



BANK OF JAMAICA

News Release

23 June 2000

**ANNUAL 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 AND THE FIA
AND REGULATION 49 OF THE BANK OF JAMAICA (BUILDING SOCIETIES) REGULATIONS, 1995
31-Dec-99**

Overall Structure	COMMERCIAL BANKS			FIA LICENSEES			BUILDING SOCIETIES			SYSTEM TOTAL (CONSOLIDATION OF ALL 3 SECTORS)		
	* Dec-99 6	* Dec-98 ¹ 9	Dec-97 9	* Dec-99 14	* Dec-98 18	Dec-97 27	Dec-99 5	Dec-98 8	Dec-97 10	* Dec-99 25	* Dec-98 ¹ 35	Dec-97 46
Number of Institutions in Operation												
¹ Total Assets(J\$MN)	188,278	165,040	142,433	10,803	11,823	15,909	39,839	44,315	37,689	238,920	221,178	196,031
Total Deposits(J\$MN)	126,814	114,091	109,329	4,938	5,759	6,865	32,577	34,546	30,924	164,329	154,396	147,118
¹ Total Loans(J\$MN)	32,192	35,119	53,456	2,545	2,292	4,288	14,072	15,001	15,790	48,809	52,412	73,534
Investments (J\$MN)	89,357	67,354	31,238	3,100	4,708	5,754	18,586	17,327	10,696	111,043	89,389	47,688
Capital Base(J\$MN)	14,742	5,219	2,692	3,620	2,384	777	3,300	1,493	1,502	21,662	9,096	4,971
Past Due Loans [PDL] (3 Mths & >)(J\$MN)	5,131	11,056	17,128	589	1,140	2,696	1,232	1,967	2,180	6,952	14,163	22,004
Provision for Loan Losses (J\$MN)	4,527	7,965	5,886	364	774	1,233	605	758	375	5,496	9,497	7,494
Contingent Liabilities												
[Accept.LC's & Guarantees] (J\$MN)	6,679	7,831	16,341	1,205	1,736	2,443	0	0	0	7,884	9,567	18,784
Managed Funds (J\$MN)	50	n.a	n.a	18,505	17,973	13,304	0	0	0	18,555	17,973	13,304
Repos on behalf of or for on-trading to clients (J\$MN)	460	n.a	n.a	34,391	25,156	19,484	0	0	0	34,851	25,156	19,484
Rate of Asset Growth	14.1%	15.9%	6.4%	-8.6%	-25.7%	-21.7%	-10.1%	17.6%	5.8%	8.0%	12.8%	3.3%
Rate of Deposit Growth	11.2%	4.4%	16.2%	-14.3%	-16.1%	-1.9%	-5.7%	11.7%	7.5%	6.4%	4.9%	13.3%
Rate of Loan Growth	-8.3%	-34.3%	1.9%	11.0%	-46.5%	-40.5%	-6.2%	-5.0%	2.9%	-6.9%	-28.7%	-2.0%
Rate of Capital Base Growth	182.5%	93.9%	-31.7%	51.8%	206.8%	-68.5%	121.0%	-0.6%	-14.1%	138.1%	83.0%	-39.0%
Rate of PDLs (3 Mths & >) Growth	-53.6%	-35.5%	124.0%	-48.3%	-57.7%	49.5%	-37.4%	-9.8%	24.7%	-50.9%	-35.6%	96.5%
Investments:Total Assets	47.5%	40.8%	21.9%	28.7%	39.8%	36.2%	46.7%	39.1%	28.4%	46.5%	40.4%	24.3%
Fixed Assets:Total Assets	2.5%	3.0%	2.8%	2.7%	3.2%	2.4%	3.0%	2.8%	3.2%	2.6%	2.9%	2.8%
Loans:Total Assets	17.1%	21.3%	37.5%	23.6%	19.4%	27.0%	35.3%	33.9%	41.9%	20.4%	23.7%	37.5%
Loans : Deposits	29.0%	37.8%	54.3%	58.9%	53.2%	80.4%	45.1%	45.6%	52.3%	33.0%	40.1%	55.1%
Liquidity												
Average Domestic Currency Cash Reserve :												
Average Prescribed Liabilities	15.8%	21.0%	25.0%	16.5%	18.3%	17.7%	1.0%	4.1%	3.6%	12.6%	16.7%	19.5%
Average Domestic Currency Liquid Assets :												
Average Prescribed Liabilities	48.3%	55.8%	50.6%	58.9%	50.1%	54.3%	19.2%	21.8%	21.6%	42.1%	47.1%	43.9%
Asset Quality												
Loan Loss Reserves:Total Loans	12.3%	18.5%	9.9%	12.5%	25.2%	22.3%	4.1%	4.8%	2.3%	10.1%	15.3%	9.2%
Loan Loss Reserves:PDL(3 Mths & >)	88.2%	72.0%	34.4%	61.8%	67.9%	45.7%	49.1%	38.5%	17.2%	79.1%	67.1%	34.1%
PDL (3 Mths & >):Total Loans	14.0%	25.7%	28.9%	20.2%	37.2%	48.8%	8.4%	12.5%	13.5%	12.8%	22.9%	27.2%
PDL (3 Mths & >):Total Assets	2.7%	6.7%	12.0%	5.5%	9.6%	16.9%	3.1%	4.4%	5.8%	2.9%	6.4%	11.2%
Capital Adequacy												
Deposits+Borrings.:Capital Base (:1)	11.0	28.5	48.3	1.6	3.3	16.2	10.5	27.6	23.2	9.3	21.8	35.7
Capital Base:Total Assets	7.8%	3.2%	1.9%	33.5%	20.2%	4.9%	8.3%	3.4%	4.0%	9.1%	4.1%	2.5%
Risk Asset Ratio [RAR] (estimated)	18.5%	5.2%	1.5%	49.8%	17.3%	-2.7%	13.4%	3.6%	4.4%	19.8%	5.8%	1.5%
PDL (3 Mths & >):(Capital Base + Provisions)	26.6%	83.9%	199.7%	14.8%	36.1%	134.1%	31.5%	87.4%	116.1%	25.6%	76.2%	176.5%
Profitability												
² Pre-Tax Profit Margin (Annual)	7.6%	-2.8%	-17.7%	22.6%	3.3%	-27.4%	4.8%	-0.3%	-2.8%	8.4%	-1.7%	-16.1%
Return on Average Assets (Annual)	1.3%	-0.5%	-3.2%	7.5%	1.3%	-6.8%	0.9%	-0.1%	-0.5%	1.5%	-0.3%	-3.0%
Income Assets/Expense Liabilities (as at 31 Dec)	89.1%	80.7%	71.0%	128.0%	91.5%	75.0%	101.1%	90.7%	88.7%	92.2%	83.2%	74.7%

Notes:

- Based on unaudited data submitted to BOJ by supervised institutions up to 15 May 2000.
- Aggregated system balances reflect the domestic operations of supervised institutions and do not include balances in respect of overseas branch operations.
- The 1999 System Indicators have been revised to incorporate amendments submitted subsequent to the publication of the Indicators reflected in the Draft Bank of Jamaica 1999 Annual Report.
- System figures at the end of 1997 and 1998 for building societies include balances in respect of the FINSAC intervened and controlled building societies (Capital Assurance Building Society (CABS), Citizens Building Society (CBS) and Eagle Permanent Building Society (EPBS)). With effect from 30 September 1999, reporting to the Bank of Jamaica ceased in relation to these entities, and as at that date, deposits held by EPBS prior to the merger with CABS and CBS were transferred to JNBS and a portion of its loan portfolio sold to that institution. Deposits on the books of CABS and CBS have subsequently been transferred to Union Bank of Jamaica Ltd., and steps are now being taken by FINSAC to sell the remaining assets, pay off other liabilities and have the combined entities dissolved.

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Notes (cont'd) :

¹ Net of Contingent Liabilities and Provisions for Losses

² Data includes extraordinary income/expenditure and adjustments for prior periods

Capital Base = Paid - up Capital + Reserve Fund + Retained Earnings Reserve Fund + Share Premium less impairment by net losses of individual institutions.

Capital Base used in the estimated Risk Asset Ratio (RAR) computation excludes investments in subsidiaries.

n.a.- Data re Managed Funds and Repurchase Agreements (Repos) on behalf of or for on-trading to clients is not available for 1997 and 1998 in respect of commercial banks.

* Reduction in loans and past due loans resulted largely from the purchase of non-performing loans by FINSAC.

Statutory reserve requirements :

	COMMERCIAL BANKS			FIA LICENSEES			BUILDING SOCIETIES**		
	Dec-99	Dec-98	Dec-97	Dec-99	Dec-98	Dec-97	Dec-99	Dec-98	Dec-97
Required Cash Reserve ratio	16.0%	21.0%	25.0%	16.0%	17.0%	17.0%	1% / 16%	1% / 13%	1% / 11%
Required Liquid Assets ratio (incl Cash Reserve)	34.0%	43.0%	47.0%	34.0%	35.0%	35.0%	5% / 34%	5% / 20%	5% / 11%

** 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.

+ Data restated