

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 ^a	Dec-99 ^a	Dec-01	Dec-00 ^b	Dec-99 ^a	Dec-01 ^c	Dec-00	Dec-99 ^d	Dec-01	Dec-00	Dec-99 ^a
Number of Institutions in Operation	6	6	6	11	11	14	4	5	5	21	22	25
J\$MN												
¹ 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
² 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
³ 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
%												
² 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 ²	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 ²	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 ²	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%
Liquidity												
Average Domestic Currency Cash Reserve :												
Average Prescribed Liabilities ⁴	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 ⁴	43.7%	45.6%	48.3%	128.1%	84.3%	58.9%	26.4%	23.9%	19.2%	41.7%	41.2%	42.1%



BANK OF JAMAICA

News Release

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	Dec-01	Dec-00	Dec-99	Dec-01	Dec-00	Dec-99	Dec-01	Dec-00	Dec-99	Dec-01	Dec-00	Dec-99
Asset Quality												
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 ² + 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%
Capital Adequacy												
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 ²	8.5%	8.4%	7.8%	15.8%	24.2%	33.5%	9.8%	9.6%	8.3%	9.1%	9.1%	9.1%
⁵ 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%
Profitability												
⁶ 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%
⁷ 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.
- ^a - 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.
- ^b - 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.
- ^c - 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).
- ^d - 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:

- ¹ Total Assets include Contingent Liabilities and net of Provisions for Losses.
² Total Assets net of Contingent Liabilities and Provisions for Losses.
³ 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).
⁴ Prescribed Liabilities include:
 (1) deposit liabilities, (2) reservable borrowings and interest accrued and payable on (1) & (2).
⁵ 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.
⁶ Data includes extraordinary income/expenditure and adjustments for prior period.
⁷ 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.