

KEY FACTS: 50 FINANCIAL SYSTEM INDICATORS – FUNCAS

Updated: October 31st, 2012

Highlights

Indicator	Last value available	Corresponding to:
Bank lending to other resident sectors (monthly average % var.)	-1.1	August 2012
Other resident sectors' deposits in credit institutions (monthly average % var.)	-0.4	August 2012
Doubtful loans (monthly % var.)	3.2	August 2012
Recourse to the Eurosystem (Eurozone financial institutions, million euros)	876,292	September 2012
Recourse to the Eurosystem (Spanish financial institutions, million euros)	378,176	September 2012
Recourse to the Eurosystem (Spanish financial institutions million euros)- Main L/T refinancing operations	70,818	September 2012
Operating expenses/gross operating income ratio (%)	47,04	June 2012
Customer deposits/employees ratio (thousand euros)	5,426.71	June 2012
Customer deposits/branches ratio (thousand euros)	33,619.98	June 2012
Branches/institutions ratio	210.91	June 2012

A. Money and interest rates

Indicator	Source:	Average 1996-2009	2010	2011	2012 August	2012 September	Definition and calculation
1. Monetary Supply (%chg.)	ECB	6.9	1.7	2.2	2.8	2.7	M3 aggregate change (non-stationary)
2. Three-month interbank interest rate	Bank of Spain	3.4	0.9	1.4	0.3	0.2 ^a	Daily data average
3. One-year Euribor interest rate (from 1994)	Bank of Spain	3.3	1.4	2.0	0.8	0.6 ^a	End-of-month data
4. Ten-year Treasury bonds interest rate (from 1998)	Bank of Spain	4.9	4.3	5.4	6.6	5.6 ^a	Market interest rate (not exclusively between account holders)
5. Corporate bonds average interest rate	Bank of Spain	5.0	3.7	5.0	8.3	7.1	End-of-month straight bonds average interest rate (> 2 years) in the AIAF market

(a) Last data published: October 31st, 2012.

Comment on "Money and Interest Rates": By the end of October, the 3-month and 1-year Euribor rates decreased to 0.2% and 0.6%, respectively. Additionally, the 10-yr bond yield has decreased to 5.6% due to more stable environment in the debt markets compared to previous months.

B. Financial markets

Indicator	Source:	Average 1996-2009	2010	2011	2012 August	2012 September	Definition and calculation
6. Outright spot treasury bills transactions trade ratio	Bank of Spain	18.3	40.5	81.6	77.3	83.9	(Traded amount/ outstanding balance) x100 in the market (not exclusively between account holders)
7. Outright spot government bonds transactions trade ratio	Bank of Spain	77.8	88.9	112.6	57.4	55.5	(Traded amount/ outstanding balance) x100 in the market (not exclusively between account holders)
8. Outright forward treasury bills transactions trade ratio	Bank of Spain	0.3	1.7	2.2	1.7	1.1	(Traded amount/ outstanding balance) x100 in the market (not exclusively between account holders)
9. Outright forward government bonds transactions trade ratio	Bank of Spain	4.6	2.9	3.3	0.9	1.0	(Traded amount/ outstanding balance) in the market (not exclusively between account holders)
10. Three-month maturity treasury bills interest rate	Bank of Spain	3.4	0.7	1.6	0.5	0.7	Outright transactions in the market (not exclusively between account holders)
11. Government bonds yield index (Dec1987=100)	Bank of Spain	490.2	647.8	684.4	684.9	706.5	Outright transactions in the market (not exclusively between account holders)
12. Madrid Stock Exchange Capitalization (monthly average % chg.)	Bank of Spain and Madrid Stock Exchange	1.1	12.1	-0.8	10.2	4.5	Change in the total number of resident companies
13. Stock market trading volume. Stock trading volume (monthly average % var.)	Bank of Spain and Madrid Stock Exchange	5.1	4.3	1.6	-52.3	45.1	Stock market trading volume. Stock trading volume: change in total trading volume
14. Madrid Stock Exchange general index (Dec1985=100)	Bank of Spain and Madrid Stock Exchange	973.6	1,003.7	857.7	749.8	790.1 ^a	Base 1985=100
15. Ibex-35 (Dec1989=3000)	Bank of Spain and Madrid Stock Exchange	9,319.2	10,200.7	9,734.6	7,420.5	7,842.9 ^a	Base dec1989=3000
16. Madrid Stock Exchange PER ratio (share value/ profitability)	Bank of Spain and Madrid Stock Exchange	17.1	9.8	9.7	16.4	17.2 ^a	Madrid Stock Exchange Ratio "share value/ capital profitability"

B. Financial markets (continued)

Indicator	Source:	Average 1996-2009	2010	2011	2012 August	2012 September	Definition and calculation
17. Long-term bonds. Stock trading volume (%chg.)	Bank of Spain and Madrid Stock Exchange	2.8	-29.2	15.1	-21.9	54.1	Variation for all stocks
18. Commercial paper. Trading balance (%chg.)	Bank of Spain and AIAF	45.2	-43.9	59.24	2.4	-3.3	AIAF fixed-income market
19. Commercial paper. Three-month interest rate	Bank of Spain and AIAF	3.6	0.8	1.9	1.9	1.9	AIAF fixed-income market
20. IBEX-35 financial futures concluded transactions (%chg.)	Bank of Spain	2.1	15.42	-15.8	-27.4	-4.5	IBEX-35 shares concluded transactions
21. IBEX-35 financial options concluded transactions (%chg.)	Bank of Spain	-2.7	-31.88	-25.9	-17.5	48.5	IBEX-35 shares concluded transactions

(a) Last data published: 31st, October 2012.

Comment on "Financial Markets": During the last month there has been a slight increase in transactions with outright spot and forward T-bills, whereas government bonds and debenture transactions have experienced a relative reduction. Regarding the stock market, the IBEX-35 jumped to 7,842.9 points by the end of October, while by mid-October it closed at 7,420.5 points. On the other hand, there was a reduction in financial IBEX-35 future transactions, while an increase was observed in transactions with IBEX-35 financial options.

C. Financial Savings and Debt

Indicator	Source:	Average 2003- 2009	2010	2011	2012 H I	2012 H II	Definition and calculation
22. Net Financial Savings/GDP (National Economy)	Bank of Spain	-6.6	1.9	-3.4	-3.0	-2.6	Difference between financial assets and financial liabilities flows over GDP
23. Net Financial Savings/GDP (Households and non-profit institutions)	Bank of Spain	0.1	4.2	3.1	3.6	3.5	Difference between financial assets and financial liabilities flows over GDP
24. Debt in securities (other than shares) and loans/GDP (National Economy)	Bank of Spain	243.2	294.2	293.3	295.9	293.4	Public debt, non-financial companies debt and households and non-profit institutions debt over GDP

C. Financial Savings and Debt (continued)

Indicator	Source:	Average 2003-2009	2010	2011	2012 H I	2012 H II	Definition and calculation
25. Debt in securities (other than shares) and loans/GDP (Households and non-profit institutions)	Bank of Spain	75.2	85.9	82.2	81.1	81.1	Households and non-profit institutions debt over GDP
26. Households and non-profit institutions balance: financial assets (quarterly average %chg.)	Bank of Spain	6.1	3.1	-0.1	-0.9	-.3.1	Total assets percentage change (financial balance)
27. Households and non-profit institutions balance: financial liabilities (quarterly average %chg.)	Bank of Spain	11.4	-0.3	-0.5	-0.9	0.6	Total liabilities percentage change (financial balance)

Comment on "Financial Savings and Debt": During the second quarter of 2012, there was a 2.6% reduction in financial savings to GDP in the overall economy, in line with the 3% reduction registered in the previous quarter. On the other hand, household financial savings have experienced a relative slow down, changing from 3.6% in the previous quarter to 3.5%. Similarly, there was a slight reduction in households' financial deleveraging, registering a debt to GDP ratio of 81.1%. There was also a 3.1% reduction in the stock of financial assets and liabilities on households' balance sheets.

D. Credit institutions. Business Development

Indicator	Source:	Average 1996-2009	2010	2011	2012 July	2012 August	Definition and calculation
28. Bank lending to other resident sectors (monthly average % var.)	Bank of Spain	14.7	0.3	-3.8	-1.6	-1.1	Lending to the private sector percentage change for the sum of banks, savings banks and credit unions
29. Other resident sectors' deposits in credit institutions (monthly average % var.)	Bank of Spain	10.5	0.8	-5.3	-3.4	-0.4	Deposits percentage change for the sum of banks, savings banks and credit unions
30. Debt securities (monthly average % var.)	Bank of Spain	10.2	-6.8	5.2	-2.8	-2.0	Asset-side debt securities percentage change for the sum of banks, savings banks and credit unions
31. Shares and equity (monthly average % var.)	Bank of Spain	16.0	-2.0	41.0	0.4	0.8	Asset-side equity and shares percentage change for the sum of banks, savings banks and credit unions
32. Credit institutions. Net position (difference between assets from credit institutions and liabilities with credit institutions) (% of total assets)	Bank of Spain	-0.5	-1.5	-4.3	-11.5	-11.8	Difference between the asset-side and liability-side "Credit System" item as a proxy of the net position in the interbank market (month-end)

D. Credit institutions. Business Development (continued)

Indicator	Source:	Average 1996-2009	2010	2011	2012 July	2012 August	Definition and calculation
33. Doubtful loans (monthly average % var.)	Bank of Spain	28.3	16.2	28.3	0.5	3.2	Doubtful loans. Percentage change for the sum of banks, savings banks and credit unions.
34. Assets sold under repurchase (monthly average % var.)	Bank of Spain	-0.3	2.5	-15.7	-15.0	-9.4	Liability-side assets sold under repurchase. Percentage change for the sum of banks, savings banks and credit unions.
35. Equity capital (monthly average % var.)	Bank of Spain	11.0	-6.4	37.9	-0.6	0.8	Equity percentage change for the sum of banks, savings banks and credit unions.

Comment on "Credit institutions. Business Development": The latest available data as of August 2012 show a decrease in bank credit to the private sector (-1.1%) and in financial institutions deposit-taking (-0.4%). Additionally, doubtful assets experienced a new monthly increase of 3.2% compared to the previous month, in a recessive macroeconomic environment.

E. Credit institutions. Market Structure and Eurosystem Refinancing

Indicator	Source:	Average 1996-2009	2010	2011	2012 March	2012 June	Definition and calculation
36. Number of Spanish credit institutions	Bank of Spain	207	188	189	188	186	Total number of banks, savings banks and credit unions operating in Spanish territory
37. Number of foreign credit institutions operating in Spain	Bank of Spain	64	88	86	87	87	Total number of foreign credit institutions operating in Spanish territory
38. Number of employees	Bank of Spain	247,916	257,578	243,041	-	-	Total number of employees in the banking sector
39. Number of branches	Bank of Spain	40,572	42,894	39,843	39,616	39,230	Total number of branches in the banking sector
40. Recourse to the Eurosystem (total Eurozone financial institutions) (Euro millions)	Bank of Spain	365,832	473,173	394,459	361,695	876,292 ^a	Open market operations and ECB standing facilities. Eurozone total
41. Recourse to the Eurosystem (total Spanish financial institutions) (Euro millions)	Bank of Spain	30,953	66,986	118,861	227,600	378,176 ^a	Open market operations and ECB standing facilities. Spain total

E. Credit institutions. Market Structure and Eurosystem Refinancing (continued)

Indicator	Source:	Average 1996-2009	2010	2011	2012 March	2012 June	Definition and calculation
42. Recourse to the Eurosystem (total Spanish financial institutions): main long term refinancing operations (Euro millions)	Bank of Spain	18,500	22,196	47,109	1,037	70,818 ^a	Open market operations: main long term refinancing operations. Spain total

(a) Last data published: September 2012.

Comment on "Credit institutions. Market Structure and Eurosystem Refinancing": In September, the recourse to Eurosystem funding by Spanish credit institutions accounted for about 43.15% of net total funds borrowed from the ECB by the Eurozone.

F. Credit institutions. Efficiency and Productivity, Risk and Profitability

Indicator	Source:	Average 1996-2009	2010	2011	2012 March	2012 June	Definition and calculation
43. "Operating expenses/gross operating income" ratio	Bank of Spain	55.73	46.53	49.85	49.01	47.04	Operational efficiency indicator. Numerator and denominator are obtained directly from credit institutions' P&L accounts
44. "Customer deposits/employees" ratio (Euro thousands)	Bank of Spain	3,074.38	4,605.69	4,512.30	4,717.42	5,426.71	Productivity indicator (business by employee)
45. "Customer deposits/branches" ratio (Euro thousands)	Bank of Spain	18,620.11	16,554.20	29,171.23	28,941.01	33,619.98	Productivity indicator (business by branch)
46. "Branches/institutions" ratio	Bank of Spain	187.24	155.41	205.38	144.06	210.91	Network expansion indicator
47. "Employees/branches" ratio	Bank of Spain	6.1	3.6	6.5	6.1	6.2	Branch size indicator
48. Equity capital (monthly average % var.)	Bank of Spain	0.10	0.86	0.40	0.03	-0.39	Credit institutions equity capital variation indicator
49. ROA	Bank of Spain	0.83	0.31	0.06	-0.16	-1.10	Profitability indicator, defined as the "pre-tax profit/average total assets"
50. ROE	Bank of Spain	13.54	5.73	3.28	-2.14	-16.17	Profitability indicator, defined as the "pre-tax profit/equity capital"

Comment on "Credit institutions. Efficiency and Productivity, Risk and Profitability": During the second quarter of 2012 the Spanish banking sector faced a tough business and macroeconomic environment, in line with the European environment. Productivity indicators have improved due to the restructuring process of the Spanish banking sector.