

KEY FACTS: 50 FINANCIAL SYSTEM INDICATORS – FUNCAS

Updated: January 15th, 2015

Highlights

Indicator	Last value available	Corresponding to:
Bank lending to other resident sectors (monthly average % var.)	-0.4	October 2014
Other resident sectors' deposits in credit institutions (monthly average % var.)	-1.2	October 2014
Doubtful loans (monthly % var.)	1.2	October 2014
Recourse to the Eurosystem (Eurozone financial institutions, million euros)	506,285	December 2014
Recourse to the Eurosystem (Spanish financial institutions, million euros)	141,338	December 2014
Recourse to the Eurosystem (Spanish financial institutions million euros)- Main L/T refinancing operations	21,115	December 2014
Operating expenses/gross operating income ratio (%)	48.46	September 2014
Customer deposits/employees ratio (thousand euros)	5,390.34	September 2014
Customer deposits/branches ratio (thousand euros)	35,602.10	September 2014
Branches/institutions ratio	219.38	September 2014

A. Money and interest rates

Indicator	Source:	Average 1998-2011	2012	2013	2014 December	2014 Jan. 15 th	Definition and calculation
1. Monetary Supply (% chg.)	ECB	6.0	3.0	2.3	3.2	-	M3 aggregate change (non-stationary)
2. Three-month interbank interest rate	Bank of Spain	2.9	0.6	0.22	0.08	0.07	Daily data average
3. One-year Euribor interest rate (from 1994)	Bank of Spain	3.1	1.1	0.54	0.32	0.31	End-of-month data
4. Ten-year Treasury bonds interest rate (from 1998)	Bank of Spain	4.5	5.8	4.6	1.58	1.58	Market interest rate (not exclusively between account holders)
5. Corporate bonds average interest rate	Bank of Spain	4.5	5.8	3.9	2.44	-	End-of-month straight bonds average interest rate (> 2 years) in the AIAF market

Comment on "Money and Interest Rates:" Interbank rates have fallen in Mid-January compared to December. The 3-month Euribor rate fell to 0.07%, while the 1-year Euribor rate decreased to 0.31%. New monetary expansionary measures are expected and the negative inflation registered at the end of 2014 suggests the initiation of quantitative easing. As for the Spanish 10-year bond yield, it stands at 1.58%.

B. Financial markets

Indicator	Source:	Average 1998-2011	2012	2013	2014 October	2014 November	Definition and calculation
6. Outright spot treasury bills transactions trade ratio	Bank of Spain	24.5	84.7	82.9	89.6	70.6	(Traded amount/ outstanding balance) x100 in the market (not exclusively between account holders)
7. Outright spot government bonds transactions trade ratio	Bank of Spain	79.8	64.8	61.2	74.3	61.5	(Traded amount/ outstanding balance) x100 in the market (not exclusively between account holders)
8. Outright forward treasury bills transactions trade ratio	Bank of Spain	0.6	1.7	1.9	6.8	5.3	(Traded amount/ outstanding balance) x100 in the market (not exclusively between account holders)
9. Outright forward government bonds transactions trade ratio	Bank of Spain	4.4	2.2	3.2	4.3	4.3	(Traded amount/ outstanding balance) in the market (not exclusively between account holders)
10. Three-month maturity treasury bills interest rate	Bank of Spain	2.7	0.6	0.2	0.1	0.1	Outright transactions in the market (not exclusively between account holders)
11. Government bonds yield index (Dec1987=100)	Bank of Spain	593.8	751.1	846.3	1,007.7	1,020.8	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	0.5	0.6	2.3	-5.2	3.6	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	4.2	-24.8	0.4	53.9	-1.5	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	1,029.6	824.7	1,011.98	1,062.2	1,008.3 ^(a)	Base 1985=100
15. Ibex-35 (Dec1989=3000)	Bank of Spain and Madrid Stock Exchange	9,989.3	7,583.2	8,715.6	10,477.8	9,982.5 ^(a)	Base dec1989=3000
16. Madrid Stock Exchange PER ratio (share value/ profitability)	Bank of Spain and Madrid Stock Exchange	16.1	18.2	33.1	25.8	20.5 ^(a)	Madrid Stock Exchange Ratio "share value/ capital profitability"

B. Financial markets (continued)

Indicator	Source:	Average 1998-2011	2012	2013	2014 October	2014 November	Definition and calculation
17. Long-term bonds. Stock trading volume (% chg.)	Bank of Spain and Madrid Stock Exchange	3.4	-15.1	-23.5	28.9	-19.9	Variation for all stocks
18. Commercial paper. Trading balance (% chg.)	Bank of Spain and AIAF	2.0	73.9	80.7	-2.5	0.4	AIAF fixed-income market
19. Commercial paper. Three-month interest rate	Bank of Spain and AIAF	2.9	2.4	2.4	0.4	0.3	AIAF fixed-income market
20. IBEX-35 financial futures concluded transactions (% chg.)	Bank of Spain	0.8	-10.8	15.8	50.1	-28.9	IBEX-35 shares concluded transactions
21. IBEX-35 financial options concluded transactions (% chg.)	Bank of Spain	7.8	54.1	-22.8	11.6	-36.4	IBEX-35 shares concluded transactions

(a) Last data published: January 15th, 2015.

Comment on "Financial Markets:": During the last month, there has been a decrease in transactions with outright spot T-bills, and of spot government bonds transactions, which stood at 70.6% and 61.5%, respectively. The stock market has continued to fall in the first fortnight of January, with the IBEX-35 down to 9,983 points, and the General Index of the Madrid Stock Exchange to 1,008. Additionally, there was a fall of 28.9% in financial IBEX-35 futures transactions and a decrease of 36.4% in transactions with IBEX-35 financial options.

C. Financial Savings and Debt

Indicator	Source:	Average 2004-2010	2011	2012	2013 Q IV	2014 Q I	Definition and calculation
22. Net Financial Savings/GDP (National Economy)	Bank of Spain	-6.7	-3.4	-0.2	1.5	1.1	Difference between financial assets and financial liabilities flows over GDP
23. Net Financial Savings/GDP (Households and non-profit institutions)	Bank of Spain	0.6	3.1	1.3	3.4	2.6	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	256.1	293.3	311.9	328.6	332.7	Public debt, non-financial companies debt and households and non-profit institutions debt over GDP

C. Financial Savings and Debt (continued)

Indicator	Source:	Average 2004-2010	2011	2012	2013 Q IV	2014 Q I	Definition and calculation
25. Debt in securities (other than shares) and loans/GDP (Households and non-profit institutions)	Bank of Spain	79.3	82.2	78.9	77.1	76.0	Households and non-profit institutions debt over GDP
26. Households and non-profit institutions balance: financial assets (quarterly average % chg.)	Bank of Spain	5.0	-0.1	2.9	4.2	1.6	Total assets percentage change (financial balance)
27. Households and non-profit institutions balance: financial liabilities (quarterly average % chg.)	Bank of Spain	9.9	-0.5	-0.7	-1.3	-1.3	Total liabilities percentage change (financial balance)

Comment on "Financial Savings and Debt:" During 2014Q1, there was a 1.1% increase in financial savings to GDP in the overall economy. There was also an increase in households' financial deleveraging, with the debt to GDP ratio falling to 76.0%. Finally, the stock of financial assets on households' balance sheets registered an increase of 1.6%, while there was a 1.3% drop in the stock of financial liabilities, thereby increasing households' financial wealth.

D. Credit institutions. Business Development

Indicator	Source:	Average 1998-2011	2012	2013	2014 September	2014 October	Definition and calculation
28. Bank lending to other resident sectors (monthly average % var.)	Bank of Spain	12.8	-10.4	-9.5	-0.4	-0.4	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	10.6	-1.8	1.3	-0.4	-1.2	Deposits percentage change for the sum of banks, savings banks and credit unions
30. Debt securities (monthly average % var.)	Bank of Spain	10.0	23.2	-5.1	0.6	-1.0	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	16.4	3.1	8.9	-0.5	-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	-0.8	-9.0	-5.9	-6.5	-6.4	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 1998-2011	2012	2013	2014 September	2014 October	Definition and calculation
33. Doubtful loans (monthly average % var.)	Bank of Spain	34.9	20.0	17.8	-2.0	-1.2	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	-3.3	0.3	6.5	-2.8	4.0	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	11.3	-12.1	19.6	-0.2	-1.4	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 October 2014 show a 0.4% fall in bank credit to the private sector and also a 1.2% decrease in financial institutions deposit-taking from the previous month. Holdings of debt securities decreased by 1%, while shares and equity have fallen by 0.8%. Also, doubtful loans decreased 1.2% compared to the previous month.

E. Credit institutions. Market Structure and Eurosystem Refinancing

Indicator	Source:	Average 1998-2011	2012	2013	2014 June	2014 September	Definition and calculation
36. Number of Spanish credit institutions	Bank of Spain	210	173	155	151	147	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	68	85	86	84	84	Total number of foreign credit institutions operating in Spanish territory
38. Number of employees	Bank of Spain	249,054	231,389	212,998	-	-	Total number of employees in the banking sector
39. Number of branches	Bank of Spain	41,145	37,903	33,527	32,733	32,249	Total number of branches in the banking sector
40. Recourse to the Eurosystem (total Eurozone financial institutions) (Euro millions)	Bank of Spain	376,291	884,094	665,849	581,427	506,285 ^(a)	Open market operations and ECB standing facilities. Eurozone total
41. Recourse to the Eurosystem (total Spanish financial institutions) (Euro millions)	Bank of Spain	40,487	337,206	201,865	173,088	141,338 ^(a)	Open market operations and ECB standing facilities. Spain total

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

Indicator	Source:	Average 1998-2011	2012	2013	2014 June	2014 September	Definition and calculation
42. Recourse to the Eurosystem (total Spanish financial institutions): main long term refinancing operations (Euro millions)	Bank of Spain	20,985	44,961	19,833	24,701	21,115 ^(a)	Open market operations: main long term refinancing operations. Spain total

(a) Last data published: December 2014.

Comment on "Credit institutions. Market Structure and Eurosystem Refinancing:" In December 2014, recourse to Eurosystem funding by Spanish credit institutions accounted for 27.91% of net total funds borrowed from the ECB by the Eurozone. This means a 9.6 billion euro decrease in the recourse to the Eurosystem by Spanish banks from November.

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

Indicator	Source:	Average 1998-2011	2012	2013	2014 June	2014 September	Definition and calculation
43. "Operating expenses/gross operating income" of Spain ratio	Bank of Spain	53.50	47.18	48.25	48.23	48.46	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	2,978.26	4,701.87	5,426.09	5,461.23	5,390.34	Productivity indicator (business by employee)
45. "Customer deposits/branches" ratio (Euro thousands)	Bank of Spain	17,955.99	30,110.18	34,472.09	35,737.87	35,602.10	Productivity indicator (business by branch)
46. "Branches/institutions" ratio	Bank of Spain	197.62	219.09	216.30	215.56	219.38	Network expansion indicator
47. "Employees/branches" ratio	Bank of Spain	6.06	6.10	6.35	6.5	6.6	Branch size indicator
48. Equity capital (monthly average % var.)	Bank of Spain	0.11	-0.12	0.16	1.7	0.1	Credit institutions equity capital variation indicator
49. ROA	Bank of Spain	0.77	-1.93	0.13	0.31	0.32	Profitability indicator, defined as the "pre-tax profit/average total assets"
50. ROE	Bank of Spain	11.61	-18.74	1.88	4.03	4.18	Profitability indicator, defined as the "pre-tax profit/equity capital"

Comment on "Credit institutions. Efficiency and Productivity, Risk and Profitability:" In September 2014, most of the profitability and efficiency indicators improved for Spanish banks, although they still face a tough business and macroeconomic environment as in most of the Euro area countries. Productivity indicators have also improved due to the restructuring process of the Spanish banking sector.