



Superintendencia
de Bancos de Panamá



Friday, June 4, 2021

IBC Profits Decrease as of April 2021



The International Banking Center recorded accumulated net profits, as of April 2021, of USD 418 million, 16.1% less than that of April 2020.

According to the Banking Activity Report, issued by the Superintendency of Banks of Panama (SBP), this result is explained by a significant contraction in the income obtained by a foreign international license bank and expenses for the IBC loan portfolio provisions.

Regarding loans to the domestic sector, as of April 2021, it registered a total of USD 54.11 billion, with a decrease of USD 1.61 billion (-3.0%) versus April 2020, which is the result of the underperformance of loans to the private sector. In annual terms, corporate loans maintained their downward trend, again registering contractions in nominal terms in April 2021 of 15.9%. On the other hand, consumer loans showed an increase of 0.9% propelled by mortgages.

The legal liquidity index of the banking system registered 62.7%, higher than the 30% required by the Banking Law, while the most recent capital adequacy ratio on risk weighted assets stood at 16.2%, including capital requirements for credit, market and operating risks, in accordance with Basel III, which markedly exceeds the regulatory minimum of 8% required by the Banking Law.

The assets of the International Banking Center totaled USD 128.30 billion, which represents an increase of USD 265.3 million, i.e. a year-on-year increase of 0.2%, when compared to April 2020.



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For its part, deposits recorded an increase of USD 5.72 billion (6.4%), which is the result of domestic deposits performance, particularly of Government deposits, being these the elements that strongly boosted the atypical increase in bank deposits within the pandemic context. The International Banking Center deposits, as of April 2021, amounted to USD 94.93 billion.

For further information on the variables explaining the results of this report, please visit our website www.superbancos.gob.pa / Financial & Statistical.