale	Applicable to
811	9/13/13	Amendments to the provisions of the MORB on application for authority to accept government deposits – unincorporated branches, agencies and instrumentalities of the National Government are required to submit a written authority to open deposit accounts and/or deposit government funds signed by the duly authorized official of the Department of Finance/Bureau of the Treasury (DOF/BTr) and of the department, bureau, agency, or office making the deposit	Rationalizes the documentary requirements for deposits maintained by the Government, its subdivisions and instrumentalities and government-owned or -controlled corporations	U/KBs TBs R/CBs
812	9/23/13	Requirement for all BSP-supervised financial institutions with credit card operations and their subsidiary/affiliate credit card companies to submit a Credit Card Business Activity Report (CCBAR)	To enhance the BSP's credit card database of both credit card issuers/acquirers and cardholders, ensure transparency and availability of information on credit card operations and complaints resolution, and afford a profound analysis of the credit card industry needed in policy development	U/KBs TBs R/CBs NBFIs
813	9/27/13	Amendment on market valuation of government securities For peso-denominated government securities, the benchmark or reference prices shall be based on the weighted average of done or executed deals in a trading market registered with the SEC. In the absence of done deals, the simple average of all firm bids per benchmark tenor shall be used in calculating the benchmark provided that the simple average of all firm offer per benchmark tenor shall likewise be included as soon as permissible under securities laws and regulations.	To further define benchmarks and establish a robust pricing and valuation standards for debt securities	U/KBs TBs R/CBs
814	9/27/13	New reporting requirement for non-performing loans (NPLs) Banks are required to submit reports for NPL movements and aging in formats to be prescribed by the BSP.	To capture the changes in NPL levels and enable the BSP to validate NPL trends in relation to TLP growth	U/KBs TBs R/CBs

A. Circulars

No.	Date	Particulars	Rationale	Applicable to
815	10/18/13	Amendments to foreign exchange regulations with respect to the peso deposit accounts of, and sale of foreign exchange to, non-residents	Rationalizes existing foreign exchange regulations	U/KBs TBs R/CBs
816	10/24/13	Establishment of a Currency Exchange Facility (CEF) for the Egyptian Pound (EGP) for OFWs returning from Egypt	To assist OFWs under the CEF Program	U/KBs TBs R/CBs
817	11/06/13	Amendments to Subsections X361.5 and X361.7 of the MORB on the grant of housing microfinance and micro-agri loans, as follows: 1. Requirement to submit a Certificate of Compliance, attesting compliance with prescribed regulations (to be inserted as an additional item under Subsection X361.5) 2. Enumeration of the applicable sanctions in case of non-compliance (to be inserted as an additional item under Subsection X361.5)	Rationalizes existing regulations on microfinance	U/KBs TBs R/CBs
818	11/06/13	Amendments to foreign exchange regulations, as follows: 1. allowing prepayment of BSP-registered short-term loans, subject to standard documentary requirements for foreign exchange (FX) purchases; 2. Waiver of the submission by banks of documents to support reports on importations under documents against acceptance and open account arrangement, provided banks maintain adequate records for BSP verification; 3. Lifting of the BSP approval requirement for private sector loans to be granted by FCDUs/EFCDUs that are specifically or directly funded from, or collateralized by, offshore loans or deposits of the lending bank; and 4. Clarification of the prescriptive period for filing of requests for BSP registration of foreign direct investments and rules on cross currency swaps.	To keep foreign exchange policies responsive to current economic conditions	U/KBs TBs R/CBs

A. Circulars

No.	Date	Particulars	Rationale	Applicable to
819	11/12/13	Amendments to Circular No. 769 dated 26 September 2012 (Guidelines on requests for Monetary Board opinion on the Monetary and Balance of Payments Implications of Proposed Domestic Borrowings by LGUs Pursuant to Section 123 of R.A. No. 7653 ➢ Requests by LGUs for MB opinion on their planned loans/borrowings may be submitted to the BSP directly by LGUs or through the lending banks. ➢ The request should indicate the amount and purpose of the loan, the lending bank, the terms and conditions of the loan including interest rate, maturity, fees and other charges. The request should also include the following: 1. Certification on the debt service and borrowing capacity of the LGU obtained from the DOF-BLGF; 2. Designation of a contact person/s responsible for coordinating with the BSP along with contact information, and—if he/she will act as representative on behalf of the LGU/chief executive—a Sanggunian Resolution on the specific acts/services he/she has been authorized to perform; and 3. Indication by the lending bank of the source of funds it will lend to the LGU. ➢ Banks will be sanctioned if they release loans or other forms of borrowing to LGUs without prior MB opinion. The MB opinion is valid for six months from the date of issue and may be extended for meritorious reasons.	To enable the BSP to monitor the borrowing of the public sector and assess their impact on the monetary sector and external payments position of the economy, in fulfillment of its role and mandate to promote and maintain monetary and financial stability	U/KBs TBs R/CBs NBFIs
820	12/6/13	Additional special regulatory reliefs to banks in areas severely affected by Tropical Depression Yolanda	To provide affected banks a set of additional special regulatory reliefs that are intended to translate into direct, immediate and measurable improvements in the quality of life of calamity victims, particularly bank clients	U/KBs TBs R/CBs

A. Circulars

No.	Date	Particulars	Rationale	Applicable to
821	12/6/13	Amendments of Appendix P-2 in relation to Section 4162P of the MORNBFI-Pawnshops – change in the submission deadline of the Statement of Condition (SOC) and the Statement of Income and Expenses (SIE) of pawnshops from 31 January to 30 April of every year	Rationalizes existing guidelines on pawnshop operations	Pawnshops
822	12/13/13	Amendment to the capital framework of foreign bank branches (FBB) Among the amendments: ➢ Under the new framework, the capital component of FBB that is classified as Tier 1 shall be predominantly composed of permanently assigned capital (PAC). ➢ On the other hand, FBB accounts which are booked under the "Net Due To" account will now be re-classified as Tier 2 capital. These "Net Due To" accounts typically reflect transactions between the FBB and its parent entity and include placements, investments and borrowings. ➢ "Net Due To" accounts were previously categorized as Tier 1 capital under the older Basel II framework. The new policy is consistent with the intention of the reforms under Basel III to classify as Tier 2 the debt instruments that are deemed eligible as Basel III capital.	Aligns the capital structure of FBB with the implementation of the Basel III Accord while further strengthening the capacity of FBB to absorb risks from their operations in the Philippines	Foreign Bank Branches

B. Circular Letters

Date	Particulars	Applicable to
CL-2013-003 dated 1/08/13	Approval of the request of **BPI Leasing Corporation** for the revocation/cancellation of its quasi-banking license	U/KBs TBs R/CBs NBQBs
CL-2013-004 dated 1/16/13	Consolidation of **First Community Cooperative Bank of Misamis Occidental (FBMO)**, **Cooperative Bank of Davao del Sur (CBDS)** and **Cooperative Bank of Surigao del Sur (CSDS)** to be known as **Consolidated Cooperative Bank (CCB)** The banking activities and transactions of FBMO, CBDS and CSDS have been consolidated under the name Consolidated Cooperative Bank effective 02 January 2013.	U/KBs TBs R/CBs
CL-2013-005 dated 1/17/13	List of approved applications for new banking offices and banking offices which opened/reopened during the 3rd quarter of 2012	U/KBs TBs R/CBs
CL-2013-009 dated 2/08/13	Merger between **Philippine National Bank** (surviving corporation) and **Allied Banking Corporation** (absorbed corporation) whereby the entire assets and liabilities of Allied Banking Corporation will be transferred to and absorbed by Philippine National Bank The merger shall take effect on 9 February 2013.	U/KBs TBs R/CBs
CL-2013-011 dated 2/26/13	AMLC Res. No. 10 dated 24 January 2013 enjoining all banks and NBFIs under BSP supervision to defer reporting of "no risk/low risk" covered transactions of covered institutions supervised by the BSP This supersedes Res. No. 58, Series of 2005 and Res. No. 24, Series of 2009.	U/KBs TBs R/CBs NBFIs
CL-2013-012 dated 2/26/13	AMLC Res. No. 10-A dated 24 January 2013 requiring all covered institutions to file reports on covered transactions, regardless of the mode of payment used in the settlement of transactions between banks or brokers/dealers and their customers, including transactions in checks, fund transfers, and/or debiting or crediting of accounts, except those transactions covered under Res. No. 10 Series of 2013, on "no risk/low risk" covered transactions This supersedes AMLC Res. No. 292, Series of 2003 and Res. No. 38, Series of 2011.	U/KBs TBs R/CBs NBFIs

B. Circular Letters

Date	Particulars	Applicable to
CL-2013-013 dated 2/26/13	AMLC Res. No. 10-B dated 24 January 2013 informing all covered institutions of the amendment to Res. No. 10, Series of 2007 which exempts the presenting bank from filing an STR relative to its receipt of spurious check from a depository bank that has no clearing facilities	U/KBs TBs R/CBs
CL-2013-014 dated 2/26/13	AMLC Res. No. 10-C dated 24 January 2013 informing all covered institutions of the Council's resolutions to: ➢ Adopt policies in the data collection system for uniform implementation by all covered institutions, on the following: 3. Reporting of Covered and Suspicious Transaction Reports; and 4. Report Format. ➢ Authorize the Executive Director, or in his absence, the Officer-In-Charge, to approve the Guidelines on the Reporting of Covered and Suspicious Transactions and Revised AMLC Reporting Procedure.	U/KBs TBs R/CBs NBFIs
CL-2013-018 dated 3/12/13	Revocation of license to operate as a Non-Stock Savings and Loan Association (NSSLA) of PAL Employees' Savings and Loan Association, Inc., pursuant to Section 22 of R.A. No. 8367 otherwise known as the "Revised Non-Stock Savings and Loan Association Act of 1997"	U/KBs TBs R/CBs NBFIs
CL-2013-019 dated 3/13/13	List of financial institutions certified by the BSP as Accredited Rural Financial Institutions (ARFI) as of 21 February 2013 in line with the implementation of the Agri-Agra Reform Credit Act of 2009 or Republic Act No. 10000	U/KBs TBs R/CBs
CL-2013-020 dated 3/18/13	List of approved applications of new banking offices and banking offices which opened/reopened during the 4th quarter of 2012	U/KBs TBs R/CBs
CL-2013-028 dated 4/18/13	Approval of the request of **Multinational Investment Bancorporation** for the cancellation of its quasi-banking license	U/KBs TBs R/CBs NBFIs
CL-2013-029 dated 5/17/13	Merger of **One Network Bank, Inc. (A Rural Bank)** and **Rural Bank of San Enrique (Iloilo), Inc.** effective 16 May 2013. One Network Bank, Inc. (A Rural Bank) is the surviving corporation.	U/KBs TBs R/CBs

B. Circular Letters

Date	Particulars	Applicable to
CL-2013-032 dated 6/13/13	List of financial institutions certified by the BSP as Accredited Rural Financial Institutions (ARFI) as of 7 June 2013 in line with the implementation of the Agri-Agra Reform Credit Act of 2009 or Republic Act No. 10000	U/KBs TBs R/CBs
CL-2013-035 dated 6/21/13	Updated validation rules of the BSP on the FRP	U/KBs TBs R/CBs
CL-2013-039 dated 7/16/13	List of approved applications of new banking offices and banking offices which opened/reopened during the 1st quarter of 2013	U/KBs TBs R/CBs
CL-2013-040 dated 7/23/13	List of financial institutions certified by the BSP as Accredited Rural Financial Institutions (ARFI) as of 17 July 2013 in line with the implementation of the Agri-Agra Reform Credit Act of 2009 or Republic Act No. 10000	U/KBs TBs R/CBs
CL-2013-041 dated 7/25/13	Establishment of the Sanitary Care Products Asia Employees Savings and Loan Association, Inc.	NSSLAs
CL-2013-042 dated 8/05/13	AMLC Res. No. 05 dated 16 January 2013	U/KBs TBs R/CBs
CL-2013-043 dated 8/08/13	AMLC Res. No. 63 dated 24 July 2013	U/KBs TBs R/CBs
CL-2013-045 dated 8/13/13	AMLC Res. No. 64 dated 24 July 2013	U/KBs TBs R/CBs
CL-2013-046 dated 8/15/13	AMLC Res. No. 66 dated 24 July 2013	U/KBs TBs R/CBs
CL-2013-048 dated 9/20/13	AMLC Res. No. 76 dated 12 August 2013	U/KBs TBs R/CBs
CL-2013-049 dated 9/25/13	Consolidation of **1st Valley Bank, Inc. (A Rural Bank)** and **Community Rural Bank of Clarin (Misamis Occidental), Inc.** The consolidated bank was upgraded into a thrift bank to be known as **1st Valley Bank, Inc., A Development Bank.** The Bank commenced operations as a consolidated thrift bank on 01 August 2013.	U/KBs TBs R/CBs

B. Circular Letters

Date	Particulars	Applicable to
CL-2013-053 dated 10/04/13	AMLC Res. No. 85 dated 16 September 2013	U/KBs TBs R/CBs
CL-2013-056 dated 10/17/13	AMLC Res. No. 84 dated 16 September 2013	U/KBs TBs R/CBs
CL-2013-057 dated 10/17/13	AMLC Res. No. 80 dated 23 August 2013	U/KBs TBs R/CBs
CL-2013-058 dated 10/18/13	List of approved applications of new banking offices and banking offices which opened/reopened during the 2nd quarter of 2013	U/KBs TBs R/CBs
CL-2013-060 dated 10/29/13	Establishment of **mBank Philippines (A Thrift Bank), Inc.** in Sta. Rosa, Laguna mBank was registered with the SEC on 03 September 2013. The corresponding Certificate of Authority to Operate as a microfinance-oriented thrift bank was issued by the BSP on 23 September 2013 and its operations commenced on 16 October 2013.	U/KBs TBs R/CBs
CL-2013-062 dated 11/21/13	List of approved applications of new banking offices and banking offices which opened/reopened during the 2nd quarter of 2013, as revised (supersedes CL-2013-058 dated 10/18/13)	U/KBs TBs R/CBs
CL-2013-063 dated 11/18/13	Merger of **Producers Savings Bank Corporation** and **Iloilo City Development Bank** with **Producers Savings Bank Corporation** as the surviving bank Producers Savings Bank Corporation, the surviving bank, commenced operations as a merged thrift bank on 12 November 2013.	U/KBs TBs R/CBs
CL-2013-066 dated 12/20/13	Revocation/cancellation of the quasi-banking license of Unicapital, Inc.	U/KBs TBs R/CBs NBQBs

C. Memorandum to All Banks/Non-Bank Financial Institutions

Date	Particulars	Applicable to
M-2013-001 dated 1/14/13	Grant of temporary regulatory and rediscounting relief to banks with head offices and/or branches located in areas devastated by Tropical Depression "Quinta" based on the report of the National Disaster Risk Reduction and Management Council	U/KBs TBs R/CBs
M-2013-002 dated 1/11/13	Guidelines in assessing the quality of corporate governance in BSP supervised financial institutions	U/KBs TBs R/CBs NBFIs
M-2013-003 dated 1/24/13	To prohibit the **Capitol City Bank, Inc. A Rural Bank** from doing business in the Philippines and to place its assets and affairs under receivership pursuant to Section 30 of R.A. No. 7653 (The New Central Bank Act)	U/KBs TBs R/CBs
M-2013-004 dated 1/30/13	Enhancements to the Financial Reporting Package (FRP) in relation to recently issued regulations	U/KBs TBs R/CBs
M-2013-005 dated 1/31/13	To prohibit **The Rural Bank of Gainza (Camarines Sur), Inc.** from doing business in the Philippines and to place its assets and affairs under receivership pursuant to Section 30 of R.A. No. 7653 (The New Central Bank Act)	U/KBs TBs R/CBs
M-2013-006 dated 2/07/13	To prohibit the **Rural Bank of Majayjay, Inc.** from doing business in the Philippines and to place its assets and affairs under receivership pursuant to Section 30 of R.A. No. 7653 (The New Central Bank Act)	U/KBs TBs R/CBs
M-2013-007 dated 2/22/13	Memorandum to all cooperative banks on various cooperative banking issues/concerns discussed and clarified in the Cooperative Banks Federation of the Philippines (BangKOOP) Meeting (MB Res. No. 177 dated 31 January 2013)	Coop Banks
M-2013-008 dated 3/05/13	Frequently Asked Questions on the Basel III Implementing Guidelines	U/KBs TBs R/CBs
M-2013-009 dated 3/04/13	To prohibit the **Rural Bank of Buenavista (Agusan del Norte), Inc.** from doing business in the Philippines and to place its assets and affairs under receivership pursuant to Section 30 of R.A. No. 7653 (The New Central Bank Act)	U/KBs TBs R/CBs

C. Memorandum to All Banks/Non-Bank Financial Institutions

Date	Particulars	Applicable to
M-2013-010 dated 3/13/13	Re-accreditation of the following corporate governance seminar providers which have complied with the revised course syllabus prescribed under Memorandum No. M-2012-026 issued on 04 June 2012: 1. Development Finance Institute Training Services; and 2. Bankers Institute of the Philippines, Inc.	U/KBs TBs R/CBs NBQBs
M-2013-011 dated 3/15/13	To prohibit the **La Consolacion Rural Bank, Inc.** from doing business in the Philippines and to place its assets and affairs under receivership pursuant to Section 30 of R.A. No. 7653 (The New Central Bank Act)	U/KBs TBs R/CBs
M-2013-012 dated 3/22/13	Issuance of the authority to open/extend banking operations for all Bureau of Internal Revenue (BIR) Authorized Agent Banks (AABs) that will receive tax payments covering the calendar year 2012	U/KBs TBs R/CBs
M-2013-013 dated 3/26/13	To prohibit the **Rural Bank of Kinogitan (Misamis Oriental), Inc.** from doing business in the Philippines and to place its assets and affairs under receivership pursuant to Section 30 of R.A. No. 7653 (The New Central Bank Act)	U/KBs TBs R/CBs
M-2013-014 dated 4/04/13	Guidelines on the submission of the updated Published Balance Sheet (BS) and Consolidated Balance Sheet (CBS), incorporating the amendments to Circular No. 788 dated 26 February 2013 and in accordance with the publication requirements provided under Circular No. 576 dated 8 August 2007	U/KBs TBs R/CBs
M-2013-015 dated 4/18/13	Collection of the Annual Supervisory Fees (ASF) for year 2013	U/KBs TBs R/CBs NBQBs
M-2013-016 dated 4/24/13	Frequently asked questions on the guidelines on the treatment of non-deliverable forwards involving the Philippine Peso	U/KBs TBs R/CBs NBFIs
M-2013-017 dated 5/07/13	Enhancements to the CAR Report in relation to recently issued regulations	Stand-alone TBs and R/CBs

C. Memorandum to All Banks/Non-Bank Financial Institutions

Date	Particulars	Applicable to
M-2013-018 dated 5/07/13	Guidelines on the submission of the updated report on NDF transactions	U/KBs TBs R/CBs Trust Entities
M-2013-019 dated 5/07/13	Re-accreditation of the Ateneo-BAP Institute of Banking as a corporate governance seminar provider following its compliance with the revised course syllabus prescribed under Memorandum No. M-2012-026 issued on 04 June 2012	U/KBs TBs R/CBs NBQBs
M-2013-020 dated 5/09/13	Requirement for all pawnshops to strictly adhere to the provisions of the MORNBFI-P on the acceptance of pawn items and Know-Your-Pawner Policy	Pawnshops
M-2013-021 dated 5/17/13	Access of trust departments/entities to the SDA Facility of the BSP	U/KBs TBs R/CBs Trust Entities
M-2013-022 dated 5/23/13	To prohibit the **Cooperative Rural Bank of Bulacan, Inc.** from doing business in the Philippines and to place its assets and affairs under receivership pursuant to Section 30 of R.A. No. 7653 (The New Central Bank Act)	U/KBs TBs R/CBs
M-2013-023 dated 5/28/13	BSP Compliance Rating System (CRS) • Provides a framework for assessing the quality of the compliance system • Provides appropriate supervisory actions for weaknesses and violations of rules and regulations	U/KBs TBs R/CBs
M-2013-024 dated 5/30/13	To prohibit the **Rural Bank of Naval, Inc.** from doing business in the Philippines and to place its assets and affairs under receivership pursuant to Section 30 of R.A. No. 7653 (The New Central Bank Act)	U/KBs TBs R/CBs
M-2013-025 dated 6/13/13	Revised trust rating system	U/KBs TBs R/CBs NBQBs Trust entities
M-2013-026 dated 6/11/13	Requirement for the submission of the Report on the Inventory of Bank Network	U/KBs TBs R/CBs

C. Memorandum to All Banks/Non-Bank Financial Institutions

Date	Particulars	Applicable to
M-2013-027 dated 6/14/13	To prohibit the **Rural Bank of Borongan (Eastern Samar), Inc.** from doing business in the Philippines and to place its assets and affairs under receivership pursuant to Section 30 of R.A. No. 7653 (The New Central Bank Act)	U/KBs TBs R/CBs
M-2013-028 dated 6/19/13	Enhancements to the risk-based CAR report in relation to the sovereign credit rating upgrade of the Philippines	U/KBs and their Subsidiary Banks NBQBs
M-2013-029 dated 6/14/13	Clarification on guidelines on lender count	U/KBs TBs R/CBs NBQBs
M-2013-030 dated 7/01/13	Foreign Account Tax Compliance Act (FATCA) */ BSP advised all banks and NBFIs to evaluate the potential effects of FATCA to their businesses and determine the necessary steps to take to avoid the unfavorable consequences of non-compliance with FATCA requirements. */ *FATCA was enacted in 2010 by the US Congress to prevent offshore tax abuses by US taxpayers. FATCA requires, among others, the on-line registration of foreign financial institutions (FFIs) with the US Internal Revenue Service (IRS) and their reporting to the IRS of information about financial accounts by FFIs in which US taxpayers hold a substantial ownership interest.*	U/KBs TBs R/CBs NBFIs
M-2013-031 dated 7/01/13	Interest income received from the BSP	U/KBs TBs R/CBs NBQBs
M-2013-032 dated 7/04/13	To prohibit the **Rural Bank of San Fernando (Cebu), Inc.** from doing business in the Philippines and to place its assets and affairs under receivership pursuant to Section 30 of R.A. No. 7653 (The New Central Bank Act)	U/KBs TBs R/CBs
M-2013-033 dated 7/10/13	Frequently asked questions on the updated report on NDF transactions	U/KBs TBs R/CBs NBFIs

C. Memorandum to All Banks/Non-Bank Financial Institutions

Date	Particulars	Applicable to
M-2013-034 dated 7/11/13	To prohibit the **Quezon Traders Rural Bank of Candelaria (Quezon), Inc.** from doing business in the Philippines and to place its assets and affairs under receivership pursuant to Section 30 of R.A. No. 7653 (The New Central Bank Act)	U/KBs TBs R/CBs
M-2013-035 dated 7/30/13	Guidelines on the classification of a bank as a "complex" bank for regulatory purposes	U/KBs TBs R/CBs
M-2013-036 dated 8/01/13	To prohibit the **Rural Bank of San Jose Del Monte, Inc.** from doing business in the Philippines and to place its assets and affairs under receivership pursuant to Section 30 of R.A. No. 7653 (The New Central Bank Act)	U/KBs TBs R/CBs
M-2013-037 dated 8/22/13	Single reserve week from 16 to 29 August 2013 and the corresponding reserve computation for the single reserve week	U/KBs TBs R/CBs
M-2013-038 dated 8/12/13	Protect Your Money (PYM) Poster – a project of the Financial Sector Forum (FSF) which aims to raise awareness on financial products and services and educate the public on their responsibilities as depositors/investors	U/KBs TBs R/CBs NBFIs
M-2013-039 dated 8/22/13	To prohibit the **Rural Bank of La Trinidad, Inc.** from doing business in the Philippines and to place its assets and affairs under receivership pursuant to Section 30 of R.A. No. 7653 (The New Central Bank Act)	U/KBs TBs R/CBs
M-2013-040 dated 9/03/13	Grant of temporary regulatory and rediscounting relief to banks with head offices and/or branches located in areas devastated by Typhoon "Labuyo" and by Southwest Monsoon (Habagat) enhanced by Tropical Storm "Maring" based on the reports of the National Disaster Risk Reduction and Management Council dated 18 and 22 August 2013	U/KBs TBs R/CBs
M-2013-041 dated 9/13/13	To prohibit the **Rural Bank of Sto. Tomas (Davao del Norte), Inc.** from doing business in the Philippines and to place its assets and affairs under receivership pursuant to Section 30 of R.A. No. 7653 (The New Central Bank Act)	U/KBs TBs R/CBs
M-2013-042 dated 9/25/13	Grant of temporary regulatory relief measures to banks with head offices and branches located in Zamboanga City affected by armed assault/stand-off which commenced on 9 September 2013	U/KBs TBs R/CBs

C. Memorandum to All Banks/Non-Bank Financial Institutions

Date	Particulars	Applicable to
M-2013-043 dated 9/19/13	To prohibit the **Rural Bank of Hagonoy (Davao del Sur), Inc.** from doing business in the Philippines and to place its assets and affairs under receivership pursuant to Section 30 of R.A. No. 7653 (The New Central Bank Act)	U/KBs TBs R/CBs
M-2013-044 dated 9/27/13	Review of disclosure practices and inter-operability arrangements among banks with respect to their ATM networks	U/KBs TBs R/CBs
M-2013-045 dated 10/23/13	Grant of temporary regulatory and rediscounting relief to banks with head offices and branches located in areas devastated by Typhoon "Santi" based on NDRRMC report dated 14 October 2013	U/KBs TBs R/CBs
M-2013-046 dated 10/30/13	Grant of temporary regulatory and rediscounting relief to banks with head offices and/or branches in areas devastated by the magnitude 7.2 earthquake that originated in Sagbayan, Bohol on 15 October 2013 based on NDRRMC report dated 24 October 2013	U/KBs TBs R/CBs
M-2013-047 dated 11/07/13	To prohibit the **Rural Bank of Catubig (Northern Samar), Inc.** from doing business in the Philippines and to place its assets and affairs under receivership pursuant to Section 30 of R.A. No. 7653 (The New Central Bank Act)	U/KBs TBs R/CBs
M-2013-048 dated 11/07/13	Guidelines on the electronic submission of the Weekly Report on Required and Available Reserves against Deposit Liabilities	U/KBs TBs R/CBs
M-2013-049 dated 11/14/13	To prohibit the **Rural Bank of Alaminos (Laguna), Inc.** from doing business in the Philippines and to place its assets and affairs under receivership pursuant to Section 30 of R.A. No. 7653 (The New Central Bank Act)	U/KBs TBs R/CBs
M-2013-050 dated 11/15/13	Grant of temporary regulatory and rediscounting relief to banks with head offices and/or branches in areas devastated by Typhoon "Yolanda" based on NDRRMC report dated 12 November 2013	U/KBs TBs R/CBs
M-2013-051 dated 11/18/13	Registration of non-stock savings and loan associations (NSSLAs), pawnshops, foreign exchange dealers (FXDs), money changers (MCs) and remittance agents (RAs) with the Anti-Money Laundering Council for reporting purposes	NSSLAs

C. Memorandum to All Banks/Non-Bank Financial Institutions

Date	Particulars	Applicable to
M-2013-052 dated 11/22/13	Temporary relaxation of the implementation of the Know Your Customer (KYC) requirement – the non-presentation of identification document in processing transactions of the victims of Super Typhoon Yolanda	U/KBs TBs R/CBs
M-2013-053 dated 12/6/13	Enhancements to the FRP in relation to Circular No. 814 dated 27 September 2013	U/KBs TBs R/CBs
M-2013-054 dated 12/5/13	To prohibit the **Sarangani Rural Bank, Inc.** from doing business in the Philippines and to place its assets and affairs under receivership pursuant to Section 30 of R.A. No. 7653 (The New Central Bank Act)	U/KBs TBs R/CBs NFIs
M-2013-056 dated 12/10/13	Amendments to the revised risk-based capital adequacy ratio reporting template pursuant to Circular No. 781 dated 13 January 2013 on the implementation of Basel III standards	U/KBs TBs R/CBs
M-2013-057 dated 12/10/13	Enhancements to the reporting format of the weekly reserve report on peso-denominated common trust fund (CTF) and other similarly managed funds and weekly reserve report on trust and other fiduciary accounts (TOFA)	U/KBs TBs R/CBs
M-2013-058 dated 12/13/13	Enhancements to the reporting format of the Consolidated Daily Report of Condition (CDRC)	U/KBs TBs R/CBs
M-2013-059 dated 12/13/13	Enhancements to the submission process of the Consolidated Report on Required and Available Reserves (CRRAR)	U/KBs TBs R/CBs
M-2013-060 dated 12/20/13	Guidelines on the submission of the Credit Card Business Activity Report (CCBAR)	U/KBs TBs R/CBs

Directory of Philippine Bank Head Offices

As of 31 December 2013

A. Universal and Commercial Banks (U/KBs)

UNIVERSAL BANKS

PRIVATE DOMESTIC BANKS

1. Asia United Bank Corporation	JN Bldg. Joy Nastalg Center, 17 ADB Avenue, Ortigas Center, Pasig City
2. BDO Unibank, Inc.	BDO Corporate Center, 7899 Makati Avenue, Makati City
3. Bank of the Philippine Islands	BPI Bldg., Ayala Avenue cor. Paseo de Roxas, Makati City 0720
4. China Banking Corporation	8745 Paseo de Roxas cor. Villar Street, Makati City 1226
5. East West Banking Corporation	The Beaufort, 5th Avenue Corner 23rd Street, Fort Bonifacio Global City, Taguig City
6. Metropolitan Bank & Trust Company	Metrobank Plaza, Sen. Gil J. Puyat Avenue, Makati City 1200
7. Philippine National Bank	PNB Financial Center, Pres. Diosdado Macapagal Blvd., Pasay City 1305
8. Philippine Trust Company	Philtrust Bank Bldg., 1000 United Nations Ave., cor. San Marcelino St., Paco, Manila 1004
9. Rizal Commercial Banking Corporation	46th Floor, Yuchengco Tower, RCBC Plaza, 6819 Ayala Ave., Makati City 0727
10. Security Bank Corporation	Security Bank Centre, 6776 Ayala Avenue, Makati City 0719
11. Union Bank of the Philippines	Union Bank Plaza, Meralco Avenue cor. Onyx & Sapphire Roads, Pasig City 1605
12. United Coconut Planters Bank	UCPB Bldg., 7907 Makati Ave., Makati City 0728

GOVERNMENT BANKS

1. Al-Amanah Islamic Investment Bank of the Phils	PHIDCO A. Building Veterans Avenue, Zamboanga City
2. Development Bank of the Philippines	Sen. Gil. J. Puyat Avenue corner Makati Avenue Makati City
3. Land Bank of the Philippines	LandBank Plaza Bldg., 1598 M. H. Del Pilar cor. Dr. J. Quintos Sts., Malate, Manila 1004

BRANCHES OF FOREIGN BANKS

1. ANZ Banking Group Ltd	9/F Metrobank Card Corp. Center, 6778 Ayala Avenue, Makati City
2. Deutsche Bank AG	26 / F Ayala Tower One, Ayala Triangle, Makati City 1274
3. Mizuho Corporate Bank Ltd. -Manila Branch	26 / F Citibank Tower, Valero cor. Villar Sts., Salcedo Village, Makati City
4. Hongkong & Shanghai Banking Corp. Ltd	HSBC Centre, 3058 Fifth Avenue West, Bonifacio Global City, Taguig City 1634
5. Internationale Nederlanden Groep Bank N.V. - Manila Branch	21 / F Tower One & Exchange Plaza, Ayala Triangle, Ayala Avenue, Makati City 1225
6. Standard Chartered Bank	The Sky Plaza Bldg., 6788 Ayala Ave., Makati City 1226

COMMERCIAL BANKS

PRIVATE DOMESTIC BANKS

1. Bank of Commerce	San Miguel Properties Centre (SMPC), No. 7 Saint Francis Street, Mandaluyong City 1550
2. BDO Private Bank, Inc.	BDO Private Bank 2nd Floor, BDO Equitable Tower, 8751 Paseo De Roxas, Makati City
3. Philippine Bank of Communications	5/F PBCom Tower, 6795 Ayala Avenue, Makati City 1200
4. Philippine Veterans Bank	PVB Bldg. 101 V. A. Rufino cor. Dela Rosa Sts., Legaspi Village, Makati City 1229
5. Robinsons Bank Corporation	17/F Galleria Corporate Center, EDSA corner Ortigas Avenue, 1110 Quezon City

SUBSIDIARIES OF FOREIGN BANKS

1. CTBC Bank (Philippines) Corporation	16th to 19th Floors, Fort Legend Towers, 31st Street cor. 3rd Ave., Bonifacio Global City, Taguig City
2. Maybank Philippines, Inc.	Maybank Corporate Centre 7th Avenue Corner 28th Street, Bonifacio High Street Central, Bonifacio Global City, Taguig City 1634 Metro Manila

BRANCHES OF FOREIGN BANKS

1. Bangkok Bank Public Co Ltd	10 / F The Enterprise Center, Tower 2, 6766 Ayala Avenue, Makati City
2. Bank of America, N.A.	27 / F Philamlife Tower, 8767 Paseo de Roxas, Makati City 1226
3. Bank of China Limited-Manila Branch	36 / F Philamlife Tower, 8767 Paseo de Roxas, Makati City
4. Citibank, N.A.	9F Citibank Tower, 8741 Paseo de Roxas St., Makati City 1226
5. JP Morgan Chase Bank, N.A.	31 / F Philamlife Tower, 8767 Paseo de Roxas, Makati City 1229
6. Korea Exchange Bank	21st Floor, Zuellig Building, Makati Avenue corner Paseo de Roxas Street, Makati City
7. Mega International Commercial Bank Co., Ltd.	3 / F Pacific Star Bldg., Sen. Gil Puyat Ave., Makati City
8. The Bank of Tokyo-Mitsubishi UFJ Ltd.	15 / F Makati Sky Plaza Building 6788 Ayala Avenue, Makati City 1226

B. THRIFT BANKS (TBs)

SUBSIDIARIES/AFFILIATES OF OTHER BANKS/NBFIs

1. Allied Savings Bank	Allied Bank Center, 6754 Ayala Ave., cor. Legaspi St., Makati City
2. BDO Elite Savings Bank, Inc.	11th Floor Net Cube 3rd Avenue corner 30th Street, Bonifacio Global City, Taguig
3. BPI Direct Savings Bank	8/F BPI Paseo de Roxas Condominium Center, 8753 Paseo de Roxas St., 1200 Makati City
4. BPI Family Savings Bank	BPI FSB Center, Paseo de Roxas cor. dela Rosa Sts., Makati City
5. BPI Globe Banko, Inc., A Savings Bank	G/F BanKO Bldg., Ortigas Avenue, North Greenhills, San Juan, Metro Manila
6. China Bank Savings, Inc.	VGP Center Bldg., 6772 Ayala Avenue, 1226 Makati City
7. Citibank Savings, Inc.	19/F Citibank Square, 1 Eastwood Ave., Eastwood City, Libis, Quezon City
8. City Savings Bank	City Savings Financial Plaza cor. Osmena Blvd. And P. Burgos St., 6000 Cebu City
9. HSBC Savings Bank (Phils), Inc.	G / F Peninsula Court, 8735 Paseo de Roxas cor. Makati Ave., Makati City
10. Legazpi Savings Bank, Inc.	Rizal St., Sagpon, Legazpi City, Albay
11. Malayan Bank Savings and Mortgage Bank	Majalco Bldg., cor. Benavidez & Trasierra Sts., Legaspi Village, Makati City
12. Merchants Savings and Loan Association, Inc.	EDES 2 Bldg., J. P. Laurel (Acacia Section) cor. Villa Abrille, Davao City
13. Philippine Savings Bank	PSBank Center, 777 Paseo de Roxas cor. Sedeno St., Makati City
14. RCBC Savings Bank, Inc.	RCBC Savings Bank Corporate Center, 26th and 25th Streets, Bonifacio Global City, Taguig City 1634
15. Security Bank Savings Corporation	Security Bank Savings Centre 6797 Ayala Avenue corner Rufino Street, Makati City
16. Tongyang Savings Bank, Inc.	G/F Chatham House Condominium, 116 Valero cor. Herrera Sts. , Salcedo Village, 1227 Makati City
17. UCPB Savings Bank	18/F UCPB Bldg., Makati Avenue, Makati City 0728
18. United Overseas Bank Phils.	17/F Pacific Star Building, Sen. Gil J. Puyat cor. Makati Avenue, Makati City 1200

STAND-ALONE THRIFT BANKS

1.	1st Valley Bank, Inc. (A Development Bank)	Vamenta Blvd., corner Lirio St., Carmen, 9000 Cagayan de Oro City
2.	Bank One Savings and Trust Corporation	4201 R. Magsaysay Blvd., Sta. Mesa, Manila 1008
3.	Bataan Development Bank	Aguirre St., Balanga. 2100 Bataan
4.	Bataan Savings and Loan Bank	33 Rizal St., Dinalupihan, Bataan 2110
5.	Business And Consumers Bank (A Development Bank)	Simon Ledesma St., Jaro, Iloilo City
6.	Card SME Bank, Inc., A Thrift Bank	61 Insular Bldg., Rizal Ave., San Pablo City
7.	Century Savings Bank Corporation	232 Shaw Blvd. cor. Oranbo Drive, 1601 Pasig City
8.	Citystate Savings Bank, Inc.	Citystate Center, 709 Shaw Blvd., Oranbo, Pasig City 1600
9.	Comsavings Bank	2/F AIC Grande Tower, Sapphire & Garnet Rds., Ortigas Ctr., Pasig City
10.	Cordillera Savings Bank, Inc.	Dumlao Blvd., Bayombong, 3700 Nueva Vizcaya
11.	Dumaguete City Development Bank, Inc.	Dr. Vicente Locsin cor. Cervantes Sts., Dumaguete City
12.	Dungganon Bank, Inc. (A Microfinance Thrift Bank), Inc.	NWTF Bldg., 102 San Sebastian St., Bacolod City, Negros Occidental
13.	Enterprise Bank, Inc. (A Thrift Bank)	National Highway, Poblacion, Lianga, Surigao Del Sur
14.	Equicom Savings Bank, Inc.	G/F Renaissance Condominium, 215 Salcedo St., Legaspi Village, Makati City
15.	Farmers Savings and Loan Bank, Inc.	McArthur Highway, Wakas, Bocaue, Bulacan
16.	First Consolidated Bank, Inc. (A Private Development Bank)	CP Garcia North Avenue, Tagbilaran City
17.	Hiyas Banking Corporation	Gov. Fortunato F. Halili Ave., Bagbaguin, Sta. Maria, Bulacan
18.	Inter-Asia Development Bank	J.P. Rizal Ave., Mahogany Market , 4120 Tagaytay City
19.	Isla Bank (A Thrift Bank), Inc.	115 Glass Tower, C. Palanca Jr. St., Legaspi Village, Makati City
20.	Lemery Savings and Loan Bank, Inc.	Ilustre Avenue, Lemery, 4209 Batangas
21.	Life Savings Bank, Inc.	Units 13-14 Marieta Arcade, Marcos Highway corner A. Tuazon, Cainta, Rizal
22.	Luzon Development Bank	Paciano Rizal St., Mayapa, Calamba City, Laguna
23.	Malasiqui Progressive Savings and Loan Bank, Inc.	Quezon Blvd. Extension, Malasiqui, 2421 Pangasinan
24.	Maritime Savings Bank Corporation	Gen. E. Aguinaldo Highway, Bacoor, 4102 Cavite
25.	mBank Philippines (A Thrift Bank), Inc.	Ground Floor, One Evotech Building, Lake Evozone Nuvali, Sta. Rosa City, Laguna 4026
26.	Metro-Cebu Public Savings Bank	Tabunok, Talisay, Cebu
27.	Microfinance Maximum Savings Bank, Inc.	No. 54 Barangay Sabang, Puerto Galera, 5203 Oriental Mindoro
28.	Northpoint Development Bank, Inc.	BR Building III, Bgy. Landayan, National Highway, 4023 San Pedro, Laguna
29.	Opportunity Kauswagan Bank, Inc (A Microfinance Thrift Bank)	A & L Bldg., E. Lopez St., Jaro, Iloilo City, 5000
30.	Optimum Development Bank, Inc.	Upper Ground Floor, Worldwide Corporate Center, Shaw Blvd., Mandaluyong City
31.	Pacific Ace Savings Bank	Retail I Time Square Complex, Subic Bay Freeport Zone, Olongapo City
32.	Pampanga Development Bank	McArthur Highway, Dolores, San Fernando City, 2000 Pampanga
33.	Penbank Inc (A PDB) (Formerly: Peninsula Rural Bank, Inc.)	3rd Flr., Penbank Center, Gen. Santos City
34.	Philippine Postal Savings Bank, Inc.	PostalBank Centre, Liwasang Bonifacio, Manila 1000
35.	Philippine Business Bank, Inc., A Savings Bank	350 Rizal Ave. Ext. cor. 8th Ave., Grace Park, 1403 Caloocan City
36.	Philippine Resources Savings Banking Corporation (PR Savings Bank)	Rizal cor. Canciller, Cauayan, Isabela
37.	Planters Development Bank	Planters Bldg., 314 Sen. Gil J. Puyat Ave., Makati City
38.	Pride Star Development Bank, Inc.	Batangan Plaza, Kumintang Ibaba, Batangas City
39.	Producers Savings Bank Corporation	Shaw Blvd., cor. San Miguel Ave., One San Miguel Bldg., Ortigas Center, Pasig City
40.	Progress Savings and Loan Bank, Inc.	Poblacion, Subic, 2209 Zambales

41. Queen City Development Bank or Queenbank A Thrift Bank	Queenbank Financial Center, Sky City Tower, Mapa St., Iloilo City
42. Quezon Coconut Bank, Inc. (A Thrift Bank)	Cor. Gov. Guinto & Enriquez Sts., Lucena City
43. Sampaguita Savings Bank, Inc.	No. 10 J. Luna St., Poblacion, San Pedro, Laguna
44. Silangan Savings and Loan Bank, Inc.	J. P. Rizal St., Silang, 4118 Cavite
45. Sterling Bank of Asia, Inc. (A Savings Bank)	Sterling Bank Corporate Center, Greenhills, San Juan City
46. Sun Savings Bank, Inc.	Ground Floor(Door No. 8), Rosalie Building, Gaisano Grand Fiesta Mall, Hi-way Tabunok, Talisay City, Cebu
47. The Palawan Bank (Palawan DB), Inc.	167 Rizal Ave., Puerto Princesa City, 5300 Palawan
48. The Real Bank, (A Thrift Bank), Inc.	7/F President Tower, 81 Timog Avenue, Diliman, Quezon City
49. Tower Development Bank	G/F Rockavilla Bldg., Poblacion, Guiguinto, Bulacan
50. University Savings Bank, Inc.	1497 Dapitan cor. Alfredo St., Sampaloc, Manila
51. Village Bank, Inc. (A Thrift Bank)	Centro I, Orani, Bataan
52. Wealth Development Bank Corporation	Taft Financial Center, Cardinal Rosales Ave., Cebu Business Park, Cebu City 6000
53. World Partners Bank (A Thrift Bank)	No. 72 A. Mabini St., Poblacion, San Pedro, Laguna

NCR - METRO MANILA

1. 1st Macro Bank, Inc. (A Rural Bank)
2. Ama Rural Bank of Mandaluyong, Inc.
3. Baclaran Rural Bank, Inc.
4. Banco Alabang, Inc. (A Rural Bank)
5. Bangko Pasig (Rural Bank)
6. Bank of Makati (A Rural Bank), Inc.
7. Country Builders Bank Inc (A Rural Bank)
8. East West Rural Bank, Inc.
9. Enterprise Capital Bank Inc(Taguig Rural Bank)
10. Filipino Savers Bank, Inc. (A Rural Bank)
11. Insular Rural Bank
12. Metro South Cooperative Bank
13. MVSM Bank (A Rural Bank Since 1953), Inc.
14. Rodriguez Rural Bank Inc
15. Rural Bank of Caloocan, Inc.
16. Rural Bank of San Pascual (Obando Bulacan), Inc.
17. San Francisco Del Monte Rural Bank, Inc.
18. Second Rural Bank of Valenzuela (Metro Manila), Inc.
19. Smart Bank (A Rural Bank), Inc.

REGION I - ILOCOS

ILOCOS NORTE

1. Community Rural Bank of Dingras (Ilocos Norte), Inc.
2. Cooperative Bank of Ilocos Norte
3. Rural Bank of Batac, Inc.

ILOCOS SUR

1. Cordillera Bank, Inc. (A Rural Bank)
2. Ilocos Sur Cooperative Bank
3. Rural Bank of Cabugao (Ilocos Sur), Inc.
4. Rural Bank of Galimuyod (Ilocos Sur), Inc.
5. Rural Bank of Magsingal (Ilocos Sur), Inc.
6. Rural Bank of Salcedo (Ilocos Sur), Inc.
7. Rural Bank of Sta. Maria (Ilocos Sur), Inc.
8. Sadiri Rural Bank (San Juan Ilocos Sur), Inc.
9. Vigan Banco Rural, Incorporada

LA UNION

1. Bannawag Bank, Inc. (A Rural Bank)
2. Community Rural Bank of San Gabriel (La Union), Inc
3. Cooperative Bank of La Union
4. LUDB Bank, Inc. (A Rural Bank)
5. Rang-Ay Bank, Inc. (A Rural Bank)
6. Rural Bank of Agoo, Inc.
7. Rural Bank of Bacnotan, Inc.
8. Rural Bank of Bauang, Inc.
9. Rural Bank of Caba (La Union), Inc.
10. Rural Bank of Rosario (La Union), Inc.
11. Rural Bank of Sudipen (La Union), Inc.

PANGASINAN

1. Asian Consumers Bank Inc - A Rural Bank
2. Banco Sual (A Rural Bank), Inc.
3. Bangko Pangasinan - A Rural Bank, Inc.
4. BHF Rural Bank, Inc.
5. CSFirst Bank, Inc. -A Rural Bank
6. Kaluyagan Rural Bank, Inc.
7. Pangasinan Bank (A Rural Bank), Inc.
8. Rural Bank of Alaminos (Pangasinan), Inc.
9. Rural Bank of Anda (Pangasinan), Inc.
10. Rural Bank of Balungao (Pangasinan), Inc.
11. Rural Bank of Bayambang (Pangasinan), Inc.
12. Rural Bank of Bolinao, Inc.
13. Rural Bank of Calasiao, Inc.
14. Rural Bank of Central Pangasinan (Bayambang), Inc.
15. Rural Bank of Labrador, Inc.
16. Rural Bank of Mangaldan, Inc. (Bangko Rural ng Mangaldan, Ink.)
17. Rural Bank of Pozorrubio, Inc.
18. Rural Bank of San Fabian (Pangasinan), Inc.
19. Rural Bank of San Nicolas (Pangasinan), Inc.
20. Rural Bank of San Quintin, Inc.
21. Rural Bank of Lingayen, Inc.

REGION II - CAGAYAN VALLEY

ISABELA

1. Common Wealth Rural Bank, Inc.
2. First Isabela Cooperative Bank, Inc. (Ficobank)
3. Golden Rural Bank of the Phils.
4. Mallig Plains Rural Bank (Isabela) , Inc.
5. North Pacific Banking Corporation (A Rural Bank of Sta Maria Isabela)
6. Rural Bank of Alicia (Isabela), Inc.
7. Rural Bank of Cauayan, Inc.
8. Rural Bank of Luna (Isabela), Inc.
9. Rural Bank of Ramon (Isabela), Inc,
10. Rural Bank of Reina Mercedes (Isabela), Inc.
11. Rural Bank of San Agustin (Isabela), Inc.
12. Rural Bank of San Manuel (Isabela), Inc.
13. Rural Bank of San Mateo (Isabela), Inc.
14. Rural Bank of Tumauini, Inc.
15. United Consumers Rural Bank, Inc.

QUIRINO

1. Bangko Magsaysay (Isabela), Inc. - A Rural Bank
2. Rural Bank of Maddela (Quirino), Inc.

CAGAYAN

1. Cooperative Bank of Cagayan
2. Providence Rural Bank, Inc.
3. Rural Bank of Claveria (Cagayan), Inc.
4. Rural Bank of Gattaran (Cagayan), Inc.
5. Rural Bank of Sanchez Mira (Cagayan), Inc.

NUEVA VIZCAYA

1. Agribusiness Rural Bank, Inc.
2. Cooperative Bank of Nueva Vizcaya
3. Rural Bank of Aritao, Inc.
4. Rural Bank of Bagabag (N.V.), Inc.
5. Rural Bank of Bambang (Nueva Vizcaya), Inc.
6. Rural Bank of Bayombong, Inc.
7. Rural Bank of Dupax (Nueva Vizcaya), Inc.
8. Rural Bank of Solano (Nueva Vizcaya), Inc.
9. Rural Bank of Villaverde (Nueva Vizcaya), Inc.
10. Vizcaya Bank, A Rural Bank, Inc.

REGION III - CENTRAL LUZON

BULACAN

1. Agricom Rural Bank, Inc.
2. Baliuag Rural Bank, Inc.
3. East Coast Rural Bank of Hagonoy, Inc.
4. Emerald Rural Bank, Inc.
5. Fil-Agro Rural Bank, Inc.
6. Gateway Rural Bank, Inc.
7. Liberty Bank (A Rural Bank), Inc.
8. Meycauayan Second Rural Bank, Inc.
9. Rural Bank of Angat (Bulacan), Inc.
10. Rural Bank of Bustos, Inc.
11. Rural Bank of Doña Remedios Trinidad (Bulacan), Inc.
12. Rural Bank of Malolos, Inc.
13. Rural Bank of Pandi (Bulacan), Inc.
14. Rural Bank of Plaridel (Bulacan), Inc.
15. Rural Bank of San Rafael (Bulacan), Inc
16. Silahis Bank, Inc. (A Rural Bank)
17. Sta. Maria Rural Bank, Inc.

AURORA

1. Aurorabank (A Microfinance-Oriented Rural Bank), Inc.
2. Cooperative Bank of Aurora
3. New Covenant Bank, Inc. (A Rural Bank)
4. Rural Bank of Casiguran (Aurora), Inc.
5. Rural Bank of Maria Aurora (Quezon), Inc.

BATAAN

1. Balanga Rural Bank, Inc.
2. Bataan Cooperative Bank
3. Rural Bank of Abucay (Bataan), Inc.
4. Rural Bank of Bagac Bataan, Inc.
5. Rural Bank of Hermosa (Bataan), Inc.
6. Rural Bank of Limay (Bataan), Inc.
7. Rural Bank of Pilar (Bataan), Inc.

NUEVA ECIJA

1. Aliaga Farmers Rural Bank, Inc.
2. Banco Rural de Gen. Tinio (BRGT), Inc.
3. Cabanatuan City Rural Bank, Inc.
4. Citizen's Rural Bank (Cabiao), Inc.
5. Cuyapo Rural Bank, Inc.
6. Gm Bank of Luzon, Inc. (A Rural Bank)
7. Key Rural Bank, Inc.
8. Masagana Rural Bank (Gen. Natividad Nueva Ecija)
9. New Rural Bank of San Leonardo (Nueva Ecija), Inc.
10. Rural Bank of Jaen, Inc.
11. Rural Bank of Lupao, Inc.
12. Rural Bank of Quezon (Nueva Ecija), Inc.
13. Rural Bank of Sto. Domingo (Nueva Ecija), Inc.
14. Rural Bank of Talugtug (NE), Inc.
15. Towncall Rural Bank, Inc.

PAMPANGA

1. Bangko Nuestra Sra Del Pilar, Inc. A Rural Bank
2. Bank of Florida, Inc (A Rural Bank)
3. Bank of Lubao (A Rural Bank), Inc.
4. Cooperative Bank of Pampanga , Inc. (Coopbank)
5. Crown Bank, Inc. (A Rural Bank)
6. Guagua Rural Bank, Inc.
7. Guagua Savers Bank (A Rural Bank), Inc.
8. Masantol Rural Bank, Inc,
9. Rural Bank of Angeles, Inc.
10. Rural Bank of Apalit, Inc.
11. Rural Bank of Mabalacat, Inc.
12. Rural Bank of Mexico, Inc.
13. Rural Bank of Porac (Pampanga), Inc.
14. Rural Bank of San Luis (Pampanga), Inc.
15. Rural Bank of Sasmuan (Pampanga), Inc.
16. San Bartolome Rural Bank, Inc.
17. San Fernando Rural Bank, Inc.
18. Saviour Rural Bank, Inc.
19. Second Rural Bank of San Luis Pampanga, Inc.
20. Unity Bank (A Rural Bank), Inc.

TARLAC

1. Advantage Bank Corporation (A Microfinance-Oriented Rural Bank)
2. Camiling Rural Bank, Inc.
3. Cooperative Bank of Tarlac, Inc.
4. Rural Bank of La Paz, Inc.
5. Rural Bank of Pura, Inc.
6. Rural Bank of Sta. Ignacia, Inc.
7. Rural Bank of Sta Rosa De Lima (Paniqui Tarlac), Inc
8. Rural Bank of Victoria, Inc.
9. St Michael Rural Bank of Tarlac (Tarlac), Inc.

ZAMBALES

1. Banko Zambaleño, Inc. (BZI) (A Rural Bank)
2. Bridgeway Rural Banking Corporation
3. Community Rural Bank of San Felipe (Zambales), Inc.
4. Cooperative Bank of Zambales
5. Countryside Rural Bank of Palauig (Zambales), Inc.
6. Maharlika Rural Bank, Inc.
7. Rural Bank of Cabangan (Zambales), Inc.
8. Rural Bank of San Marcelino, Inc.
9. Rural Bank of San Narciso, Inc.
10. Zambales Rural Bank, Inc.

REGION IV-A (CALABARZON)

BATANGAS

1. 5 Speed Rural Bank, Inc.
2. Bangko Kabayan (A Rural Bank), Inc.
3. Batangas Rural Bank for Cooperative, Inc.
4. Bolbok Rural Bank, Inc.
5. Caritas Banco ng Masa, Inc. (A Microfinance Oriented Rural Bank)
6. Classic Rural Bank, Inc.
7. Countryside Cooperative Rural Bank of Batangas
8. Empire Rural Bank, Inc.
9. Farmers Rural Bank, Inc.
10. Limcoma Rural Bank, Inc.
11. Lipa Bank, Inc. (A Rural Bank)
12. Malarayat Rural Bank, Inc.
13. Mt. Carmel Rural Bank, Inc
14. New Rural Bank of Agoncillo, Inc.
15. Progressive Rural Bank, Inc.
16. Rural Bank of Alitagtag, Inc.
17. Rural Bank of Calaca, Inc.
18. Rural Bank of Cuenca, Inc.
19. Rural Bank of Lemery, Inc.
20. Rural Bank of Lipa City (Batangas), Inc.
21. Rural Bank of Lobo, Inc.
22. Rural Bank of Padre Garcia, Inc.
23. Rural Bank of San Luis (Batangas), Inc.
24. Rural Bank of Taal, Inc.
25. Rural Bank of Talisay (Batangas), Inc.
26. Rural Bank of Taysan (Batangas), Inc.
27. Summit Rural Bank of Lipa City, Inc.
28. Sunrise Rural Bank (Rosario Batangas), Inc.
29. Synergy Rural Bank, Inc.
30. Utility Bank, Inc. (A Rural Bank)
31. Women's Rural Bank, Inc.

CAVITE

1. Agricultural Bank of The Philippines, Inc. (A Rural Bank)
2. Banco Carmona, Inc., A Rural Bank
3. Bangko Noveleta, Inc. A Rural Bank
4. Cavite Rural Banking Corp.
5. Cavite United Rural Bank Corporation
6. Cebuana Lhuillier Rural Bank, Inc.
7. Community Bank (Rural Bank of Alfonso, Inc.)
8. First Integrity Bank, Inc. (Rural Bank of Bailen)
9. Imus Rural Bank, Inc.
10. Masuwerte Rural Bank of Bacoor (Cavite), Inc.
11. Own Bank, The Rural Bank of Cavite City, Inc.
12. Rural Bank of Amadeo (Cavite), Inc.
13. Rural Bank of General Trias, Inc.
14. Rural Bank of Kawit, Inc
15. Rural Bank of Maragondon, Inc.
16. Rural Bank of Mendez, Inc.
17. Rural Bank of Naic, Inc.
18. Rural Bank of Salinas, Inc.
19. Rural Bank of Tanza (Cavite), Inc.
20. Sto. Niño Rural Bank(Ternate Cavite), Inc.

LAGUNA

1. Banco de Calamba, Inc. (A Rural Bank)
2. Banco Laguna, Inc. (A Rural Bank Since 1965)
3. Biñan Rural Bank, Inc.
4. Card Bank, Inc. (A Microfinance Rural Bank)
5. De La O Rural Bank, Inc.
6. Entrepreneur Rural Bank, Inc.
7. First United Farmers Rural Bank, Inc.
8. Laguna Prestige Banking Corporation, (A Rural Bank)
9. Mount Makiling Rural Bank, Inc.
10. Ormon Bank(Rural Bank of Mulanay(Quezon), Inc.)
11. Planbank "Rural Bank of Canlubang Planters, Inc."
12. Provident Rural Bank of Sta. Cruz (Laguna), Inc.
13. Rizal Rural Bank (Taytay Rizal)
14. Rural Bank of Bay, Inc.
15. Rural Bank of Calauan, Inc.
16. Rural Bank of Cavinti (Laguna), Inc.
17. Rural Bank of Luisiana (Laguna), Inc.
18. Rural Bank of Lumban (Laguna), Inc.
19. Rural Bank of Mabitac (Laguna), Inc.
20. Rural Bank of Magdalena (Laguna), Inc.
21. Rural Bank of Marilag (Sta. Maria, Laguna), Inc.
22. Rural Bank of Nagcarlan, Inc.
23. Rural Bank of Paete, Inc.
24. Rural Bank of Pangil (Laguna), Inc.
25. Rural Bank of Rizal (Laguna), Inc.
26. Rural Bank of San Lorenzo Ruiz (Siniloan)
27. Rural Bank of Seven Lakes (San Pablo City, Inc.
28. Rural Bank of Sta. Rosa (Laguna), Inc.
29. Turumba Rural Bank of Pakil, Inc.
30. Unilink Bank, Inc. (A Rural Bank)

QUEZON

1. Cooperative Bank of Quezon Province
2. Grand-Agri Rural Bank
3. Mega Rural Bank (Lucena City), Inc.
4. Quezon Capital Rural Bank, Inc.
5. Rural Bank of Alabat (Quezon), Inc.
6. Rural Bank of Atimonan, Inc.
7. Rural Bank of Candelaria, Inc.
8. Rural Bank of Dolores (Quezon), Inc.
9. Rural Bank of General Luna (Quezon), Inc.
10. Rural Bank of Infanta, Inc.
11. Rural Bank of Lucban (Quezon), Inc.
12. Rural Bank of Mauban, Inc.
13. Rural Bank of Pagbilao, Inc.
14. Rural Bank of Sampaloc (Quezon), Inc.
15. Rural Bank of San Antonio (Quezon), Inc.
16. Rural Bank of Tayabas, Inc.
17. Tiaong Rural Bank, Inc.
18. United People's Rural Bank, Inc.
19. Universal Rural Bank of Lopez (Quezon), Inc.

RIZAL

1. Binangonan Rural Bank, Inc.
2. Eastern Rizal (Jalajala) Rural Bank, Inc.
3. Filidian Rural Bank of Antipolo, Inc.
4. Innovative Bank, Inc., (A Rural Bank)
5. Rural Bank of Angono, Inc.
6. Rural Bank of Antipolo, Inc.
7. Rural Bank of Cainta, Inc.
8. Rural Bank of Cardona (Rizal) , Inc.
9. Rural Bank of Montalban, Inc.
10. Rural Bank of Teresa (Rizal), Inc.
11. Tanay Rural Bank, Inc.

Region IV-B (MIMAROPA)

OCCIDENTAL MINDORO

1. Occidental Mindoro Cooperative Bank (OMCB)
2. Occidental Mindoro Rural Bank, Inc.
3. Tamaraw Rural Bank, Inc.

ROMBLON

1. Community Rural Bank of Romblon, Inc.
2. Rural Bank of Odiongan, Inc.
3. Rural Bank of Sta. Fe (Romblon), Inc.

PALAWAN

1. Cooperative Bank of Palawan
2. Rural Bank of Brooke's Point (Palawan), Inc.
3. Rural Bank of Cuyo (Palawan), Inc.

ORIENTAL MINDORO

1. Banco De Mindoro, Inc. (A Rural Bank)
2. Bangko Rural ng San Teodoro, Inc.
3. First Mindoro Microfinance Rural Bank, Inc.
4. Oriental Tamaraw Rural Bank of Naujan (Or. Mdo.), Inc.
5. Rural Bank of Baco (Oriental Mindoro), Inc.
6. Rural Bank of Bansud (Oriental Mindoro), Inc.
7. Rural Bank of Gloria (Or. Min.), Inc.
8. Rural Bank of Pinamalayan, Inc..
9. Rural Bank of Pola (Oriental Mindoro), Inc.
10. Rural Bank of Puerto Galera (Oriental Mindoro) , Inc.
11. Rural Bank of Roxas (Oriental Mindoro), Inc.
12. Rural Bank of Socorro (Oriental Mindoro), Inc.
13. Rural Bank of Bongabong (Oriental Mindoro), Inc.

CORDILLERA ADMINISTRATIVE REGION (CAR)

ABRA

1. Rural Bank of Bucay (Abra), Inc.
2. Rural Bank of Villaviciosa (Abra), Inc.

APAYAO

1. Rural Bank of Luna (Kalinga-Apayao), Inc.

BENGUET

1. Banco Bakun, Inc. (A Rural Bank)
2. Benguet Center Bank, Inc. A Rural Bank
3. Cooperative Bank of Benguet (CBB)
4. Diamond Rural Bank, Inc.
5. Highland Rural Bank, Inc.
6. Rural Bank of Baguio, Inc.
7. Rural Bank of Buguias (Benguet), Inc.
8. Rural Bank of Itogon (Benguet), Inc.
9. Summit Bank (Rural Bank of Tublay, Inc.)

IFUGAO

1. Lagawe Highlands Rural Bank, Inc.

KALINGA

1. Rural Bank of Rizal (Kalinga-Apayao), Inc.
2. Rural Bank of Tabuk (Kalinga_Apayao), Inc.

MOUNTAIN PROVINCE

1. Cooperative Bank of Mt. Province
2. Rural Bank of Bontoc (Mountain Province), Inc.
3. Rural Bank of Sagada (Mountain Province), Inc.

REGION V - BICOL

CAMARINES NORTE

1. Banco San Vicente, Inc. (A Rural Bank)
2. Cooperative Bank of Camarines Norte
3. Rural Bank of Capalonga (Camarines Norte), Inc.
4. Rural Bank of Jose Panganiban (Camarines Norte), Inc.
5. Rural Bank of Paracale (Camarines Norte), Inc.
6. Rural Bank of Sta. Elena (Cams Norte), Inc.

CAMARINES SUR

1. Bangko Rural ng Magarao (Camarines Sur), Inc.
2. Bangko Rural ng Pasacao (Cam Sur), Inc.
3. First Naga Bank, Inc.
4. Municipal Rural Bank of Libmanan (Cam Sur), Inc.
5. Municipal Rural Bank of Nabua (Camarines Sur), Inc.
6. Peñafrancia Rural Bank of Calabanga (Cam Sur), Inc.
7. Rural Bank of Goa, Inc.
8. Rural Bank of Ocampo (Camarines Sur), Inc.
9. Rural Bank of Pamplona (Camarines Sur), Inc.
10. Rural Bank of Ragay (Camarines Sur), Inc.
11. Rural Bank of San Fernando (C S), Inc.
12. Rural Bank of San Jose (Camarines Sur), Inc.
13. Rural Bank of Sipocot (Camarines Sur), Inc.
14. Rural Bank of Tigaon Camarines Sur, Inc.
15. Southeast Country Bank, Inc. (A Rural Bank)

ALBAY

1. Banco Santiago de Libon, Inc.
2. Cagsawa Rural Bank, Inc.
3. Rural Bank of Camalig (Albay), Inc.
4. Rural Bank of Guinobatan, Inc.

CATANDUANES

1. Visionbank, Inc. A Rural Bank

MASBATE

1. Rural Bank of San Jacinto (Masbate), Inc.

SORSOGON

1. Rural Bank of Donsol (Sorsogon), Inc.
2. Rural Bank of Irosin, Inc.
3. Rural Bank of Pilar (Sorsogon), Inc.
4. Rural Bank of Sta. Magdalena (Sorsogon), Inc.
5. Sorsogon Provincial Cooperative Bank

REGION VI - WESTERN VISAYAS

AKLAN

1. Rural Bank of Altavas (Aklan), Inc.
2. Rural Bank of Banga (Aklan), Inc.
3. Rural Bank of Ibajay, Inc.
4. Rural Bank of Makato (Aklan), Inc.
5. Rural Bank of Malinao (Aklan), Inc.
6. Rural Bank of New Washington (Aklan), Inc.

ANTIQUE

1. Rural Bank of Bugasong (Antique), Inc.
2. Rural Bank of Sibalom (Antique), Inc.
3. Rural Bank of Tibiao (Antique), Inc.

CAPIZ

1. Capiz Settlers Cooperative Rural Bank Inc
2. Farm Bank, Inc. (A Rural Bank)
3. Rural Bank of Cuartero (Capiz), Inc.
4. Rural Bank of Jamindan (Capiz), Inc.
5. Rural Bank of Mambusao, Inc.
6. Rural Bank of Panay, Inc.

NEGROS OCCIDENTAL

1. Community Rural Bank of Magallon (Moises Padilla Negros Occidental) , Inc.
2. First Community Bank, Inc. (Rural Bank)
3. First State Rural Bank, Inc.
4. Marayo Bank, Inc. (A Rural Bank)
5. Negros Cooperative Bank
6. New Rural Bank of Binalbagan (Negros Occ.), Inc.
7. Rural Bank of Bacolod City, Inc.
8. Rural Bank of Cadiz, Inc.
9. Rural Bank of Escalante (Negros Occ.), Inc.
10. Rural Bank of Ilog (Negros Occidental), Inc.
11. Rural Bank of Manapla (Neg Occ), Inc.
12. Rural Bank of Sagay, Inc.
13. Rural Bank of Silay City, Inc.
14. Talisay Rural Bank Inc

GUIMARAS

1. Banco de Arevalo, Inc. (A Rural Bank)

ILOILO

1. Anilao Bank (Rural Bank of Anilao (Iloilo), Inc.
2. Bangko Buena Consolidated, Inc. (A Rural Bank)
3. First Midland Rural Bank, Inc.
4. Janiuay Rural Bank, Inc.
5. Life Bank - Rural Bank of Maasin (Iloilo)
6. Progressive Bank, Inc. (Progressive A Rural Bank Inc)
7. Racso's Bank, Inc. (A Rural Bank)
8. Rural Bank of Alimodian (Iloilo), Inc.
9. Rural Bank of Barotac Nuevo, Inc.
10. Rural Bank of Barotac Viejo (Iloilo), Inc.
11. Rural Bank of Cabatuan (Iloilo), Inc.
12. Rural Bank of Calinog (Iloilo), Inc.
13. Rural Bank of Dumangas, Inc.
14. Rural Bank of Iloilo City, Inc.
15. Rural Bank of Leganes (Iloilo), Inc.
16. Rural Bank of Miagao (Iloilo), Inc.
17. Rural Bank of Oton (Iloilo), Inc.
18. Rural Bank of Pavia (Iloilo), Inc.
19. Rural Bank of Pototan, Inc.
20. Rural Bank of San Miguel (Iloilo), Inc.
21. Rural Bank of Sta. Barbara (Iloilo), Inc.
22. Rural Bank of Tigbauan (Iloilo), Inc.
23. Rural Bank of Zarraga (Iloilo), Inc.
24. RBG Imperial Bank, Inc. (A Rural Bank)
25. Valiant Bank, Inc. (A Rural Bank)

REGION VII - CENTRAL VISAYAS

BOHOL

1. Cooperative Rural Bank of Bohol
2. Rural Bank of Loboc, Inc.
3. Rural Bank of Loon (Bohol), Inc.

CEBU

1. Aspac Rural Bank, Inc.
2. Banco Maximo, Inc. (A Rural Bank)
3. Banco Rural De Isla Cordova (Cebu), Inc.
4. Bankways, Inc. (A Rural Bank)
5. Community Rural Bank of Catmon (Cebu), Inc.
6. Community Rural Bank of Medellin (Cebu), Inc.
7. Cooperative Bank of Cebu
8. First Agro-Industrial Rural Bank, Inc.
9. Frontier Rural Bank, Inc.
10. Lapu-Lapu Rural Bank, Inc.
11. Mactan Rural Bank (Lapu-Lapu City), Inc.
12. National Teachers & Employees Cooperative Bank
13. Philippine SME Bank, Inc., A Rural Bank
14. Rural Bank of Barili (Cebu), Inc.
15. Rural Bank of Bogo (Cebu), Inc.
16. Rural Bank of Madridejos (Cebu), Inc.
17. Rural Bank of Mandaue, Inc.
18. Rural Bank of Oslob (Cebu), Inc.
19. Rural Bank of Talisay (Cebu), Inc.
20. RNG Coastal Bank, Inc. (A Rural Bank)
21. Rural Bank of Ronda, Inc.
22. Sugbuanon Rural Bank, Inc.
23. Upland Rural Bank of Dalaguete (Cebu), Inc.

NEGROS ORIENTAL

1. Cooperative Bank of Negros Oriental
2. Dumaguete Rural Bank, Inc.
3. Rural Bank of Amlan (Negros Oriental), Inc.
4. Rural Bank of Bacong (Negros Oriental), Inc.
5. Rural Bank of Basay (Negros Oriental), Inc.
6. Rural Bank of Bayawan (Negros Oriental), Inc.
7. Rural Bank of Guihulngan (Negros Or.), Inc.
8. Rural Bank of Pamplona (Negros Or.), Inc.
9. Rural Bank of Siaton (Siaton Negros Oriental), Inc.
10. Rural Bank of Sibulan Negros Oriental, Inc.
11. Rural Bank of Sta. Catalina Negros Oriental, Inc.
12. Rural Bank of Tanjay, Inc.
13. SG Bank - A Rural Bank, Inc.

SIQUIJOR

1. Rural Bank of Larena (Siquijor), Inc.

REGION VIII - EASTERN VISAYAS

EASTERN SAMAR

1. Far Eastern Bank (A Rural Bank), Inc.
2. Rural Bank of Guiuan (Eastern Samar), Inc.

LEYTE

1. Bank of Ormoc, Inc. (A Rural Bank)
2. Cooperative Bank of Leyte
3. Rural Bank of Bato (Leyte), Inc.
4. Rural Bank of Burauen, Inc.
5. Rural Bank of Dulag (Leyte), Inc.
6. Rural Bank of Hilongos,Inc.
7. Rural Bank of Hindang (Leyte), Inc.
8. Rural Bank of Mahaplag (Leyte), Inc.

SOUTHERN LEYTE

1. Rural Bank of Hinundayan (Southern Leyte), Inc.
2. Rural Bank of Malitbog (Southern Leyte), Inc.
3. Rural Bank of Padre Burgos (So. Leyte), Inc.
4. Rural Bank of San Juan (So. Leyte), Inc.
5. Rural Bank of Maasin (So. Leyte), Inc.
6. Southern Leyte Cooperative Bank

WESTERN SAMAR

1. Rural Bank of Basey (Samar), Inc.
2. Rural Bank of Calbayog City, Inc.
3. Rural Bank of Gandara (Samar), Inc.

REGION IX - ZAMBOANGA PENINSULA

ZAMBOANGA DEL NORTE

1. Banco Dipolog, Inc. A Rural Bank
2. Community Rural Bank of Dapitan City, Inc.
3. Katipunan Bank (Zamboanga Del Norte), Inc. Inc. "A Rural Bank"
4. Rural Bank of Labason (Zamboanga Del Norte), Inc.
5. Rural Bank of Liloy (Zamboanga Del Norte), Inc.
6. Rural Bank of Manukan (Zamboanga Del Norte), Inc.
7. Rural Bank of Rizal (Zamboanga Del Norte)
8. Rural Bank of Salug (Zamboanga Del Norte), Inc.
9. Rural Bank of President Manuel A. Roxas (Zamboanga Del Norte), Inc.
10. Zamboanga del Norte Cooperative Bank

ZAMBOANGA DEL SUR

1. Banco Cooperativa de Zamboanga
2. Rural Bank of Pagadian, Inc.
3. Rural Bank of Siocon (Zamboanga Del Norte), Inc.
4. Salug Valley Rural Bank, Inc.
5. Zamboanga City Rural Bank, Inc.

ZAMBOANGA SIBUGAY

1. Rural Bank of Kabasalan (Zamboanga Del Sur), Inc.

REGION X - NORTHERN MINDANAO

BUKIDNON

1. Bukidnon Bank, Inc. (A Rural Bank)
2. Bukidnon Cooperative Bank
3. D' Asian Hills Bank (A Rural Bank)
4. Malaybalay Rural Bank, Inc.
5. Rural Bank of Kibawe (Bukidnon), Inc.
6. Rural Bank of Manolo Fortich Bukidnon, Inc.
7. Xavier-Punla Rural Bank, Inc.

LANAO DEL NORTE

1. Rural Bank of Iligan City, Inc.
2. Rural Bank of Karomatan (Lanao del Norte), Inc.
3. Rural Bank of Maigo (Lanao Del Norte), Inc.

MISAMIS OCCIDENTAL

1. Misamis Bank, Inc. A Rural Bank
2. Panguil Bay Rural Bank of Ozamiz, Inc.
3. Rural Bank of Bonifacio (Misamis Occidental), Inc.
4. Rural Bank of Jimenez (Misamis Occidental), Inc.
5. Rural Bank of Lopez Jaena (Misamis Occidental), Inc.
6. Rural Bank of Oroquieta (Mis Occ), Inc.
7. Rural Bank of Pana-On (Mis Occ), Inc.
8. Rural Bank of Plaridel (Misamis Occ), Inc.
9. Rural Bank of Tangub (Mis Occ), Inc.

MISAMIS ORIENTAL

1. Bangko Rural ng Tagoloan (Mis Or), Inc.
2. Cooperative Bank of Misamis Oriental
3. Naawan Community Rural Bank (Misamis Oriental), Inc.
4. Palm Tree Bank, Inc. (A Rural Bank)
5. Rural Bank of Balingasag (Misamis Oriental) , Inc.
6. Rural Bank of El Salvador (Misamis Oriental), Inc.
7. Rural Bank of Gingoog, Inc.
8. Rural Bank of Gitagum (Misamis Oriental), Inc.
9. Rural Bank of Initao (Misamis Oriental), Inc.
10. Rural Bank of Medina (Misamis Oriental), Inc.
11. RBT Bank, Inc. A Rural Bank
12. Secured Bank, Inc. (A Rural Bank)
13. South Bank (A Rural Bank), Inc.
14. Xavier Tibod Bank, Inc. (A Microfinance Rural Bank)

REGION XI - DAVAO REGION

COMPOSTELA VALLEY PROVINCE

1. Money Mall Rural Bank, Inc.
2. Rural Bank of Compostela (Davao del Norte), Inc.
3. Rural Bank of Nabunturan (Davao del Norte), Inc.

DAVAO DEL SUR

1. Community Rural Bank of Magsaysay (Davao del Sur), Inc.
2. Consolidated Cooperative Bank
3. One Network Bank, Inc. (A Rural Bank)
4. Rural Bank of Digos, Inc.

DAVAO DEL NORTE

1. Century Rural Bank, Inc.
2. First Tagum Rural Bank, Inc.
3. Rural Bank of Kapalong (Davao), Inc.
4. Rural Bank of Montevista (Davao del Norte), Inc.

DAVAO ORIENTAL

1. Baybank Inc. (A Rural Bank)
2. Rural Bank of Mati, Inc.

REGION XII - SOCCSKSARGEN

NORTH COTABATO

1. Cooperative Bank of Cotabato
2. Partner Rural Bank (Cotabato), Inc.
3. Rural Bank of Midsayap, Inc.

SOUTH COTABATO

1. Koronadal Rural Bank, Inc.
2. People's Rural Bank (Gen. Santos City), Inc.
3. Rural Bank of Norala (S. Cotabato), Inc.
4. Rural Bank of Polomolok (South Cotabato), Inc.

SARANGANI

1. Rural Bank of Alabel (Sarangani), Inc.
2. Rural Bank of Kiamba (Sarangani), Inc.

SULTAN KUDARAT

1. Rural Bank of Lebak (Sultan Kudarat) , Inc.
2. Rural Bank of Pres. Quirino (Sultan Kudarat) , Inc.

AUTONOMOUS REGION IN MUSLIM MINDANAO (ARMM)

LANAO DEL SUR

1. Bagong Bangko Rural ng Malabang (Lanao del Sur), Inc.

MAGUINDANAO

1. Rural Bank of Datu Paglas, Inc.

REGION XIII- CARAGA

AGUSAN DEL NORTE

1. Butuan City Rural Bank, Inc.
2. Cooperative Bank of Agusan Norte-Butuan City
3. Green Bank, Inc. (A Rural Bank)
4. Rural Bank of Cabadbaran (Agusan), Inc.

AGUSAN DEL SUR

1. Cooperative Bank of Agusan del Sur
2. People's Bank of Caraga, Inc. (A Rural Bank)

SURIGAO DEL NORTE

1. Rural Bank of Placer (Surigao Del Norte), Inc.
2. Siargao Bank (A Rural Bank), Inc.
3. Surigao City Evergreen Rural Bank, Inc.
4. Surigaonon Rural Banking Corporation

SURIGAO DEL SUR

1. Bangko Carrascal, Inc. (A Rural Bank)
2. Cantilan Bank , Inc. (A Rural Bank)
3. Rural Bank of Lanuza (Surigao del Sur), Inc.
4. Rural Bank of Tandag (Surigao del Sur), Inc.

DINAGAT ISLANDS

1. Rural Bank of Loreto (Surigao del Norte), Inc.

DIRECTORY OF OFFSHORE BANKING UNITS

As of 31 December 2013

1. ABN-Amro Bank, N.V.	18/F LKG Tower 6801 Ayala Avenue Makati City
2. BNP Paribas	30/F Philam 8767 Paseo de Roxas Makati City
3. J P Morgan International Finance Ltd	31/F Philam 8767 Paseo de Roxas Makati City
4. Taiwan Cooperative Bank	26/F Citibank Tower 8741 Paseo de Roxas

DIRECTORY OF NON-BANK FINANCIAL INSTITUTIONS

WITH QUASI-BANKING FUNCTIONS

As of 31 DECEMBER 2013

INVESTMENT HOUSES (IHs)

1. BPI Capital Corporation	8th Floor Bank of P.I. Building, Ayala Avenue, Makati City
2. A B Capital and Investment Corporation	Unit 1008, 10F Tower I & Exchange Plaza, Ayala Triangle, Ayala Avenue, Makati City
3. First Metro Investment Corporation	20th Floor GT Tower International, Ayala Avenue corner HV dela Costa
4. RCBC Capital Corporation	7th Floor Yuchengco Tower, RCBC Plaza, 6819 Ayala Avenue Makati City 0727
5. State Investment Trust, Inc.	4th floor State Center II Bldg., Ortigas Avenue, near corner EDSA, Mandaluyong City

FINANCING COMPANIES (FCs)

1. Cebu International Finance Corporation	8th Floor CIFC Towers, J Luna Ave cor R Humabon St, NRA, Cebu City
2. BPI Card Finance Corporation	BPI Card Centre, 8753 Paseo de Roxas, Makati City
3. RCBC Leasing & Finance Corporation	5th Floor Grepalife Building, 221 Sen Gil J Puyat Avenue, Makati City
4. Metrobank Card Corporation (A Finance Co.)	12th floor, MCC Center 6778 Ayala Avenue, Makati City
5. Orix Metro Leasing and Finance Corporation	21F GT Tower International, Ayala Avenue corner HV Dela Costa St., Salcedo Village, Makati City
6. Toyota Financial Services Philippines Corporation (TFSPH)	32F GT Tower International, Ayala Avenue corner HV Dela Costa St., Salcedo Village, Makati City

OTHER NON-BANKS WITH QBF

1. Philippine Depository and Trust Corporation	37th Floor, Tower I, The Enterprise Center 6766 Ayala Avenue, Makati City

Appendix III

2013 Survey on the Effects of Foreign Bank Entry into the Philippines Banking System

OBJECTIVE

The survey aims to determine the extent to which foreign banks have been able to achieve the policy objectives embodied in Section 1 of Republic Act. No. 7721 which provides that—

"The State shall develop a self-reliant and independent national economy effectively controlled by Filipinos and encourage, promote, and maintain a stable, competitive, efficient, and dynamic banking and financial system that will stimulate economic growth, attract foreign investments, provide a wider variety of financial services to Philippine enterprises, households and individuals, strengthen linkages with global financial centers, enhance the country's competitiveness in the international market and serve as a channel for the flow of funds and investments into the economy to promote industrialization."

METHODOLOGY

Survey questionnaires were sent out to the 19 foreign bank branches and subsidiaries to draw information on:

1. Investments and trade activities undertaken, to attract foreign investment and promote trade as well as business activities in the Philippines;
2. Seminars and social gatherings extended to other players in the industry to increase awareness and knowledge in various banking practices;
3. Project loans extended to local residents or companies based in the Philippines;
4. Technology introduced for the benefit of clients and depositors;
5. Number of officers and employees employed; and
6. Filipino officers and employees trained.

Survey period was from January to February 2014.

KEY FINDINGS

A. INVESTMENTS AND TRADE

1. Assistance in setting-up entity and office in the Philippines of 30 new investments from Japan.
2. Remittance of funds from Japan to the Philippines for additional capital or for capital infusion.
3. Facilitated settlement of capital market offerings and liability management exercises for both domestic and international participants; with a total value of US$2.7 billion and ₱41.9 billion.
4. Development of trade and supply chain businesses between Australia and the Philippines, and other Asia Pacific countries through several programs of any ANZ branch.
   a) Intra Asia Connectivity; and
   b) Business Matching
5. Assistance and facilitation of equity investments of companies in various economic sectors with total value of US$175.0 million:
   a) Manufacturing (including steel and construction materials, solutions for medical use, paper products and food production)
   b) Automotive Dealership/Retailing
   c) Flour Milling Operations
   d) Coconut Oil Mining/Refining
   e) Money Remittance Services
   f) Petroleum Trading
   g) Finance Foreign Investments
   h) Import/export trade activities of key industries in the country
6. Assisted investments through extension and/or disbursement of loans.
7. Issued, negotiated, and facilitated the issuance of letters of credit, export bills purchased and issuance of Confirmed Letter of Guarantees.
8. Promotion of trade relationships between local manufacturers with their suppliers in other countries and supported trade flows of essential products especially food and medical supplies.
9. Promotion and support of export of sugar and fertilizer to the USA and Latin American countries.
10. Establishment of various credit relationships with dealers to promote growth in the transportation industry.
11. Establishment of credit facilities to promote trade relationship between Philippine companies and wheat suppliers in the US.
12. Establishment of trade facility to support the importation of copper concentrates into the Philippines from various countries like Indonesia and other Latin American countries. (Pasar)
13. Facilitation of trade between Philippines and Thailand with total value of ₱7.0 billion:
    a) Philippine Export to Thailand amounting to US$2.4 billion
    b) Philippine Import from Thailand amounting to US$ 4.6 billion
    c) Total Direct Investments amounting to ₱3.6 billion

B. BUSINESS OPPURTUNITIES

1. Conducted the Global Markets Outlook Conference.
2. Provided an avenue for the Philippines to present to Asian fixed income investors and bond holders the country's credit story and latest economic developments and plans through a Non-Deal Roadshow in London, Australia, Doha, and Hong Kong.
3. Conducted economic briefings and presentations:
    a) Basel III Presentation to selected clients of various banks
    b) Presentation on *Reflation in the US and Japan: Economic and Financial Markets Implications*
    c) Economic briefing on *Review of Global Economic Landscape*
4. Participated in the Annual Economic Journalist Association of the Philippines - CFO Forum.
5. Served as financial advisor for a company on its US$158.0 million multi-tranche capital raising and structuring exercise.
6. Facilitated meeting with several key government officials to explore possible business opportunities:
    a) The Undersecretary of Department of Trade and Industry (DTI) and General Manager of Industry Research Division (IRD) of Mizuho;
    b) The National Treasurer and Mizuho Securities Tokyo (MSC) and Mizuho Securities-Asia (MSA); and
    c) The Secretary of Finance and Chairman of Mizuho Securities-Asia (MSA)
7. Participated in several trade exhibitions to promote trade between Philippines and Thailand
    a) Thailand Business Matching - Heavy Equipment in Manila and Cebu
    b) 5th Thailand Trade Show
    c) Thailand Furniture Business Matching
    d) Thailand Week
8. Conducted seminars/trainings to promote trade and investment environment of the Philippines
    a) PhilJEC-JPECC Joint Meeting in Tokyo, Japan
    b) Abenomics and the Yen toward Asian Portfolio Balancing
    c) FX Seminar for Japanese Officers
    d) FX Seminar for Filipino Officers
    e) Bangladesh Petroleum Corporation (BPC) seniors officers training on Trade Financing Familiarization on Philippine Trade Regulations
9. Launching and opening of the Global Services Operations of the ING Bank N.V. in Manila
10. Conducted roadshows in the USA for the Philippines.

C. TRAININGS AND SEMINARS

ANTI-MONEY LAUNDERING

Anti-Money Laundering (AML) Related Trainings	13
AML Roadshow	1

BASEL III

BASEL III and IFRS – Updates	3
Master Learning Zone: Basel II and III	1

BRIEFINGS/ FORUMS/ ROUNDTABLE

Economic Briefings	11
Forums	6
Conventions	2
Discussions	2
Meetings	1
Dialogues	1

BUSINESS CONTINUITY / DISASTER PREPARDNESS / SAFETY

Crisis Management and Business Continuity Plan (BCP)	4
Emergency and Disaster Preparedness, Disaster Recovery	4
Evacuation Team Training	1
Occupational Safety and Health Training	1

COMPLIANCE / REGULATORY

Regulatory Compliance	6
Bank Compliance	7
Tax Compliance	6

CREDIT / CREDIT RISK

Credit Analysis	4
Credit Trainings	3
Credit Risk	2
Credit Practices	1

C. TRAININGS AND SEMINARS

DERIVATIVES

Derivatives 101	1
Derivatives and IA Standards	1
Derivatives: Mechanics, Valuation and Application	1
Derivatives Transaction Processing	1
OTC Derivative Reforms and Dood-Frank Update	1
Interest Rate Swap	1

FOREX

FX Workshops and Seminars	10
FX Trading Regulations	5
FX Forums	2

FRAUD

Fraud Detection Conferences and Summit	7
Counterfeit Money Detection	4
Cybercrime Law	2

HUMAN RESOURCE/PERSONNEL & SKILLS DEVELOPMENT

Leadership and Management Skills Development	22
Induction and Orientation Programs	8
Communication Skills Enhancement	6
Company Policy Awareness, HR Advisories	4
Personality Development	3
Values and Workplace Ethics Workshops	3
Team Building, Company Sales Rally	3
Technical Skills and Career Development	3
Cultural Awareness and Language Education Program	2
Effective Meeting Management	1
Effective Presentation	1
Increasing Productivity	1
Mandatory Continuing Legal Education (MCLE)	1
Stress Management	1
Performance Management	1

C. TRAININGS AND SEMINARS

INVESTMENT, TRADE AND TREASURY

Investment Trainings and Seminars	9
Investment Conferences	2
Trade Trainings and Seminars	14
Trade Conferences	7
Treasury Trainings and Seminars	6
Treasury Conferences	2
Global Capital Financing	1
International Cash Management	1
Overview of Philippine Financial Market	1

INFORMATION TECHNOLOGY

IT and Security Awareness and Improvement	14
IT Events and Technology Updates	11
Microsoft Office (MS Word/Excel/PowerPoint) Trainings	4
SAP Forum, Events, Summits	4
Oracle Seminars and Events	3
Records and Information Management Systems	3
Mobile Banking	2
SAS Executive Business Forum	1

MICROFINANCE

Housing Microfinance Workshop: Empowering Families through Housing Microfinance	1
4th Asia Pacific Housing Forum	1

OPERATIONS

Operations Education Programs	16
Selling Skills Development and Sales Managers Trainings	9
Customer Service & Management	7
Product Orientation and Trainings	5
Corporate Banking	4
Real Estate Industry Seminars and Property Appraisal Trainings	3
Strategic Financial Planning Trainings	3
Accounting for Non-Accountants	2

C. TRAININGS AND SEMINARS

OPERATIONS (continuation)

Branch Operations Training Program	2
Customer Support	2
Project Management Workshop	2
Financial Modelling	1
Remittances	1
Tellering	1
Value-Added Business Controls	1

RISK

Financial Risk Management	8
Operational Risk Training	4

SECURITY

RSA Security Summit: Defend with Confidence against Advanced Threats
Security Awareness

TAXATION AND ACCOUNTING

Updates	6
Compliance	2
Taxation and Accounting	3

TRUST

Beyond SDA: The Search for the Next Trust Engine of Growth	1
Revised Trust Rating System and Risk Assessment	1
Trust 101	1
Trust and Wealth Management Executive Boot Camp	1

OTHERS

Economic Seminar for Customers	1
ARP Transactions	1
CPPD Study Session	1
Cyber-Ark APAC Customer Summit 2013	1
New PL Process Cascade	1
PACU Aircon Orientation	1
SI Seminar	1
SSS E-Gov	1

D. PRINTED MATERIALS

1. Asia-Pacific Rates Guide 2014
2. Emerging Markets Currency Guide 2014
3. Euroasia Industry Magazine Advertorial Placement
4. Infographic Advertisement for the Economic Journalist Association of the Philippines (EJAP) Souvenir Program
5. Treasury Perspectives
6. Economic Briefing
7. Company Profiles of Philippine Companies
8. Brochure for various Thailand Trade Fairs
9. Websites of the Department of International Trade Promotion, Ministry of Commerce (www.dotp.go.th; www.thaitradefair.com; www.Thaitrade.com)
10. Sponsorship to MAP's Malaysian Family Fun Day Mini Sports Festival
11. Sponsorship to the Malaysian Association of the Philippines (MAP) and Foreign Chamber Council of the Philippines (FCCP) Night
12. Sponsorship to the Singapore Philippines Association "Golf for a Cause" Charity Golf Tournament
13. Ad participation in the Malaysian National Day (Merdekah Day) Special Supplement in the Philippine Daily Inquirer, Business Mirror and Philippine Star
14. Advertisement (full-page) in the 2014 ROAR Singapore Journal

E. SOCIAL GATHERINGS

1. Organized five (5) trade and social meetings between key government officials and industry leaders.
2. Conducted thirty (30) economic briefings, seminars, events, conferences for key government officials, industry leaders, and selected clients.
3. Hosted four (4) industry dinners for various occasions.
4. Held twenty (20) client appreciation nights and special celebrations.
5. Organized thirty-two (32) exclusive shopping opportunities and one (1) movie screening for clients.
6. Sponsored various fashion shows, events, tournaments, and competitions.
7. Participated in five (5) events relevant to the interests of target demographics.
8. Engaged in four (4) corporate social responsibility projects.

F. PROJECT LOANS

Eight (8) foreign banks reported that they have financed loans amounting to over US$0.8 billion and have facilitated loans amounting to over US$841.3 billion in 2013.

G. NEW TECHNOLOGY

FRONT-END OPERATIONS

3DES Encryption	An upgrade to the previous single DES encryption. Using 3DES, the key length is doubled for the PIN providing stronger encryption method and a higher level of ATM security
Anti-Skimming Devices in all Offsite ATMs	Deployed to prevent ATM fraud by sensing when skimming devices are attached to the ATM
Banking thru Host-to-Host	Provision of third-party consultancy for Oracle-Straight2Bank Application
BOCNET	Internet banking system for personal and business activities
CashPro Accelerate	For PCs using client-based software; Information Reporting & Cash Positioning
CashPro Mobile	For Internet (Smartphone & Tablet); Information Reporting & Payment Approval
Citibank for iPad	Core online banking service such as Account Inquiry and Payments/Transfers leveraged for tablet platform. Product descriptions and promotions from the website also ported to the tablet
Contactless payments on credit cards	Credit card acceptance and usage
E-Statement Facility	Allows customers to enjoy the benefits of credit card statement delivery via e-mail received as an encrypted PDF
GPBS - Global Pricing and Billing System	Automated billing statements
Global Common v1.0	Migration to the Global Common v1.0 of company's core regional consumer bank and cards applications; strategic technology approach to allow quick adoption of new features in the future.

G. NEW TECHNOLOGY

FRONT-END OPERATIONS

Online Call for Cash Service	Enhanced version to allow customers to book loan against their credit card up to maximum of their credit limit
Regional Cash Management Systems (M2E)	Cash management systems
Standing Payment Instruction functionality on CitiDirect	New online feature that will allow institutional/corporate users of CitiDirect® Online Banking to establish payment schedules in the system so that recurring payments can be made without any further intervention on the part of the client
STS Integrated Reformatter	A program that will automatically produce reports and files that are previously being prepared manually
Transactive Asia	Enhanced Version of the internet-based trade and payments and cash management
Transfer to Foreign Bank Abroad service	Enhanced version to allow customers initiated straight thru processing of funds transfer request to other banks abroad
Virtual Account	Helpful in the reconciliation of client's receivables and collections
Wallstreet	Front-Office system used for FX and Money Market deal capture and risk management

G. NEW TECHNOLOGY

OTHER PRODUCTS AND SERVICES

3D Secure (Online Shopping)	One-time password for credit card users when doing purchases online
ACBS	Advance Commercial Banking System is the strategic processing platform for the booking, management and reporting of SCB's WB lending portfolio
BLINKS	"BANCS LINK"; provides a front-end platform for Core Banking system and part of Peripheral Systems
BOCS	Core banking system with functions related to customer and account management, deposit transaction process, loan transaction process, and payment transaction process
CASA System	Upgrade of eBBs (CASA System) from ver. 10.16 to ver. 10.17 to standardize versions used across SCB countries
Check Writing Service v.50	Updated version of CWS, an offline tool installed at client's site
Collection Service - Retail Payer Set Up	A new variant of collection service offered to select corporate clients.
CTS Gold	Variant product of CTS loan incorporating features from PAGIBIG
Finacle 10	Core loans and deposit banking system
GDS	Overseas debit card management system for overseas debit card issuing and overseas ATM management
GTS	Provides international trade settlement business service including LC Inward/Outward Collection and Letter of Guarantees
QE	Targeted at providing bank foreign exchange quotes and positions aggregation service; FX quotes management, FX positions aggregation, FX transaction data check

G. NEW TECHNOLOGY

OTHER PRODUCTS AND SERVICES

RMB Transfer System / ROSIS	Domestic and Cross Border RMB Transfer
SWIFT Alliance	Bank Reporting Service via SWIFT MT940
TRAMS	Treasury Single Account Reporting and Monitoring System; submission of the Collection Report in CSV format
Virtual Account Product	Allows each of the bank's corporate clients' customers (payor) to be assigned a unique account number that will be used to make payments to the corporate client.
XPAD-S	System providing foreign exchange trading services for clients; financial product management and trading service

G. NEW TECHNOLOGY

BACK-END OPERATIONS

Band7	Custom built version of Windows 7; comes in 32 bit and 63 bit versions; with enhanced security features not available with current Windows 7 version
BSRD Enhancement	Bangko Sentral Registration Document System is a tool for monitoring and processing the settled trade investments of foreign clients; capable of uploading the details of each trade file settled and facilitate reporting the same to BSP on a timely basis
CAMP 2.0.1 Upgrade (Customer Activity Monitoring Programme)	System to monitor customer transactions and report suspicious money laundering activities to the relevant local regulatory body
CARM 4.0 Upgrade (Credit Approval and Relationship Management)	Upgrade from the current version 3.5 in the Philippines; improved usability and deployability, removed data entry duplication and enhanced intra-system connections, increased automation
CCMS	Corporate Credit Management System used for the whole credit lifecycle process management
Check Issuance Reconciliation and Monitoring System	A web application capable of monitoring the status of all issued checks by the clients and have the functionality of helping the users in monitoring irregular checks
Debit Card Auto Renewal	Enables automatic printing and release of debit cards to retail banking customers
Document Security	Document encryption and decryption software
e-Statement Enhancement	Capable of processing credit card statement requests from pre-enrolled account holders via electronic means on both a scheduled and ad-hoc basis
eCTR Enhancement	Covered Transaction Reporting System enhanced to comply with the new BSP mandate to cease use of generic AMLA code

G. NEW TECHNOLOGY

BACK-END OPERATIONS

Enterprise Service Bus (ESB)	Used for designing and implementing the interaction and communication between mutually interacting software applications service-oriented architecture (SOA)
ePIC System	The enhanced Pending Item Control System is a web-based application to automate, improve and simplify the recording and follow-up of pending and monitoring items. Designated users will be able to post pending or monitoring items, with other users being able to post updates regarding the item through comments
ERMS	Report Management System; provides report archive management and inquiry services
FATCA (Foreign Account Tax Compliance Act) Programme	Initiated to upgrade the HUB system to identify which customers are US citizens and to store the pertinent information for each customer, in line with the FATCA which was signed into law by President Obama on 18 March 2010
Final Tax Enhancement	Used to record all advance and final tax payment received and processed; generates the entries to the book Final Tax Payment as well as generates various reports (i.e. debit advices, monthly volume report, daily collection reports, etc.) for submission to client or various regulatory bodies
FinGATE	Financial Messages Gateway is a bank developed application system that acts as a middle-ware between G-BASE and other systems with respect to remittance transactions
FLMS	Facilities and Limits Management System; provides facilities, creating, occupying, releasing, dispensing and report
FOSSIL	Front Office Supporting System Intra-day Ledgering is a bank developed application system that supported treasury dealers in monitoring various market positions on demand basis

G. NEW TECHNOLOGY

BACK-END OPERATIONS

G.O. Express	General Operation Express is a bank developed application system that acts as a middle-ware between G-BASE and other systems with respect to GL entries via straight through processing
Global Common v1.0	Migration to the Global Common v1.0 of our core regional consumer bank and cards applications - common source codes for PH, Malaysia, Singapore, Thailand, Vietnam, Indonesia, Guam, Australia
GLS	Provides finance general ledger service including GL accounting, position transfer, exposure valuation, profit and loss, GL report management
GOOD Mobile	Mobile email access solution, alternative to blackberry device
GUPP	A unified platform focusing on dealing with payment messages of BOC group
IDF Sentinel	Bank developed application system that supports the handling of IDF transactions from credit line registration, notification, application and settlement
IFRS 1399 (Securities)	Automation of loan monitoring
Information Security Awareness Training	Web-based (intranet) training system
iSpace	Custom built Windows 7
IT Helpdesk	Web application used for monitoring and recording errors encountered from the bank's IT products deployed to customers. The system ensures that all received calls will be recorded on the database and will be properly monitored including solutions shared to customers

G. NEW TECHNOLOGY

BACK-END OPERATIONS

Kondor Plus Trade Processing (K+TP)	Kondor + Back-office Processing (GMOS)
LIMS	Loan Information Management System
Microsoft - AX Dynamics 2012	Trust General Ledger Accounting (TGL) System where accounting of trust funds transactions are recorded and financial reports submitted to clients and regulators are generated (i.e.; balance sheet/income statement, FRPTI reports, among others)
Mobile Telepresence	Mobile video conferencing solution for portable devices
MyTechHub	Desktop tray ready end-user solution for raising tickets, requests, software install, phone management and mobile products
Online CIF Facility	Web-based facility to create and view CIF records
PSE-SCCP-Security Clearing Corporation of the Philippines	Client-based product for Clearing and Remittance (with Front-end Facility)
Quick Forms	Bank developed package solution deployed to customers to ease preparation of in-house fund transfer using system
RightFax	Converts hard copy fax to digital form; minimizes use of print out of fax messages and saves on paper
RiskOrigins	Programme CRISP (Credit Rating Integrated Systems and Processes) is a Wholesale Credit Risk initiative. ANZ's consistent, integrated and global wholesale credit decision application
SBL Computation	Used to automate the process of encoding, collating and computing the outstanding balance of the corporate clients and check if it is still within the BSP required limit

G. NEW TECHNOLOGY

BACK-END OPERATIONS

SCCPCash	Created to interface between the Securities Clearing Corp. of the Philippines's (SCCP) system and the settlement bank when executing inter-account fund transfer instruction in real time
SME eCDD (electronic Customer Due Diligence) System	Electronic database of all KYC and CDD requirements of the SME customer. Enables name screening and provides audit trails of approvals
Solarwinds	Network Monitoring System (NMS)
SVN-Subversion	PC Based Source Code Management Tool and identify the needed documentations
SWIFTI	Interface platform which sends/receives the SWIFT message to/from WBIFN
SWPS	Provides message exchanging and routine system for debit/credit card
TCS Banc Compliance	AML System for CTR/STR reporting
Tivoli Automated System Monitoring	Server resources monitoring
Trade Connex	Trade finance system to speed LC processing
TRP	Provides transaction reconciliation and report services
Virtual Desktop Infrastructure	Strategic Virtual desktop solution
WBIFN	Includes SWIFT messages processing, reporting management and user management and interface to receive/send outward SWIFT messages
XPAS-S	Provides settlement services for capital business, including transaction verification, valuation notice, margin/facility limit monitoring, transaction settlement

G. NEW TECHNOLOGY

BACK-END OPERATIONS

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G. NEW TECHNOLOGY

BACK-END OPERATIONS

QR Code Remittance Application	The implementation of said QR code will eliminate manual encoding of customer information to Ticket Generating System (TGS) of the branch. This tool is developed specifically for customers who do not want to or are not allowed to do online (electronic) processing of bank transactions.
Upgrade of eBBS (CASA system) from version 10.13.05 to 10.16	Standardized software versions used in managing deposits/loans across SCB countries.
Implementation of SECCURE in Sept 3, 2012 to replace NCS - TP System used by Global Custody	Custody System
DotOpal enhancement (Card Management System)	Card Management System: Enhanced the CTR input file for new AMLA codes (May 2012) and added duplicate payment finder to address duplicate payment issues
Customer Feedback Monitoring System	Contract Center System
Convenient Accounts Receivable Reconciliation Offline Tool (CARROT)	Offline reconciliation of BTMU's credit data with the client's invoice date. The credit data extracted from GCMS Plus is matched with the invoice data extracted from the client's ERP. Reconciliation criteria includes data, amount and customer name and follows reconciliation patterns set by the client. Aimed at eliminating the eyeballing of Accounts Receivable (A/R) reconciliation.



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