FCDs surge 1.4% to $30 billion in 2011

Tuesday, 26 June 2012

THE COUNTRY’S Foreign Currency Deposits (FCDs) surged by 1.4 percent or $30.1 billion in 2011 from the $29.7 billion of 2010.

The Bangko Sentral ng Pilipinas (BSP) in a statement said that universal and commercial banks (UKBs) accounted for 95.8 percent, or $28.8 billion of total FCDs while thrift banks (TBs) held 4.2 percent, or $1.3 billion. Rural and cooperative banks (RCBs) only had $1 million.

The main recipients of funds were financial assets other than loans, which held 53 percent ($16 billion) of total assets from 53.3 percent ($15.8 billion) last year. This was followed by loans, net at 32.7 percent share from last year’s 33 percent share, although the amount remained at $9.8 billion. Meanwhile, resident borrowers accounted for 91.6 percent, or $6.7 billion of total loans, while the remaining share of 8.4 percent of $600 million was lent out to non-resident borrowers.
By economic activity, the biggest borrowers were the manufacturing sector with a 40.2 percent share of total loans to residents; the electricity, gas and water supply sector with 16.2 percent share; and the transport, storage, and communications sector with 10.3 percent share. These top three sectors constituted 66.7 percent of the total FCD loans to residents. Loan quality improved as FCD non-performing loans (NPL) ratio eased to 0.5 percent from 0.7 percent last year, while last year’s 0.1 percent ratio was maintained on the FCD non-performing assets (NPA) ratio. Moreover, the NPL and NPA coverage ratios of FCDs broadened to 363.4 percent and 361.1 percent, respectively, from last year’s 276.3 percent and 275.3 percent ratios.

Deposit liabilities, which contracted by 3 percent to $24.2 billion from $24.9 billion last year, remained the largest source of funds at 80.4 percent share of total resources. Resident depositors accounted for 97.5 percent of total deposit liabilities while the remaining 1.5 percent came from non-resident depositors. Net profit in 2011 was relatively unchanged from last year’s $1 billion as the rise in operating income was matched by the combined increase in non-interest expenses and provision for/write-off of bad debts.

By industry, the UKBs accounted for 96.3 percent, or $1 billion of net profit while TBs contributed the remaining 3.7 percent.