

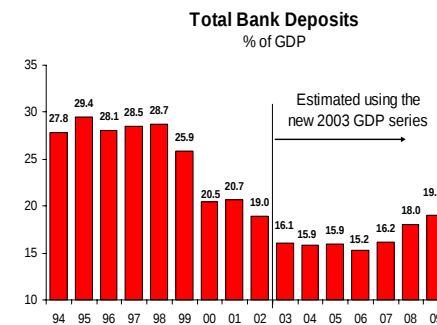
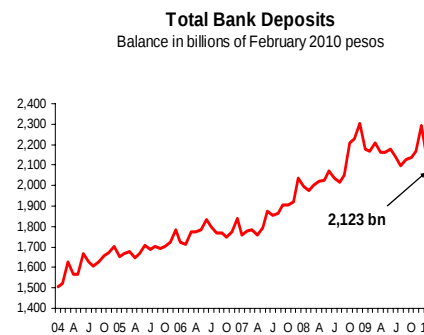
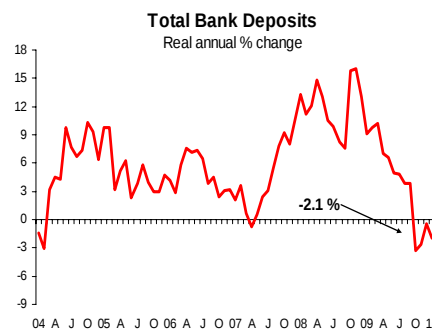
Bank Savings: Monthly Situation Report

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- In February 2010 real annual growth in traditional savings in resident commercial banks dropped 2.1 %
- Growth in demand deposits was positive although low (2.9 %) while growth in fixed-term savings was negative (-7.5 %)
- In February 2010, the real annual financial savings rate was 1.7 %

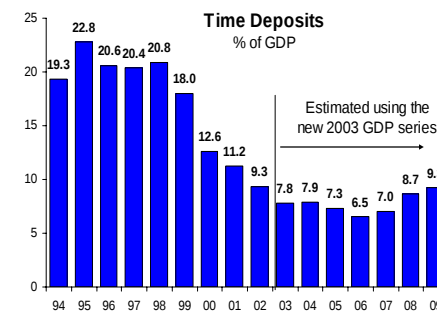
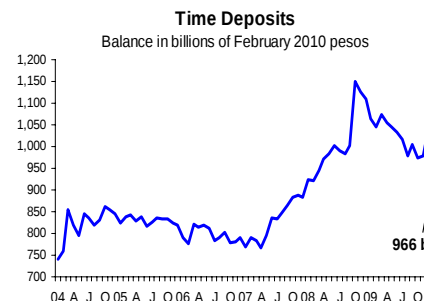
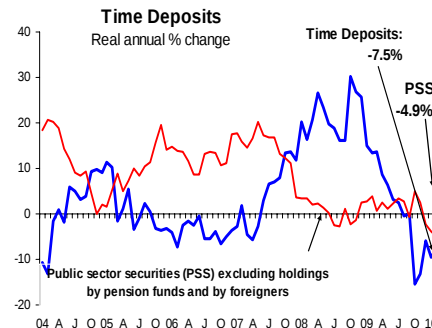
Commercial banking: traditional savings

In Feb-10 real annual growth in traditional bank savings was -2.1%. In the previous month, this rate was also negative (-1.9%). Meanwhile, in the same month in 2009 growth was positive (9.8%). The fall in traditional savings was due to the decline in fixed-term deposits and the flat growth that demand savings recorded in the month.



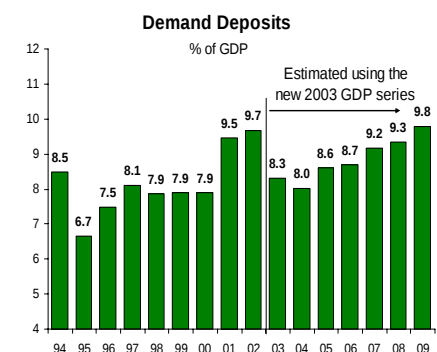
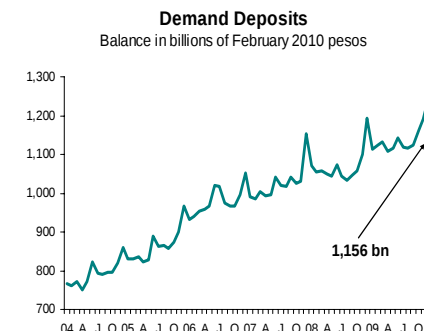
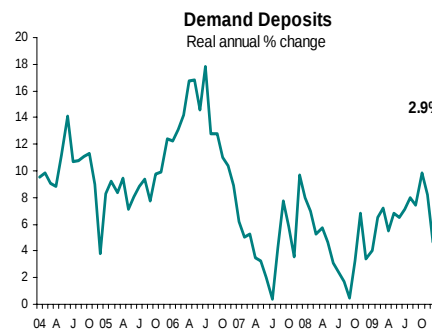
Fixed-term bank savings

In Feb-10, real annual growth in fixed-term savings was negative at -7.5%, as was the case the previous month (-9.6%). This contrasts with the same month in 2009, when there was positive growth of 13.5%. From Oct-09 onwards, fixed-term savings fell dramatically. This was the result of several factors, including the upturn in bond investment companies and less disposable income which was generated due to the economic recession in 2009.



Demand-deposit bank savings

In February 10 real annual growth in demand savings was 2.9%. This rate was lower than for the preceding month (5.4%) and for the same month of 2009 (6.5%). It could be that the slower growth in demand savings is linked to the greater inflation recorded and the increase in income tax rates. The first factor is partly explained by the fact that people saved less through liquid instruments, and the second shows that people saved less because their after-tax income was reduced.



Fuente: Banco de México

Bond Holding Companies

In Feb-10, bond holding companies (HCs) recorded real annual growth of 14.1%. This rate was higher than for the preceding month (11.4%) and for the same month in 2009 (-15.4%). In May-08, the balance of bond HCs reached its maximum level and at the end of that year these HCs were affected by major losses caused by the increase in interest rates. During 2009 and the first few months of 2010, bond HCs recovered, although in Feb-10 their balance was still 9.7% lower than May-08. It is worth mentioning that the fewer savings in these HCs could be due to the lower income caused by the economic recession in 2009. This becomes clear if we add the balance of fixed-term bank savings to the balance of funds deposited in bond HCs. The sum of these two saving instruments, which are interchangeable, did record negative real annual growth rates between Jun-09 and Feb-10. The average for this 9-month period was -3.9%, whereas in the last month it recorded -1.6%. This could also be a sign that the 2009 recession has had an effect on the population's saving capacity.

Financial Savings (FS, including bank and non-bank savings instruments)

Real annual growth for FS was 1.7% in Feb-10. Growth was higher than in the preceding month (0.3%) and lower than the same month in 2009 (7.6%). Growth in FS for the first 11 months of 2009 was high, on average 7.4%. From Dec-09 to Feb-10 this rate dropped. The contribution to component growth was as follows: public sector securities +2.1 percentage point (pps) of growth of the +1.7% FS growth; the Retirement Savings System (SAR) outside Siefores contributed +0.0 pps; Private Company Securities contributed by -0.1 pps; savings institutions, -0.3 pps (commercial banks, -0.7 pps; overseas agencies, -0.2 pps; development banks, -0.3; Savings and Loans Companies, +0.3 pps).

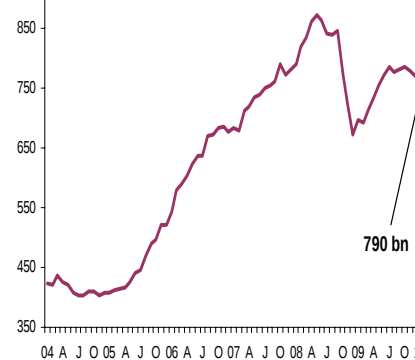
Debt Mutual Funds

Real annual % change



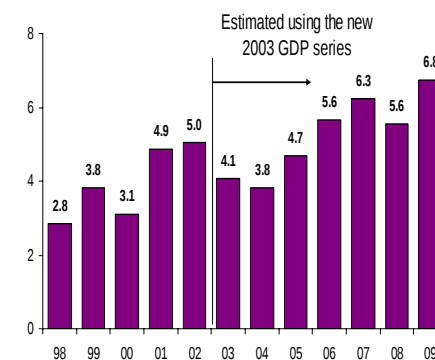
Debt Mutual Funds

Balance in billions of February 2010 pesos



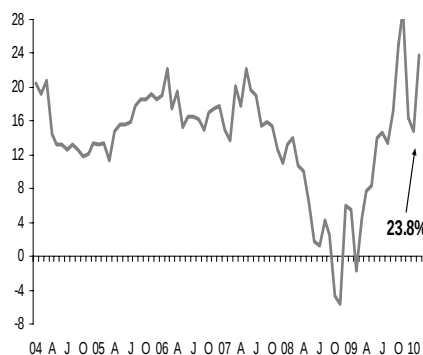
Debt Mutual Funds

% of GDP



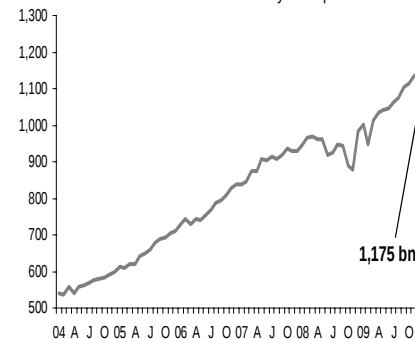
Pension Funds

Real annual % change



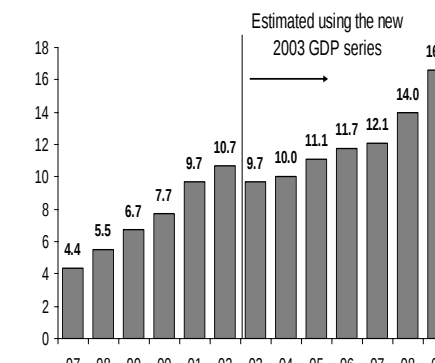
Pension Funds

Balance in billions of February 2010 pesos



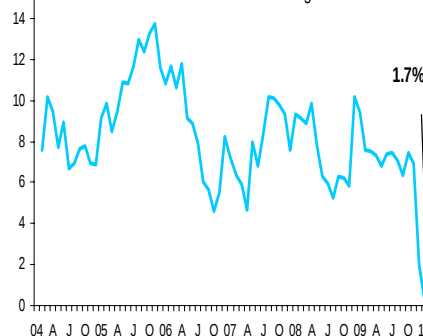
Pension Funds

% of GDP



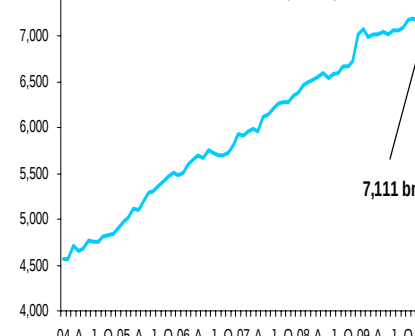
Financial Savings = M4a - Holdings of Currency by NonBanking Private Sector

Real annual % change



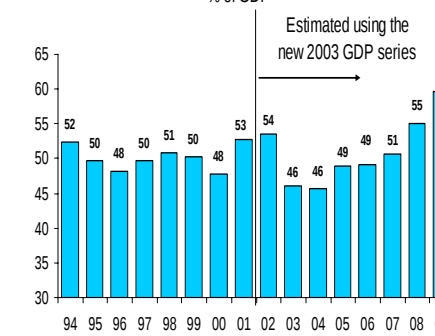
Financial Savings = M4a - Holdings of Currency by NonBanking Private Sector

Balance in billions of February 2010 pesos



Financial Savings = M4a - Holdings of Currency by NonBanking Private Sector

% of GDP



Fuente: Banco de México

FINANCIAL SAVINGS BY COMPONENTS

Balance end of period in billions of February 2010 pesos

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	J 08	F	M	A	M	J	J	A	S	O	N	D	J 09	F	M	A	M	J	J	A	S	O	N	D	J 10	F
M4 a	3,519	3,750	3,884	4,316	4,523	4,938	5,284	5,883	6,379	6,858	6,921	6,951	6,963	6,983	7,037	6,974	7,022	7,042	7,111	7,133	7,187	7,545	7,580	7,492	7,506	7,516	7,537	7,511	7,563	7,548	7,574	7,657	7,678	7,713	7,623	7,624
- Bills & currency holdings	214	270	275	288	318	347	377	407	453	482	453	449	440	434	441	435	441	440	436	455	462	521	504	498	491	489	494	487	492	481	474	481	489	546	523	513
= Financial Savings	3,305	3,480	3,609	4,028	4,206	4,591	4,907	5,476	5,926	6,375	6,467	6,502	6,523	6,550	6,596	6,539	6,581	6,602	6,675	6,678	6,724	7,025	7,076	6,993	7,015	7,027	7,043	7,024	7,070	7,067	7,100	7,176	7,190	7,167	7,100	7,111
I. Deposit Institutions	2,277	2,173	1,891	1,960	1,876	1,986	2,093	2,243	2,247	2,448	2,371	2,351	2,364	2,400	2,385	2,440	2,405	2,366	2,410	2,594	2,646	2,742	2,628	2,590	2,635	2,583	2,577	2,611	2,573	2,539	2,578	2,585	2,610	2,753	2,586	2,567
Development banks	242	250	255	304	318	331	328	394	329	312	278	274	266	283	265	273	276	250	255	279	311	332	348	315	323	318	319	340	340	344	334	334	325	345	338	333
Commercial banks (domestic)	1,868	1,794	1,544	1,577	1,491	1,603	1,704	1,784	1,841	2,037	1,994	1,976	2,001	2,022	2,027	2,073	2,036	2,018	2,051	2,208	2,227	2,303	2,176	2,169	2,207	2,163	2,161	2,176	2,135	2,096	2,129	2,135	2,169	2,292	2,134	2,123
Demand deposits	513	548	594	722	758	828	859	965	1,052	1,153	1,070	1,055	1,057	1,050	1,044	1,072	1,045	1,034	1,047	1,057	1,101	1,192	1,113	1,124	1,133	1,107	1,115	1,142	1,119	1,117	1,125	1,162	1,191	1,248	1,173	1,156
Time deposits	1,355	1,246	950	855	732	775	845	819	790	883	924	921	944	972	984	1,001	991	984	1,004	1,151	1,126	1,111	1,063	1,045	1,073	1,056	1,045	1,034	1,016	980	1,004	974	978	1,045	961	966
Agencies abroad of commercial banks	159	121	85	71	60	43	49	51	60	81	80	83	78	77	74	74	74	79	85	88	90	88	86	87	86	84	79	76	79	80	76	76	75	75	74	72
Savings and loans institutions	7	8	7	7	8	10	12	14	17	18	18	19	18	19	19	19	19	19	19	19	19	19	19	19	19	19	19	19	19	19	19	40	40	40	41	40
II. Securities issued by the public sector	668	929	1,254	1,545	1,751	1,930	2,075	2,437	2,795	2,990	3,149	3,202	3,196	3,166	3,208	3,083	3,145	3,215	3,237	3,091	3,089	3,083	3,247	3,214	3,187	3,257	3,298	3,241	3,301	3,336	3,331	3,394	3,378	3,217	3,315	3,359
Federal government securities	637	887	1,047	1,029	1,142	1,231	1,127	1,280	1,750	2,003	2,097	2,127	2,140	2,148	2,151	2,064	2,105	2,179	2,195	2,119	2,195	2,184	2,352	2,318	2,334	2,371	2,423	2,371	2,424	2,444	2,430	2,494	2,491	2,324	2,379	2,412
Central bank bonds	0	0	32	209	220	200	248	284	101	13	13	6	6	4	4	3	3	2	2	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
IPAB bonds (Bank savers protection institute)	0	0	107	216	288	347	479	561	588	636	691	715	698	661	698	662	684	680	687	623	547	552	549	549	508	530	517	511	515	526	536	544	523	531	576	578
Other public sector bonds	31	42	68	91	102	153	222	311	356	338	348	354	352	353	355	355	353	354	353	348	345	346	345	346	344	355	357	359	361	365	363	355	362	361	358	368
III. Debt securities issued by private firms	108	90	130	139	182	232	258	264	298	344	348	353	357	369	369	386	393	390	392	361	355	351	350	343	340	329	318	324	340	338	327	336	336	336	342	334
IV. Pension funds outside Mutual Pension Funds	251	287	333	382	394	440	479	529	582	590	595	592	603	611	629	626	634	628	634	628	630	845	847	843	850	854	847	844	853	850	858	855	860	855	851	844
Financial Savings = I + II + III + IV	3,304	3,479	3,607	4,026	4,204	4,589	4,905	5,473	5,922	6,372	6,463	6,498	6,519	6,546	6,592	6,535	6,578	6,599	6,672	6,675	6,721	7,021	7,073	6,990	7,012	7,024	7,040	7,021	7,067	7,064	7,094	7,170	7,184	7,161	7,094	7,104
Instruments included in Financial Savings																																				
Mutual Pension Funds (MPF)	104	179	247	359	444	529	599	711	838	929	948	966	969	962	963	918	927	947	942	891	878	985	1,000	949	1,011	1,036	1,043	1,046	1,062	1,074	1,104	1,113	1,133	1,146	1,149	1,174
Holdings of public sector securities by foreigners	41	17	13	25	24	33	98	137	169	255	299	322	325	316	314	303	349	374	363	316	299	293	311	289	290	290	294	281	288	297	316	331	336	332	357	369
Debt Mutual Funds	184	264	231	370	393	404	408	521	678	781	791	819	834	863	874	865	841	840	846	775	727	674	697	693	713	734	755	773	785	776	781	785	779	771	776	790
Total Mutual Funds: Debt + Variable Income	220	310	275	424	441	476	495	615	817	959	961	982	1,002	1,023	1,039	1,027	995	992	991	903	850	794	809	800	823	850	878	896	914	913	923	926	929	922	928	948
Financial Savings without Total Pension Funds	2,949	3,015	3,028	3,287	3,367	3,622	3,829	4,235	4,506	4,857	4,923	4,944	4,951	4,976	5,004	4,995	5,021	5,027	5,099	5,159	5,216	5,195	5,228	5,201	5,154	5,137	5,153	5,134	5,155	5,143	5,138	5,208	5,197	5,166	5,101	5,092
Total Pension Funds (MPF + non-MPF)	355	464	579	739	837	967	1,076	1,237	1,416	1,515	1,540	1,554	1,568	1,570	1,589	1,541	1,556	1,572	1,573	1,516	1,505	1,827	1,844	1,789	1,858	1,887	1,887	1,887	1,912	1,921	1,956	1,962	1,987	1,994	1,993	2,012
Real annual % change																																				
M4 a	5.4	6.6	3.6	11.1	4.8	9.2	7.0	11.3	8.4	7.5	9.2	9.1	8.6	9.5	7.7	6.0	5.9	5.2	6.1	6.5	5.9	10.0	9.5	7.8	7.8	7.6	7.1	7.7	7.7	7.2	6.5	7.3	6.8	2.2	0.6	1.8
- Bills & currency holdings	3.8	26.1	1.7	4.7	10.4	9.2	8.6	8.0	11.4	6.4	6.7	8.2	3.9	4.4	5.7	2.6	4.4	4.1	4.2	9.8	7.3	7.9	11.2	10.9	11.7	12.7	11.9	12.0	11.6	9.4	8.7	5.7	5.7	4.9	3.7	3.0
= Financial Savings	5.5	5.3	3.7	11.6	4.4	9.2	6.9	11.6	8.2	7.6	9.4	9.2	8.9	9.8	7.8	6.3	6.0	5.3	6.3	6.2	5.8	10.2	9.4	7.6	7.5	7.3	6.8	7.4	7.4	7.0	6.4	7.5	6.9	2.0	0.3	1.7
I. Deposit Institutions	3.3	-4.6	-13.0	3.7	-4.2	5.9	5.4	7.1	0.2	9.0	11.3	9.2	8.9	13.0	10.9	8.1	8.8	5.9	5.8	14.0	15.0	12.0	10.9	10.1	11.5	7.6	8.0	7.0	7.0	7.3	7.0	-0.4	-1.4	0.4	-1.6	-0.9
Development banks	8.7	2.9	2.2	19.2	4.5	4.1	-0.7	19.8	-16.4	-5.1	-5.3	-7.9	-13.1	-1.7	0.6	-3.9	6.4	-8.5	-7.8	2.3	8.2	6.4	25.0	14.9	21.3	12.4	20.4	24.3	23.3	37.7	31.0	19.5	4.6	4.1	-2.8	5.6
Commercial banks (domestic)	3.9	-4.0	-13.9	2.2	-5.5	7.5	6.3	4.7	3.2	10.6	13.3	11.1	12.0	14.8	13.0	10.5	9.8	8.3	7.6	15.8	16.1	13.1	9.1	9.8	10.3	7.0	6.6	5.0	4.9	3.9	3.8	-3.3	-2.6	-0.5	-1.9	-2.1
Demand deposits	0.1	6.9	8.5	21.6	5.0	9.1	3.8	12.4	8.9	9.7	8.0	7.0	5.3	5.8	4.6	3.1	2.4	1.7	0.5	3.2	6.8	3.4	4.1	6.5	7.2	5.5	6.9	6.5	7.1	8.0	7.4	9.9	8.2	4.6	5.4	2.9
Time deposits	5.4	-8.1	-23.8	-9.9	-14.4	5.9	9.0	-3.1	-3.5	11.9	20.2	16.4	20.7	26.5	23.5	19.7																				