

Banking Credit: Monthly Situation Report

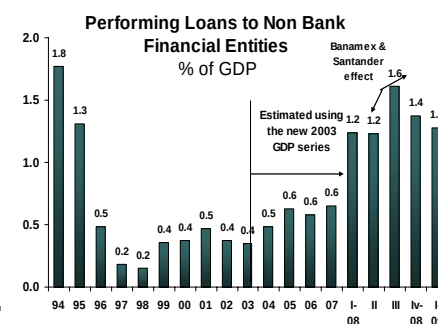
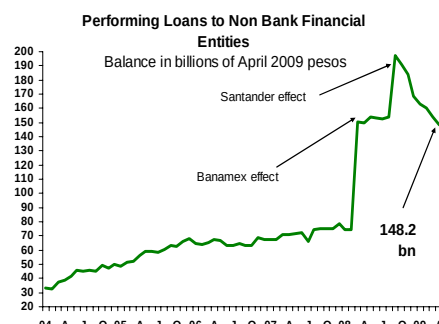
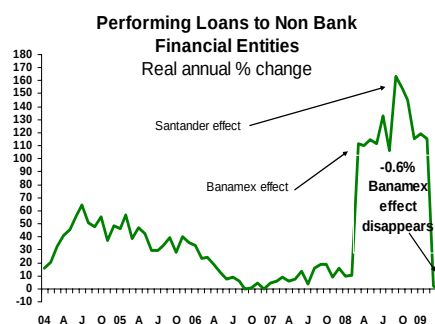
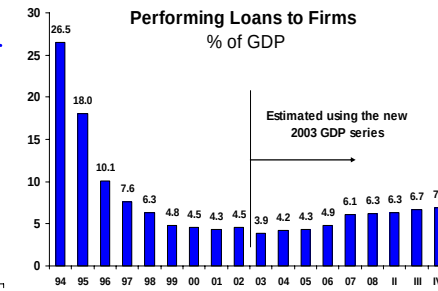
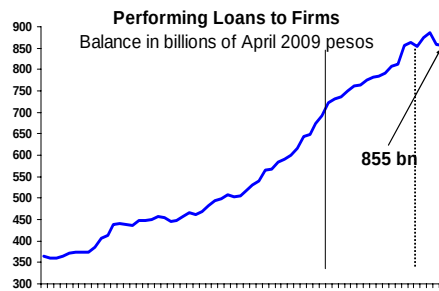
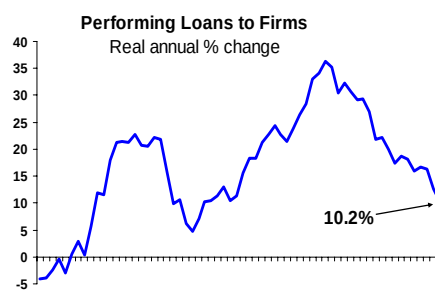
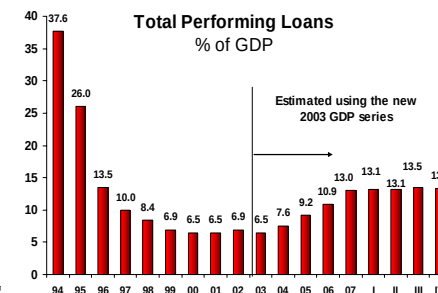
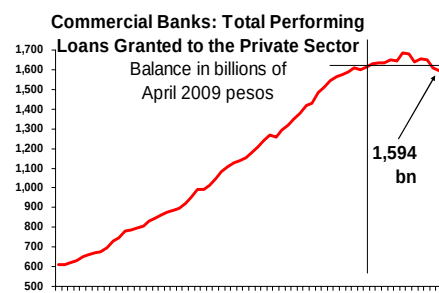
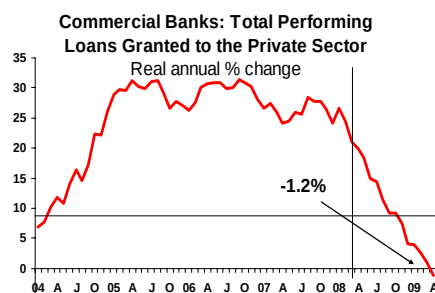
- In April 2009, real annual overall credit growth that commercial banks granted to the private sector was **-1.2%**.
- Corporate and mortgage lending recorded positive growth rates.
- Credit to non-banking financial intermediaries and consumers posted negative growth rates.

Overall current credit that commercial banks granted to the non-banking private sector

In April 09, real annual overall credit growth that commercial banks granted to the private sector was -1.2%. In the previous month, growth was positive, at 0.9%, and in the same month of 2008 growth was also positive and high (19.8%). Component contribution to growth was the following: corporate lending accounted for 4.9 percentage points (pp), of the -1.2 pp of its negative growth; mortgage lending contributed 1 pp; contribution from financial intermediaries (NBFIs) was negative, at -0.1 pp; and consumption loans was also negative, at -7 pp -. In other words, consumption loans accounted for most of the decline in total credit to the private sector. This applies if we view consumption loans separately or taken together with credit to NBFIs, because some banks transferred consumption loans to these intermediaries during 2008.

Current Company Credit

In April 2009, real annual lending growth was 10.2%. Growth recorded in the previous month was higher (12.6%), as occurred in the same month of 2008 (29.1%). Corporate lending has been the largest contributor in past months to overall credit growth. In February 2009, the credit balance reached its high and over the next two months it started to fall slightly, due to the adverse macroeconomic climate that is dominating the scene.



Source: Banco de México

Current Credit to Non-banking Financial Intermediaries (NBFIs)

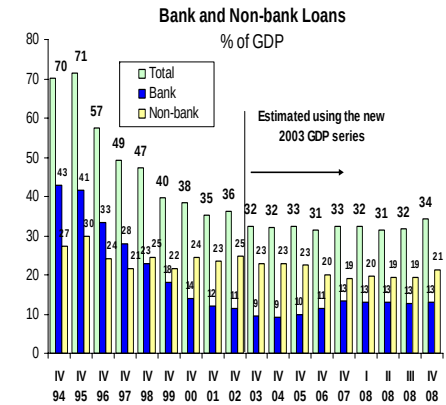
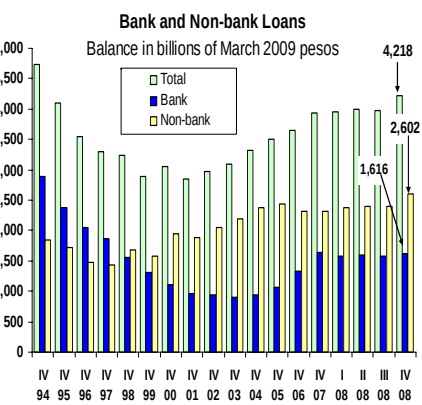
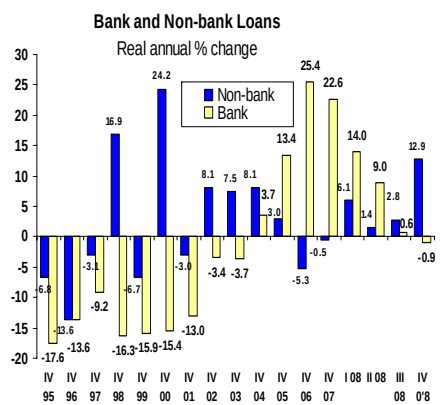
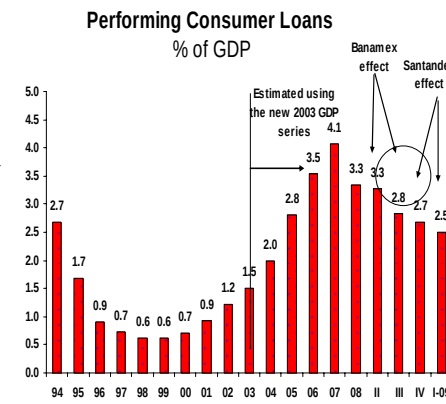
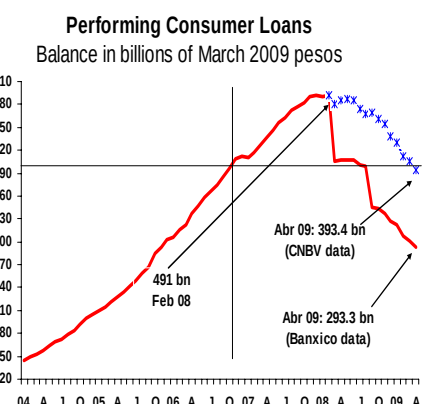
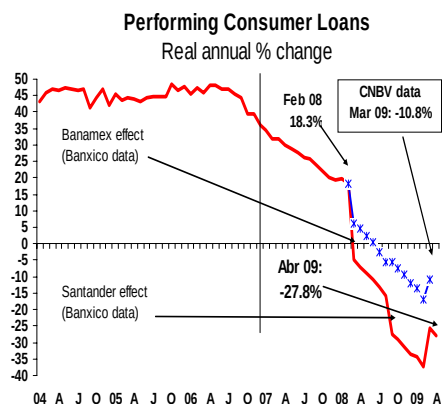
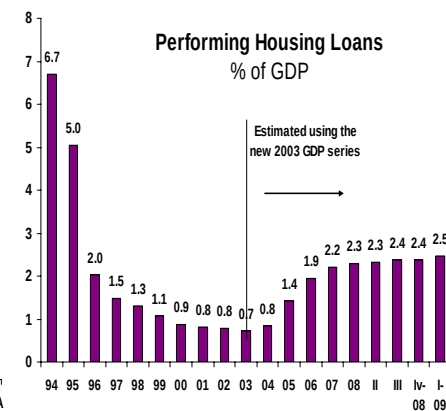
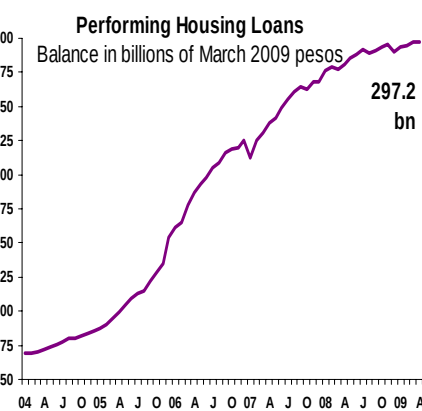
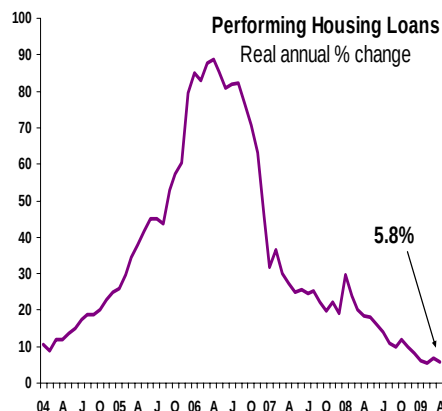
In April 2008, growth in credit that commercial banks granted to NBFIs was negative, at -0.6%. In the previous month, this rate was positive but low (2.2%) and in the same month in 2008 it was also positive, and high (109.8%). In 2008, NBFIs credit started to record very high growth rates after March 08, following a bank's transfer of a significant portion of its consumption loans portfolio to a sofome (NBFIs) associate. In September 2008, another bank followed suit. In March 2009, the arithmetic effect of the first consumption loans portfolio transfer ended and the growth rate recorded in March and April 2009 reflects the decline in consumption loans.

Current Mortgage Lending

In April 2009, real annual mortgage lending growth was 5.8%. Growth was higher in the preceding month (7%) as well as in the same month of 2008 (18.3%). The adverse macroeconomic climate and the downturn in official employment, among other factors, explain the slowing growth rate in this credit sector.

Current Consumption Loans

According to Bank of Mexico data, real annual consumption loans growth was negative, at -27.8%, in April 2009. This is a result of the consumption loans portfolio transfers to NBFIs. The CNBV's figures for April 2009 show that although the downturn was significant, it was less than Banxico's forecasts: -14.1 in real annual terms. Consumption loans, like mortgage lending, have been affected by the adverse macroeconomic climate, in accordance with the fall in GDP and the decline in official employment. These factors hit household revenue and the ability of households to pay new debts that they acquire heavily.



Source: Banco de México

Commercial Banks: Performing Loans to the Mexican Private Non Banking Sector

Balance in billions of April 2009 pesos						Real annual % change				
	Total	Consumer	Housing	Firms	NBFE*	Total	Consumer	Housing	Firms	NBFE*
IV 94	2,516.1	179.6	448.0	1,770.3	118.2	na	na	na	na	na
IV 95	1,480.7	95.5	286.9	1,024.0	74.3	-41.1	-46.8	-36.0	-42.2	-37.2
IV 96	829.3	55.4	124.3	619.8	29.7	-44.0	-42.0	-56.7	-39.5	-60.0
IV 97	663.3	48.6	98.7	504.0	12.0	-20.0	-12.4	-20.6	-18.7	-59.5
IV 98	571.4	42.7	87.8	430.5	10.3	-13.9	-12.0	-11.1	-14.6	-14.5
IV 99	496.7	45.2	76.5	349.2	25.9	-13.1	5.7	-12.9	-18.9	151.5
IV 00	513.9	55.7	69.4	359.2	29.5	3.4	23.3	-9.2	2.9	14.0
IV 01	520.6	73.8	65.6	343.4	37.8	1.3	32.5	-5.5	-4.4	28.2
IV 02	564.6	99.5	63.8	370.7	30.6	8.5	34.8	-2.8	7.9	-18.9
IV 03	612.9	142.9	68.3	368.4	33.3	8.6	43.6	7.1	-0.6	8.8
IV 04	772.7	203.2	85.2	434.8	49.5	26.1	42.2	24.8	18.0	48.4
IV 05	982.0	300.3	153.0	461.4	67.2	27.1	47.8	79.6	6.1	35.8
IV 06	1,258.3	408.4	222.9	559.9	67.0	28.1	36.0	45.7	21.3	-0.2
IV 07	1,561.5	487.8	265.9	730.2	77.6	24.1	19.4	19.3	30.4	15.7
I 08	1,597.4	406.3	277.6	763.1	150.4	21.1	-4.7	20.2	29.1	111.9
II 08	1,632.4	406.9	288.2	783.9	153.3	14.9	-10.8	15.9	21.9	111.9
III 08	1,646.6	345.5	290.6	813.4	163.4	9.2	-27.6	10.0	17.5	163.4
IV 08	1,641.0	327.5	290.2	854.5	168.8	4.1	-33.5	8.2	15.9	115.6
I 09	1,611.4	301.6	297.0	859.0	153.7	0.9	-25.8	7.0	12.6	2.2
Monthly balance in billions of April 2009 pesos						Real annual % change				
	Total	Consumer	Housing	Firms	NBFE*	Total	Consumer	Housing	Firms	NBFE*
2008	1,591.7	490.7	275.9	750.6	74.5	26.6	19.6	29.8	32.4	10.1
F	1,608.1	492.6	279.2	761.9	74.5	24.4	18.3	23.9	30.7	10.7
M	1,597.4	406.3	277.6	763.1	150.4	21.1	-4.7	20.2	29.1	111.9
A	1,613.1	406.4	280.9	776.2	149.6	19.8	-7.0	18.3	29.3	109.8
M	1,630.0	406.9	285.7	783.3	154.1	18.4	-8.9	18.1	27.0	114.8
J	1,632.4	406.9	288.2	783.9	153.3	14.9	-10.8	15.9	21.9	111.9
J	1,636.4	401.2	291.5	791.0	152.8	14.3	-13.3	14.0	22.2	132.5
A	1,650.3	398.2	289.3	808.7	154.1	11.4	-15.7	10.8	20.1	106.2
S	1,646.6	345.5	290.6	813.4	197.0	9.2	-27.6	10.0	17.5	163.4
O	1,685.0	343.1	294.0	856.7	191.2	9.2	-28.9	11.9	18.6	154.1
N	1,679.8	337.7	295.0	863.0	184.1	7.3	-31.2	9.9	18.1	145.2
D	1,641.0	327.5	290.2	854.5	168.8	4.1	-33.5	8.2	15.9	115.6
2009	1,654.6	322.3	293.3	875.7	163.4	4.0	-34.3	6.3	16.7	119.3
F	1,648.9	307.9	294.7	885.8	160.4	2.5	-37.5	5.6	16.3	115.4
M	1,611.4	301.6	297.0	859.0	153.7	0.9	-25.8	7.0	12.6	2.2
A	1,594.2	293.3	297.2	855.0	148.7	-1.2	-27.8	5.8	10.2	-0.6
Annual average balance						Average real annual growth rates				
	Total	Consumer	Housing	Firms	NBFE*	Total	Consumer	Housing	Firms	NBFE*
2005	862.9	248.1	111.6	444.9	58.3	29.4	45.1	46.2	17.9	38.9
2006	1,119.8	357.5	196.2	501.6	64.6	29.7	44.5	77.6	12.7	11.7
2007	1,413.4	451.7	245.8	644.4	71.4	26.2	26.8	25.8	28.3	10.7
2008	1,619.4	393.3	283.9	793.3	149.0	15.1	-12.0	15.9	23.6	107.2
% of GDP						% breakdown				
	Total	Consumer	Housing	Firms	NBFE*	Total	Consumer	Housing	Firms	NBFE*
IV 94	37.6	2.7	6.7	26.5	1.8	100.0	7.1	17.8	70.4	4.7
IV 95	26.0	1.7	5.0	18.0	1.3	100.0	6.5	19.4	69.2	5.0
IV 96	13.5	0.9	2.0	10.1	0.5	100.0	6.7	15.0	74.7	3.6
IV 97	10.0	0.7	1.5	7.6	0.2	100.0	7.3	14.9	76.0	1.8
IV 98	8.4	0.6	1.3	6.3	0.2	100.0	7.5	15.4	75.4	1.8
IV 99	6.9	0.6	1.1	4.8	0.4	100.0	9.1	15.4	70.3	5.2
IV 00	6.5	0.7	0.9	4.5	0.4	100.0	10.8	13.5	69.9	5.7
IV 01	6.5	0.9	0.8	4.3	0.5	100.0	14.2	12.6	66.0	7.3
IV 02	6.9	1.2	0.8	4.5	0.4	100.0	17.6	11.3	65.7	5.4
IV 03	6.5	1.5	0.7	3.9	0.4	100.0	23.3	11.1	60.1	5.4
IV 04	7.6	2.0	0.8	4.2	0.5	100.0	26.3	11.0	56.3	6.4
IV 05	9.2	2.8	1.4	4.3	0.6	100.0	30.6	15.6	47.0	6.8
IV 06	10.9	3.5	1.9	4.9	0.6	100.0	32.5	17.7	44.5	5.3
IV 07	13.0	4.1	2.2	6.1	0.6	100.0	31.2	17.0	46.8	5.0
I 08	13.1	3.3	2.3	6.3	1.2	100.0	25.4	17.4	47.8	9.4
II 08	13.1	3.3	2.3	6.3	1.2	100.0	24.9	17.7	48.0	9.4
III 08	13.5	2.8	2.4	6.7	1.6	100.0	21.0	17.6	49.4	12.0
IV 08	13.4	2.7	2.4	7.0	1.4	100.0	20.0	17.7	52.1	10.3

*NBFE: Non bank financial entities

Source: Banco de México

Bank and Non Bank Loans to the Private Sector

Broad version of non bank financing (loans to consumers and firms)

Balance in billions of April 2009 pesos													
	All Categories			Consumer			Housing			Firms			
	Total	Bank	Non bank	Total	Bank	Non bank	Total	Bank	Non bank	Total	Bank	Non bank	
IV 94	4,731	2,889	1,842	242	229	13	671	489	182	3,818	2,171	1,647	
IV 95	4,099	2,381	1,718	147	134	13	710	524	186	3,243	1,724	1,519	
IV 96	3,542	2,057	1,485	102	89	13	744	527	217	2,695	1,441	1,254	
IV 97	3,307	1,868	1,439	98	75	23	728	508	220	2,481	1,285	1,196	
IV 98	3,246	1,564	1,682	93	61	32	721	455	266	2,433	1,048	1,385	
IV 99	2,885	1,316	1,569	99	61	38	693	390	303	2,093	865	1,228	
IV 00	3,062	1,113	1,949	114	71	43	659	294	365	2,289	748	1,541	
IV 01	2,858	968	1,890	144	91	54	671	239	432	2,043	639	1,404	
IV 02	2,979	936	2,043	192	116	76	710	211	500	2,077	609	1,467	
IV 03	3,099	901	2,197	227	156	71	747	177	571	2,125	569	1,556	
IV 04	3,310	935	2,376	311	220	91	803	169	633	2,197	546	1,651	
IV 05	3,507	1,060	2,447	431	321	110	849	212	637	2,226	527	1,699	
IV 06	3,646	1,329	2,317	546	439	107	933	273	660	2,167	617	1,550	
IV 07	3,936	1,630	2,306	623	531	91	980	313	667	2,333	786	1,547	
I 08	3,952	1,569	2,383	627	439	188	1,010	319	691	2,315	811	1,505	
II 08	3,994	1,604	2,391	633	445	188	1,019	328	691	2,342	830	1,512	
III 08	3,978	1,572	2,406	622	381	241	1,024	331	694	2,332	861	1,471	
IV 08	4,218	1,616	2,602	589	364	225	995	331	664	2,634	921	1,713	
% breakdown													
IV 94	100.0	61.1	38.9	100.0	94.5	5.5	100.0	72.9	27.1	100.0	56.9	43.1	
IV 95	100.0	58.1	41.9	100.0	91.2	8.8	100.0	73.8	26.2	100.0	53.2	46.8	
IV 96	100.0	58.1	41.9	100.0	87.0	13.0	100.0	70.8	29.2	100.0	53.5	46.5	
IV 97	100.0	56.5	43.5	100.0	76.6	23.4	100.0	69.8	30.2	100.0	51.8	48.2	
IV 98	100.0	48.2	51.8	100.0	65.7	34.3	100.0	63.1	36.9	100.0	43.1	56.9	
IV 99	100.0	45.6	54.4	100.0	61.8	38.2	100.0	56.3	43.7	100.0	41.3	58.7	
IV 00	100.0	36.3	63.7	100.0	62.0	38.0	100.0	44.6	55.4	100.0	32.7	67.3	
IV 01	100.0	33.9	66.1	100.0	62.7	37.3	100.0	35.6	64.4	100.0	31.3	68.7	
IV 02	100.0	31.4	68.6	100.0	60.3	39.7	100.0	29.7	70.3	100.0	29.3	70.7	
IV 03	100.0	29.1	70.9	100.0	68.8	31.2	100.0	23.6	76.4	100.0	26.8	73.2	
IV 04	100.0	28.2	71.8	100.0	70.6	29.4	100.0	21.1	78.9	100.0	24.8	75.2	
IV 05	100.0	30.2	69.8	100.0	74.4	25.6	100.0	25.0	75.0	100.0	23.7	76.3	
IV 06	100.0	36.5	63.5	100.0	80.4	19.6	100.0	29.3	70.7	100.0	28.5	71.5	
IV 07	100.0	41.4	58.6	100.0	85.4	14.6	100.0	31.9	68.1	100.0	33.7	66.3	
I 08	100.0	39.7	60.3	100.0	70.1	29.9	100.0	31.6	68.4	100.0	35.0	65.0	
II 08	100.0	40.1	59.9	15.9	11.1	4.7	25.5	8.2	17.3	58.6	20.8	37.9	
III 08	100.0	39.5	60.5	15.6	9.6	6.1	25.7	8.3	17.4	58.6	21.6	37.0	
IV 08	100.0	38.3	61.7	14.0	8.6	5.3	23.6	7.8	15.7	62.4	21.8	40.6	
% of GDP													
IV 94	70.1	42.8	27.3	3.6	3.4	0.2	9.9	7.2	2.7	56.6	32.2	24.4	
IV 95	71.4	41.5	29.9	2.6	2.3	0.2	12.4	9.1	3.2	56.5	30.0	26.5	
IV 96	57.3	33.3	24.0	1.7	1.4	0.2	12.0	8.5	3.5	43.6	23.3	20.3	
IV 97	49.3	27.8	21.4	1.5	1.1	0.3	10.8	7.6	3.3	37.0	19.1	17.8	
IV 98	47.4	22.8	24.6	1.4	0.9	0.5	10.5	6.6	3.9	35.5	15.3	20.2	
IV 99	39.6	18.0	21.5	1.4	0.8	0.5	9.5	5.3	4.2	28.7	11.9	16.8	
IV 00	38.3	13.9	24.4	1.4	0.9	0.5	8.2	3.7	4.6	28.6	9.4	19.3	
IV 01	35.3	12.0	23.3	1.8	1.1	0.7	8.3	3.0	5.3	25.2	7.9	17.3	
IV 02	36.1	11.3	24.7	2.3	1.4	0.9	8.6	2.5	6.0	25.1	7.4	17.8	
IV 03 **	32.4	9.4	22.9	2.4	1.6	0.7	7.8	1.8	6.0	22.2	5.9	16.2	
IV 04	32.1	9.0	23.0	3.0	2.1	0.9	7.8	1.6	6.1	21.3	5.3	16.0	
IV 05	32.5	9.8	22.7	4.0	3.0	1.0	7.9	2.0	5.9	20.6	4.9	15.7	
IV 06	31.3	11.4	19.9	4.7	3.8	0.9	8.0	2.3	5.7	18.6	5.3	13.3	
IV 07	32.5	13.5	19.0	5.1	4.4	0.8	8.1	2.6	5.5	19.3	6.5	12.8	
I 08	32.5	12.9	19.6	5.1	3.6	1.5	8.3	2.6	5.7	19.0	6.7	12.4	
II 08	31.4	12.9	19.2	5.1	3.6	1.5	8.2	2.6	5.6	18.8	6.7	12.2	
III 08	31.8	12.6	19.2	5.0	3.0	1.9	8.2	2.6	5.5	18.7	6.9	11.8	
IV 08	34.4	13.2	21.2	4.8	3.0	1.8	8.1	2.7	5.4	21.5	7.5	14.0	
Source: Banco de México & INEGI													