

UKNF

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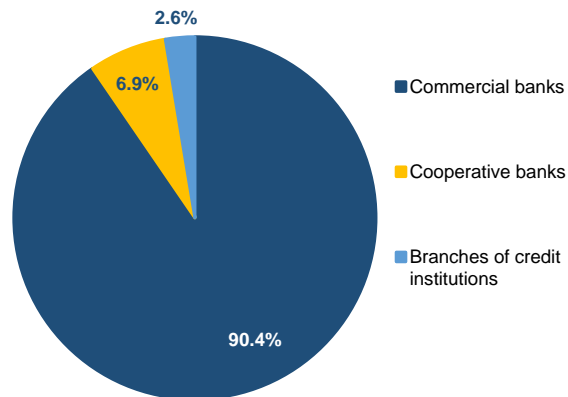
POLISH FINANCIAL SUPERVISION AUTHORITY

Banking sector data March 2024

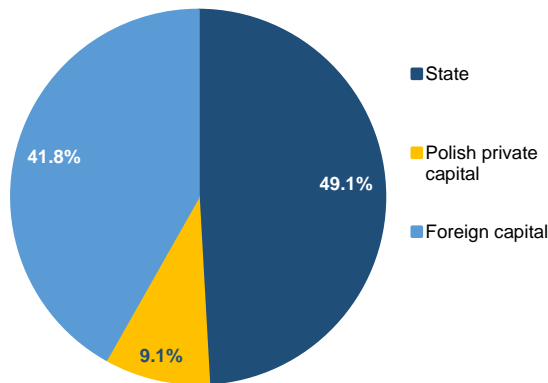
Based on the data of the National Bank of Poland reported on:
8 May 2024

Banking sector structure

Structure by client (share in assets)
March 2024



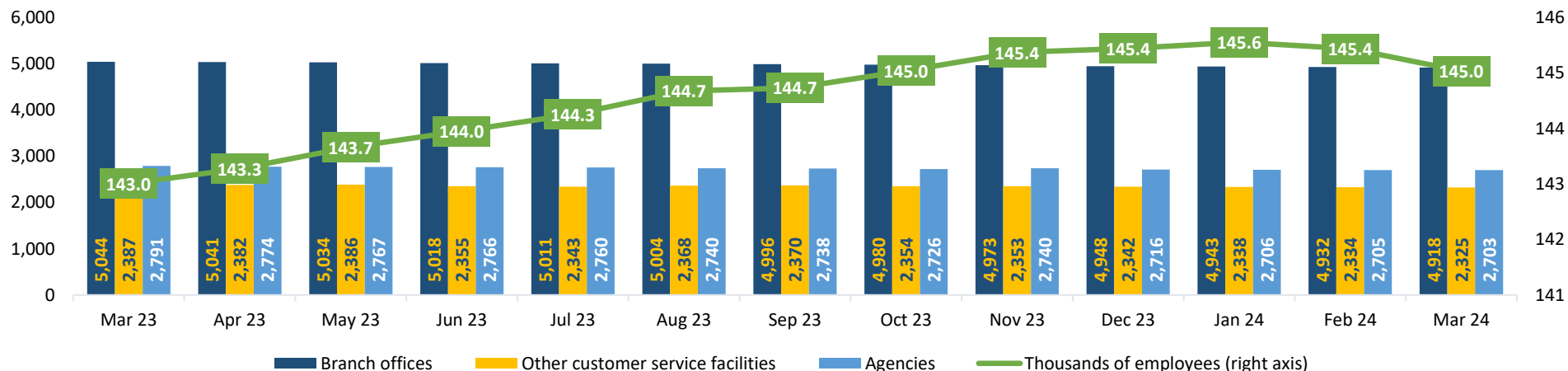
Capital origin (share in assets)
March 2024



At the end of March 2024, there were:

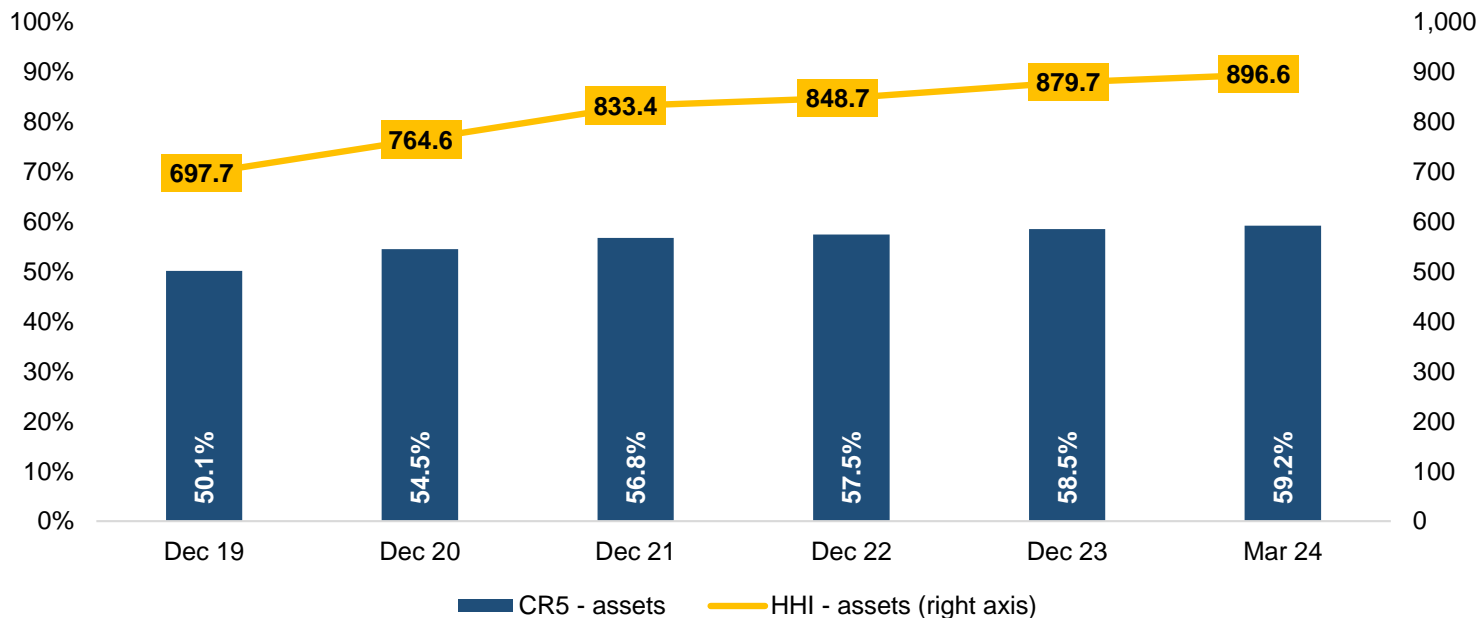
- 29 commercial banks,
- 491 cooperative banks,
- 34 branches of credit institutions and foreign banks.

Banking network



Concentration of the banking sector

Concentration rates



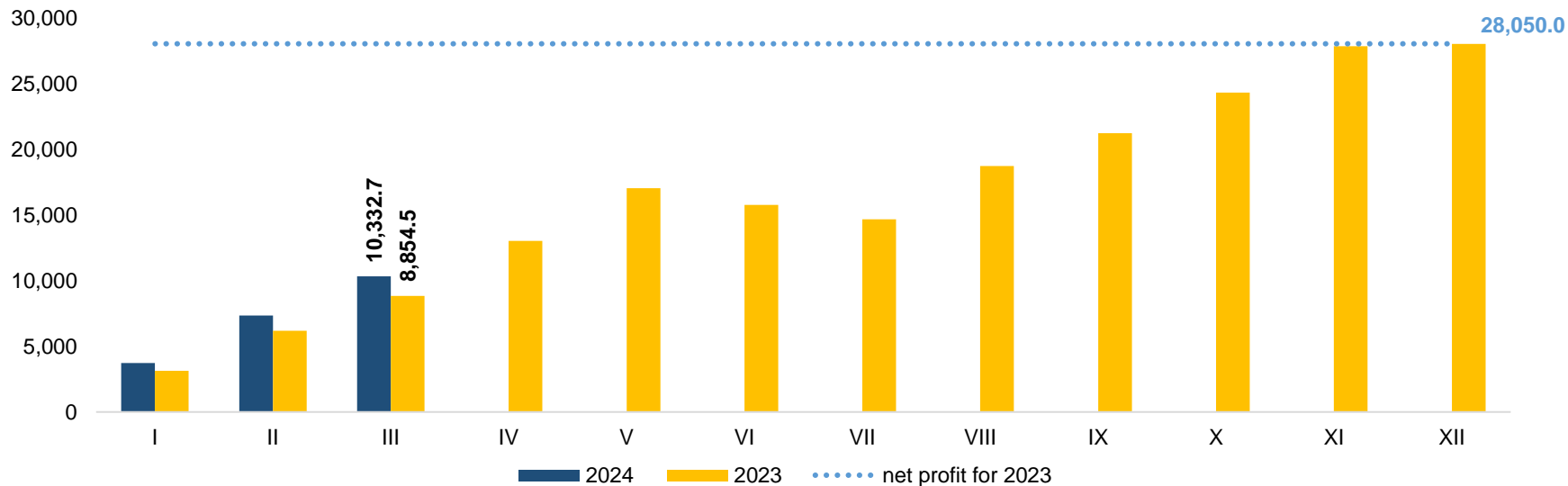
HHI – the Herfindahl-Hirschman index (the sum of squares of banks' shares in the banking sector assets) is a measure of market concentration. The index takes into account not only the number of entities but also their relative size.

CR5 – assets – an indicator representing the shares of 5 banks with the highest balance-sheet total.

HHI of 896.6 indicates a competitive market.

Financial result

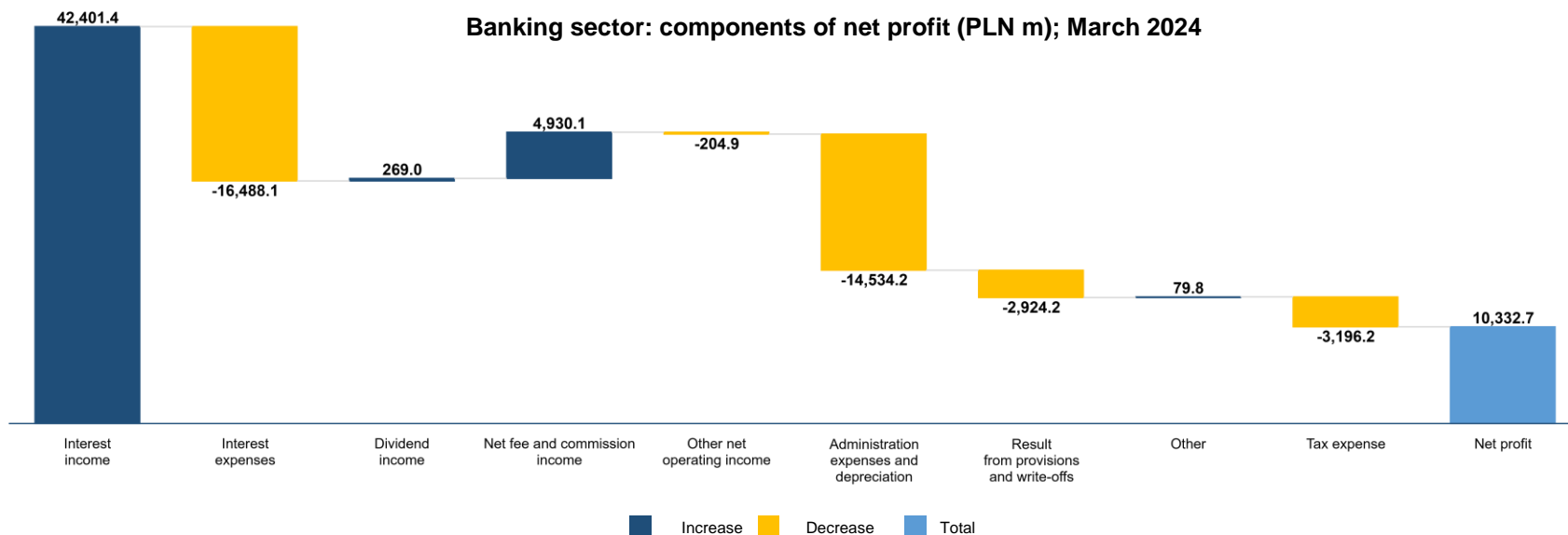
Banking sector: net profit (PLN m)



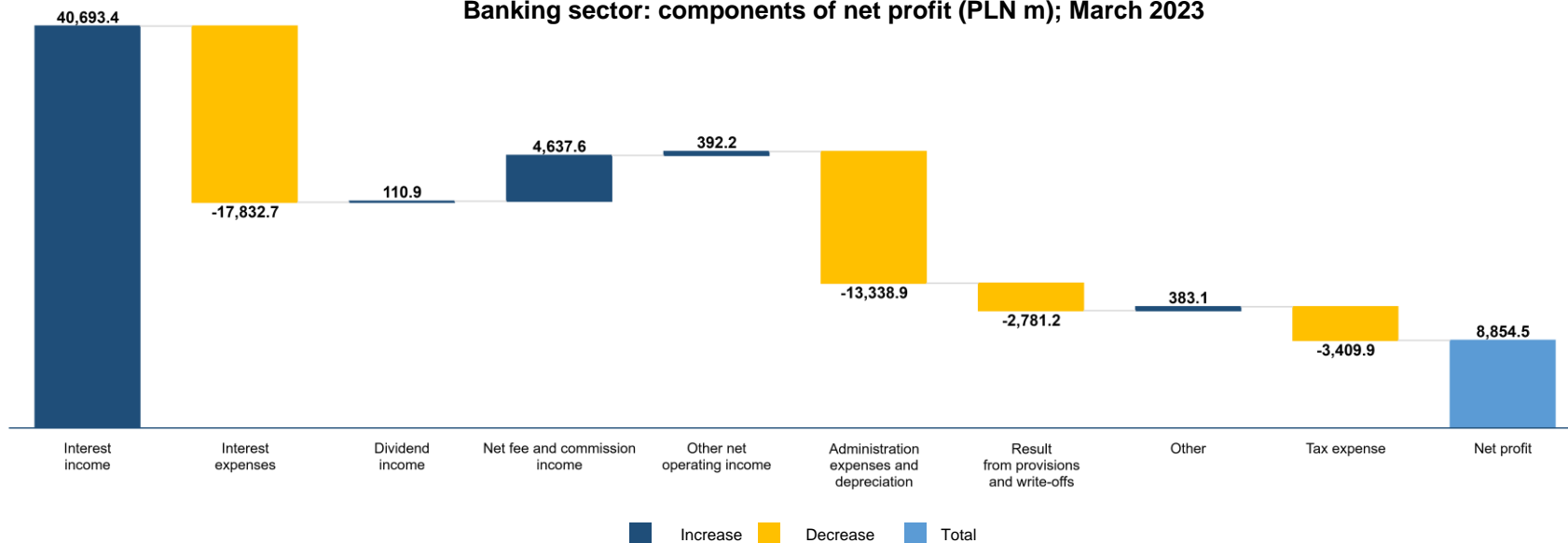
The net financial result at the end of March 2024 amounted to PLN 10.3 bn. It was higher by PLN 1.5 bn (+16.7% YoY) than the profit achieved by the sector at the end of March 2023 and higher by PLN 3.0 bn than the profit achieved at the end of February 2024 (+40,4% MoM).

Financial result

Banking sector: components of net profit (PLN m); March 2024

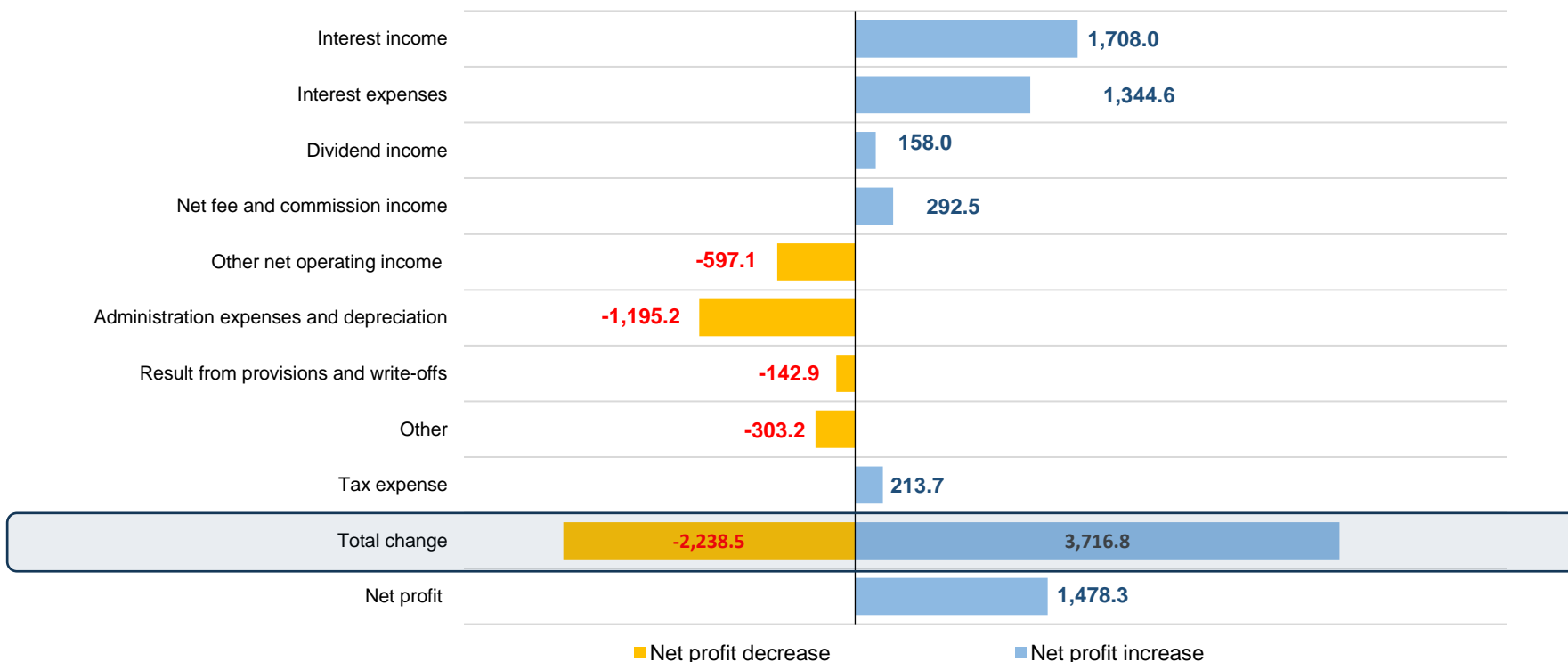


Banking sector: components of net profit (PLN m); March 2023

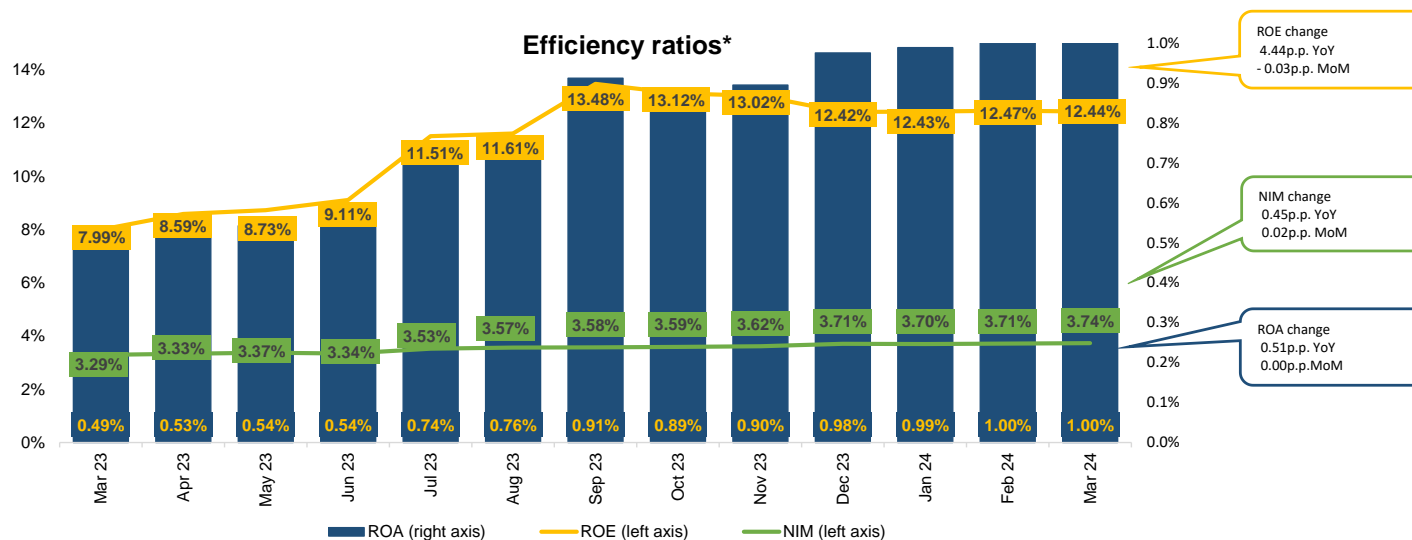


Financial result

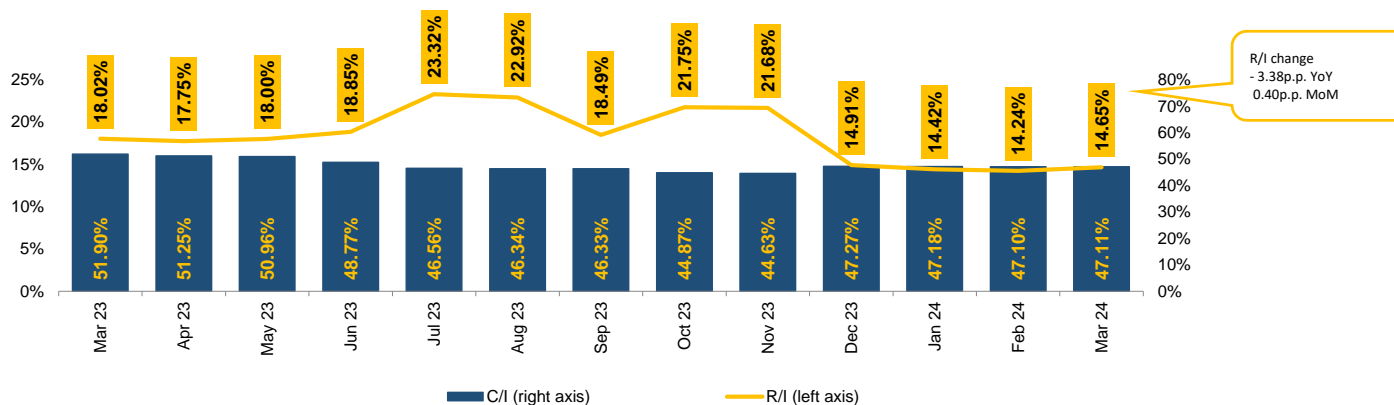
Banking sector: impact of changes in individual items of P&L on the financial result – YoY (PLN m); March 2024



Banking sector efficiency



Cost to income (C/I) and provisions and write-offs to income (R/I)**



*/ ROA and ROE ratios: the financial result achieved over 12 subsequent months in relation to the average assets and average capital over 13 subsequent months.

The ROE ratio refers to the aggregate of commercial and cooperative banking sector (excluding branches of credit institutions), the ROA ratio refers to the entire banking sector.

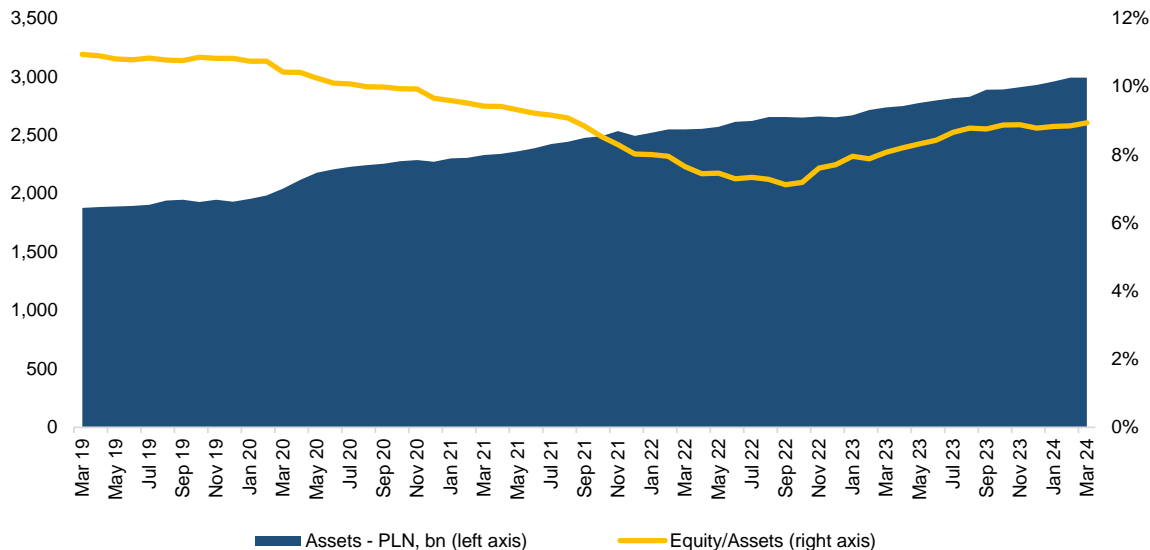
NIM ratio: net interest income over 12 subsequent months in relation to average interest assets over 13 subsequent months.

**/ C/I ratio: costs (operating costs + depreciation of fixed assets and intangible assets) in relation to income (total operating income, net); moving average of 12 months.

/ R/I ratio: write-offs and provisions (provisions + impairment or reversal of impairment) in relation to income (total operating income, net); moving average of 12 months.

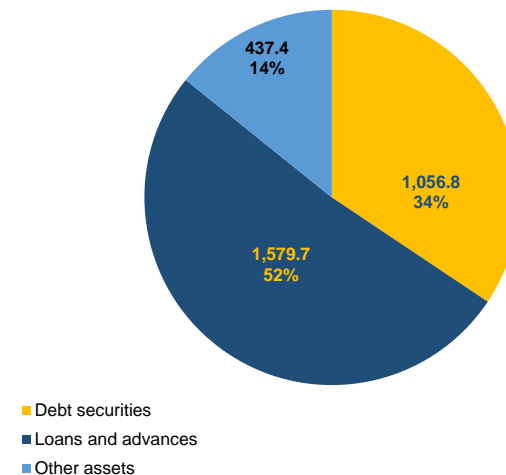
Balance sheet

Equity vs total assets, commercial and cooperative banks

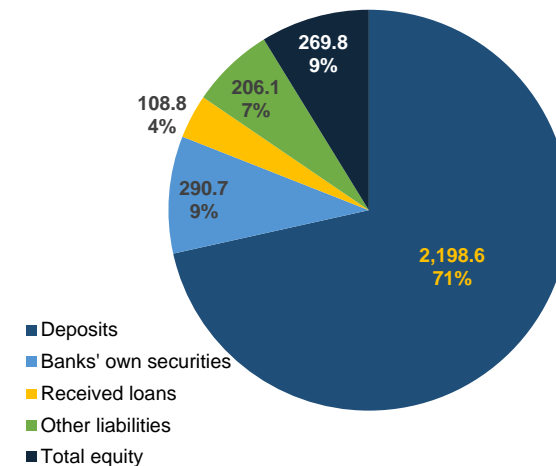


Balance sheet total (PLN bn)	Balance sheet total March 2024	Change MoM	Change YoY
Banking sector	3,074.0	-0.6	9.1%
Commercial banks	2,780.1	1.0	9.0%
Cooperative banks	213.6	1.3	14.2%
Branches of credit institutions	80.3	-2.8	0.3%

Balance sheet structure: assets* (PLN bn), March 2024



Balance sheet structure: liabilities* (PLN bn), March 2024



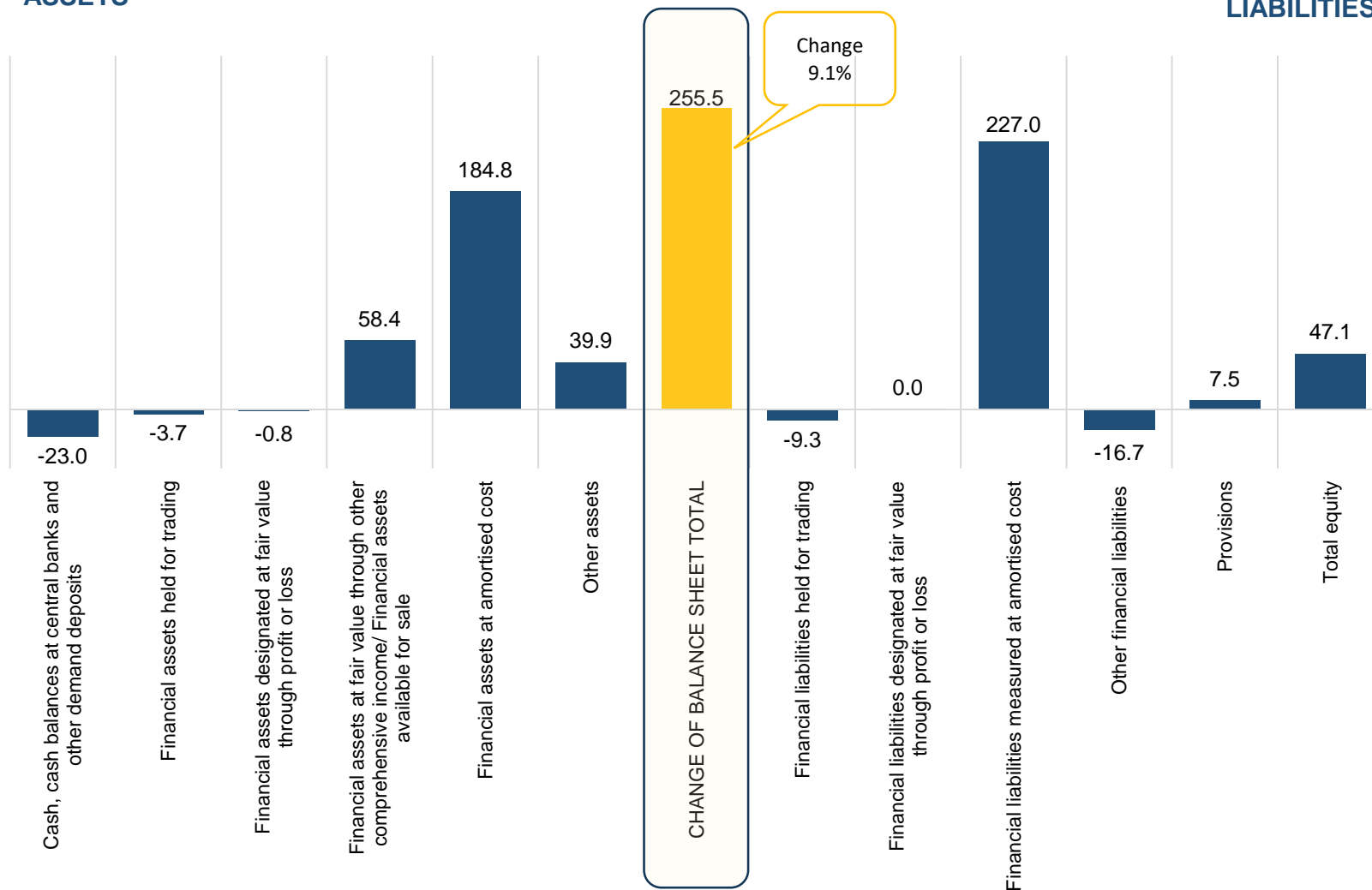
*/ commercial and cooperative banks

Balance sheet: YoY changes

Portfolio structure of the balance sheet: banking sector
Change in the period between March 2023 and March 2024 (PLN bn)

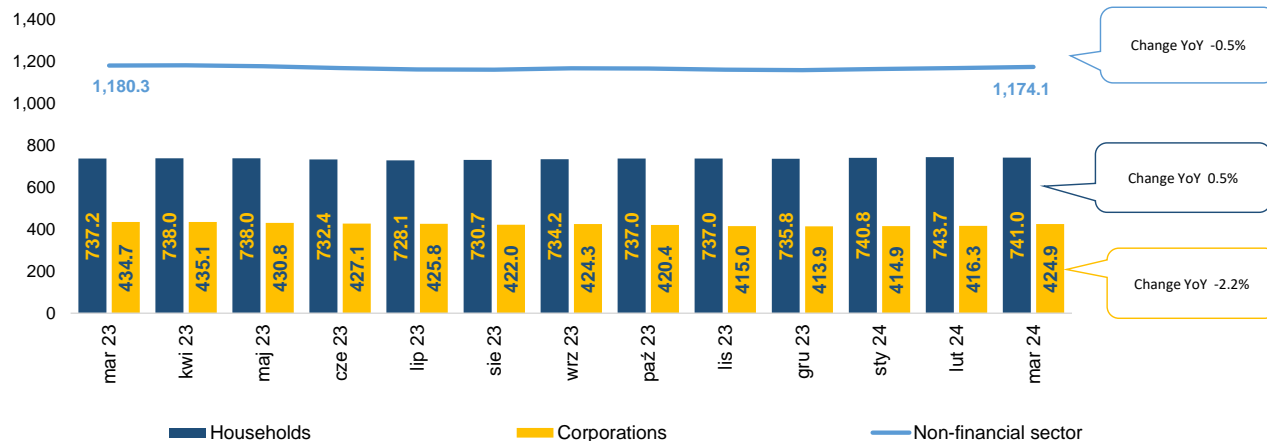
ASSETS

LIABILITIES

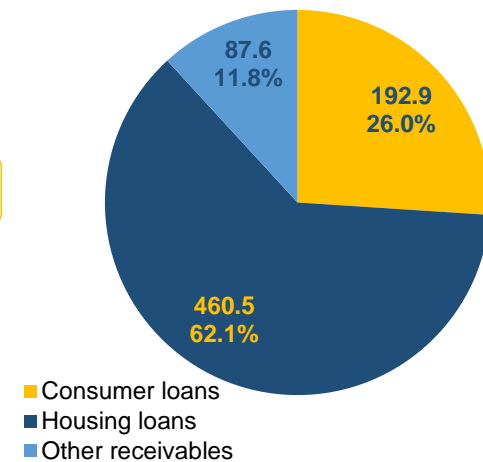


Balance sheet: loans to the non-financial sector

Receivables from the non-financial sector – portfolio B* (PLN bn)



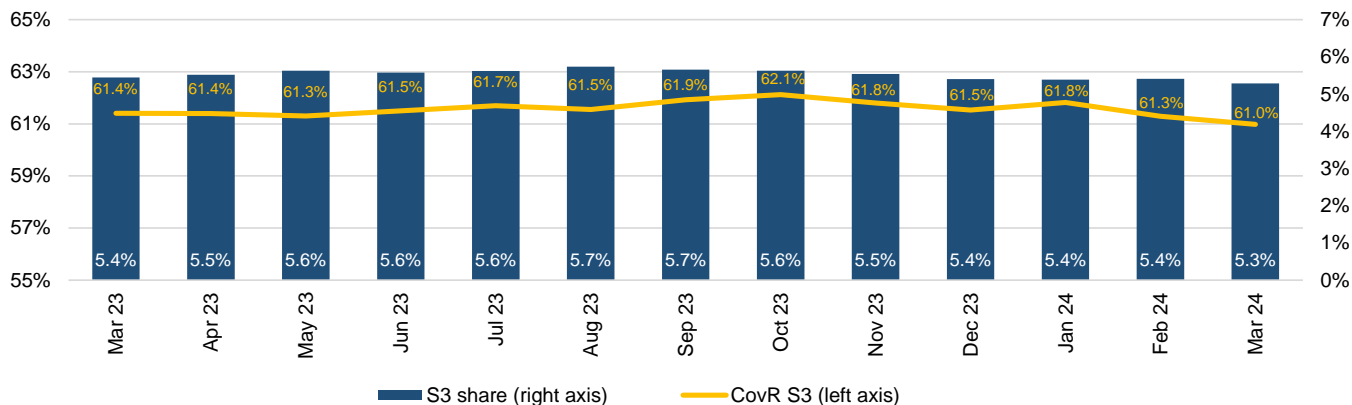
Gross receivables from households – portfolio B* (PLN bn) March 2024



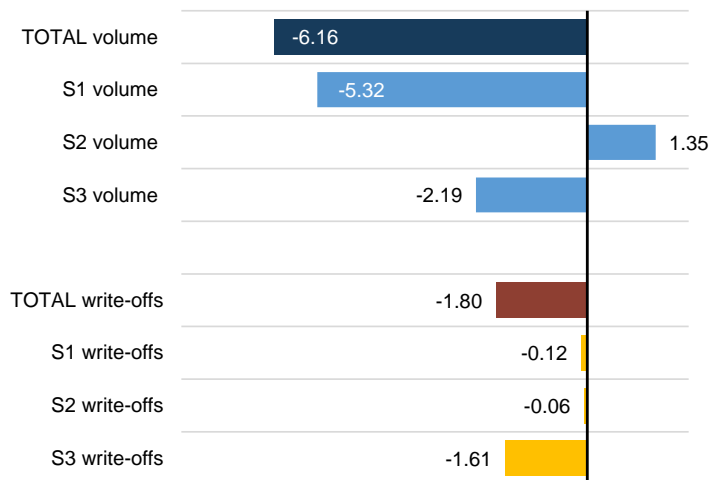
The gross volume of loans to the non-financial sector increased by PLN 5.9 bn (+0.5% MoM) in March 2024.

Non-financial sector receivables quality

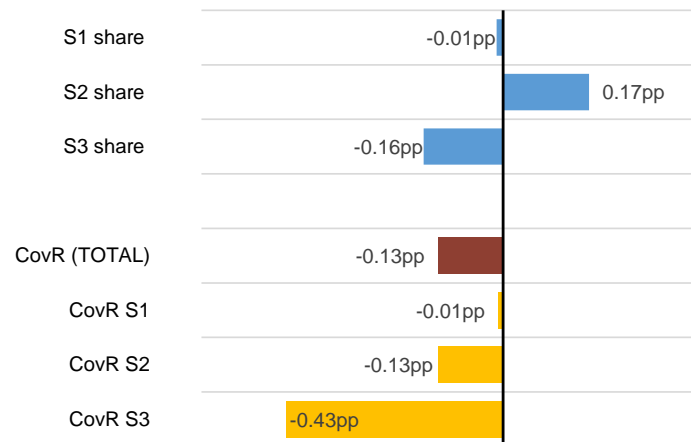
TOTAL* receivables from the non-financial sector – quality of receivables and coverage ratio



Change in the gross volume of receivables and write-offs in the period between March 2023 and March 2024 (PLN bn)



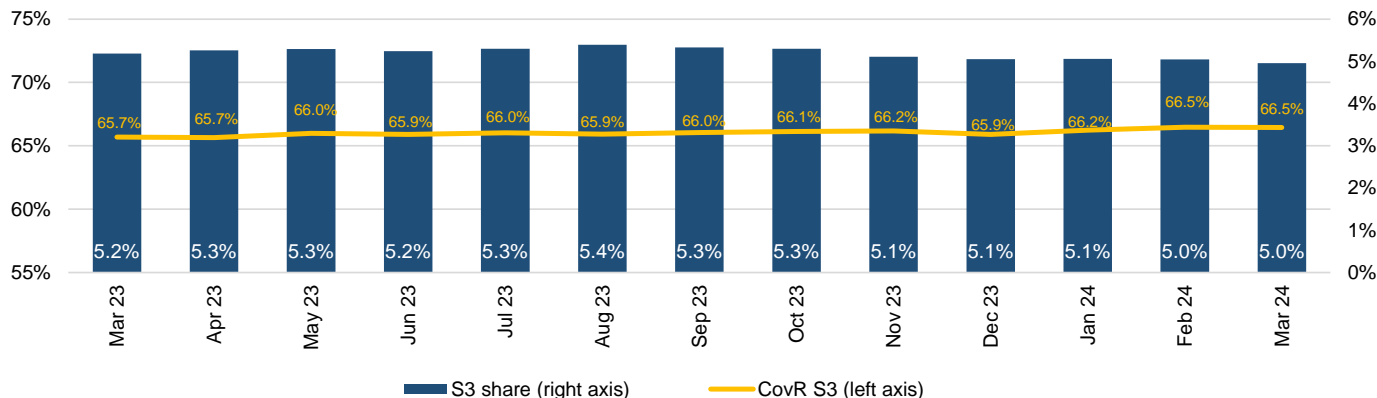
Change in the share of stages and coverage with write-offs in the period between March 2023 and March 2024 (pp)



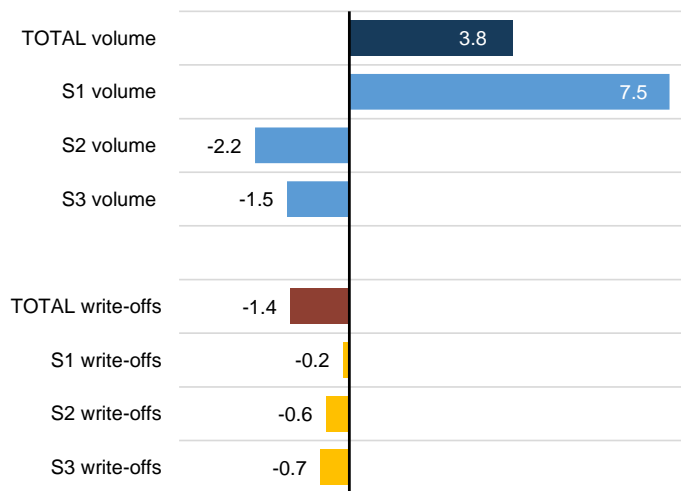
*/ at amortised cost and fair value through other comprehensive income; excluding debt securities.

Non-financial sector receivables quality

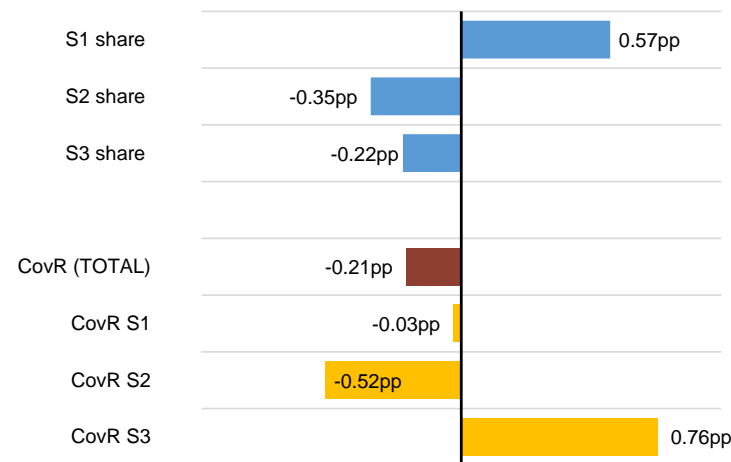
TOTAL* receivables from households
– quality of receivables and coverage ratio



Change in the gross volume of receivables and write-offs in the period between March 2023 and March 2024 (PLN bn)



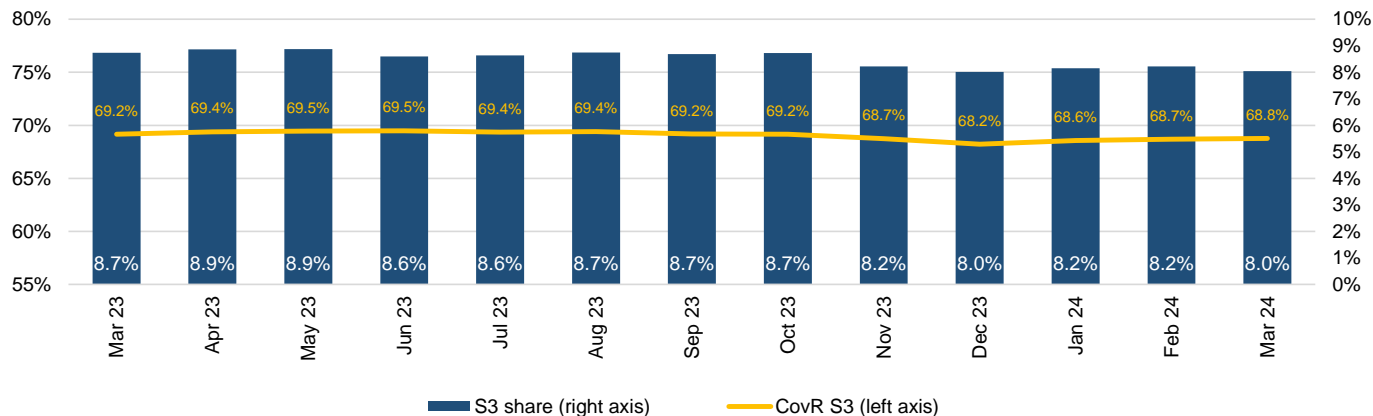
Change in the share of stages and coverage with write-offs in the period between March 2023 and March 2024 (pp)



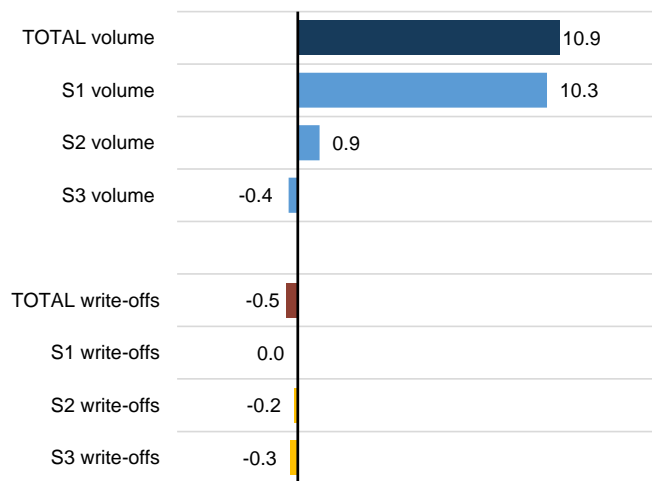
*/ at amortised cost and fair value through other comprehensive income; excluding debt securities.

Non-financial sector receivables quality

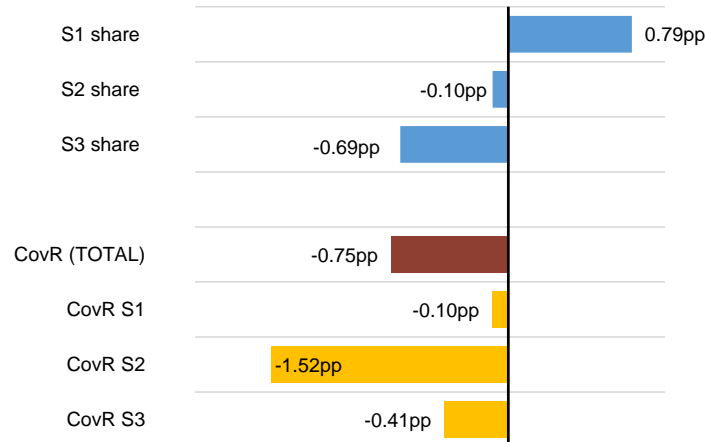
Consumer loans* – loan quality and coverage ratio



Change in the gross volume of receivables and write-offs in the period between March 2023 and March 2024 (PLN bn)



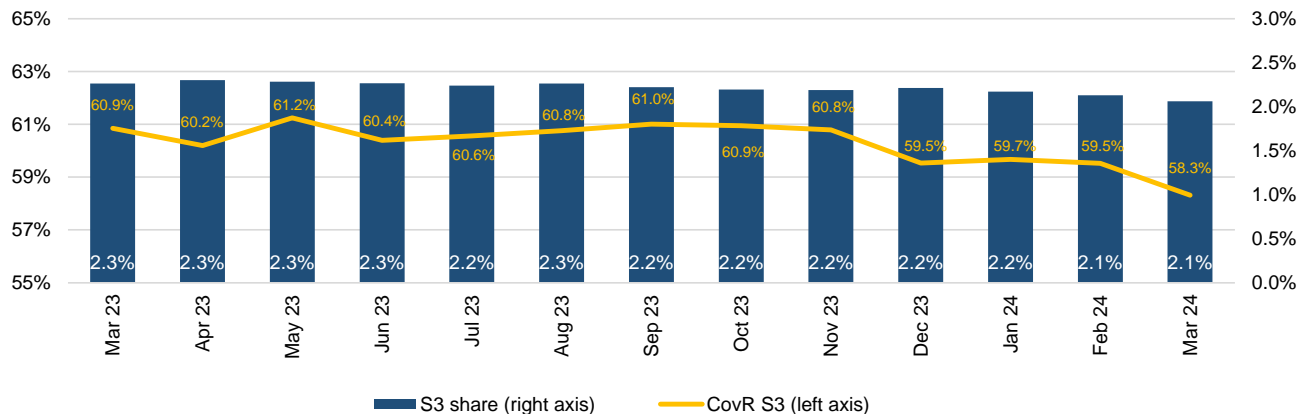
Change in the share of stages and coverage with write-offs in the period between March 2023 and March 2024 (pp)



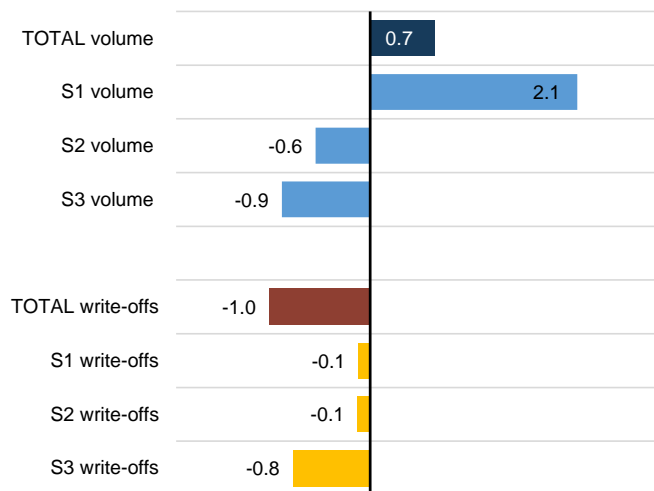
*/ at amortised cost and fair value through other comprehensive income; excluding debt securities.

Non-financial sector receivables quality

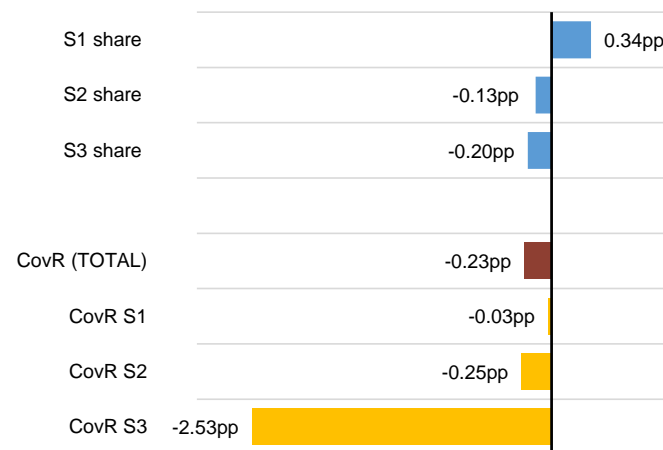
Housing loans* – loan quality and coverage ratio



Change in the gross volume of receivables and write-offs in the period between March 2023 and March 2024 (PLN bn)



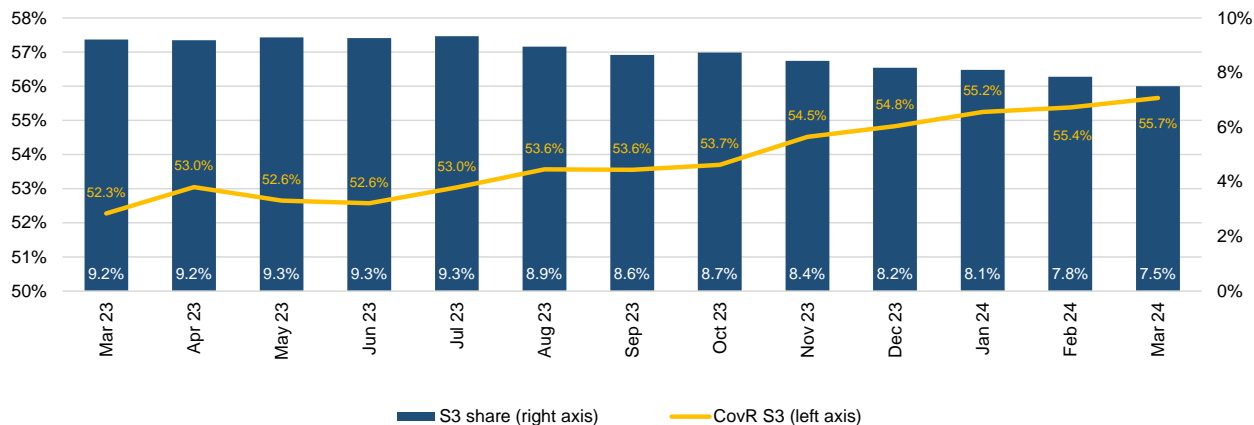
Change in the share of stages and coverage with write-offs in the period between March 2023 and March 2024 (pp)



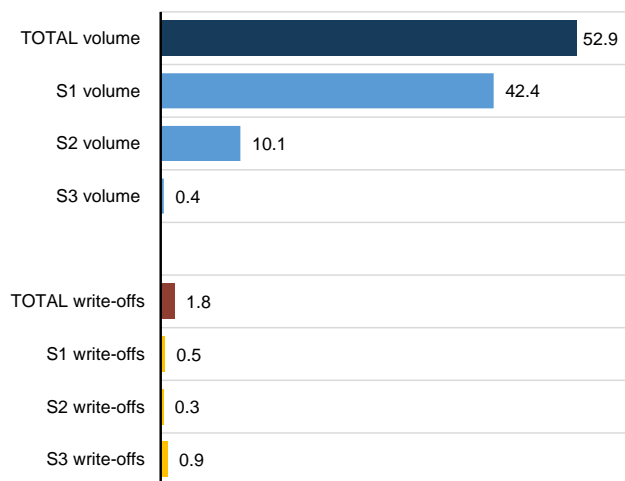
*/ at amortised cost and fair value through other comprehensive income; excluding debt securities.

Non-financial sector receivables quality

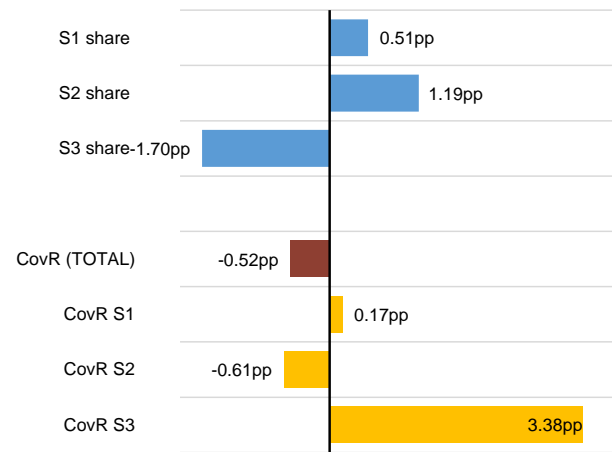
Loans to SMEs* – loan quality and coverage ratio



Change in the gross volume of receivables and write-offs in the period between March 2023 and March 2024 (PLN bn)



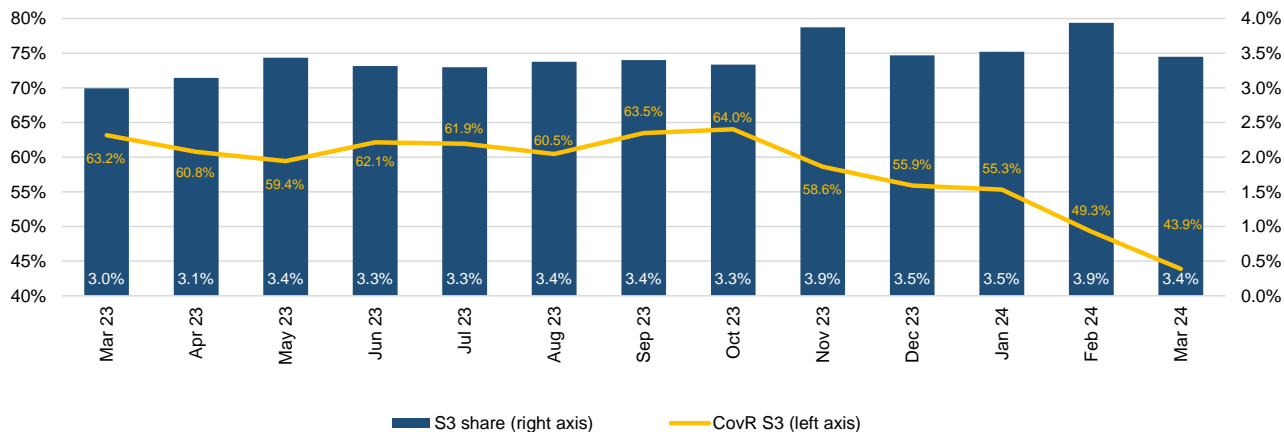
Change in the share of stages and coverage with write-offs in the period between March 2023 and March 2024 (pp)



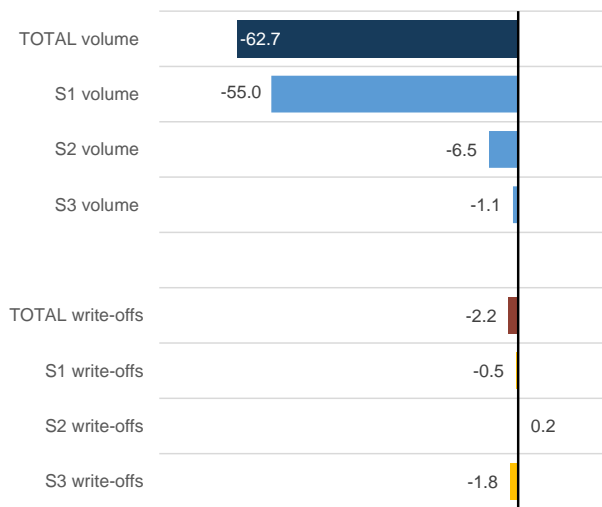
*/ at amortised cost and fair value through other comprehensive income; excluding debt securities.

Non-financial sector receivables quality

Loans to large enterprises* – loan quality and coverage ratio



Change in the gross volume of receivables and write-offs in the period between March 2023 and March 2024 (PLN bn)



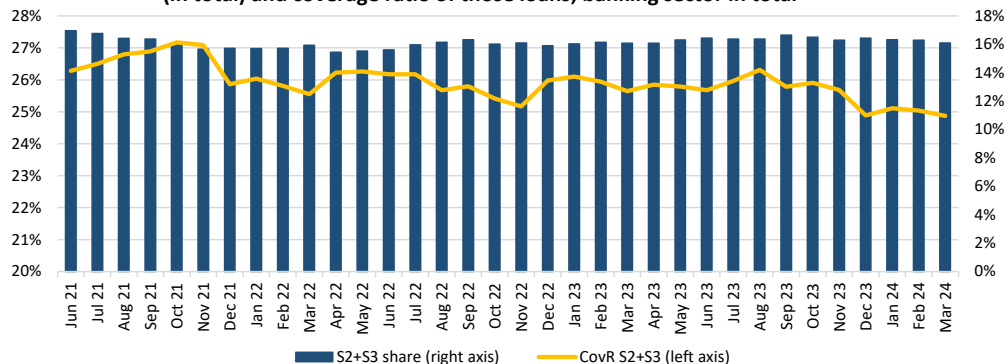
Change in the share of stages and coverage with write-offs in the period between March 2023 and March 2024 (pp)



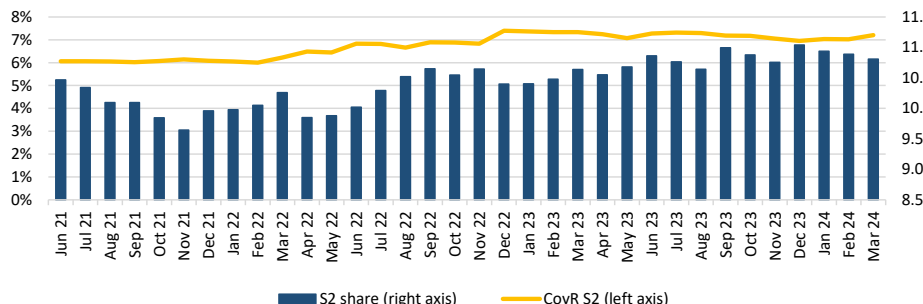
*/ at amortised cost and fair value through other comprehensive income; excluding debt securities.

Loans and advances*: non-financial sector

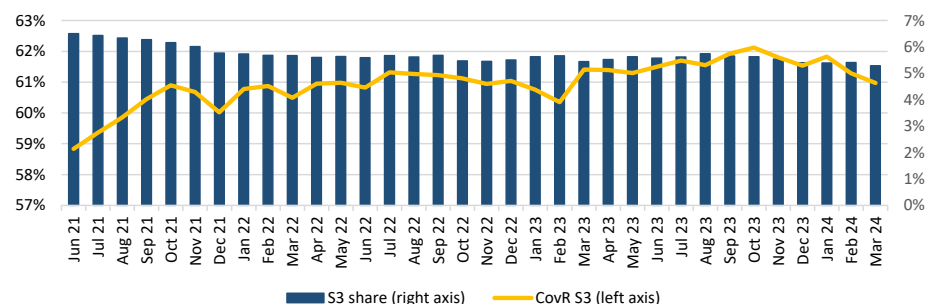
Loans and advances to the non-financial sector; share of loans in stages 2 and 3 (in total) and coverage ratio of those loans; banking sector in total



Loans and advances to the non-financial sector; share of loans in stage 2 and coverage ratio of those loans; banking sector in total

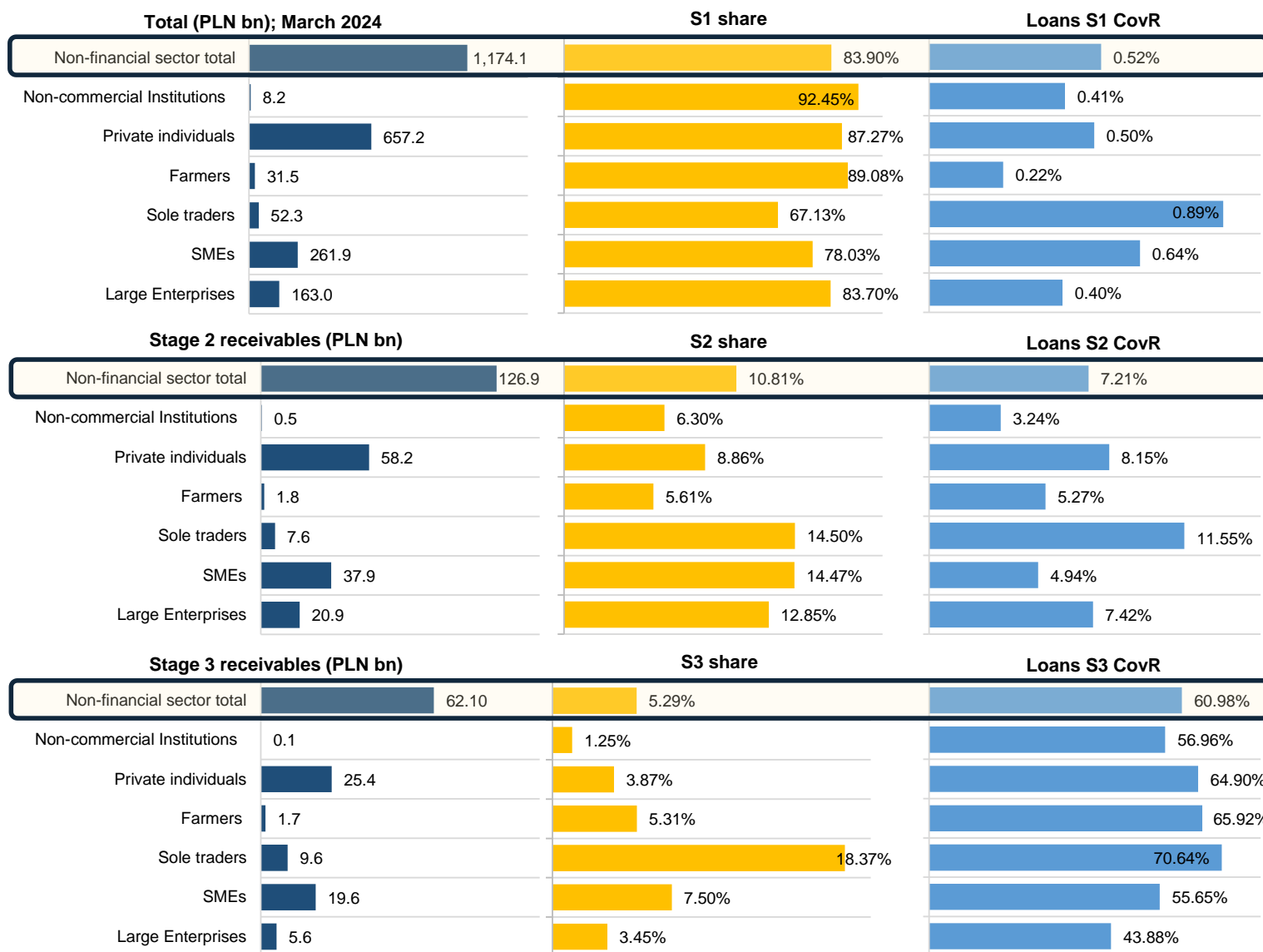


Loans and advances to the non-financial sector; share of loans in stage 3 and coverage ratio of those loans; banking sector in total



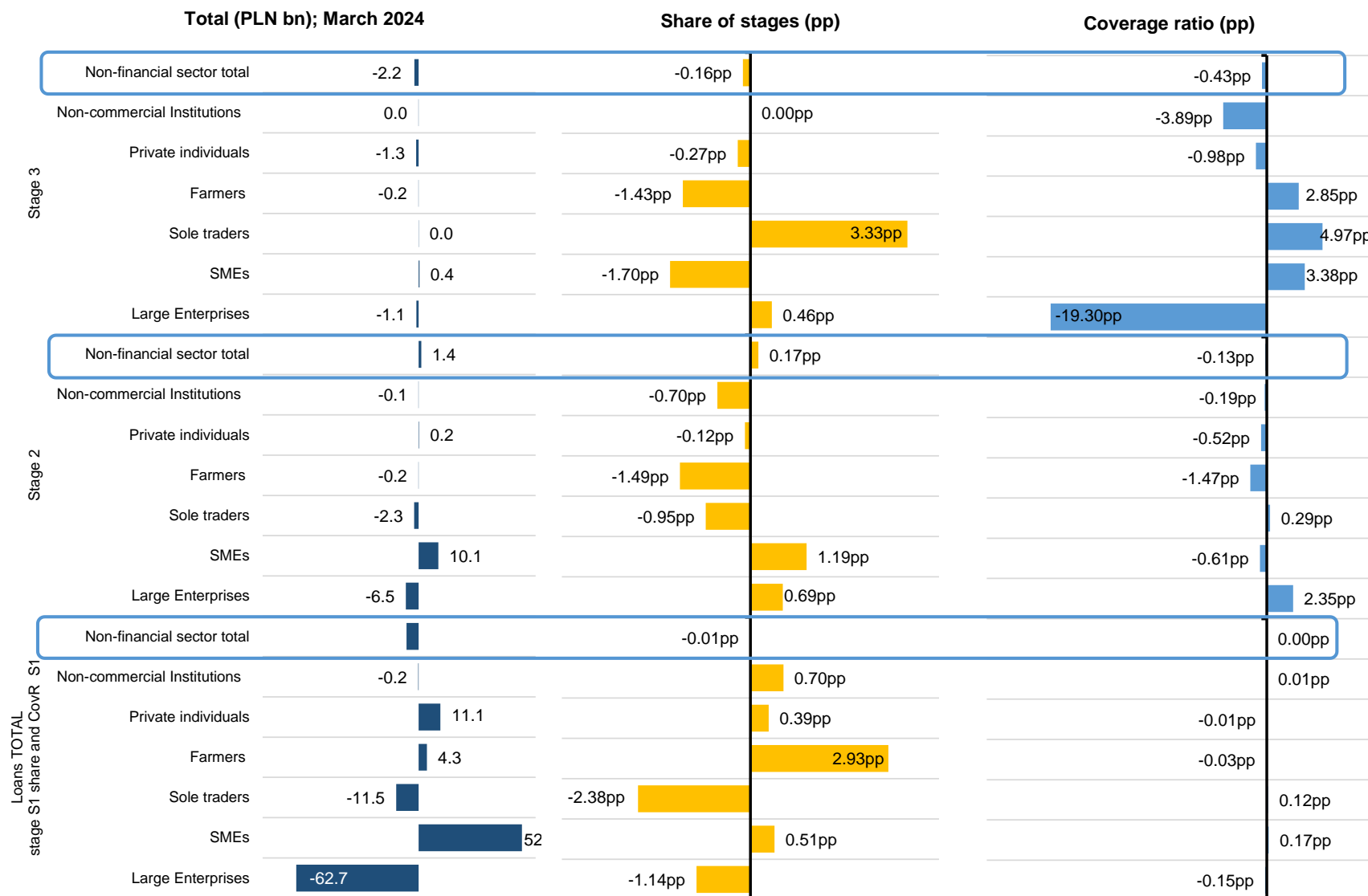
*/ at amortised cost and fair value through other comprehensive income; excluding debt securities.

Loans and advances (gross)* by client



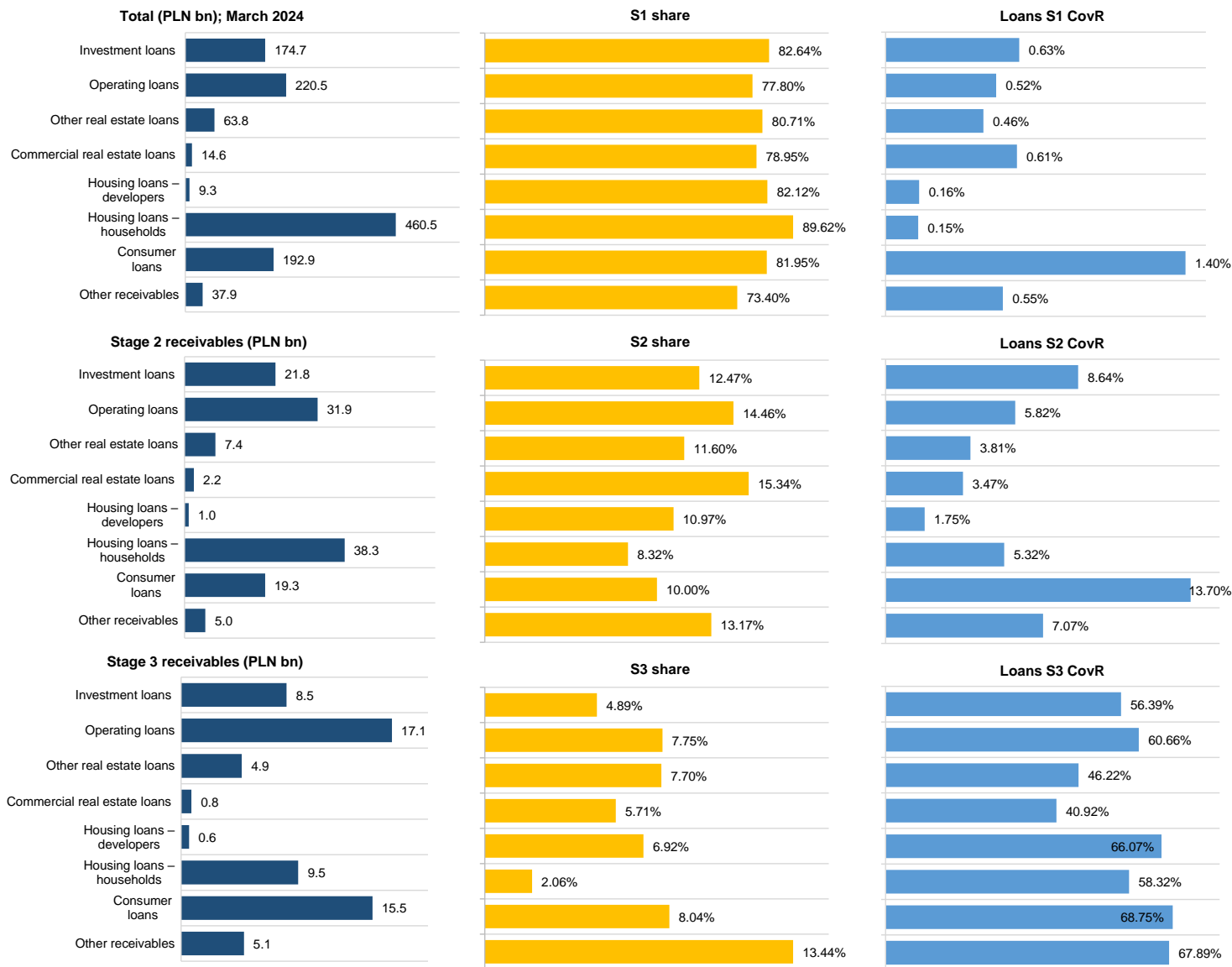
*/ at amortised cost and fair value through other comprehensive income; excluding debt securities.

Loans and advances (gross)* by client – YoY change



*/ at amortised cost and fair value through other comprehensive income; excluding debt securities.

Loans and advances (gross)* by product



*/ at amortised cost and fair value through other comprehensive income; excluding debt securities.

Loans and advances (gross)* by product – YoY change

	Total (PLN bn); March 2024	Share of stages (pp)	Coverage ratio (pp)	
Stage 3	Investment loans	-0.3	-0.20pp	-0.12pp
	Operating loans	0.6	0.38pp	-2.69pp
	Other real estate loans	-0.7	-0.84pp	2.51pp
	Commercial real estate loans	-0.1	-0.48pp	-9.28pp
	Housing loans – developers	-0.1	-1.55pp	-6.09pp
	Housing loans – households	-0.9	-0.20pp	-2.53pp
	Consumer loans	-0.4	-0.69pp	-0.41pp
	Other receivables	-0.2	2.87pp	7.34pp
Stage 2	Investment loans	-0.2	-0.15pp	1.15pp
	Operating loans	3.7	1.89pp	-0.44pp
	Other real estate loans	-0.7	-0.79pp	-0.21pp
	Commercial real estate loans	0.2	1.72pp	1.23pp
	Housing loans – developers	-0.3	-3.36pp	0.68pp
	Housing loans – households	-0.6	-0.13pp	-0.25pp
	Consumer loans	0.9	-0.10pp	-1.52pp
	Other receivables	-1.7	-0.10pp	0.27pp
Loans TOTAL stage S1 share and CovR S1	Investment loans	0.7	0.34pp	0.01pp
	Operating loans	-3.6	-2.27pp	0.02pp
	Other real estate loans	-1.8	1.63pp	-0.02pp
	Commercial real estate loans	-0.6	-1.24pp	0.03pp
	Housing loans – developers	0.2	4.92pp	-0.03pp
	Housing loans – households	0.7	0.34pp	-0.03pp
	Consumer loans	10.9	0.79pp	-0.10pp
	Other receivables	-12.6	-2.77pp	0.48pp

*/ at amortised cost and fair value through other comprehensive income; excluding debt securities.

Loans and advances*: non-financial sector

- **Housing loans (gross) to households** increased by PLN 0.6 bn to PLN 460.5 bn (+0.1% MoM; +0.1% YoY) in March 2024:
 - ✓ **housing loans (gross) in PLN** increased in March 2024 (+PLN 3.5 bn) to PLN 421.6 bn (+0.8% MoM; +8.5% YoY). As at the end of March 2024, PLN loans accounted for 91.6% of all housing loans to households;
 - ✓ **housing loans (gross) in other currencies** decreased compared to the previous month (-7.0% MoM; -45.4% YoY) to PLN 38.9 bn.
- **Consumer loans (gross)** increased in March 2024 by PLN 1.5 bn to PLN 192.9 bn (+0.8% MoM; +6.0% YoY).

**/ at amortised cost and fair value through other comprehensive income; excluding debt securities.*

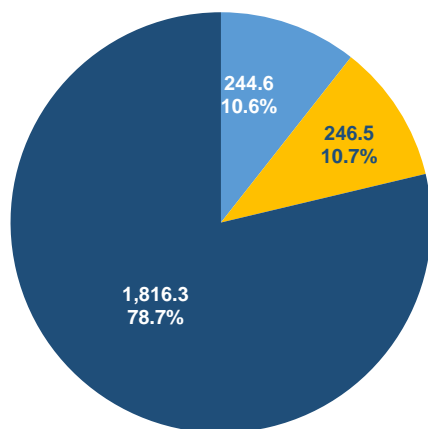
Loans and advances*: non-financial sector

- **Operating loans (gross) to non-financial corporations** increased in March 2024 by PLN 7.6 bn to PLN 173.0 bn (+4.6% MoM; -3.9% YoY).
- **Investment loans (gross) to non-financial corporations** decreased in March 2024 by PLN 0.4 bn to PLN 157.9 bn (-0.3% MoM; +2.2% YoY).
- **Impaired (stage 3) receivables from the non-financial sector** in March 2024:
 - ✓ decreased by PLN 1.1 bn compared to previous month to PLN 62.1 bn (-1.8% MoM; -3.4% YoY);
 - ✓ dominant components were consumer loans (PLN 15.5 bn) and operating loans (PLN 17.1 bn);
 - ✓ the client structure was dominated by private individuals (PLN 25.4 bn) and SMEs (PLN 19.6 bn).

**/ at amortised cost and fair value through other comprehensive income; excluding debt securities.*

Balance sheet: liabilities

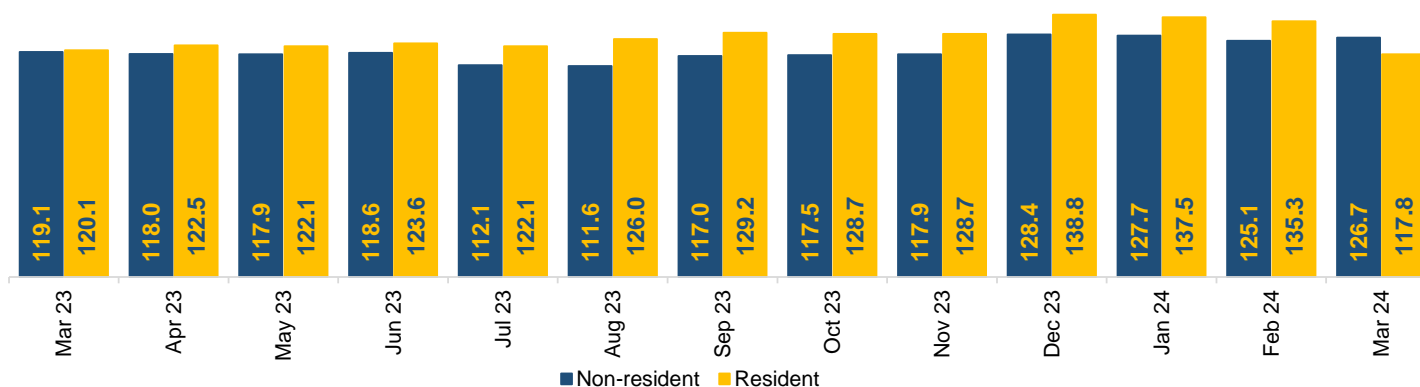
Deposits and received loans; March 2024 (PLN bn)



■ Financial sector
■ General Government sector
■ Non-financial sector

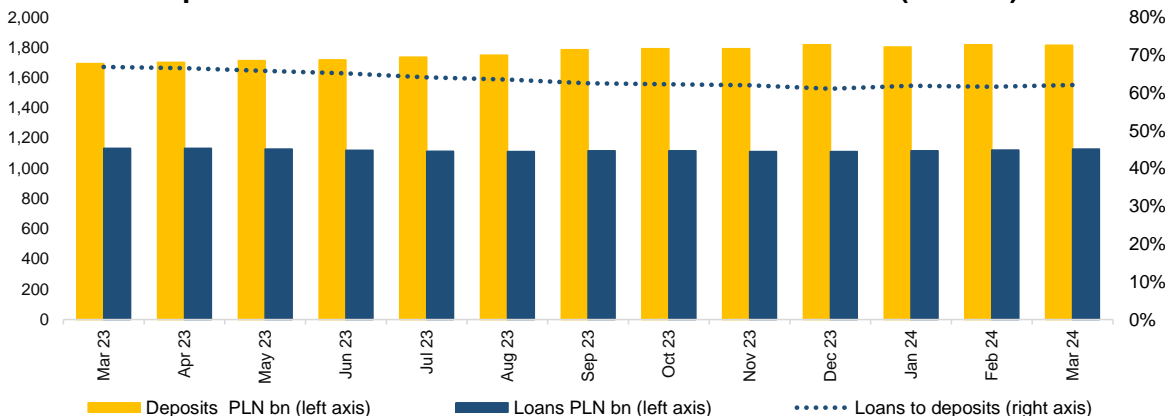
- The General Government deposits' share increased by 0.1 pp MoM to 10.7% in March 2024.
- The commitment of non-residents increased in March 2024 by PLN 1.6 bn (+1.3% MoM; +6.4% YoY). The commitment of residents decreased by PLN 17.4 bn (-12.9% MoM; -1.9% YoY).

Financial sector deposits and loans (PLN bn)



Non-financial sector deposits

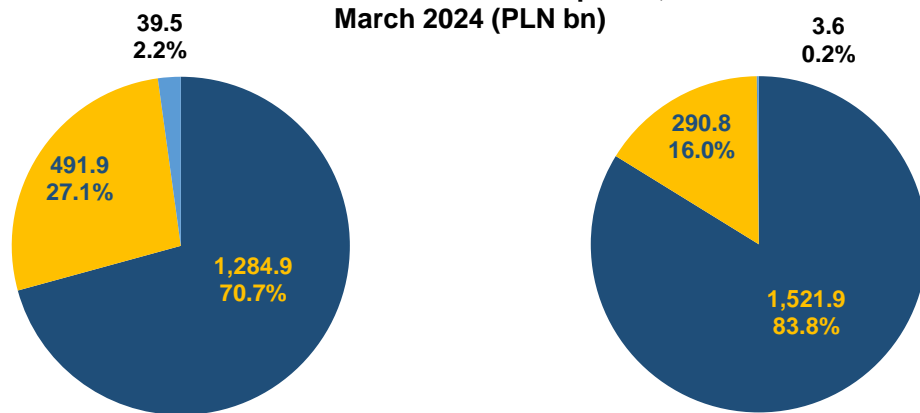
Deposits vs receivables* from the non-financial sector (PLN bn)



- In March 2024, the loan-to-deposit ratio increased to 62.1% (+0.5 pp MoM; -4.8 pp YoY).
- Non-financial sector deposits (including blocked deposits) in March 2024 decreased by PLN 3.0 bn, to PLN 1 816.3 bn (-0.2% MoM; +7.2% YoY).

*/ loans at balance sheet value; excluding debt securities

Non-financial sector deposits; March 2024 (PLN bn)

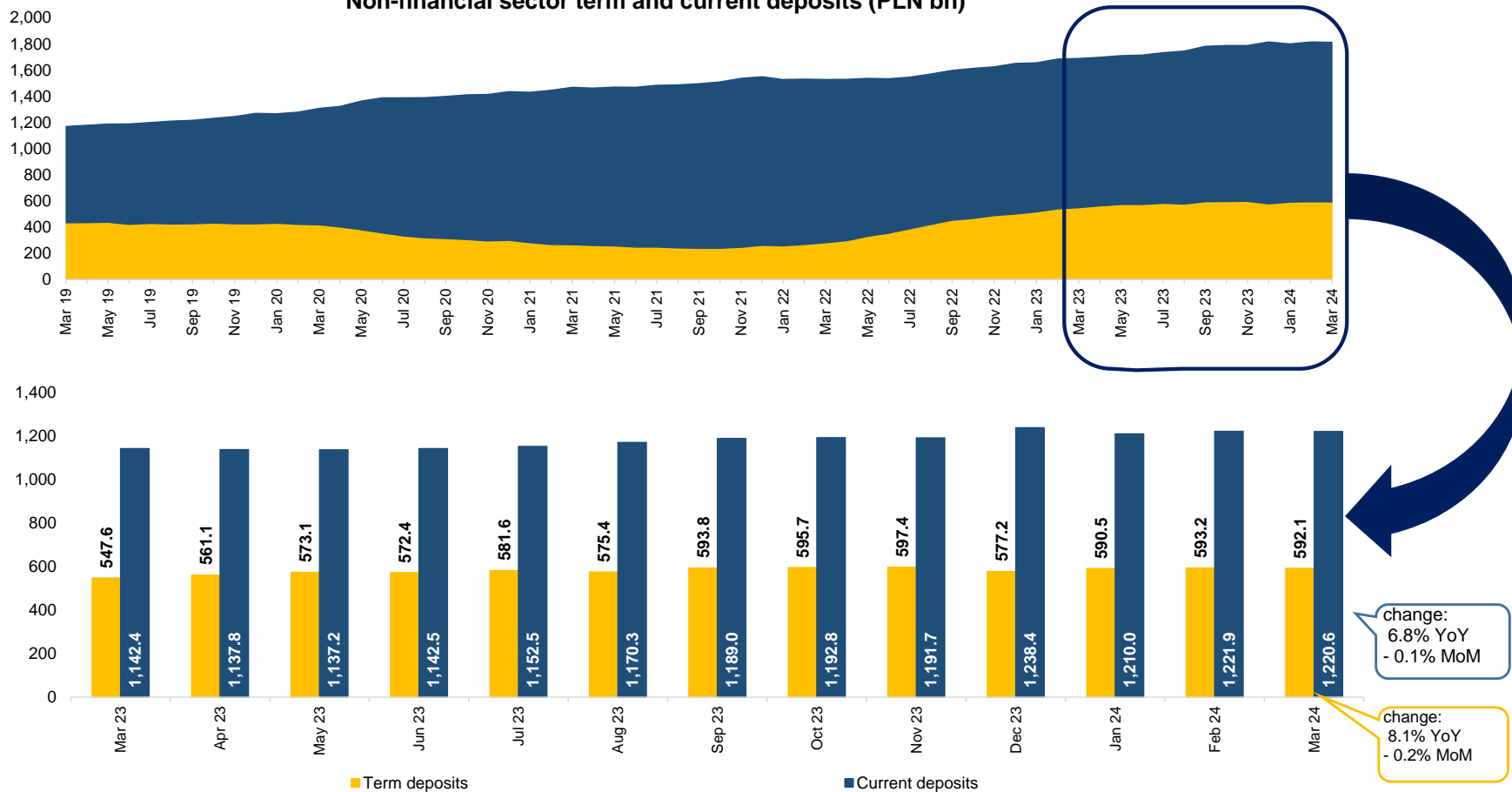


- Households
- Enterprises
- Non-commercial institutions
- PLN
- Other than PLN
- Blocked deposits - all currencies

Volume of households' deposits, which dominated the structure (70.7% of total non-financial sector deposits), increased in March 2024 by PLN 7.3 bn (+0.6% MoM; +9.7% YoY).

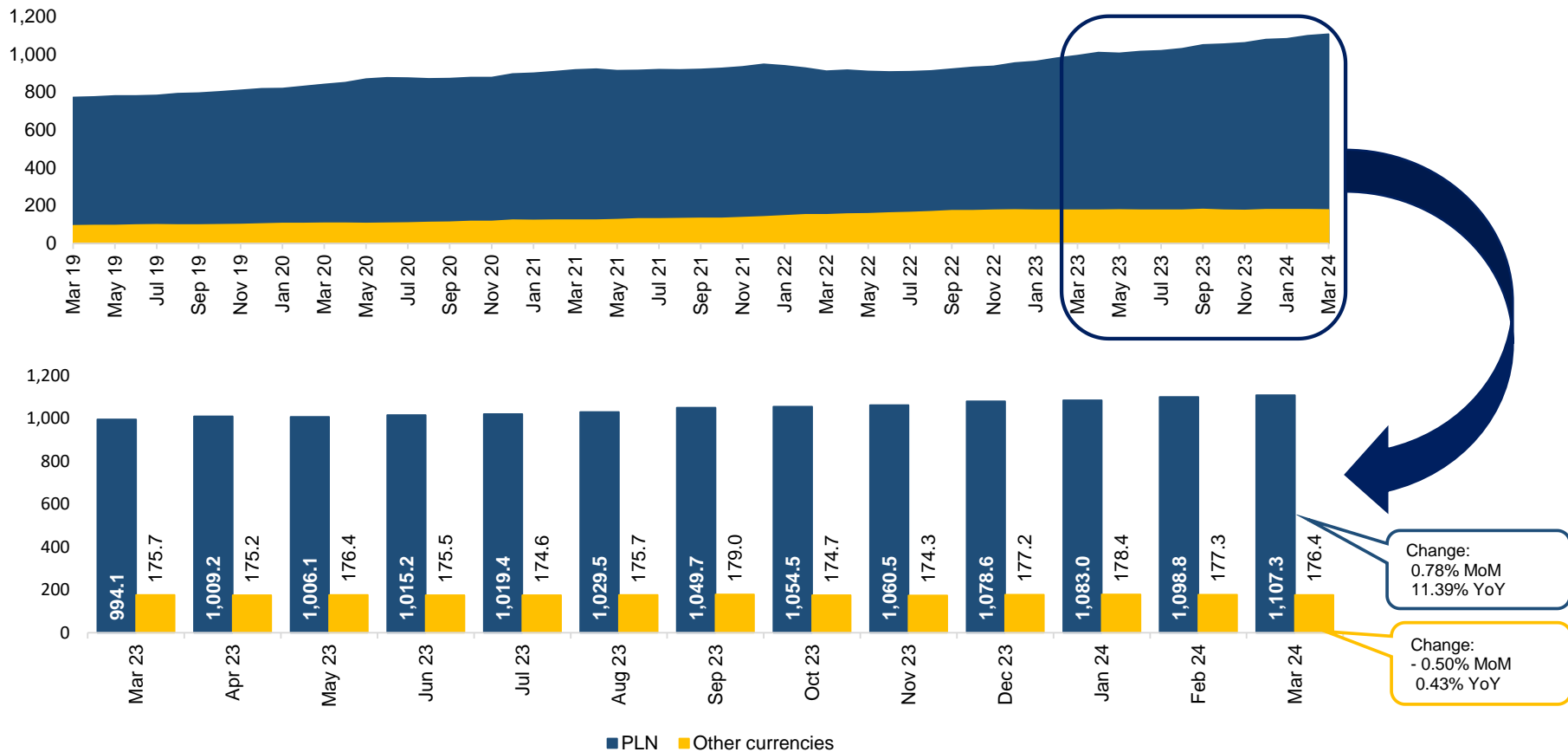
Non-financial sector deposits

Non-financial sector term and current deposits (PLN bn)



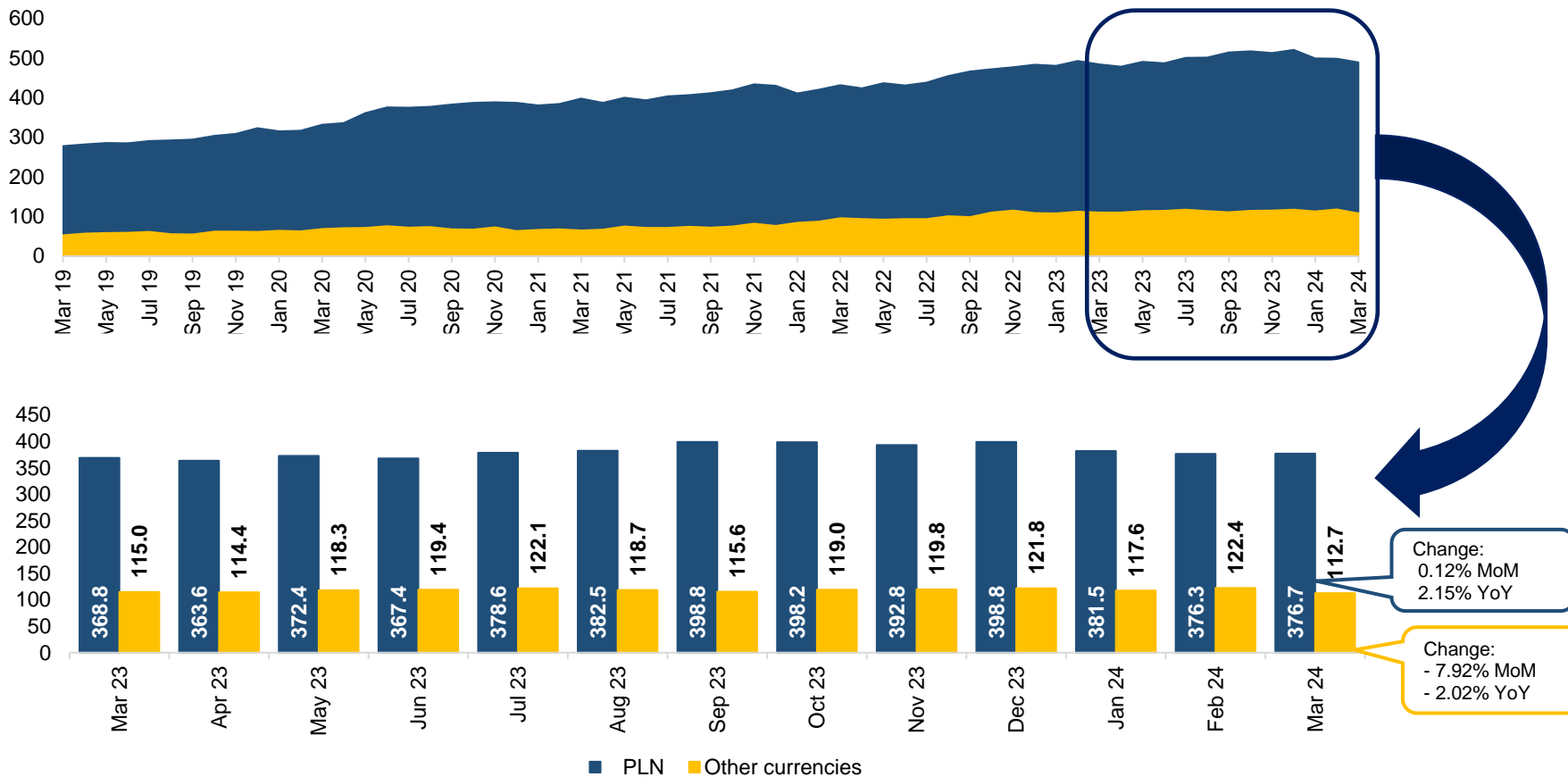
Non-financial sector deposits

Households' deposits (PLN bn)



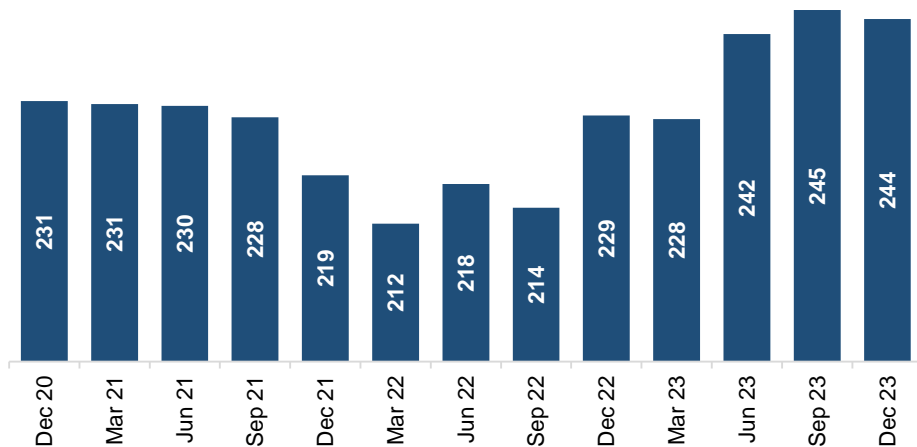
Non-financial sector deposits

Enterprises' deposits (PLN bn)

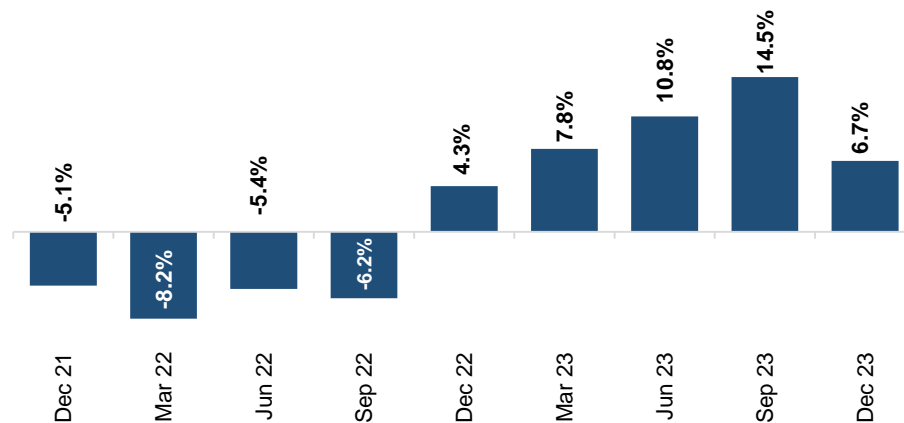


Capital adequacy: commercial and cooperative banks

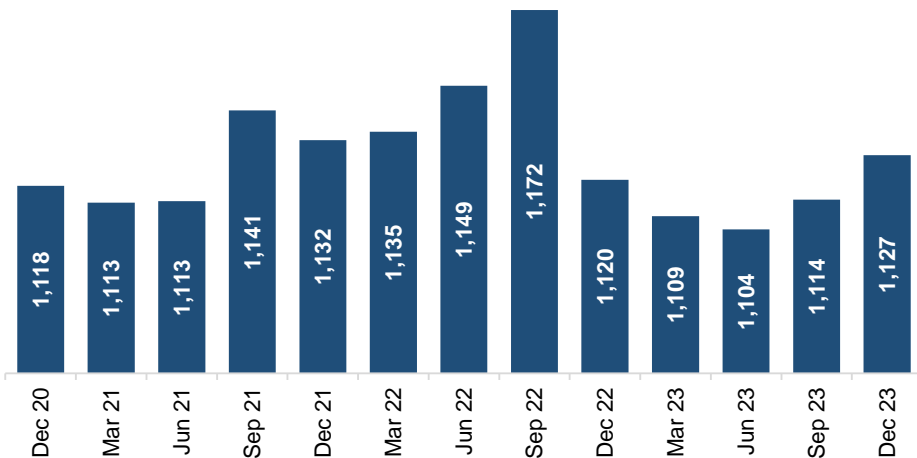
Own funds (PLN bn)



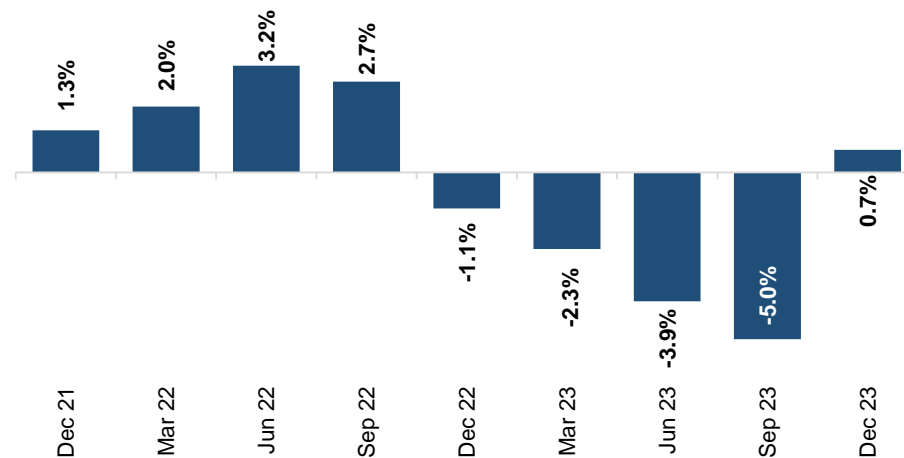
Own funds dynamics YoY



Total risk exposure amount (PLN bn)

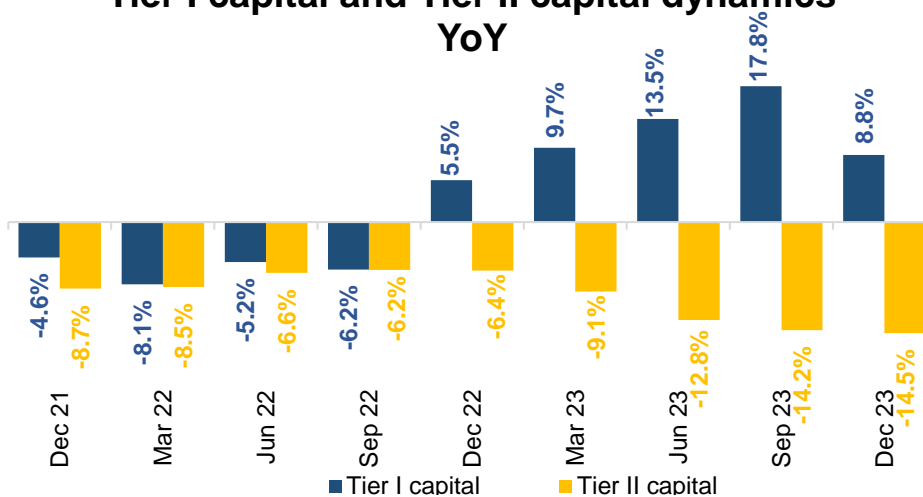


Total risk exposure amount dynamics YoY

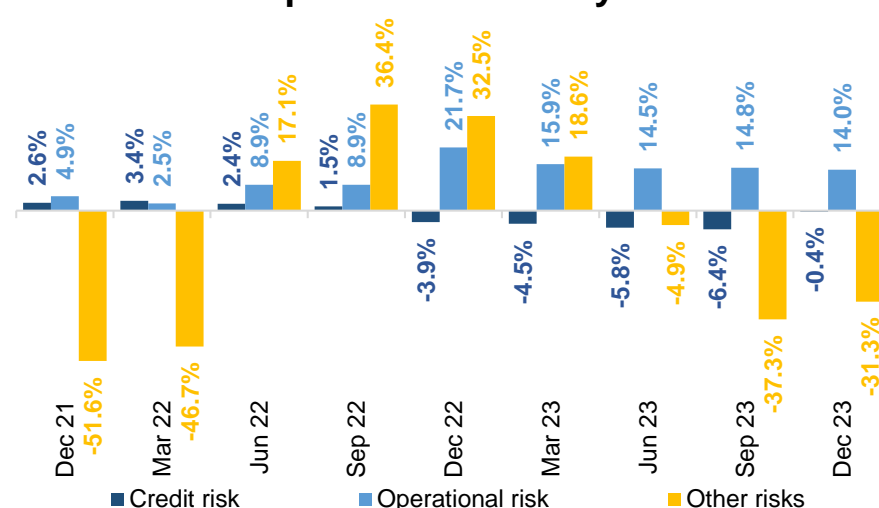


Capital adequacy: commercial and cooperative banks

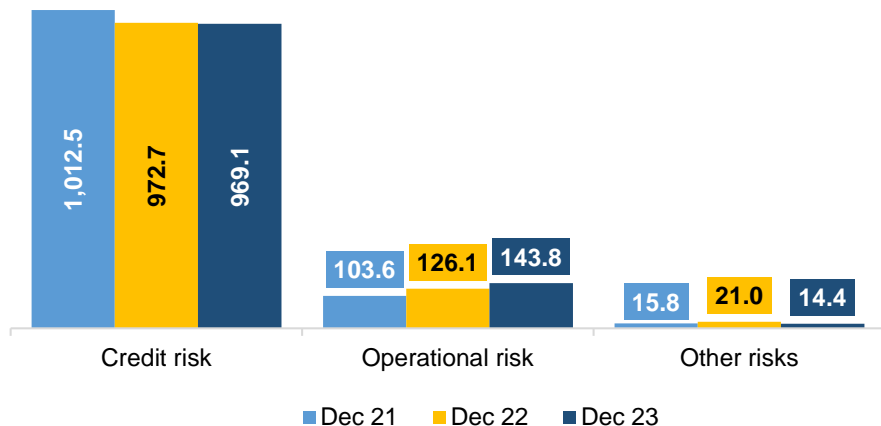
Tier I capital and Tier II capital dynamics YoY



Risk exposure amount dynamics YoY



Risk exposure amount (PLN bn)



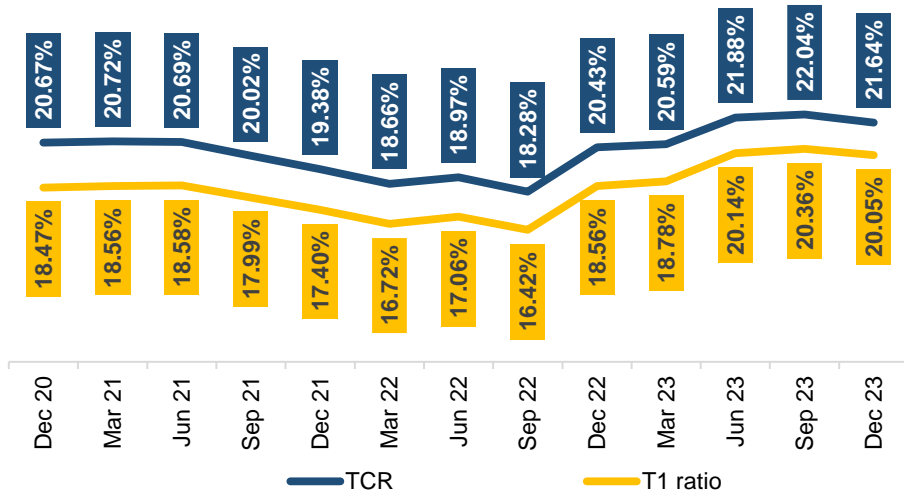
In the fourth quarter of 2023:

- further increase in operational risk exposure and decrease in credit risk exposure amount,
- own funds decrease – by PLN 1.4 bn.

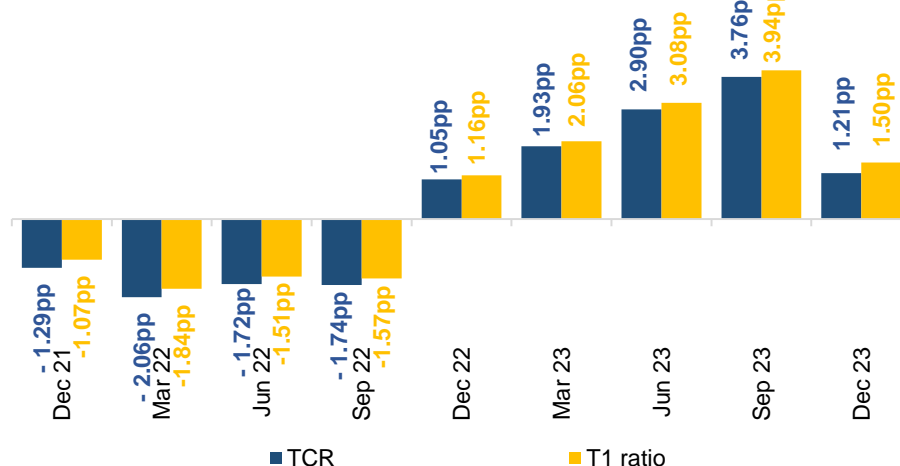
Capital situation of the banking sector remains stable.

Capital adequacy: commercial and cooperative banks

Capital adequacy ratios

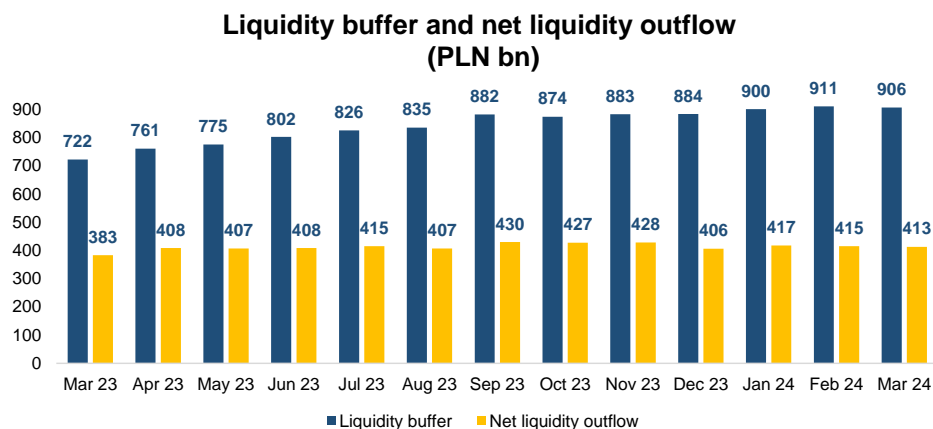
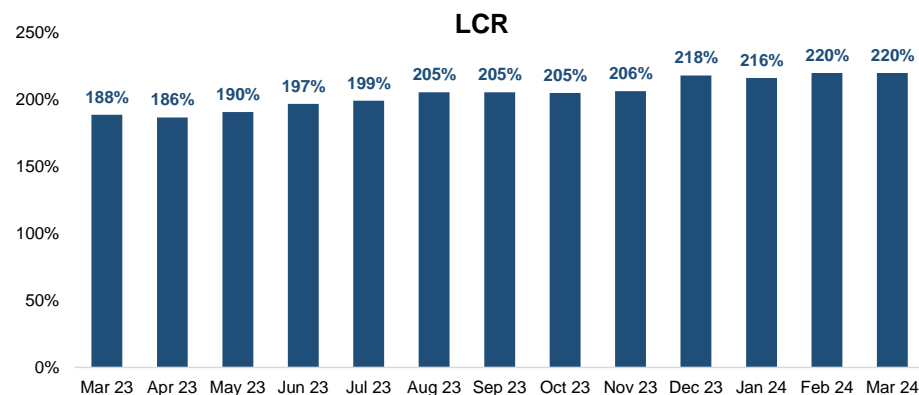


Changes in capital adequacy ratios YoY (p.p.)



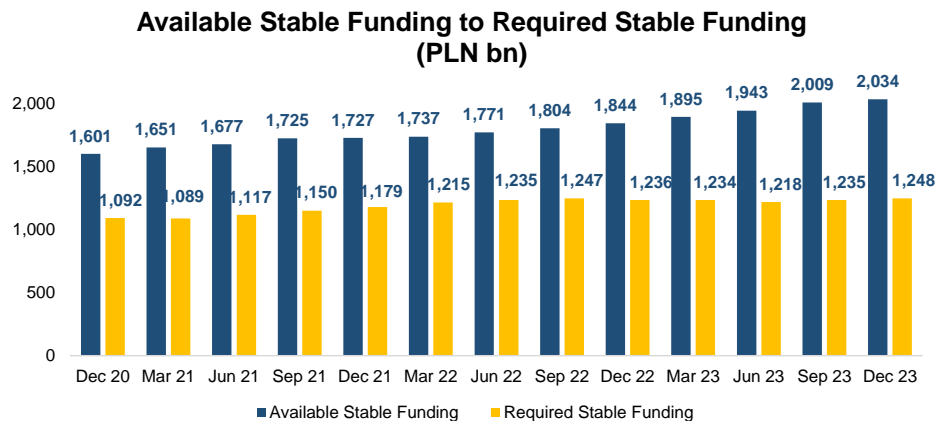
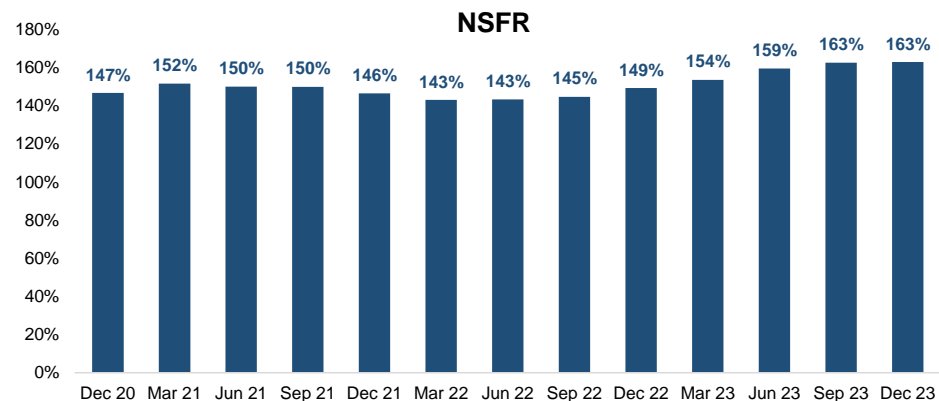
As at the end of December 2023, capital adequacy ratios of the sector were 21.64% (TCR) and 20.05% (T1).

Liquidity



- At the end of March 2024, all commercial banks fulfilled the binding LCR requirement. For many months, the average LCR in the sector has been above the minimum requirement – 100%.
- At the end of March 2024, LCR for commercial banks (excluding affiliating banks) amounted to 220%.

Liquidity

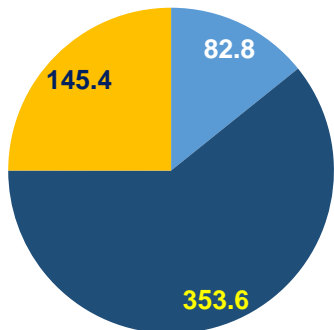


- For many months, the average NSFR in the commercial banks sector (excluding affiliating banks) has been above the 100% requirement, as required since 28 June 2021.
- At the end of December 2023:
 - NSFR of all commercial banks amounted to 163%,
 - all commercial banks fulfilled the requirement (100%).

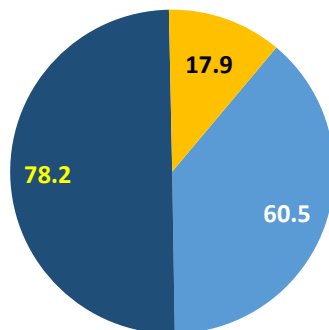
Off-balance-sheet commitments

Off-balance-sheet commitments; March 2024 Commitments extended (PLN bn)

Commitments to lend



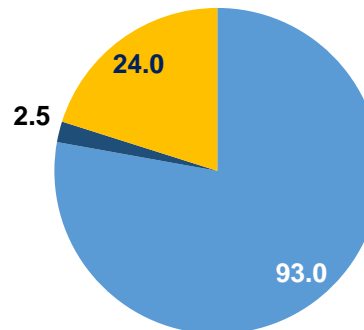
Guarantee commitments



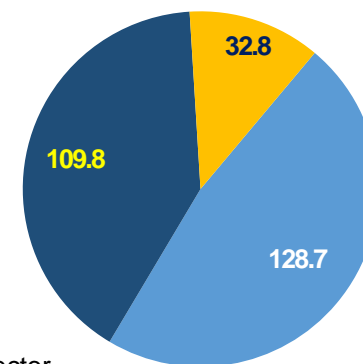
- Financial sector
- Non-financial sector
- General Government sector

Off-balance-sheet commitments; March 2024 Commitments received (PLN bn)

Commitments to lend

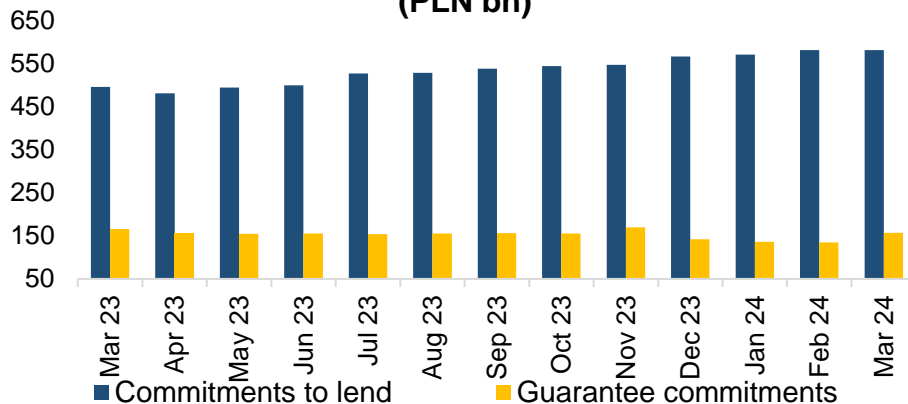


Guarantee commitments

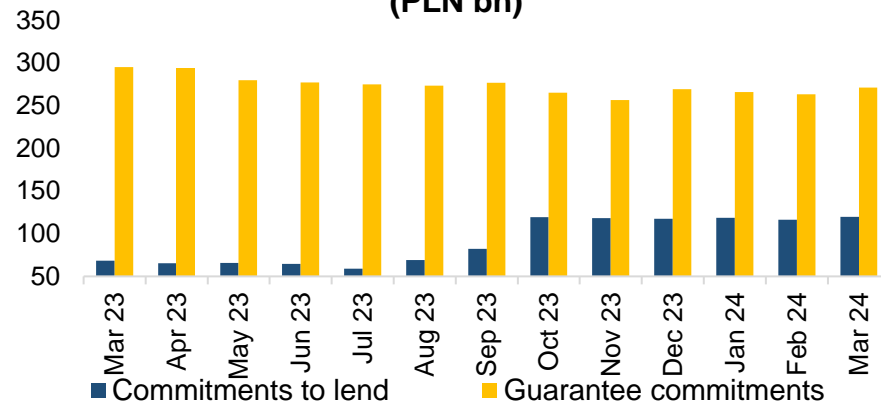


- Financial sector
- Non-financial sector
- General Government sector

Off-balance-sheet commitments: commitments extended (PLN bn)

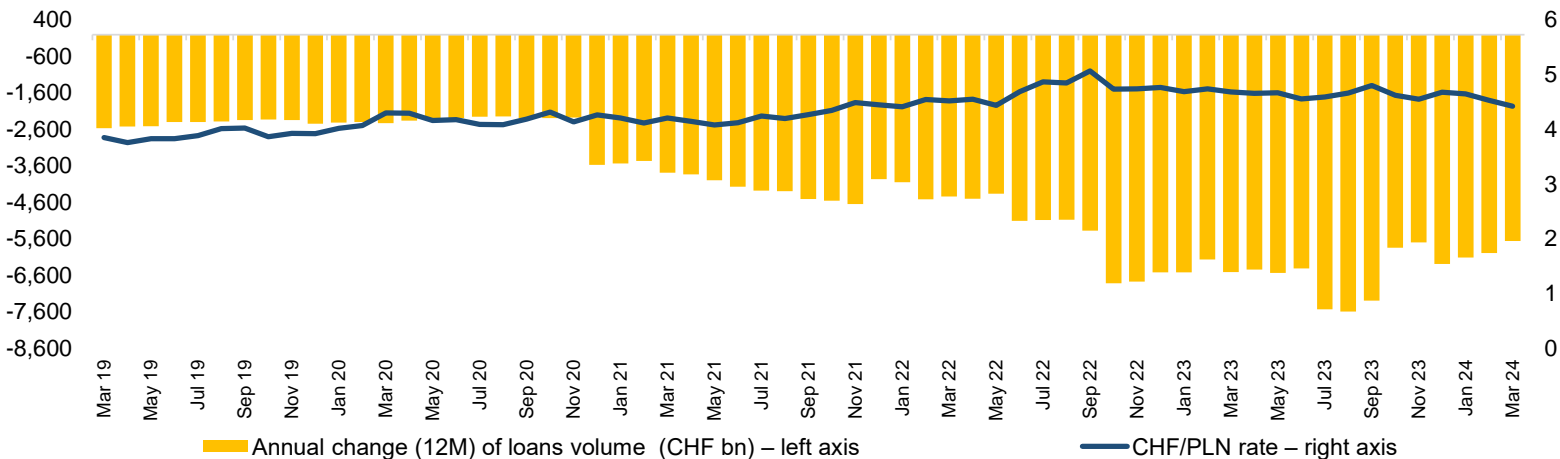
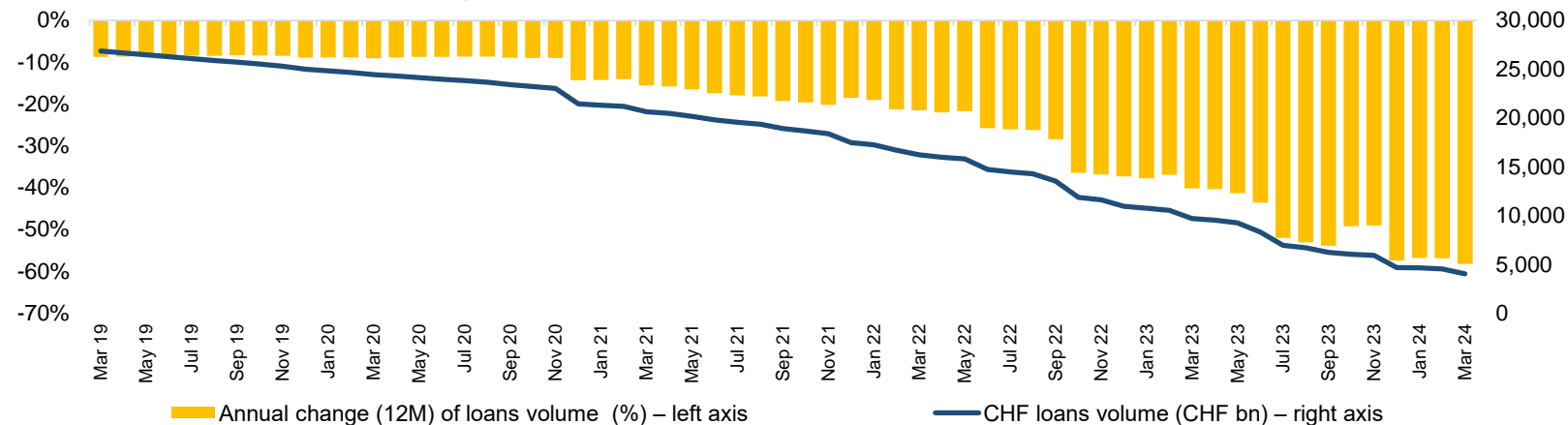


Off-balance-sheet commitments: commitments received (PLN bn)



Additional information

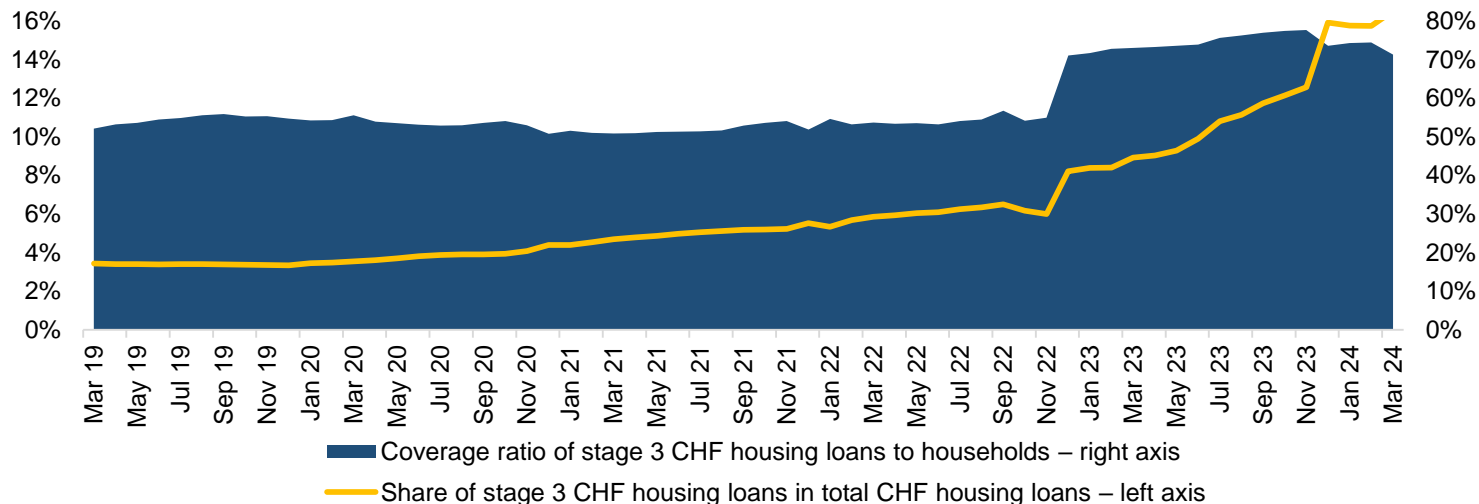
Housing loans to households in CHF: portfolio evolution



! Due to the application of IFRS 9 to legal risk provisions, banks decreased the gross balance sheet value by the value of such provisions in the period from December 2020 to March 2024.

Additional information

Quality and coverage ratio of CHF housing loans to households



Number and volume of CHF housing loans to households

