



**BANK OF JAMAICA**

**News Release**

**31 May 2002**

**UNAUDITED ASSETS AND LIABILITIES OF COMMERCIAL BANKS  
PUBLISHED PURSUANT TO SECTION 16(6) OF THE BANKING ACT  
AS AT 31 DECEMBER 2001  
J\$'000**

These balances are taken from unaudited prudential returns submitted by the following banks to the Bank of Jamaica and have been attested to by the respective managements as reflecting a true and fair representation of the affairs and condition of the banks at the reporting date.

**The Bank of Jamaica does not in any way certify the accuracy or otherwise of the balances reported by the respective banks.**

	B.N.S.	C.B.N.A.	C.I.B.C	FGB	N.C.B.	RBTT	TOTAL
<b>ASSETS</b>							
Cash and Bank Balances:							
Notes and Coins	1,557,572	142,933	355,063	44,679	2,046,610	789,165	4,936,022
Due From Bank of Jamaica	18,119,170	3,770,298	5,087,485	103,568	7,600,387	2,096,479	36,777,387
Due From Commercial Banks in Ja.	50	42,000	466,250	0	0	47,382	555,682
Due From Other Deposit Taking Fin. Insts. in Ja.	25,000	0	1,419	0	0	0	26,419
Due From Overseas Banks & Fin. Insts.	8,651,820	1,413,700	2,476,172	121,990	5,731,409	349,250	18,744,341
Investments:							
Jamaica Government Securities							
Domestic Currency	16,775,563	252,029	594,349	286,460	38,484,981	21,947,015	78,340,397
Foreign Currency	2,655,221	538,995	479,487	1,014,195	11,797,251	466,980	16,952,129
Other Public Sector Securities	671,618	20,525	5,500	6,184	310,037	249,439	1,263,303
Other Local Securities (net of prov)	271,791	2,766	61,939	0	1,499,644	6,195	1,842,335
Foreign Securities	307,452	0	20,763	0	511,735	15,017	854,967
Securities Purchased with a view to Resale	4,597,722	35,233	2,500	795,914	3,303,162	2,306,890	11,041,421
Loans, Advances & Discounts (net of prov)	25,469,599	1,519,769	5,405,164	318,491	9,979,849	1,882,684	44,575,556
Accounts Receivable (net of prov)	1,547,761	249,361	317,525	111,843	2,801,089	1,317,275	6,344,854
Fixed Assets (net of Depreciation)	2,093,601	48,264	339,397	14,275	1,662,785	620,582	4,778,904
Other Assets							
Items in Course of Collection	783,891	443,650	216,489	119,901	763,637	444,914	2,772,482
Other	2,110,271	85,186	378,273	29,872	1,597,222	621,190	4,822,014
Customers Liabs. for Accepts., Guarantees. & L/Cs	1,640,825	720,499	409,967	23,927	2,258,733	137,356	5,191,307
<b>TOTAL ASSETS</b>	<b>87,278,927</b>	<b>9,285,208</b>	<b>16,617,742</b>	<b>2,991,299</b>	<b>90,348,531</b>	<b>33,297,813</b>	<b>239,819,520</b>
<b>LIABILITIES</b>							
Deposits	67,488,129	5,807,741	12,674,089	1,029,695	57,592,393	14,326,049	158,918,096
Due To Bank of Jamaica	750	20	0	74,751	7,511	0	83,032
Borrowings:							
Due To Commercial Banks in Ja.	0	474,427	42,000	0	0	0	516,427
Due To Specialised Institutions	1,889,998	353,713	247,949	0	1,415,960	5,223,326	9,130,946
Due To Other Fin. Insts. in Ja.	0	0	91,086	0	0	0	91,086
Due To Overseas Banks & Financial Insts	0	827,225	1,717,845	0	5,827,905	473,800	8,846,775
Securities Sold Under Repurchase Agreement	2,592,223	0	0	1,606,916	9,071,962	7,607,043	20,878,144
Sundry Current Liabilities:							
Accounts Payable	233,757	44,545	19,592	15,331	106,010	286,832	706,067
Other	5,068,325	195,845	460,033	79,931	2,097,545	907,493	8,809,172
Accepts., Guarantees & L/Cs as per contra	1,640,825	720,499	409,967	23,927	2,258,733	137,356	5,191,307
Other Liabilities	65,556	4,833	780	0	2,723,978	142,190	2,937,337
<b>TOTAL LIABILITIES</b>	<b>78,979,563</b>	<b>8,428,848</b>	<b>15,663,341</b>	<b>2,830,551</b>	<b>81,101,997</b>	<b>29,104,089</b>	<b>216,108,389</b>
<b>Excess / (Shortfall) of Assets over Liabilities</b>	<b>8,299,364</b>	<b>856,360</b>	<b>954,401</b>	<b>160,748</b>	<b>9,246,534</b>	<b>4,193,724</b>	<b>23,711,131</b>
REPRESENTED BY:							
Paid Up Capital	1,463,616	207,609	96,667	137,300	1,973,410	2,081,933	5,960,535
Share Premium	0	0	0	0	3,998,967	3,860,106	7,859,073
Reserves:							
Statutory Reserve Fund	1,467,000	99,807	96,667	4,182	530,000	97,950	2,295,606
Retained Earnings Reserve Fund	3,919,384	246,146	722,864	0	911,897	43,493	5,843,784
Other Reserves	475,503	0	12,833	0	1,344,881	124,236	1,957,453
Prior Years' Earnings/(Deficits)	578,766	0	6,768	(2,743)	447,635	(2,728,758)	(1,698,332)
Unappropriated Profits/(Losses)	395,095	302,798	18,602	22,009	39,744	714,764	1,493,012
<b>TOTAL CAPITAL</b>	<b>8,299,364</b>	<b>856,360</b>	<b>954,401</b>	<b>160,748</b>	<b>9,246,534</b>	<b>4,193,724</b>	<b>23,711,131</b>
<b>MEMORANDUM</b>							
Foreign Currency Loans:	5,265,535	782,025	2,644,952	112,803	6,122,785	1,047,124	15,975,224
Funding by Specialized Institutions	729,009	0	9,185	0	411,448	160,476	1,310,118
Other Funding Sources	4,536,526	782,025	2,635,767	112,803	5,711,337	886,648	14,665,106
Foreign Currency Deposits	17,682,130	3,972,842	4,053,622	420,005	15,615,995	2,928,639	44,673,233
Repos on behalf of or for on trading to clients	0	0	0	0	0	1,359,860	1,359,860
Funds Under Management	0	0	45,459	621,919	0	0	667,378
Investments in Connected Parties	264,288	0	36,745	0	1,848,642	0	2,149,675
Credits To Connected Parties	2,271,282	37,832	58,092	33,858	280,764	16,414	2,698,242
Other Bals. Due From Connected Parties	387,518	1,405,376	477,591	48,274	3,009,572	4,670	5,333,001
Deposits Due To Connected Parties	2,920,539	1,125,892	1,776,381	285,793	1,795,495	27,826	7,931,926
Other Bals. Due To Connected Parties	1,024,531	232,213	68,411	299,611	8,011,715	2,081,933	11,718,414
Provision For Loan Losses	1,438,727	52,570	74,027	102,287	2,564,899	227,032	4,459,542
Provisions For Other Losses	0	0	0	0	62,755	142,190	204,945

**NOTES TO THE STATEMENT OF UNAUDITED ASSETS AND LIABILITIES OF COMMERCIAL BANKS  
PUBLISHED PURSUANT TO SECTION 16(6) OF THE BANKING ACT  
AS AT 31 DECEMBER 2001**

**Key to Commercial Banks**

**Financial Year End**

B.N.S.	-	Bank of Nova Scotia Jamaica Limited	31 October
C.B.N.A.	-	Citibank N.A.	31 December
CIBC	-	CIBC Jamaica Limited	31 October
N.C.B.	-	National Commercial Bank Jamaica Limited	30 September
FGB <sup>5</sup>	-	First Global Bank Limited	31 December
RBTT <sup>4</sup>	-	RBTT Jamaica Limited	31 March

**Notes:**

- Balance Sheets exclude Securities Purchased With a View to Resale (Repo Assets) on behalf of clients or for the purposes of on-trading, where relevant. Outstanding balances in respect of these transactions are included under 'Memoranda Items'.
- 'Credit Facilities to Connected Parties' include loans, advances, comfort letters, standby & commercial letters of credit, guarantees etc.
- 'Other Balances due from Connected Parties' include Interest and Other Receivables, Placements, Guarantees, L/Cs, etc.
- In March 2001, RBTT Financial Holdings Limited (a Trinidadian financial holding company) acquired the FINSAC shares in UBJ. UBJ subsequently changed its name to RBTT Jamaica Limited (RBTT) effective 26 November 2001, and its financial year end from 31 December to 31 March as of 2002, in keeping with that of the RBTT Group.
- Trafalgar Commercial Bank Limited (TCB) changed its name to First Global Bank Limited (FGB) effective 11 December 2001.
- In 2001, a proposal was put forward to amalgamate selected areas of the Caribbean operations of CIBC Canada and Barclays Plc (Barclays). The proposal is currently being assessed by, and is subject to the final recommendation of the respective Caribbean regulators.
- SUBSEQUENT EVENT(S)**  
In March 2002, AIC Limited (a Canadian Funds Management Company) acquired FINSAC's 76% shareholding in NCB. The agreement has been approved conditionally by the Bank of Jamaica.

PRUDENTIAL INDICATORS OF COMMERCIAL BANKS,  
 LICENSEES UNDER THE FINANCIAL INSTITUTIONS ACT (FIA) AND BUILDING SOCIETIES  
 PUBLISHED PURSUANT TO SECTION 16 (6) OF THE BANKING ACT & FIA  
 AND REGULATION 49 OF THE BANK OF JAMAICA (BUILDING SOCIETIES) REGULATIONS, 1995  
 31-Dec-01

Overall Structure	COMMERCIAL BANKS			FIA LICENSEES			BUILDING SOCIETIES			SYSTEM TOTAL (CONSOLIDATION OF ALL 3 SECTORS)		
	Dec-01	Dec-00 <sup>a</sup>	Dec-99 <sup>a</sup>	Dec-01	Dec-00 <sup>b</sup>	Dec-99 <sup>a</sup>	Dec-01 <sup>c</sup>	Dec-00	Dec-99 <sup>d</sup>	Dec-01	Dec-00	Dec-99 <sup>a</sup>
Number of Institutions in Operation	6	6	6	11	11	14	4	5	5	21	22	25
<b>J\$MN</b>												
<sup>1</sup> Total Assets (incl. contingent liabilities)	239,819	222,104	194,957	18,502	9,194	12,008	49,319	43,122	39,838	307,640	274,420	246,803
<sup>2</sup> Total Assets (excl. contingent liabilities)	234,628	216,457	188,278	16,835	8,326	10,803	49,273	43,122	39,838	300,736	267,905	238,919
Total Deposits	158,918	149,667	126,814	7,290	3,966	4,938	38,700	35,196	32,577	204,908	188,829	164,329
Total Loans (gross)	49,035	40,574	36,719	3,026	2,650	2,909	17,526	15,571	14,677	69,587	58,795	54,305
Total Loans (net of prov.)	44,576	35,319	32,192	2,863	2,491	2,545	16,373	14,422	14,072	63,812	52,232	48,809
Past Due Loans (PDL) (3 Mths & >)	2,982	3,849	5,131	160	198	577	1,590	1,572	1,232	4,732	5,619	6,940
Provision For Loan Losses	4,460	5,255	4,527	164	158	364	1,153	1,150	605	5,777	6,563	5,496
Investments [incl. Secs.Purchased] (net of prov.)	110,295	110,280	89,357	9,490	2,991	3,100	23,989	21,373	18,586	143,774	134,644	111,043
<sup>3</sup> Capital Base	19,945	18,183	14,742	2,663	2,014	3,620	4,808	4,136	3,300	27,416	24,333	21,662
Contingent Liabilities												
[Acceptances.LC's & Guarantees]	5,191	5,647	6,679	1,667	868	1,205	46	0	0	6,904	6,515	7,884
Funds Under Management	667	50	50	35,814	23,361	18,505	0	0	0	36,481	23,411	18,555
Repos on behalf of or for on-trading to clients	1,360	693	446	56,137	40,904	34,391	0	0	0	57,497	41,597	34,837
<b>%</b>												
<sup>2</sup> Rate of Asset Growth	8.4%	15.0%	14.1%	102.2%	-22.9%	-8.6%	14.3%	8.2%	-10.1%	12.3%	12.1%	8.0%
Rate of Deposit Growth	6.2%	18.0%	11.2%	83.8%	-19.7%	-14.3%	10.0%	8.0%	-5.7%	8.5%	14.9%	6.4%
Rate of Loan Growth (gross)	20.9%	10.5%	-14.8%	14.2%	-8.9%	-5.1%	12.6%	6.1%	-6.9%	18.4%	8.3%	-12.3%
Rate of Capital Base Growth	9.7%	23.3%	182.5%	32.2%	-44.4%	51.8%	16.2%	25.3%	121.0%	12.7%	12.3%	138.1%
Rate of PDL (3 Mths & >) Growth	-22.5%	-25.0%	-53.6%	-19.2%	-65.7%	-49.4%	1.1%	27.6%	-37.4%	-15.8%	-19.0%	-51.0%
Investments:Total Assets <sup>2</sup>	47.0%	50.9%	47.5%	56.4%	35.9%	28.7%	48.7%	49.6%	46.7%	47.8%	50.3%	46.5%
Fixed Assets:Total Assets <sup>2</sup>	2.0%	2.2%	2.5%	1.1%	3.2%	2.7%	2.5%	2.8%	3.0%	2.1%	2.3%	2.6%
Loans (net of prov.):Total Assets <sup>2</sup>	19.0%	16.3%	17.1%	17.0%	29.9%	23.6%	33.2%	33.4%	35.3%	21.2%	19.5%	20.4%
Loans (gross): Deposits	30.9%	27.1%	29.0%	41.5%	66.8%	58.9%	45.3%	44.2%	45.1%	34.0%	31.1%	33.0%
<b>Liquidity</b>												
Average Domestic Currency Cash Reserve :												
Average Prescribed Liabilities <sup>4</sup>	10.0%	13.0%	15.8%	10.0%	13.0%	16.5%	1.0%	1.0%	1.0%	8.1%	10.3%	12.6%
Average Domestic Currency Liquid Assets:												
Average Prescribed Liabilities <sup>4</sup>	43.7%	45.6%	48.3%	128.1%	84.3%	58.9%	26.4%	23.9%	19.2%	41.7%	41.2%	42.1%

PRUDENTIAL INDICATORS OF COMMERCIAL BANKS,  
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	COMMERCIAL BANKS			FIA LICENSEES			BUILDING SOCIETIES			SYSTEM TOTAL (CONSOLIDATION OF ALL 3 SECTORS)		
	Dec-01	Dec-00	Dec-99	Dec-01	Dec-00	Dec-99	Dec-01	Dec-00	Dec-99	Dec-01	Dec-00	Dec-99
<b>Asset Quality</b>												
Prov. For Loan Losses: Total Loans (gross)	9.1%	13.0%	12.3%	5.4%	6.0%	12.5%	6.6%	7.4%	4.1%	8.3%	11.2%	10.1%
Prov. For Loan Losses: PDL (3 Mths & >)	149.6%	136.5%	88.2%	102.5%	79.8%	63.1%	72.5%	73.2%	49.1%	122.1%	116.8%	79.2%
PDL (3 Mths & >): Total Loans (gross)	6.1%	9.5%	14.0%	5.3%	7.5%	19.8%	9.1%	10.1%	8.4%	6.8%	9.6%	12.8%
PDL (3 Mths & >): (Total Assets <sup>2</sup> + Provision For Loan Losses)	1.2%	1.7%	2.7%	0.9%	2.3%	5.2%	3.2%	3.6%	3.0%	1.5%	2.0%	2.8%
<b>Capital Adequacy</b>												
Deposits+Borrowings: Capital Base (:1)	10.0	10.1	11.0	4.6	2.4	1.6	8.7	9.0	10.5	9.3	9.3	9.3
Capital Base: Total Assets <sup>2</sup>	8.5%	8.4%	7.8%	15.8%	24.2%	33.5%	9.8%	9.6%	8.3%	9.1%	9.1%	9.1%
<sup>5</sup> Risk Asset Ratio [RAR] (estimated)	19.7%	21.9%	18.5%	29.8%	37.9%	49.8%	15.6%	16.7%	13.4%	19.6%	21.7%	19.8%
PDL (3 Mths & >): (Capital Base + Provision For Loan Losses)	12.2%	16.4%	26.6%	5.7%	9.1%	14.5%	26.7%	29.7%	31.5%	14.3%	18.2%	25.6%
<b>Profitability</b>												
<sup>6</sup> Pre-Tax Profit Margin (for the calendar year)	14.9%	15.5%	7.4%	38.5%	30.2%	24.2%	16.2%	13.5%	12.0%	16.9%	16.1%	9.7%
Return on Average Assets (for the calendar year)	2.1%	2.6%	1.3%	9.7%	10.6%	8.6%	2.6%	2.4%	2.2%	2.6%	2.8%	1.8%
<sup>7</sup> Income Assets/Expense Liabilities (as at 31 Dec.)	99.8%	97.4%	89.1%	105.2%	137.5%	128.2%	102.9%	100.4%	101.1%	100.6%	98.8%	92.2%

**Notes:**

- Based on unaudited data submitted to BOJ by supervised institutions up to 26 April 2002. Prior years indicators may have minor revisions arising from post publication amendments.

- Aggregated system balances reflect the domestic operations of supervised institutions and do not include balances in respect of overseas branch operations.

<sup>a</sup> - Reduction in loans and past due loans in 1999/2000 resulted largely from the purchase of non performing loans by FINSAC.

Additionally, the significant increase in statutory capital base during 1999 was due to the transfer of only selected assets and liabilities of specific institutions under the merger of certain FINSAC intervened entities. Consequently, the capital impairment amassed and previously reported by these particular FINSAC intervened entities up to March 1999 is excluded from subsequent statutory capital base.

<sup>b</sup> - Negative growth trends reported in respect of licensees under the Financial Institutions Act (FIA) (for the review period 1999/2000) were due to Eagle Merchant E and NCB Trust and Merchant Bank exiting the FIA sub-system in January 2000.

- During May 2000, Pan Caribbean Merchant Bank acquired and subsumed Knutsford Capital Merchant Bank, thereby also contributing to the reduction of the number of licensees in operation.

<sup>c</sup> - Effective 12 June 2001, Jamaica Savings & Loans Building Society (JSLB) merged its operation with Jamaica National Building Society (JNBS), thereby reducing the total number of societies in operation to four (4).

<sup>d</sup> - Significant improvement in the statutory capital base of building societies reflected in 1999 data was influenced by the exclusion of the capital impairment amassed by the FINSAC intervened societies (Eagle Permanent Building Society, Capital Assurance Building Society and Citizens Building Society) which merged into one and ceased operations at the end of September 1999.

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**Notes cont'd:**

- <sup>1</sup>Total Assets include Contingent Liabilities and net of Provisions for Losses.  
<sup>2</sup>Total Assets net of Contingent Liabilities and Provisions for Losses.  
<sup>3</sup>Capital Base = (Paid - up Capital + Reserve Fund + Retained Earnings Reserve Fund + Share Premium) minus impairment by net losses of individual institutions (Banks/ FIAs).  
 = (Permanent Capital Fund + Deferred Shares + Capital Shares + Reserve Fund + Retained Earnings Reserved Fund ) minus impairment by net losses of individual societies (Building Societies).  
<sup>4</sup>Prescribed Liabilities include:  
 (1) deposit liabilities, (2) reservable borrowings and interest accrued and payable on (1) & (2).  
<sup>5</sup>Capital Base used in the estimated Risk Asset Ratio (RAR) computation excludes investments in subsidiaries.  
 Risk based capital ratio: Qualifying Capital in relation to risk weighted assets.  
<sup>6</sup>Data includes extraordinary income/expenditure and adjustments for prior period.  
<sup>7</sup>Income Assets comprise FC Cash Reserves, Placements, Investments, Repo Assets and Loans less Past Due Loans (3 months & over).  
 Expense Liabilities comprise Deposits and Borrowings including Repo Liabilities (from BOJ, Banks, OFI etc).

**Statutory reserve requirements :**

	COMMERCIAL BANKS			FIA LICENSEES			BUILDING SOCIETIES*		
	Dec-01	Dec-00	Dec-99	Dec-01	Dec-00	Dec-99	Dec-01	Dec-00	Dec-99
Required Cash Reserve ratio	10.0%	13.0%	16.0%	10.0%	13.0%	16.0%	1% / 10%	1% / 13%	1% / 16%
Required Liquid Assets ratio (incl Cash Reserve)	28.0%	31.0%	34.0%	28.0%	31.0%	34.0%	5% / 28%	5% / 31%	5% / 34%

\* The requirements are differentially applied to societies not meeting the prescribed threshold of residential mortgage lending in relation to savings funds.  
 Societies that meet the prescribed 'qualifying assets' threshold attract lower reserve requirements indicated above. Societies which do not, are requested to meet the requirements which apply to banks and FIA licensees.

**SUBSEQUENT EVENT**

Effective 1 March 2002, the cash reserve and liquid assets ratios were reduced to 9% and 27% respectively.