

# Mexico Banking Flash

## Private sector credit: continues double-digit growth

In April, 2013, the real annual growth in total commercial bank lending to the private sector was 11.7%, higher than the previous month (11.4%) and lower than in the same month of 2012 (13.9%). The contribution of its 4 components to its growth was as follows: corporate lending contributed 5 percentage points (pp) of the total 11.7 pp growth posted; consumer, 4 pp; housing, 2 pp; and non-banking financial intermediaries (NBFi), 0.7 pp.

- **Consumer: Other consumer finance remains its most dynamic component**

In April, the nominal annual growth rate of total consumer finance was 16.1%, less than the previous month's rate (17.1%) and that for the same month in 2012 (23.4%). That month, the nominal annual growth rates for the three components of consumer finance were: other consumer finance (OCC), which includes payroll and personal loans, 20.7%; credit cards (TDC), 15%; and loans for the purchase of consumer durables (BCD), 3.7%. These three components made the following contributions to growth in total consumer lending: OCC accounted for 8.9% of the growth of 16.1% in total consumer credit; credit cards contributed 6.8%; and consumer durable loans, 0.4%. Since 2012, the rate of growth in total consumer lending has gradually slowed, and from April 2012 to the same month of 2013, the nominal annual growth rate fell by 7.3%, the other consumer finance category being responsible for virtually all the slower growth in total consumer lending, as the fall in the growth of Credit Cards and consumer durable loans has been minimal over this period.

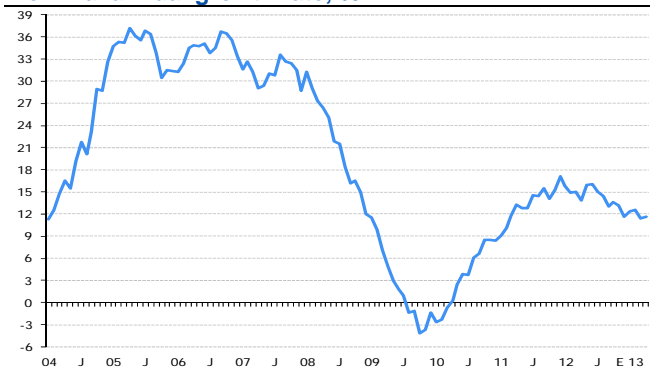
- **Corporate: more modest performance likely to be due to the lower growth in GDP**

In April, the nominal annual growth rate for corporate lending was 9.6%, higher than in the previous month (8.7%) and lower than in the same month in 2012 (11.7%). Growth in this type of lending has fallen since the latter part of 2012, and has remained low. This may be due to the lower growth in GDP: in the first half of 2012, it reported growth of 4.7%, then fell to 3.2% in the second half of the year; while it was even lower, 0.8%, in the first quarter of 2013

- **Housing: nominal annual growth in mortgage lending has stabilized at around 10%**

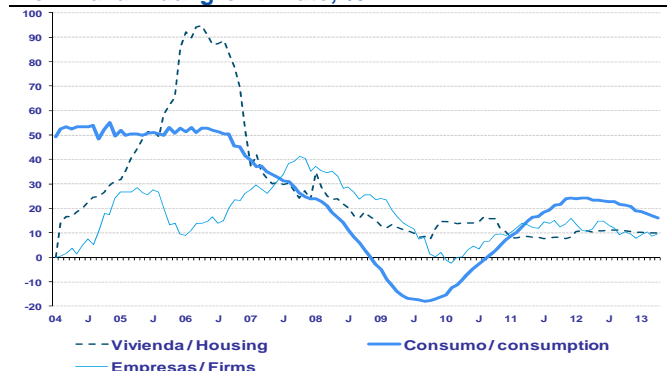
In April 2013, nominal annual growth in mortgage lending was 10.1%. This was higher than in the preceding month (9.9%) but lower than the same month of 2012 (10.4%). The average annual growth rate of mortgage lending in 2012 was 10.7%, and the average rate for the first four months of 2013 was 10.1%. In other words, growth in this lending has gradually slowed.

Chart 1  
**Total bank lending to the private sector**  
Nominal annual growth rate, %



Source: BBVA Research with Bank of Mexico data

Chart 2  
**Consumer, Housing and Corporate Lending**  
Nominal annual growth rate, %

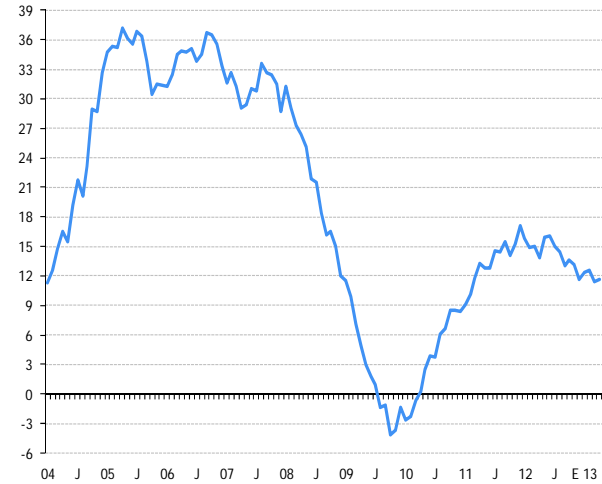


Source: BBVA Research with Bank of Mexico data

# Credit: graphs and statistics

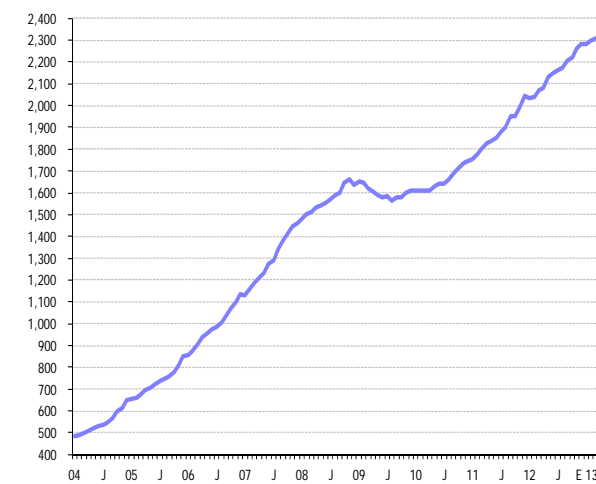
- In April 2013 the annual nominal growth rate of total bank loans to the private sector was 11.7%.
- The rates of growth of the main loan categories were: consumption, 16.1%; housing, 10.1%; and loans to firms, 9.6%.
- The annual nominal rate of growth of loans granted to the private sector in April 2013 was greater than the one registered in the previous month (11.4%), while it was lower than the rate of growth reported in the same month of 2012 (13.9%).

Graph 1  
Total Bank Loans to the Private Sector  
Annual nominal rate of growth, %



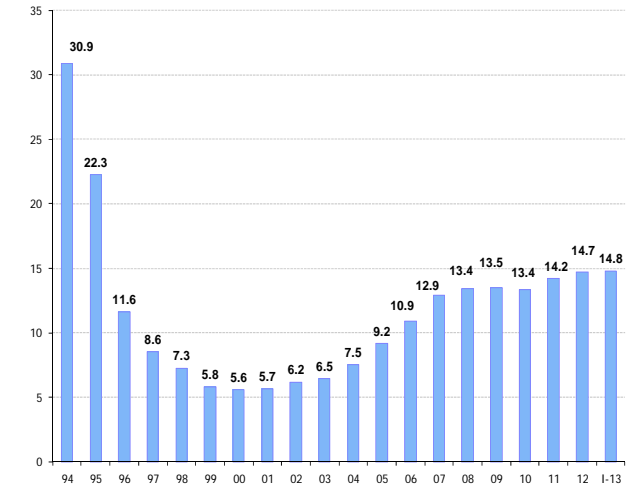
Source: BBVA Research with data of Bank of Mexico

Graph 2  
Total Bank Loans to the Private Sector  
Balance in current billions of Mexican pesos



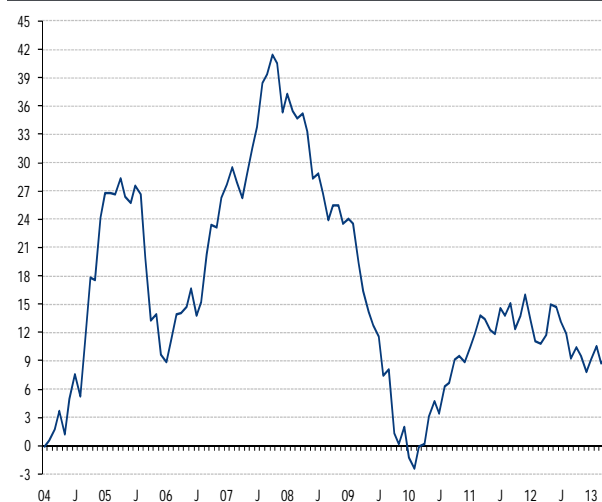
Source: BBVA Research with data of Bank of Mexico

Graph 3  
Total Bank Loans to the Private Sector  
As ratio of GDP, %



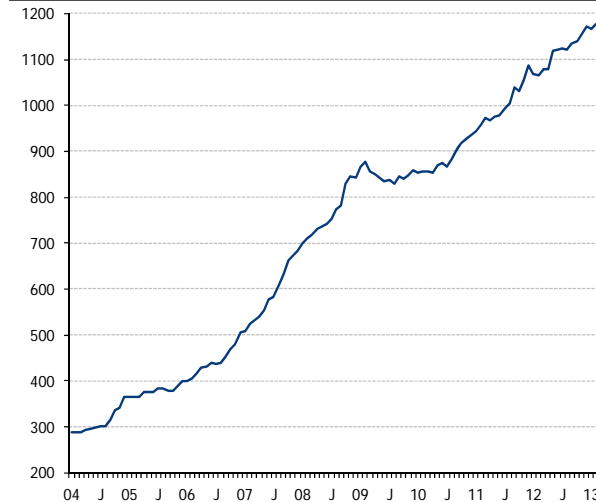
Source: BBVA Research with data of Bank of Mexico and INEGI

Graph 4  
Loans to Firms  
Annual nominal rate of growth, %



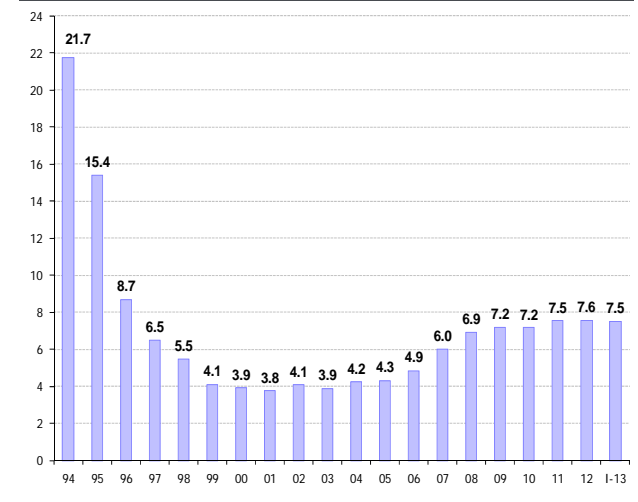
Source: BBVA Research with data of Bank of Mexico

Graph 5  
Loans to Firms  
Balance in current billions of Mexican pesos



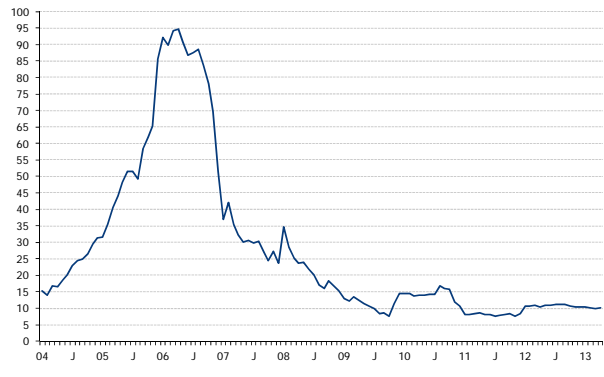
Source: BBVA Research with data of Bank of Mexico

Graph 6  
Loans to Firms  
As ratio of GDP, %



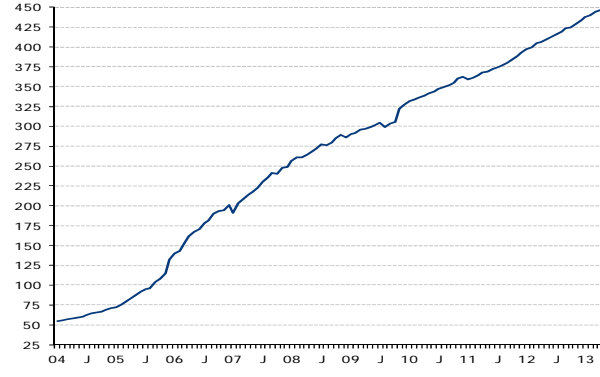
Source: BBVA Research with data of Bank of Mexico and INEGI

**Graph 7**  
**Housing Loans**  
**Annual nominal rate of growth, %**



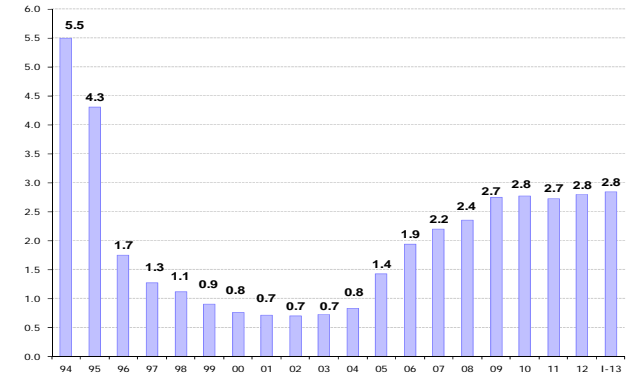
Source: BBVA Research with data of Bank of Mexico

**Graph 8**  
**Housing Loans**  
**Balance in current billions of Mexican pesos**



Source: BBVA Research with data of Bank of Mexico

**Graph 9**  
**Housing Loans**  
**As ratio of GDP, %**



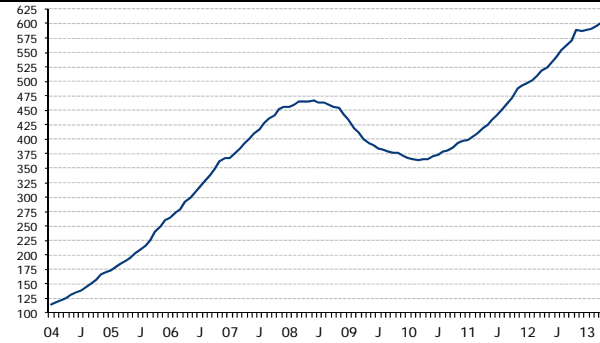
Source: BBVA Research with data of Bank of Mexico and INEGI

**Graph 10**  
**Consumption Loans**  
**Annual nominal rate of growth, %**



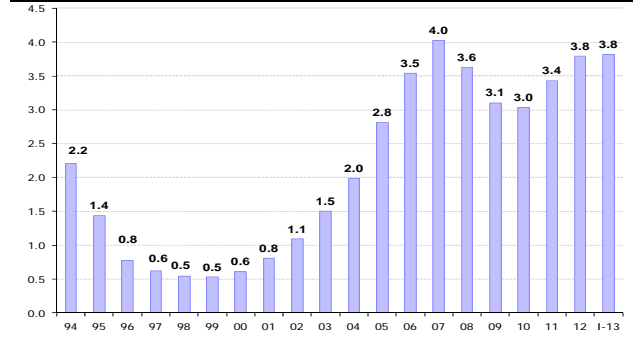
Source: BBVA Research with data of Bank of Mexico

**Graph 11**  
**Consumption Loans**  
**Balance in current billions of Mexican pesos**



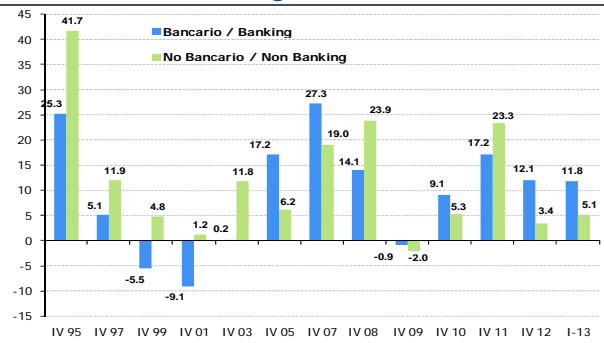
Source: BBVA Research with data of Bank of Mexico

**Graph 12**  
**Consumption Loans**  
**As ratio of GDP, %**



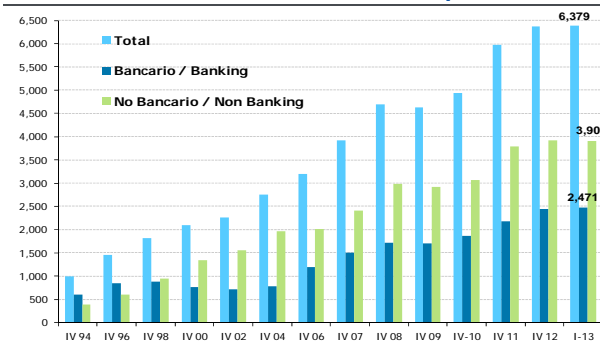
Source: BBVA Research with data of Bank of Mexico and INEGI

**Graph 13**  
**Banking and Non Banking Financing**  
**Annual nominal rate of growth, %**



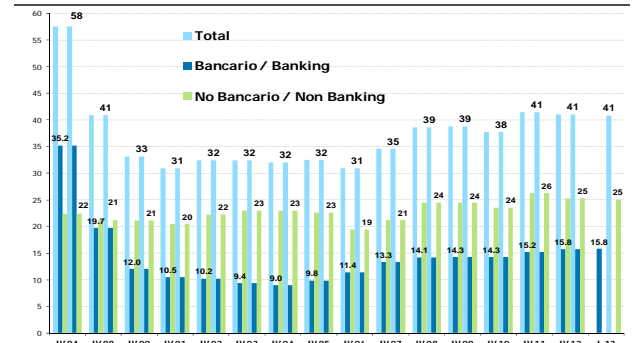
Source: BBVA Research with data of Bank of Mexico

**Graph 14**  
**Banking and Non Banking Financing**  
**Balance in current billions of Mexican pesos**



Source: BBVA Research with data of Bank of Mexico

**Graph 15**  
**Banking and Non Banking Financing**  
**As ratio of GDP, %**



Source: BBVA Research with data of Bank of Mexico and INEGI

BANCA COMERCIAL: CRÉDITO VIGENTE AL SECTOR PRIVADO NO BANCARIO / COMMERCIAL BANKS: PERFORMING LOANS TO THE PRIVATE SECTOR

Banca Comercial: Crédito Vigente al Sector Privado no Bancario

Banca Comercial: Crédito Vigente al Sector Privado no Bancario

Table with columns: Saldos mmp de Abril de 2013 / Balance of April-2013 billion pesos, Var % anual real / Annual real growth rate. Rows: IV 94, IV 95, IV 96, IV 97, IV 98, IV 99, IV 00, IV 01, IV 02, IV 03, IV 04, IV 05, IV 06, IV 07, IV 08, IV 09, IV 10, IV 11, IV 12.

Table with columns: Saldos mmp Abril 2013 / Balance in April 2013 billion pesos, Var % anual real / Annual real growth rate. Rows: 2011, 2012, 2013 with sub-rows F, M, A, J, S, O, N, D.

Table with columns: Crédito Total al Sector Privado / Total Loans to the Private Sector, Aportación al crecimiento / Contribution to growth, Tasa de crecimiento reales promedio anual (12 meses) / Annual average real rates of growth (12 months). Rows: IV 95, IV 96, IV 97, IV 98, IV 99, IV 00, IV 01, IV 02, IV 03, IV 04, IV 05, IV 06, IV 07, IV 08, IV 09, IV 10, IV 11, IV 12, I-13.

Table with columns: Saldos mmp corrientes / Balance in current billion pesos, Var % anual nominal / Nominal annual rate of growth, % . Rows: IV 94, IV 95, IV 96, IV 97, IV 98, IV 99, IV 00, IV 01, IV 02, IV 03, IV 04, IV 05, IV 06, IV 07, IV 08, IV 09, IV 10, IV-11, IV-12.

Table with columns: Saldos mmp corrientes / Balance in current billion pesos, Var % anual nominal / Nominal annual rate of growth, % . Rows: 2011, 2012, 2013 with sub-rows F, M, A, J, S, O, N, D.

Table with columns: Proporción del PIB / Rate of GDP, %, Estructura del saldo / Percentage structure, %. Rows: IV 94, IV 95, IV 96, IV 97, IV 98, IV 99, IV 00, IV 01, IV 02, IV 03, IV 04, IV 05, IV 06, IV 07, IV 08, IV 09, IV 10, IV 11, IV 12, I-13.

