

**UKNF**

URZĄD  
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FINANSOWEGO

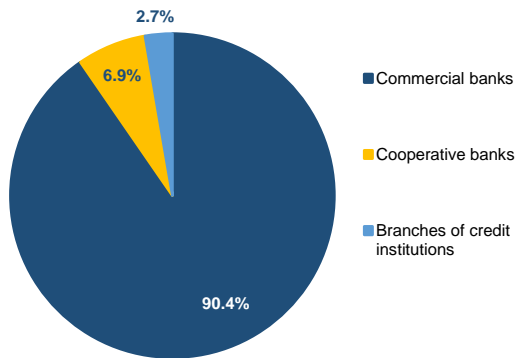
POLISH FINANCIAL SUPERVISION AUTHORITY

# Banking sector data February 2024

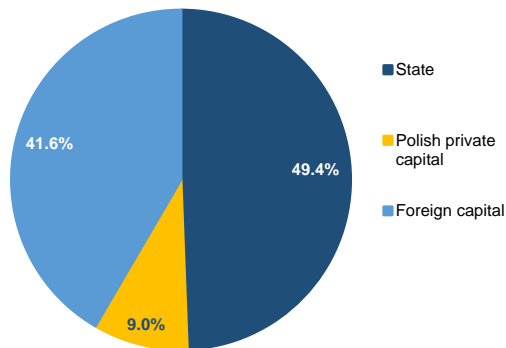
Based on the data of the National Bank of Poland reported on:  
9 April 2024

# Banking sector structure

Structure by client (share in assets)  
February 2024



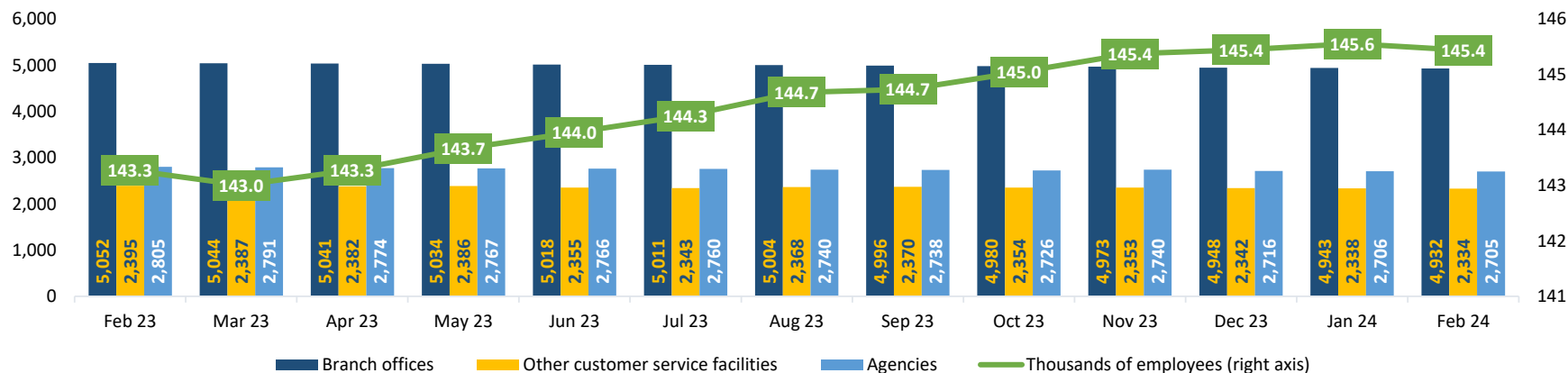
Capital origin (share in assets)  
February 2024



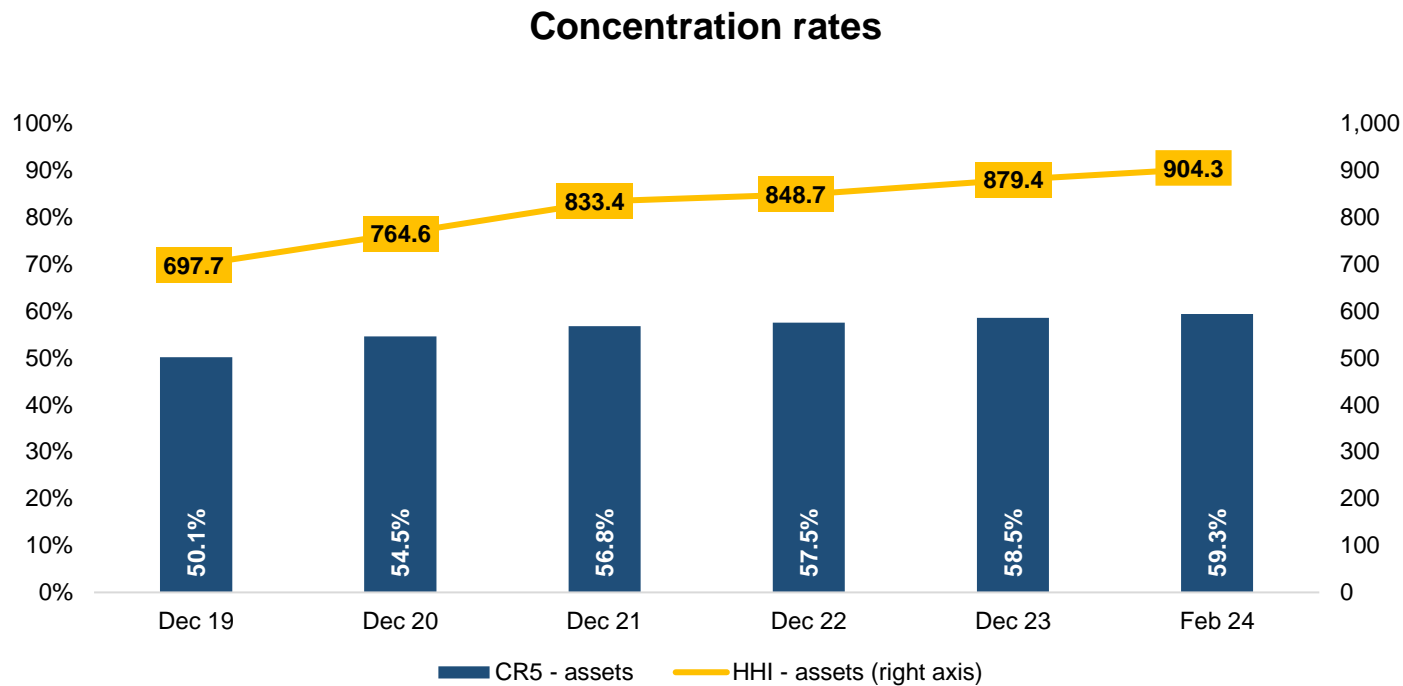
At the end of February 2024, there were:

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

Banking network



# Concentration of the banking sector



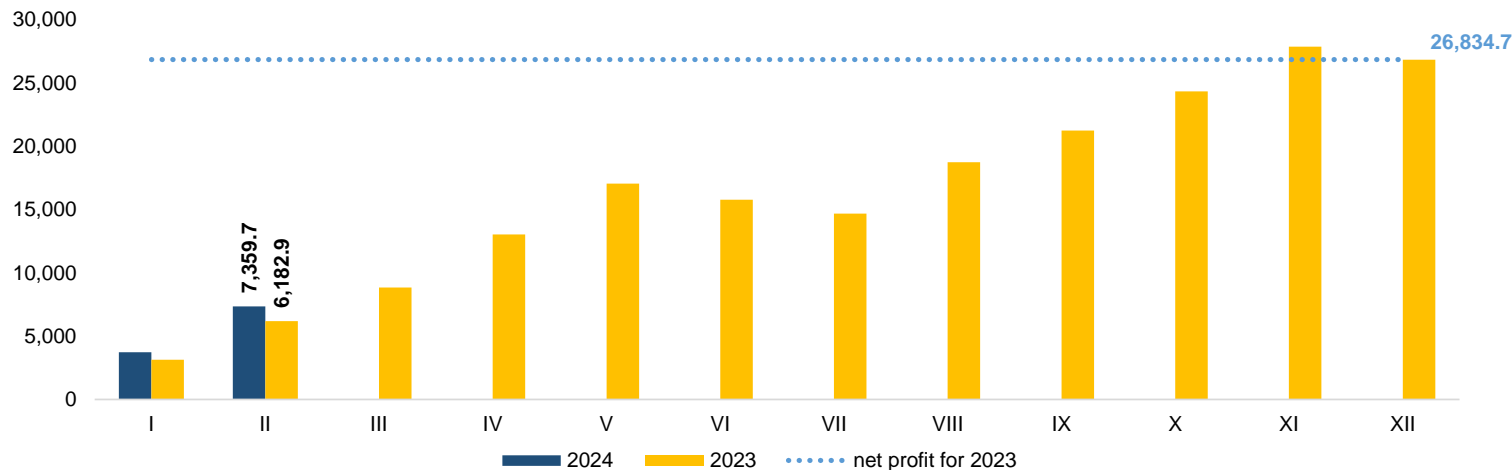
*HHI – the Herfindahl-Hirschman index (the sum of squares of banks' shares in the banking sector assets) is a measure of market concentration. The index takes into account not only the number of entities but also their relative size.*

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

HHI of 904.3 indicates a competitive market.

# Financial result

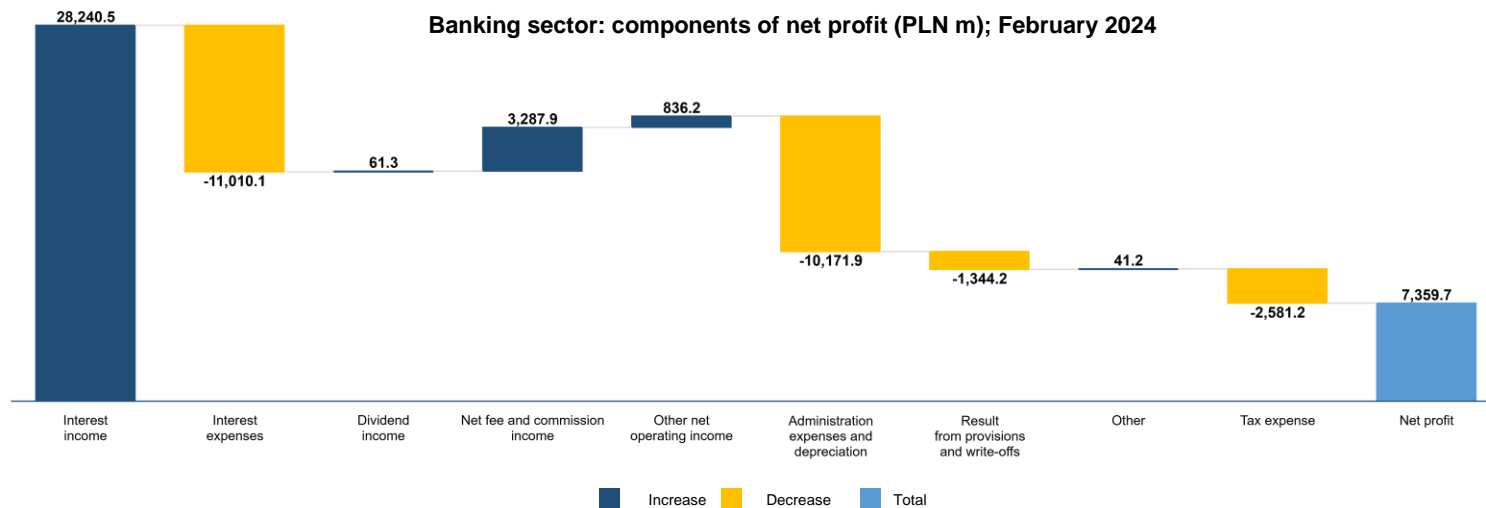
## Banking sector: net profit (PLN m)



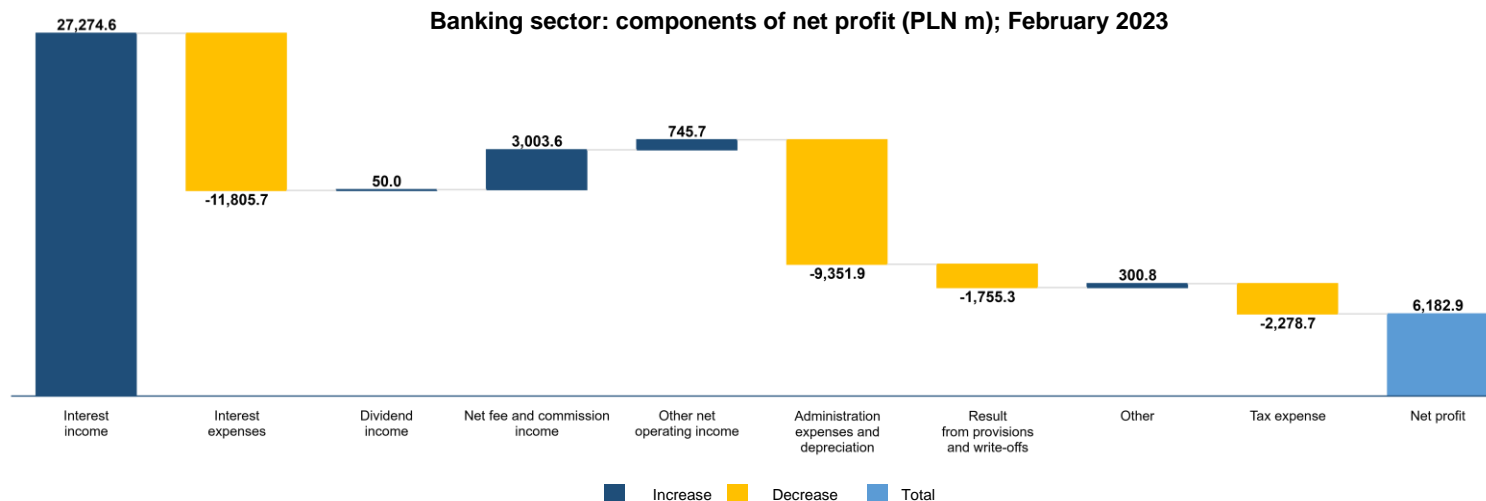
The net financial result at the end of February 2024 amounted to PLN 7.4 bn. It was higher by PLN 1.2 bn (+19.0% YoY) than the profit achieved by the sector at the end of February 2023.

# Financial result

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

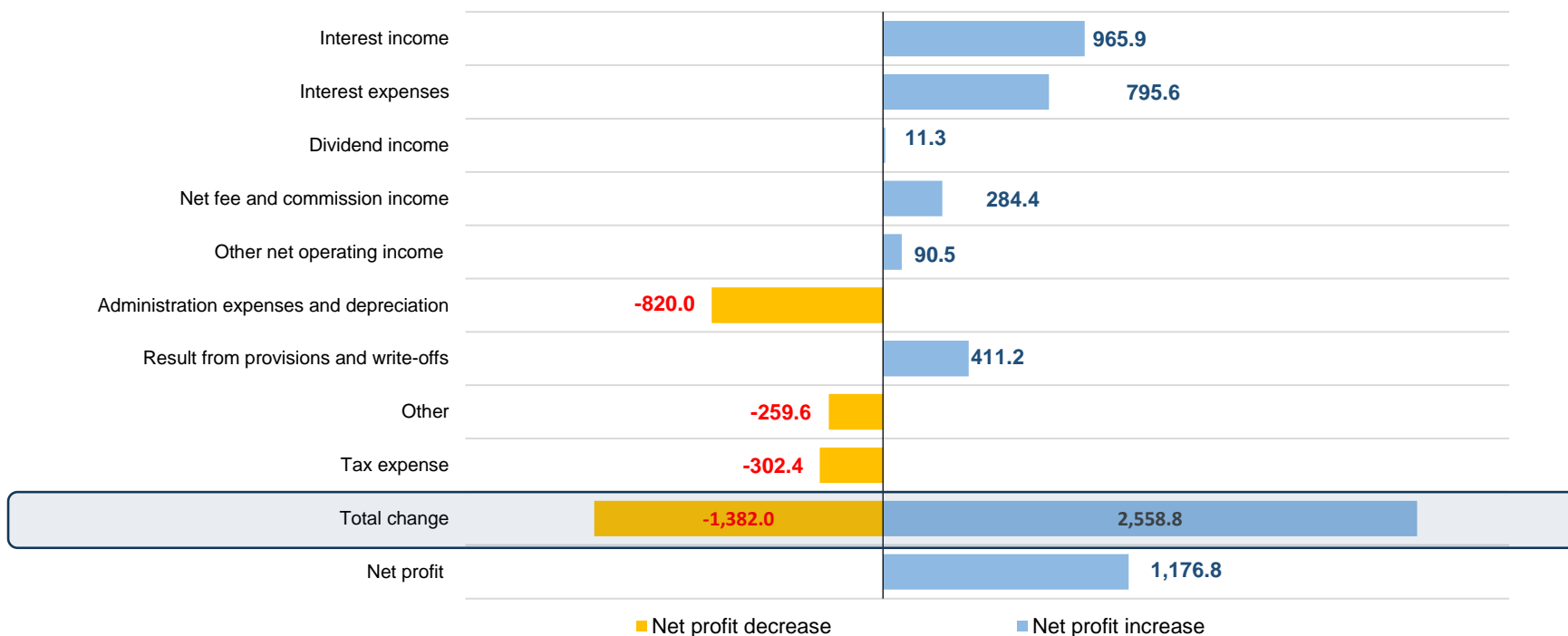


Banking sector: components of net profit (PLN m); February 2023



# Financial result

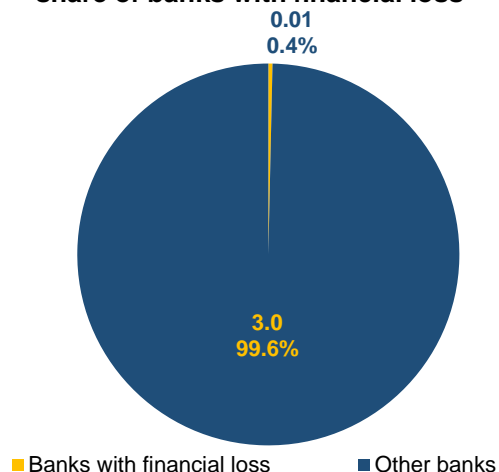
## Banking sector: impact of changes in individual items of P&L on the financial result – YoY (PLN m); February 2024



# Financial result

- At the end of February 2024, commercial banks reported a total loss of PLN 1.0 m. The assets of those banks accounted for approx. 0.4% of the sector's assets\*.
- Other banks in the sector\* reported a total profit of PLN 7.5 bn.

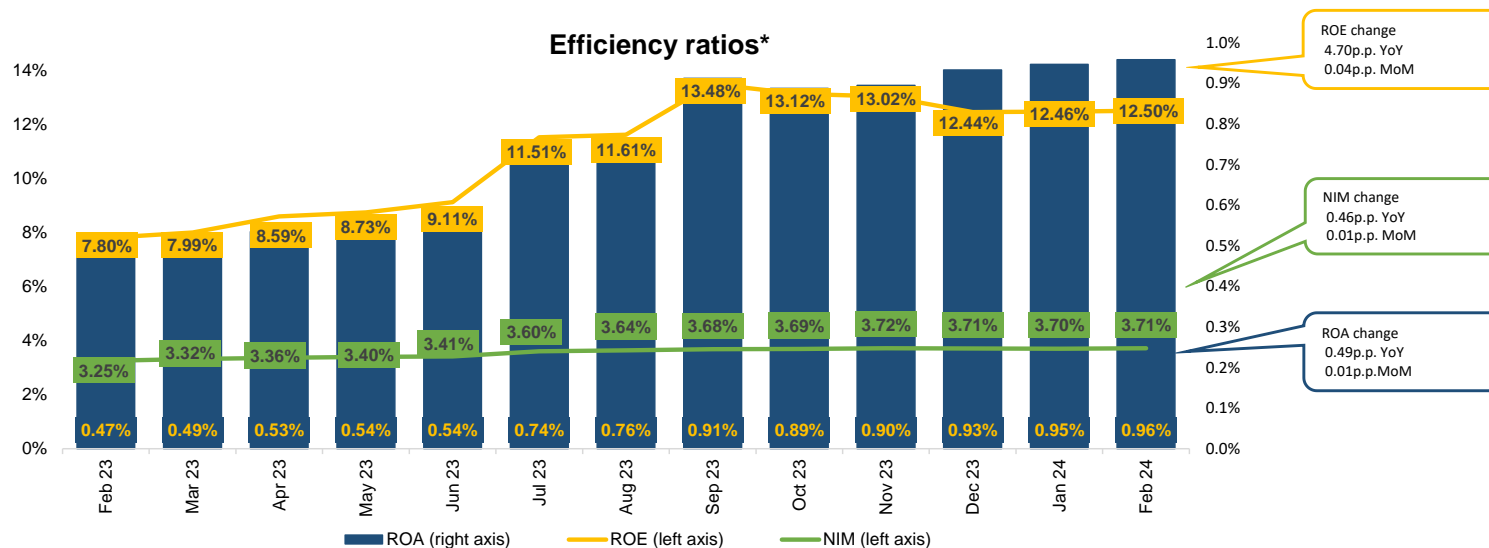
Sector assets\* (PLN tn) in February 2024;  
share of banks with financial loss



At the end of February 2024, the share of loss-making banks was equal to 0.8% of the portfolio of receivables from the non-financial sector at commercial and cooperative banks.

*\*/ commercial and cooperative banks*

# 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.

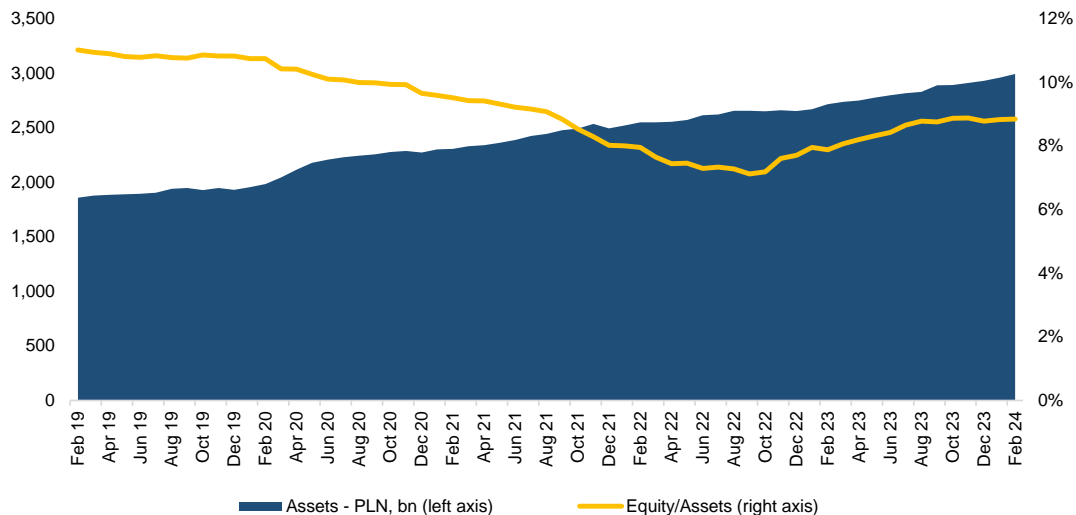
\*\*/ C/I ratio: costs (operating costs + depreciation of fixed assets and intangible assets) in relation to income (total operating income, net); moving average of 12 months.

/ 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.

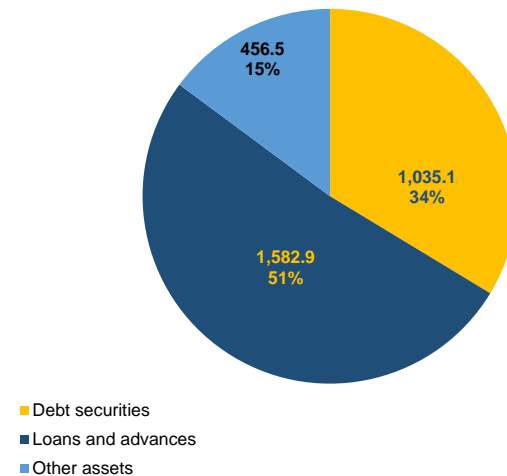


# Balance sheet

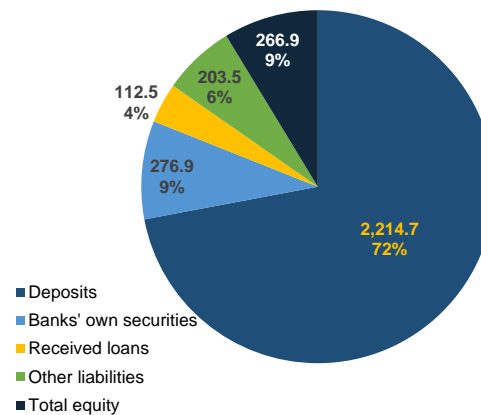
**Equity vs total assets, commercial and cooperative banks**



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



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



Balance sheet total (PLN bn)	Balance sheet total February 2023	Change MoM	Change YoY
Banking sector	3,074.6	35.7	9.8%
Commercial banks	2,779.1	27.6	9.9%
Cooperative banks	212.3	4.1	13.4%
Branches of credit institutions	83.2	4.0	-0.2%

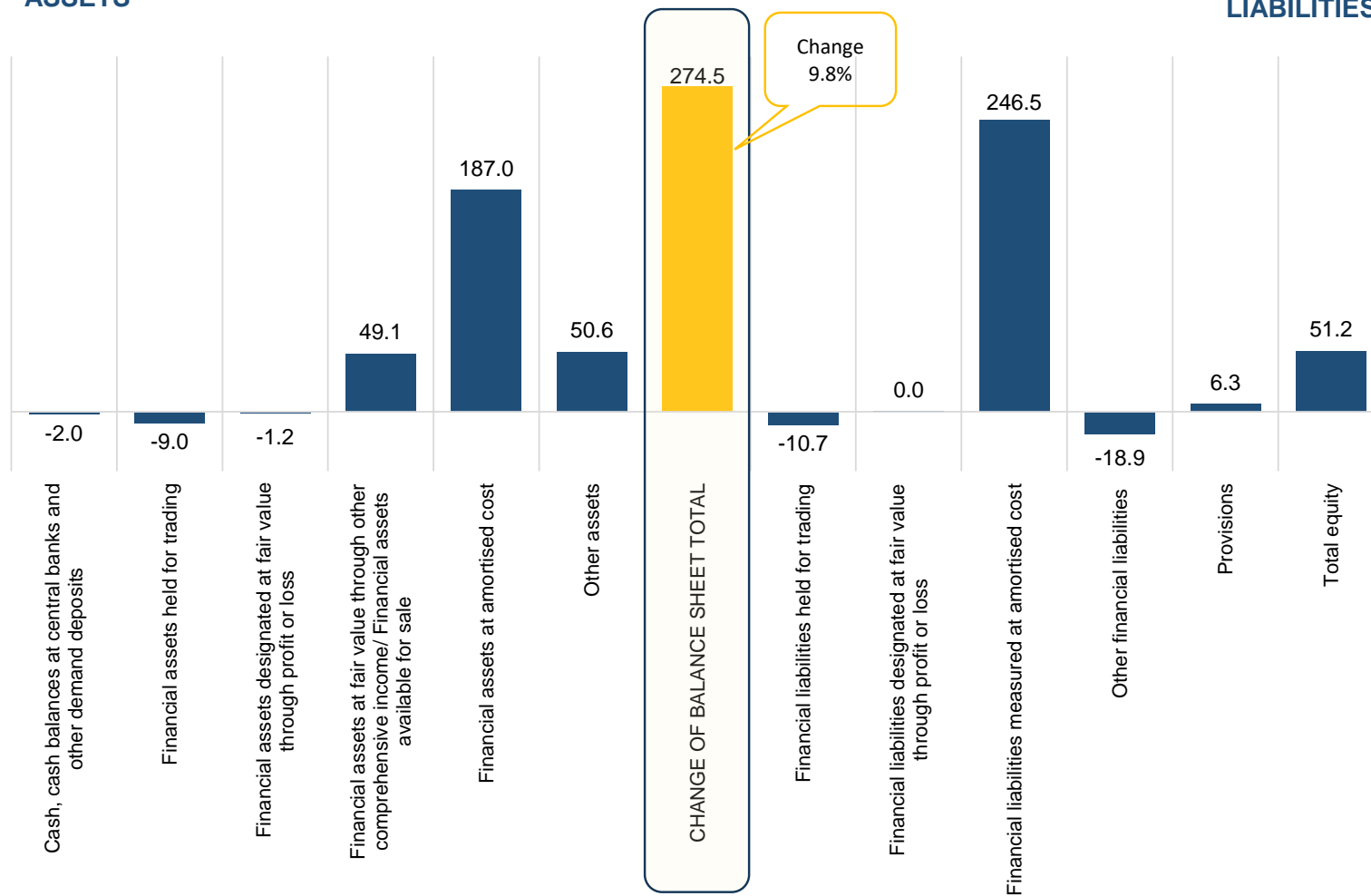
\* / commercial and cooperative banks

# Balance sheet: YoY changes

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

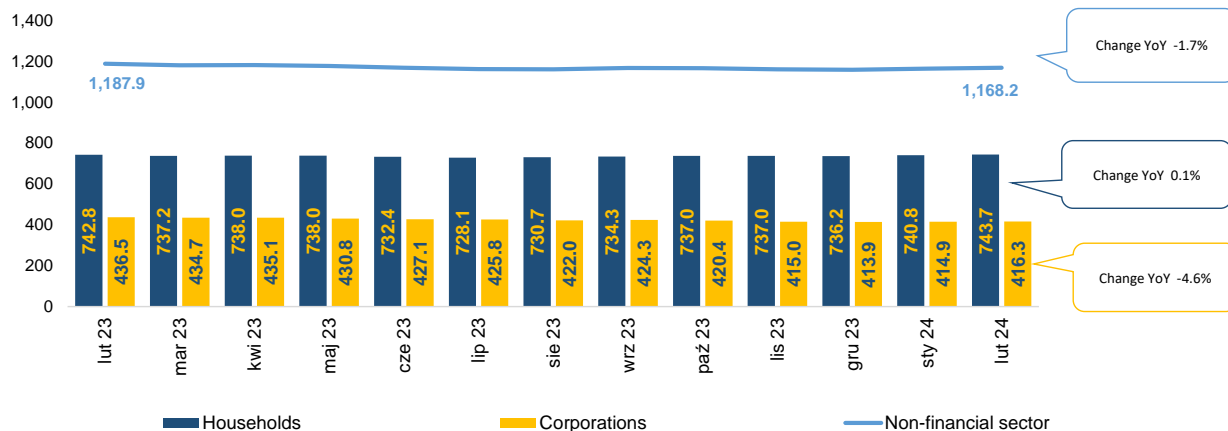
## ASSETS

## LIABILITIES

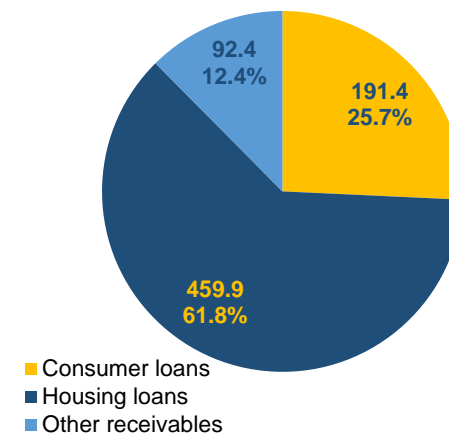


# Balance sheet: loans to the non-financial sector

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



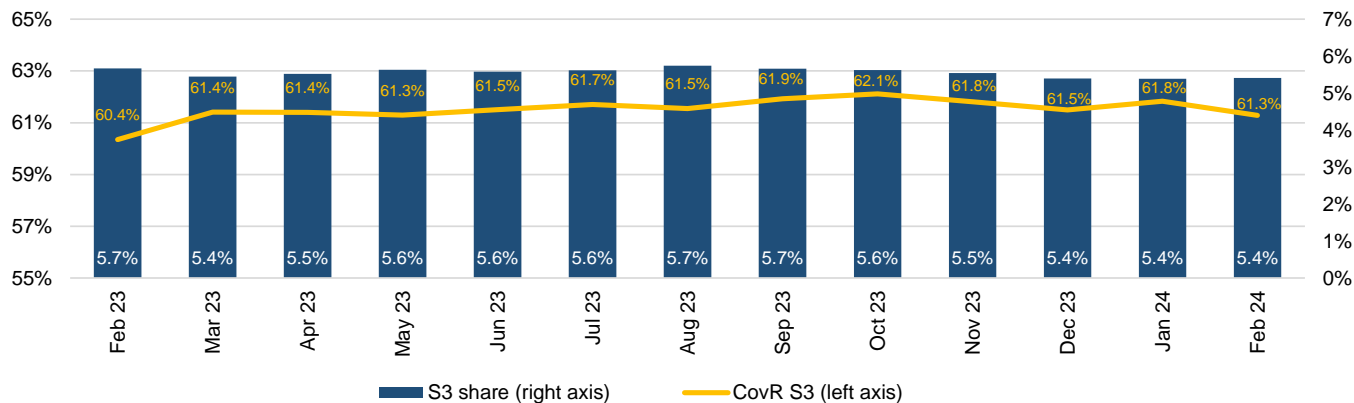
### Gross receivables from households – portfolio B\* (PLN bn) February 2024



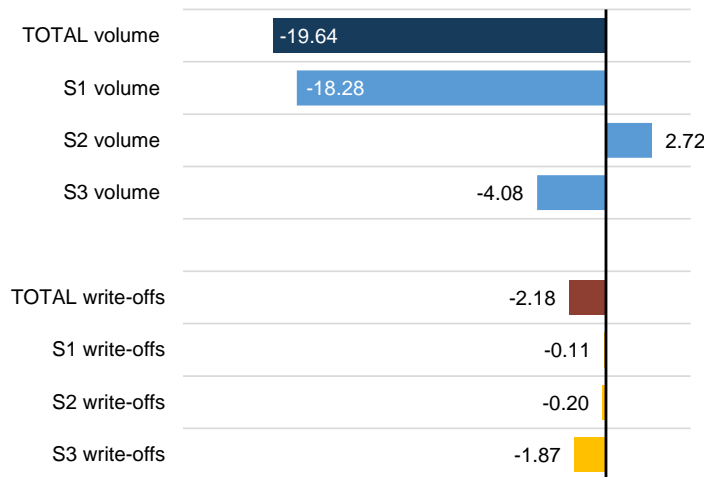
The gross volume of loans to the non-financial sector increased by PLN 4.3 bn (+0.4% MoM) in February 2024.

# Non-financial sector receivables quality

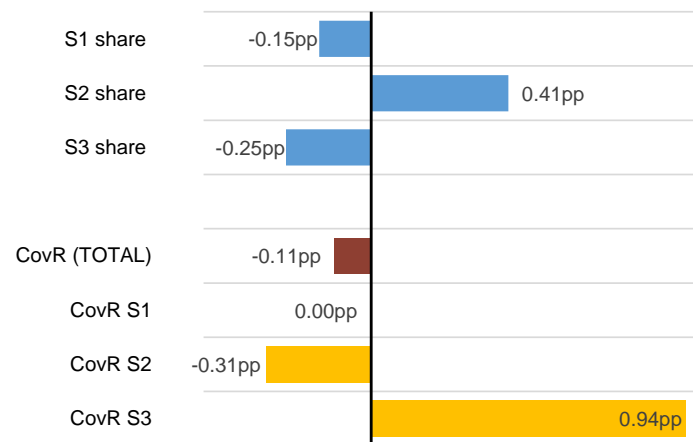
## TOTAL\* receivables from the non-financial sector – quality of receivables and coverage ratio



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



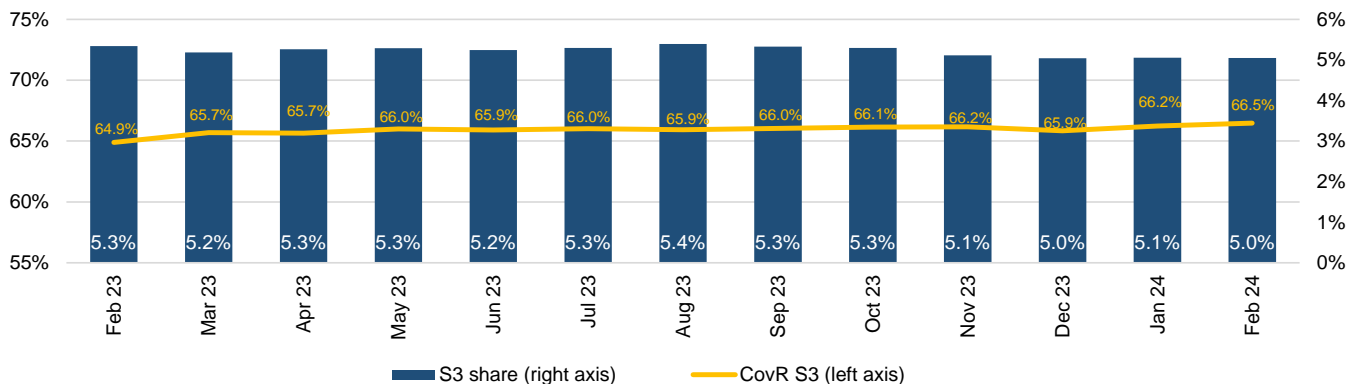
Change in the share of stages and coverage with write-offs in the period between February 2023 and February 2024 (pp)



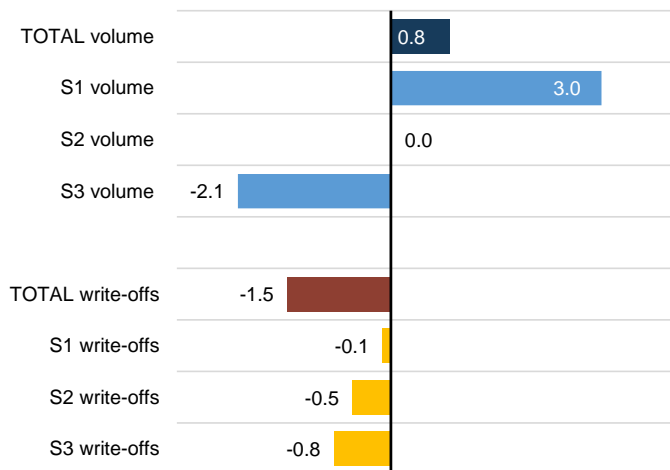
\*/ at amortised cost and fair value through other comprehensive income; excluding debt securities.

# Non-financial sector receivables quality

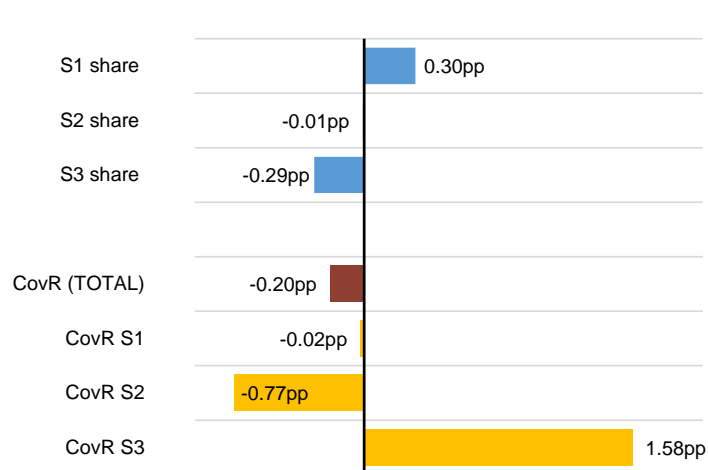
**TOTAL\* receivables from households  
– quality of receivables and coverage ratio**



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



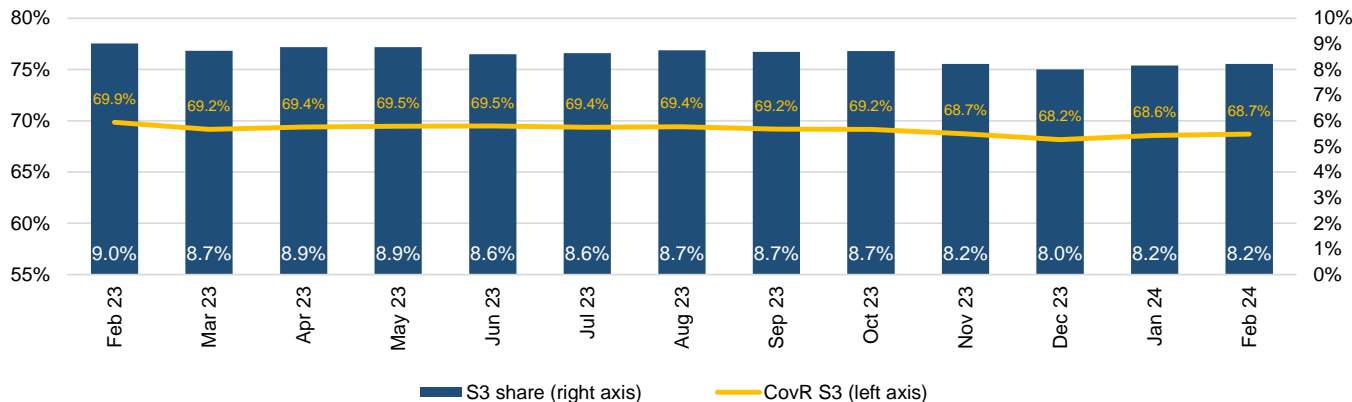
**Change in the share of stages and coverage with write-offs in the  
period between February 2023 and February 2024 (pp)**



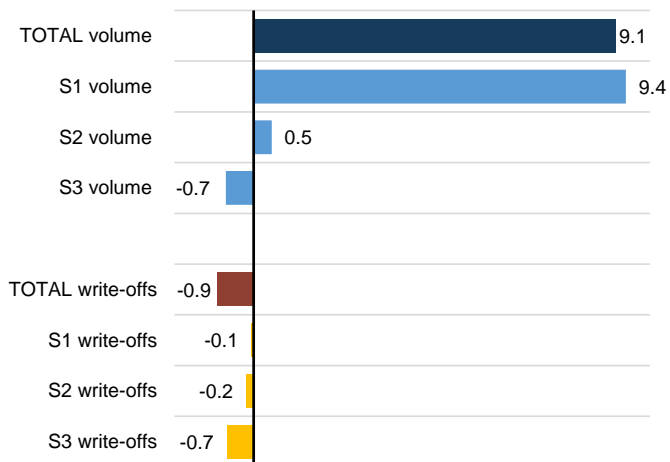
\*/ at amortised cost and fair value through other comprehensive income; excluding debt securities.

# Non-financial sector receivables quality

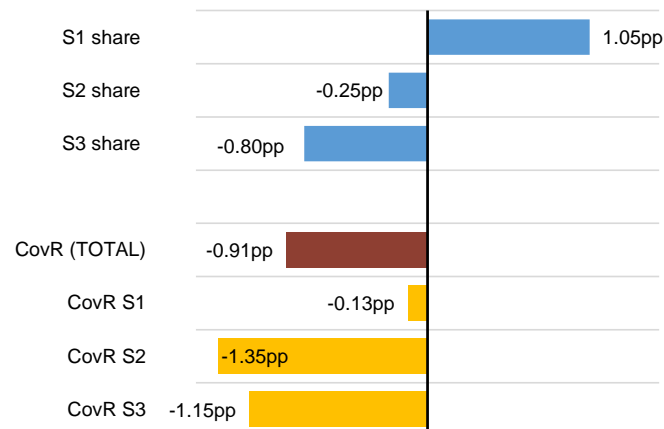
Consumer loans\* – loan quality and coverage ratio



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



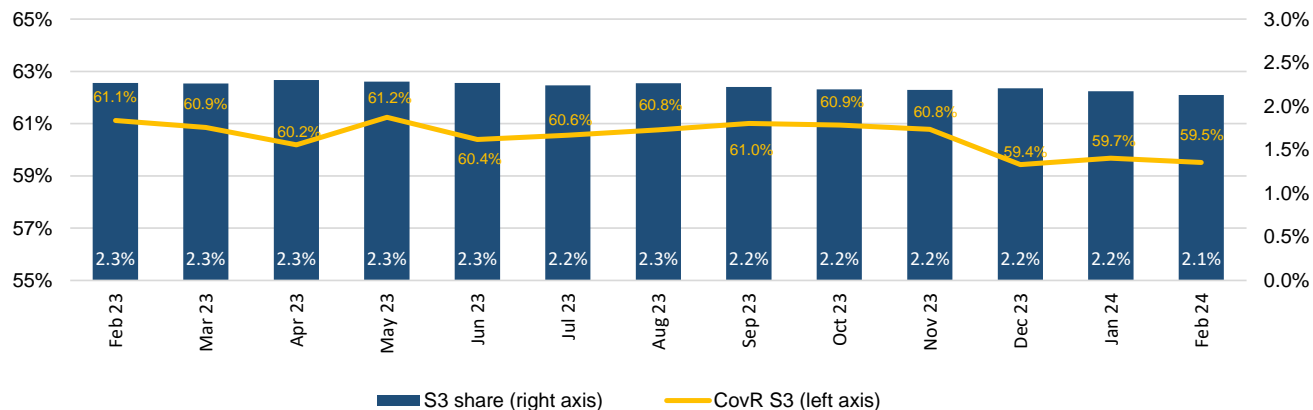
Change in the share of stages and coverage with write-offs in the period between February 2023 and February 2024 (pp)



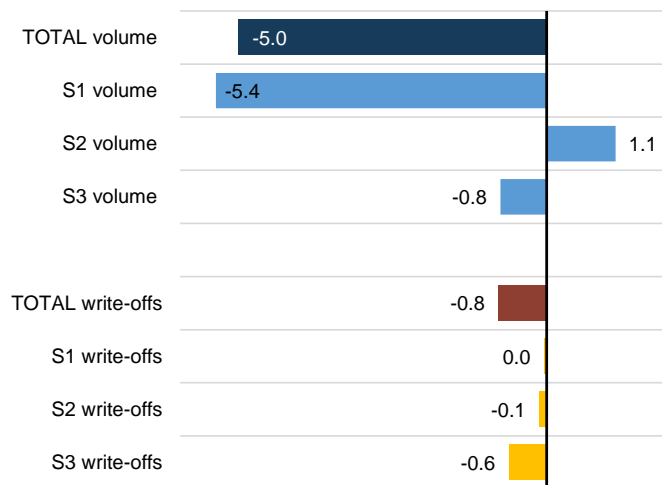
\*/ at amortised cost and fair value through other comprehensive income; excluding debt securities.

# Non-financial sector receivables quality

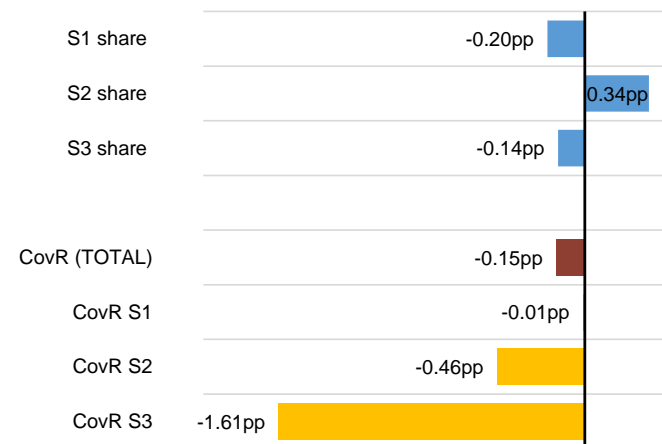
## Housing loans\* – loan quality and coverage ratio



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



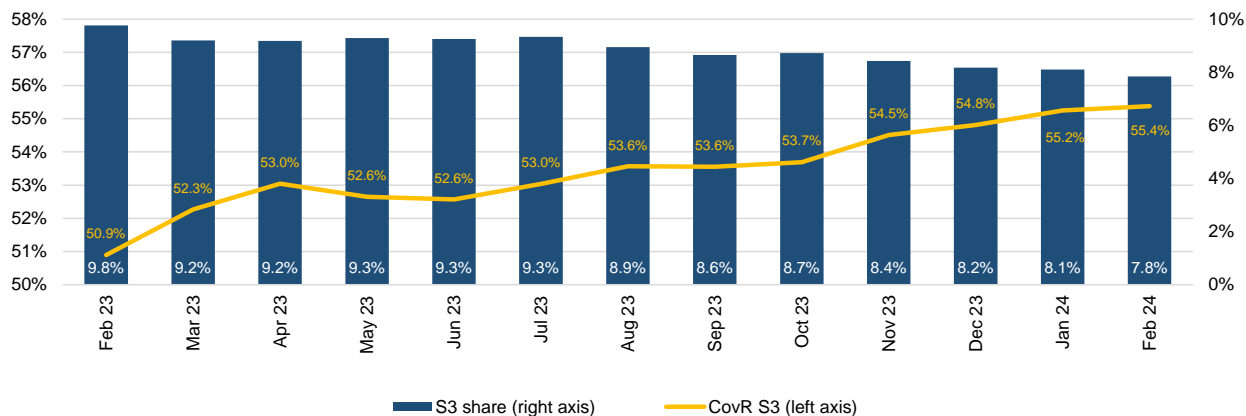
**Change in the share of stages and coverage with write-offs in the period between February 2023 and February 2024 (pp)**



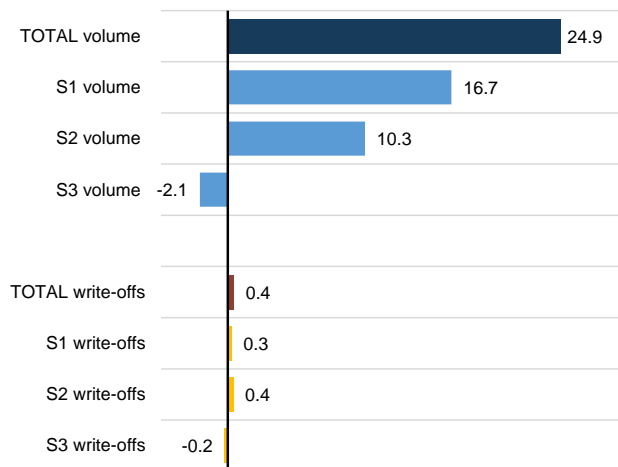
\*/ at amortised cost and fair value through other comprehensive income; excluding debt securities.

# Non-financial sector receivables quality

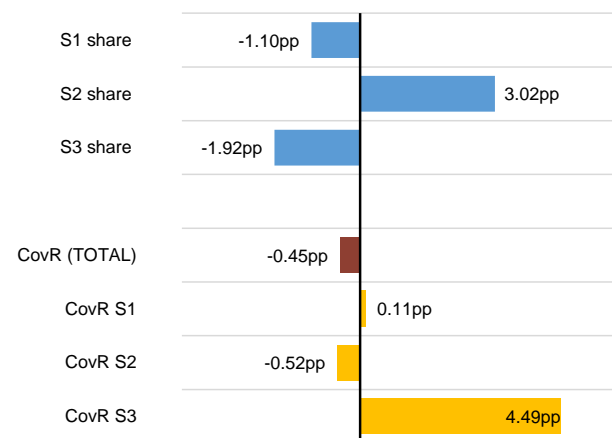
Loans to SMEs\* – loan quality and coverage ratio



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



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

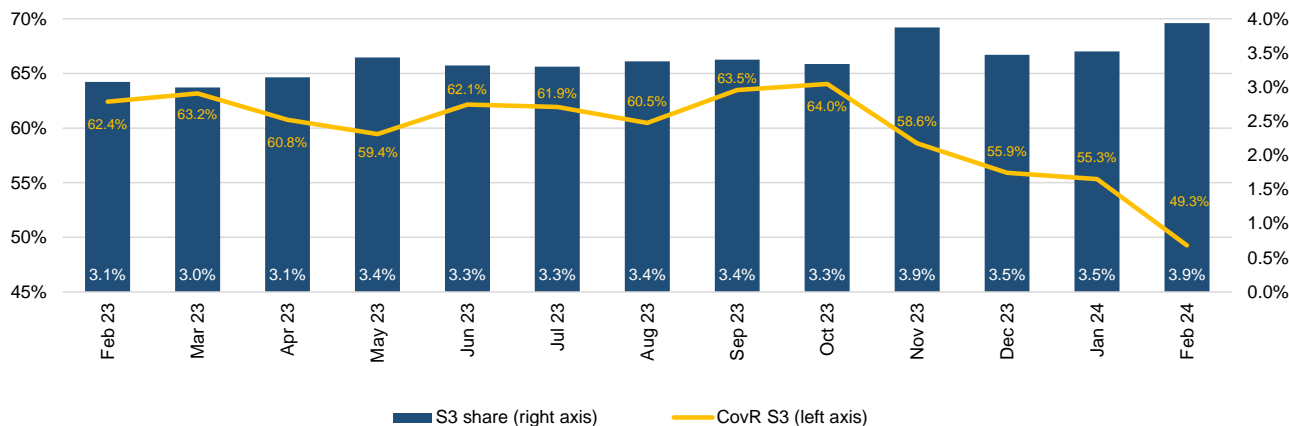


\*/ at amortised cost and fair value through other comprehensive income; excluding debt securities.

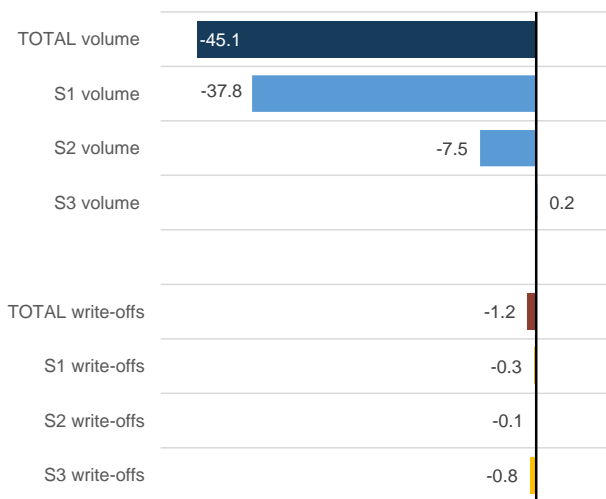


# Non-financial sector receivables quality

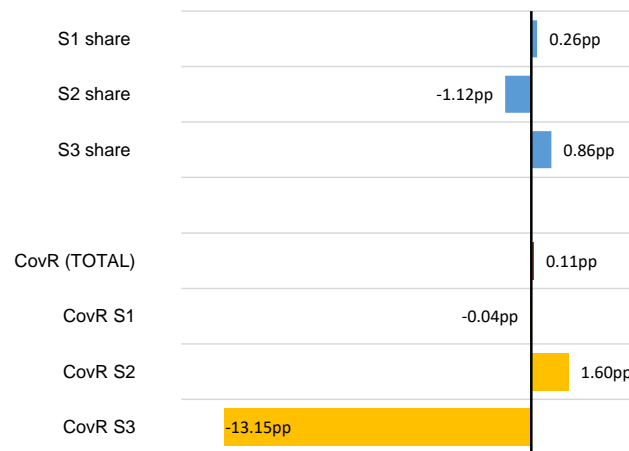
Loans to large enterprises\* – loan quality and coverage ratio



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



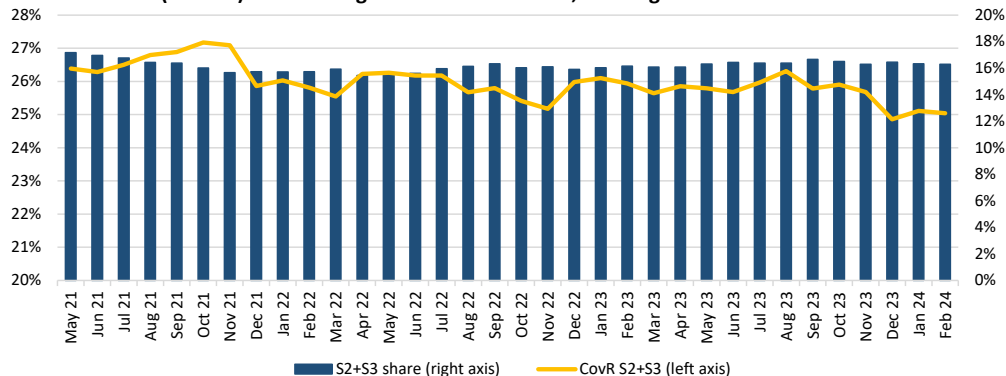
Change in the share of stages and coverage with write-offs in the period between February 2023 and February 2024 (pp)



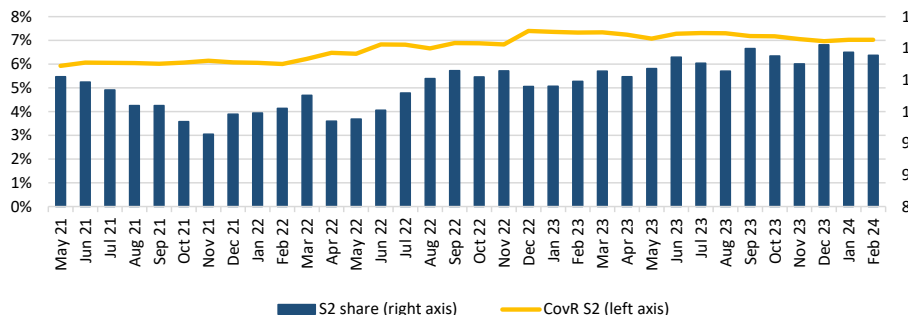
\*/ at amortised cost and fair value through other comprehensive income; excluding debt securities.

# Loans and advances\*: non-financial sector

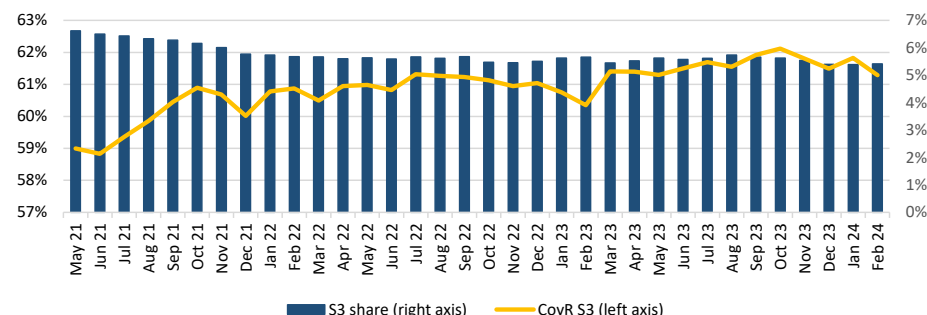
**Loans and advances to the non-financial sector; share of loans in stages 2 and 3 (in total) and coverage ratio of those loans; banking sector in total**



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

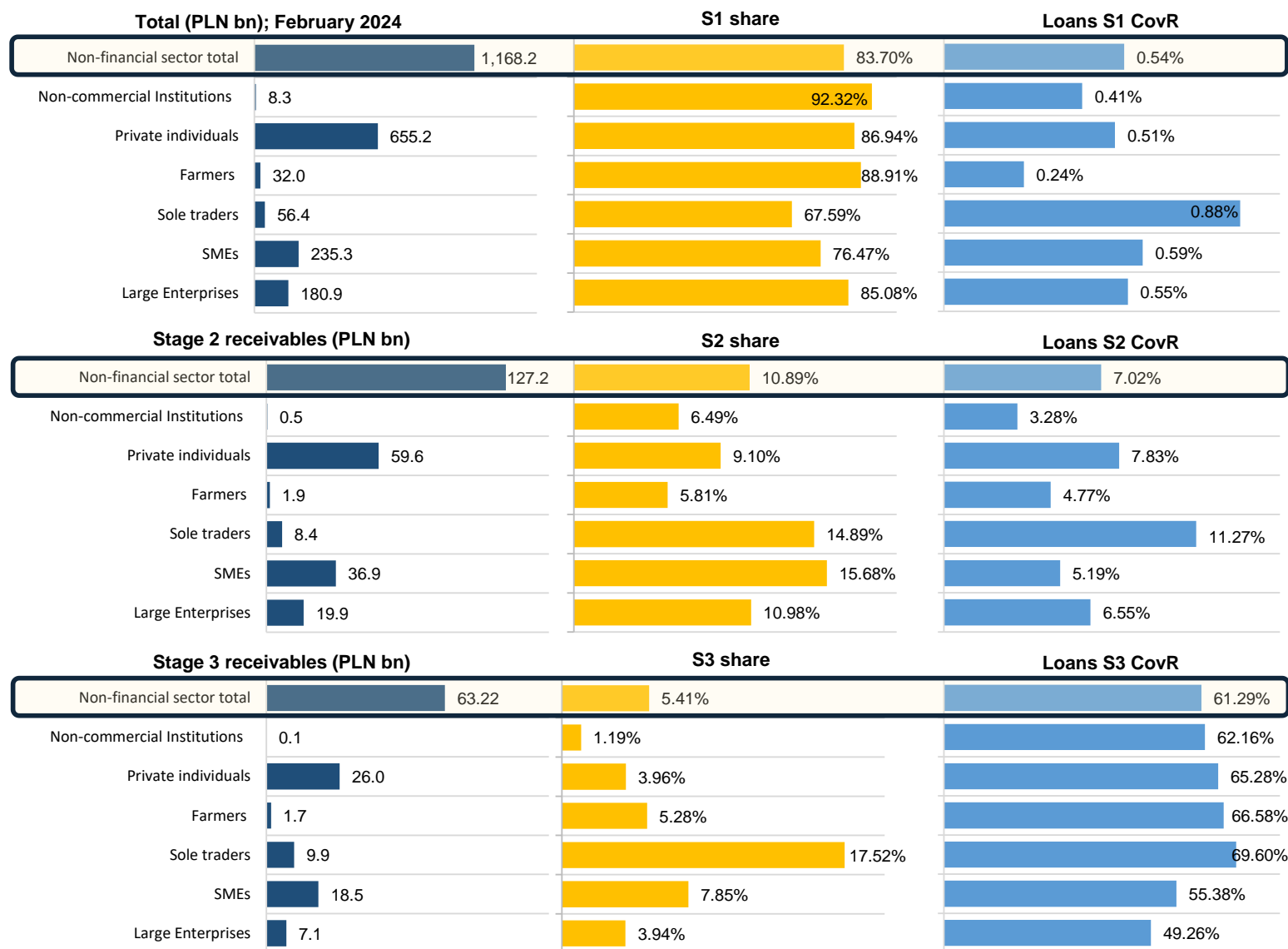


**Loans and advances to the non-financial sector; share of loans in stage 3 and coverage ratio of those loans; banking sector in total**



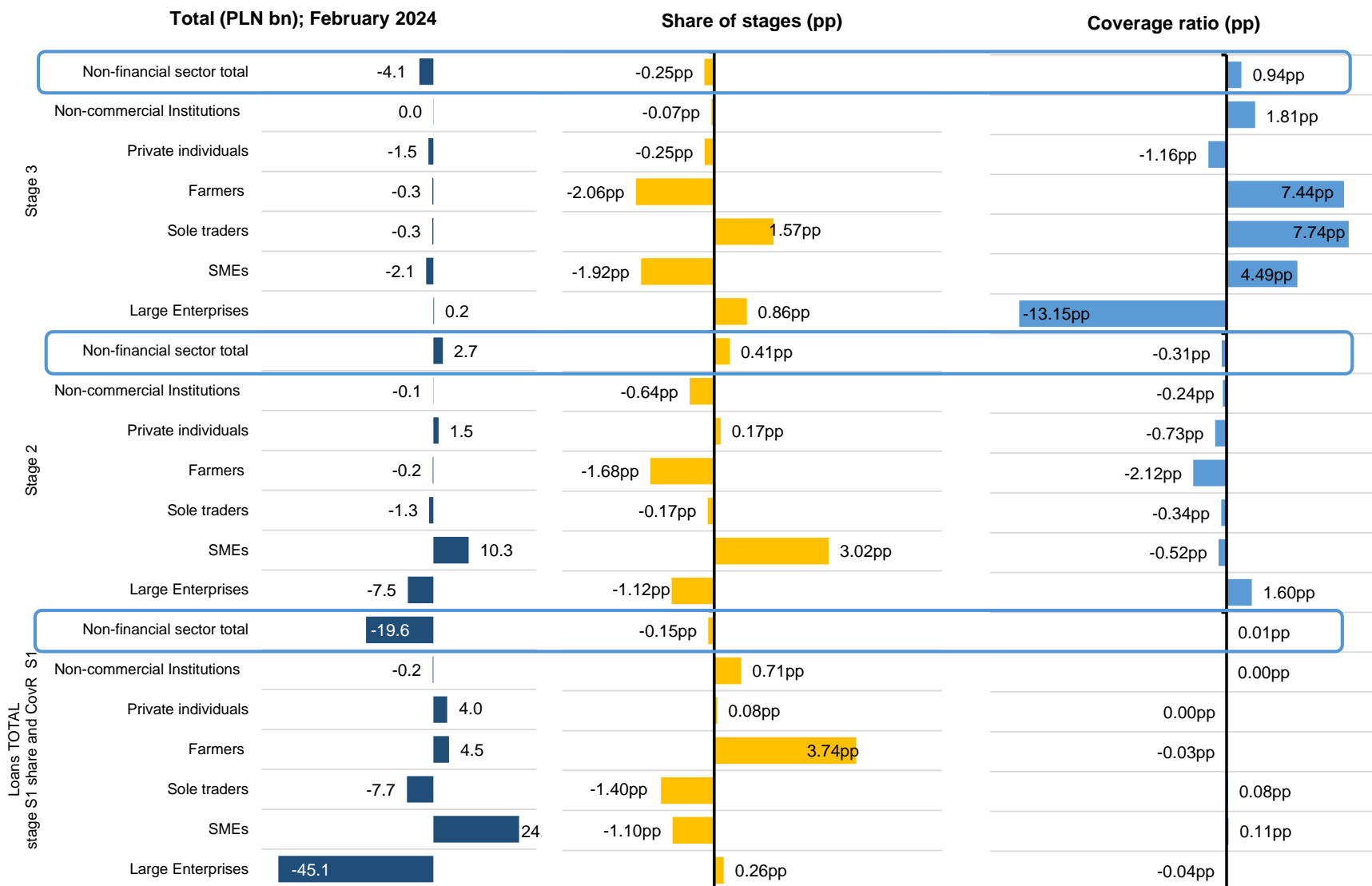
\*/ at amortised cost and fair value through other comprehensive income; excluding debt securities.

# Loans and advances (gross)\* by client



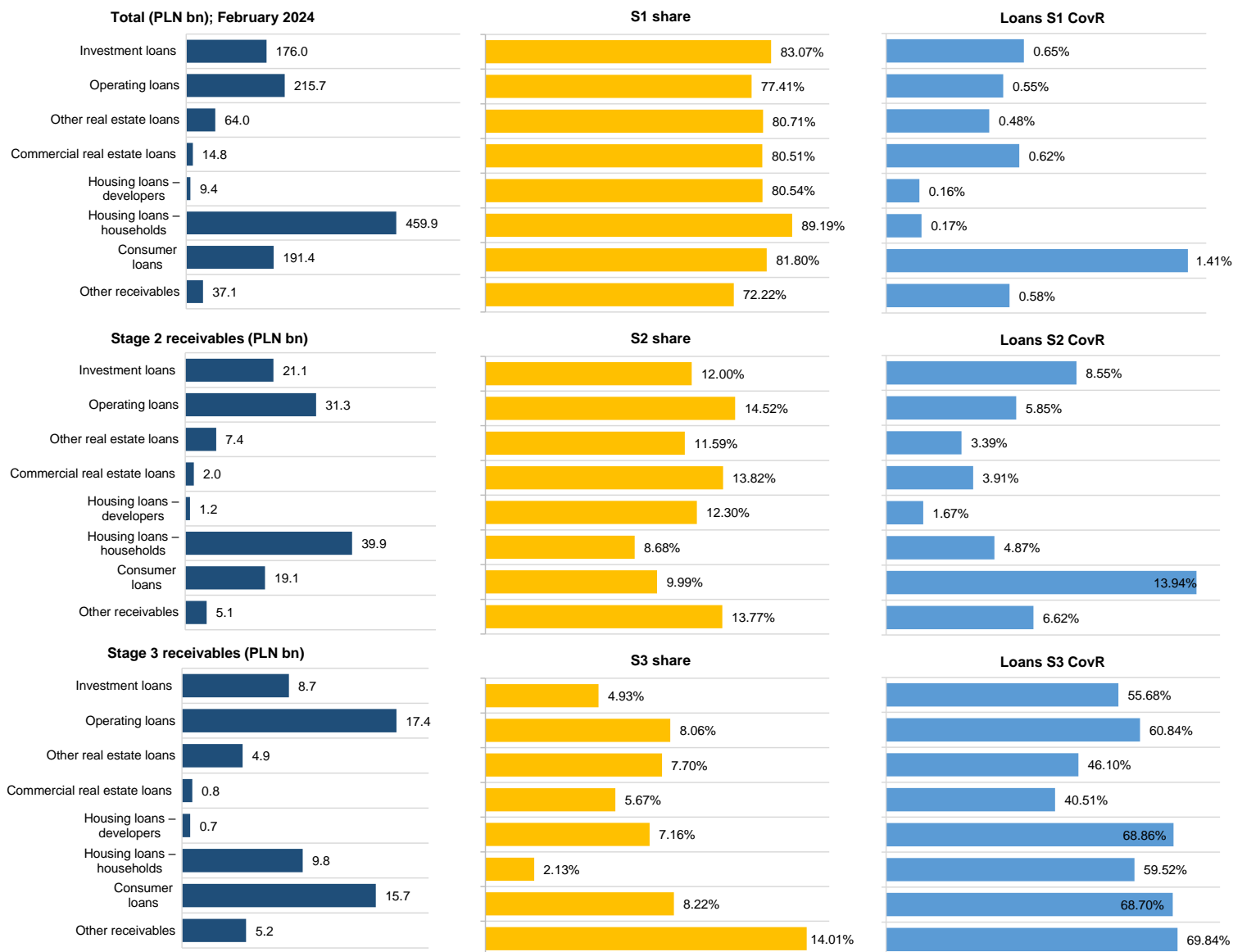
\*/ at amortised cost and fair value through other comprehensive income; excluding debt securities.

# 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); February 2024	Share of stages (pp)	Coverage ratio (pp)	
Stage 3	Investment loans	-0.3	-0.17pp	-0.87pp
	Operating loans	0.4	0.43pp	-1.23pp
	Other real estate loans	-1.2	-1.33pp	2.53pp
	Commercial real estate loans	-0.2	-0.68pp	-6.12pp
	Housing loans – developers	-0.1	-1.37pp	-3.35pp
	Housing loans – households	-0.8	-0.14pp	-1.61pp
	Consumer loans	-0.7	-0.80pp	-1.15pp
	Other receivables	-1.3	0.93pp	17.46pp
Stage 2	Investment loans	-0.8	-0.39pp	1.09pp
	Operating loans	4.3	2.37pp	-0.69pp
	Other real estate loans	-0.9	-0.64pp	-0.70pp
	Commercial real estate loans	0.0	0.83pp	1.67pp
	Housing loans – developers	-0.1	-1.62pp	0.41pp
	Housing loans – households	1.1	0.34pp	-0.46pp
	Consumer loans	0.5	-0.25pp	-1.35pp
	Other receivables	-1.5	0.50pp	0.32pp
Loans TOTAL stage S1 share and CovR S1	Investment loans	-0.7	0.56pp	0.01pp
	Operating loans	-6.3	-2.80pp	0.03pp
	Other real estate loans	-3.6	1.97pp	-0.01pp
	Commercial real estate loans	-1.3	-0.15pp	0.02pp
	Housing loans – developers	0.5	2.99pp	-0.04pp
	Housing loans – households	-5.0	-0.20pp	-0.01pp
	Consumer loans	9.1	1.05pp	-0.13pp
	Other receivables	-12.3	-1.42pp	0.45pp

\*/ 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 2.6 bn to PLN 459.9 bn (+0.6% MoM; -1.1% YoY) in February 2024:
  - ✓ **housing loans (gross) in PLN** increased in February 2024 (+PLN 4.0 bn) to PLN 418.1 bn (+1.0% MoM; +7.5% YoY). As at the end of February 2024, PLN loans accounted for 90.9% of all housing loans to households;
  - ✓ **housing loans (gross) in other currencies** decreased compared to the previous month (-3.2% MoM; -45.1% YoY) to PLN 41.8 bn.
- **Consumer loans (gross)** increased in February 2024 by PLN 0.5 bn to PLN 191.4 bn (+0.2% MoM; +5.0% YoY).

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

## Loans and advances\*: non-financial sector

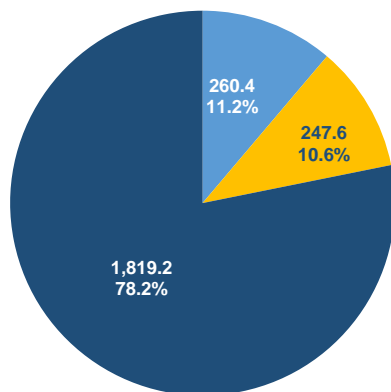
- **Operating loans (gross) to non-financial corporations** decreased in February 2024 by PLN 1.1 bn to PLN 165.4 bn (-0.7% MoM; -7.0% YoY).
- **Investment loans (gross) to non-financial corporations** increased in February 2024 by PLN 1.0 bn to PLN 158.3 bn (+0.6% MoM; +0.9% YoY).
- **Impaired (stage 3) receivables from the non-financial sector** in February 2024:
  - ✓ increased by PLN 0.5 bn compared to previous month to PLN 63.2 bn (+0.8% MoM; -6.1% YoY);
  - ✓ dominant components were consumer loans (PLN 15.7 bn) and operating loans (PLN 17.4 bn);
  - ✓ the client structure was dominated by private individuals (PLN 26.0 bn) and SMEs (PLN 18.5 bn).

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



# Balance sheet: liabilities

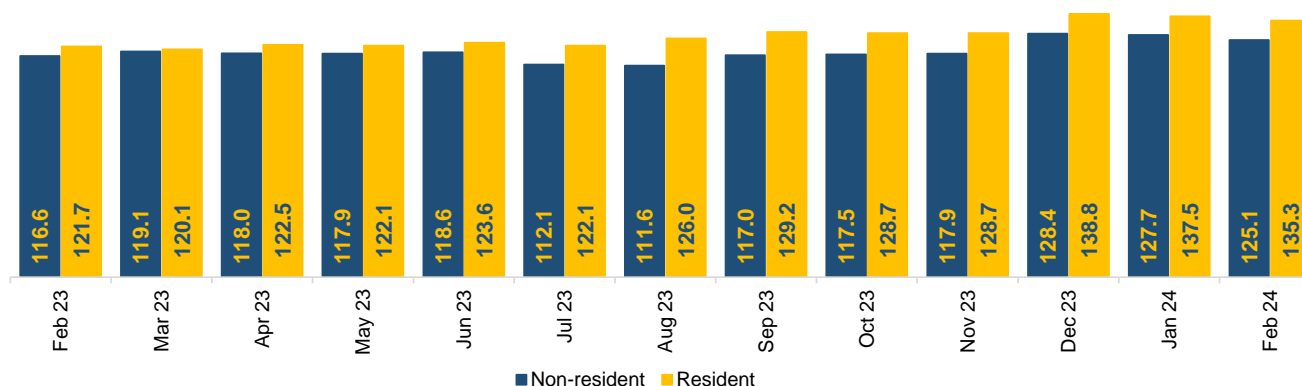
Deposits and received loans;  
February 2024 (PLN bn)



- The General Government deposits' share increased by 0.5 pp MoM to 10.6% in February 2024.
- The commitment of non-residents decreased in February 2024 by PLN 2.6 bn (-2.1% MoM; +7.3% YoY) and the commitment of residents decreased by PLN 2.2 bn (-1.6% MoM; +11.2% YoY).

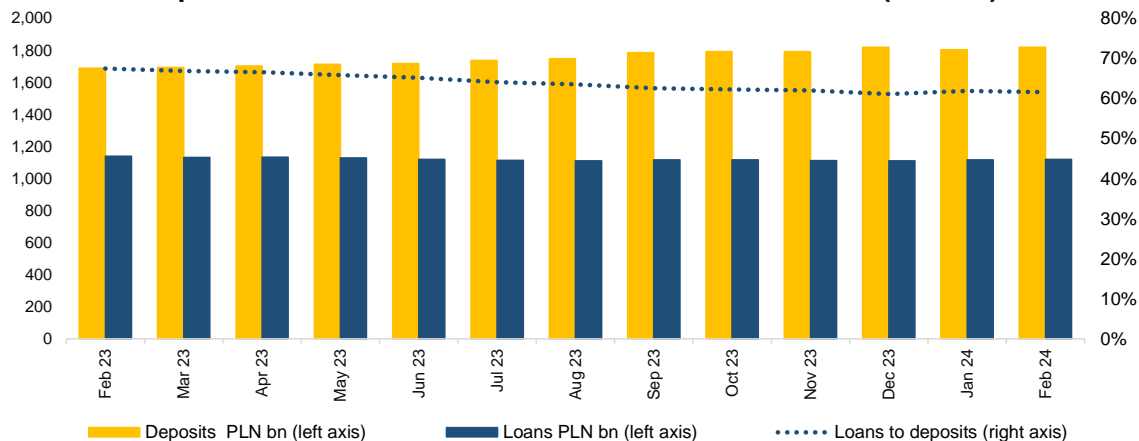
■ Financial sector  
■ General Government sector  
■ Non-financial sector

Financial sector deposits and loans (PLN bn)



# Non-financial sector deposits

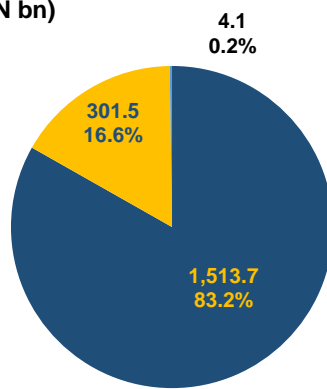
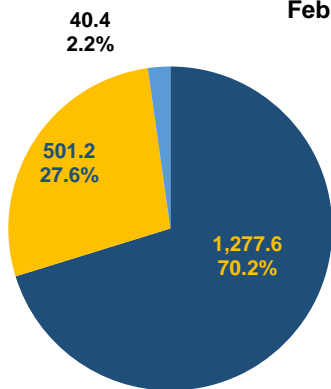
Deposits vs receivables\* from the non-financial sector (PLN bn)



- In February 2024, the loan-to-deposit ratio decreased to 61.6% (-0.3 pp MoM; -5.8 pp YoY).
- Non-financial sector deposits (including blocked deposits) in February 2024 increased by PLN 14.8 bn, to PLN 1 819.2 bn (+0.8% MoM; +7.7% YoY).

\*/ loans at balance sheet value; excluding debt securities

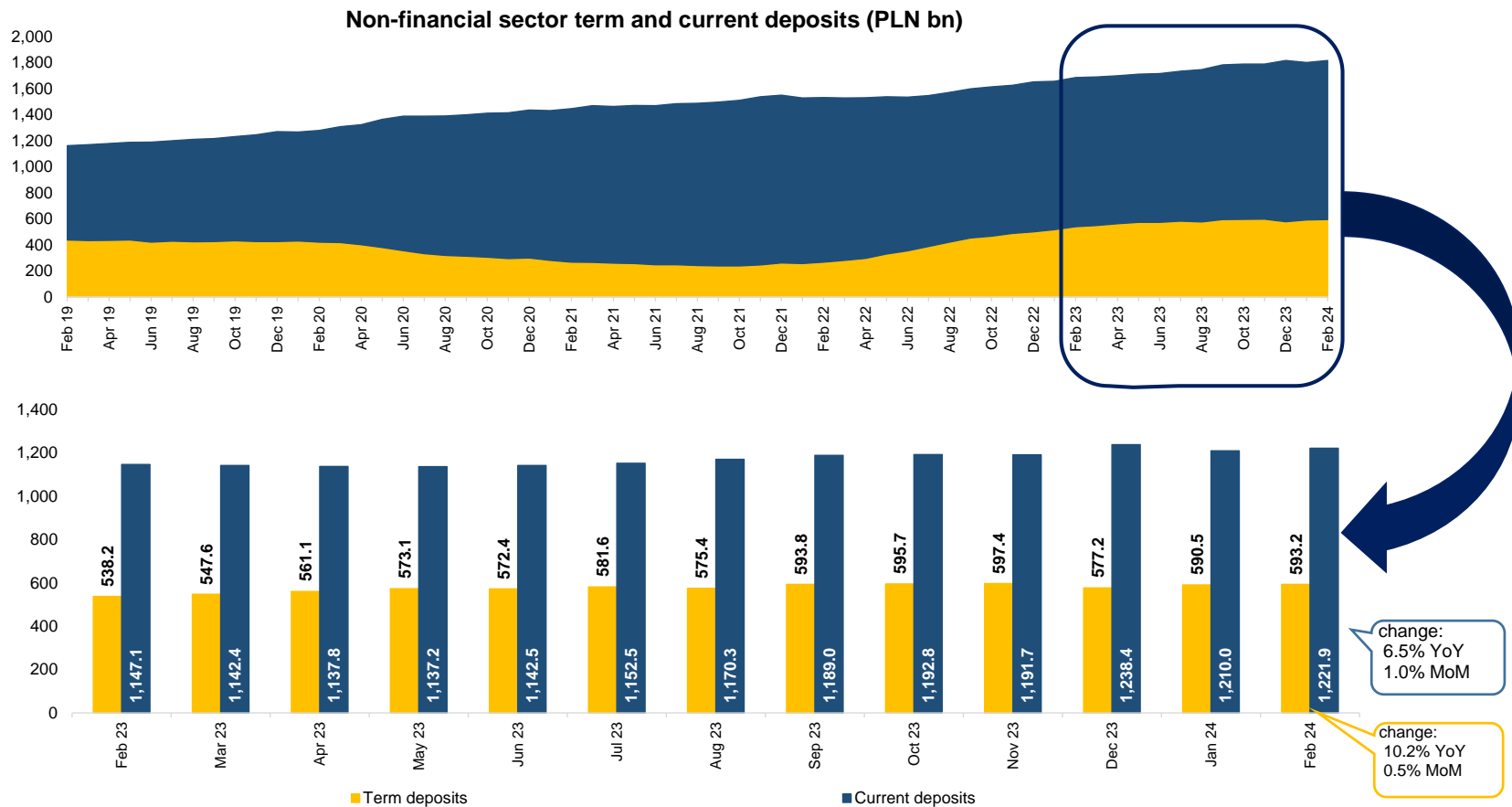
Non-financial sector deposits; February 2024 (PLN bn)



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

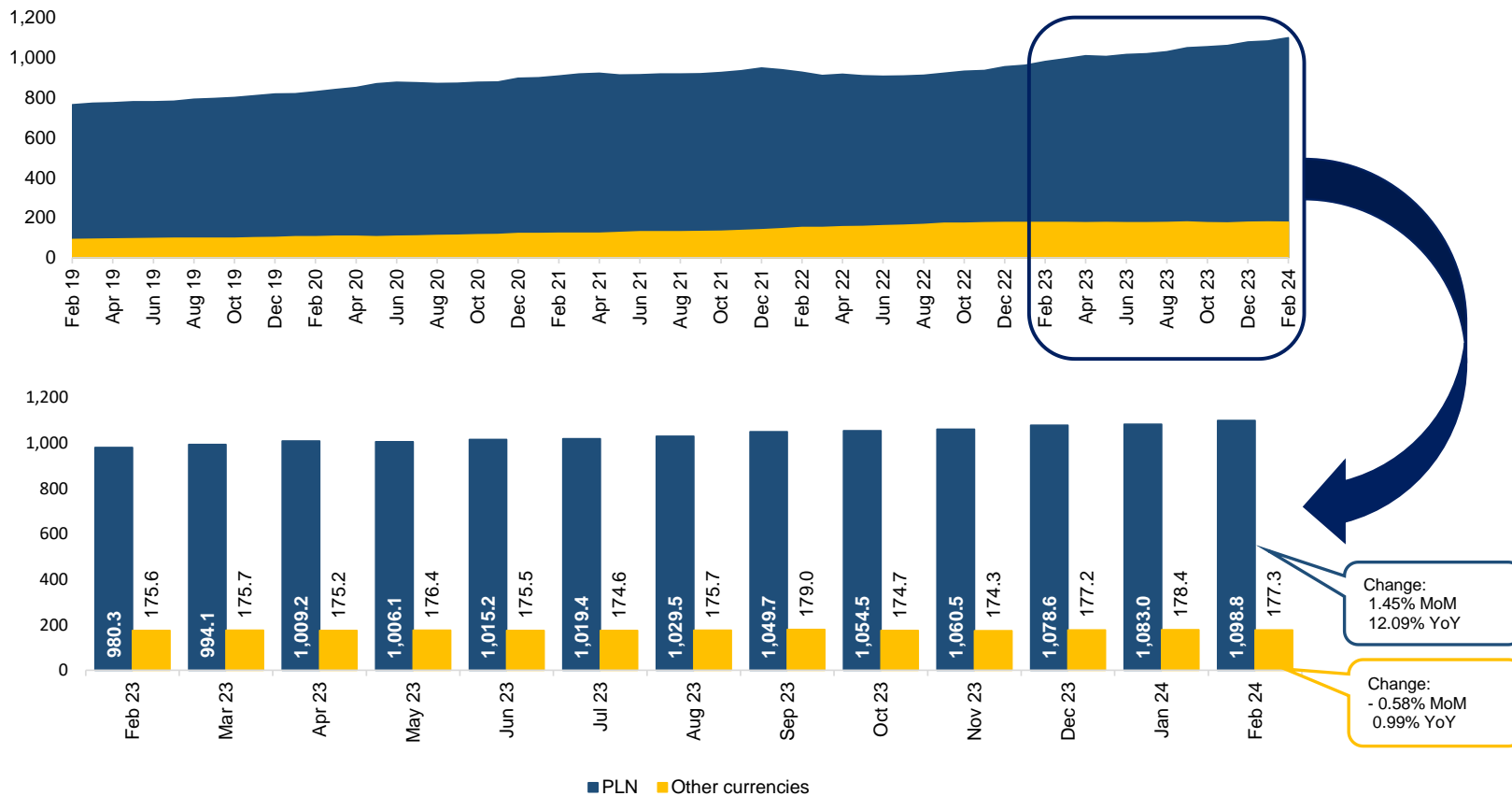
- Volume of households' deposits, which dominated the structure (70.2% of total non-financial sector deposits), increased in February 2024 by PLN 14.8 bn (+1.2% MoM; +10.4% YoY).

# Non-financial sector deposits



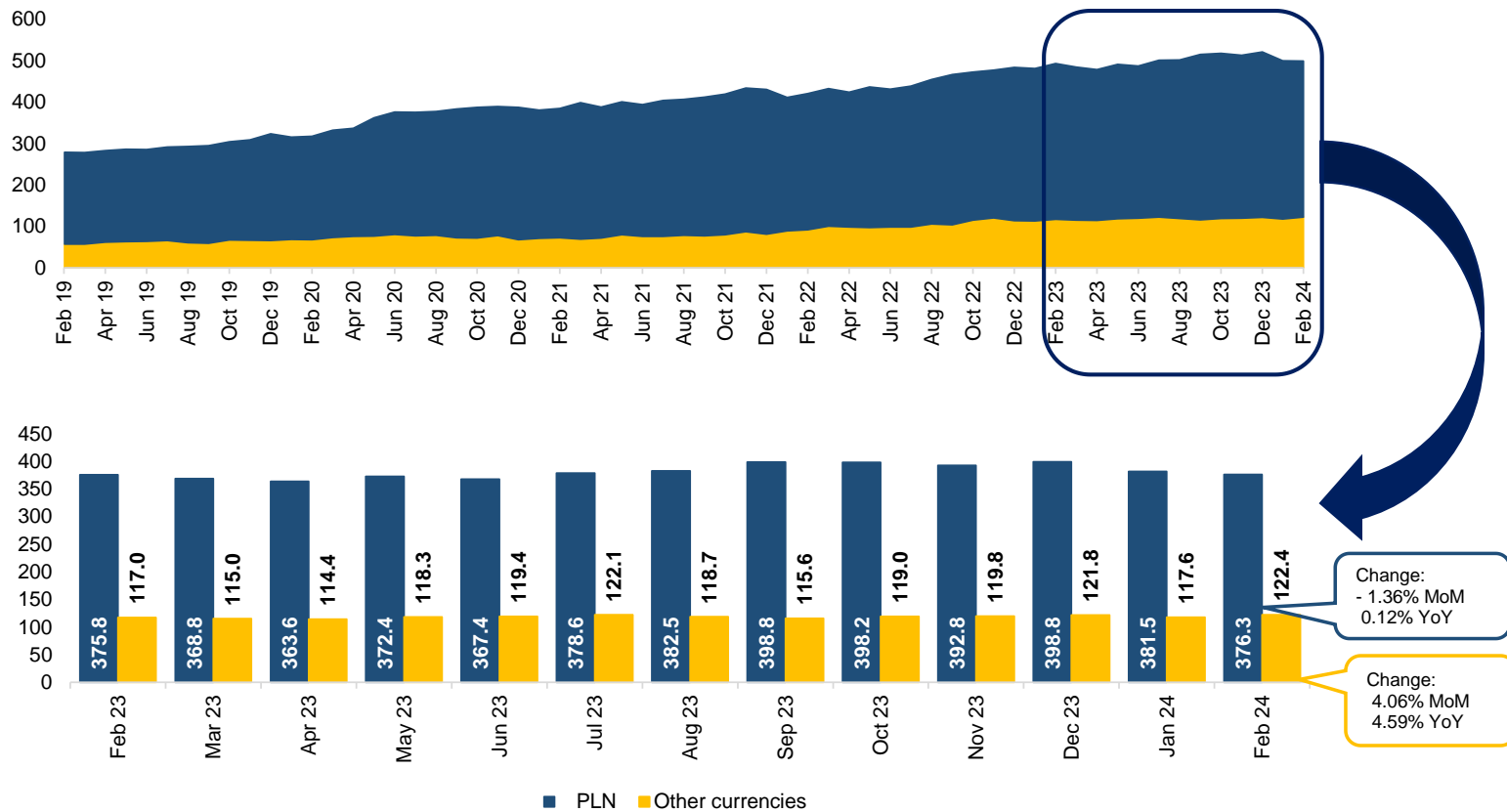
# Non-financial sector deposits

## Households' deposits (PLN bn)



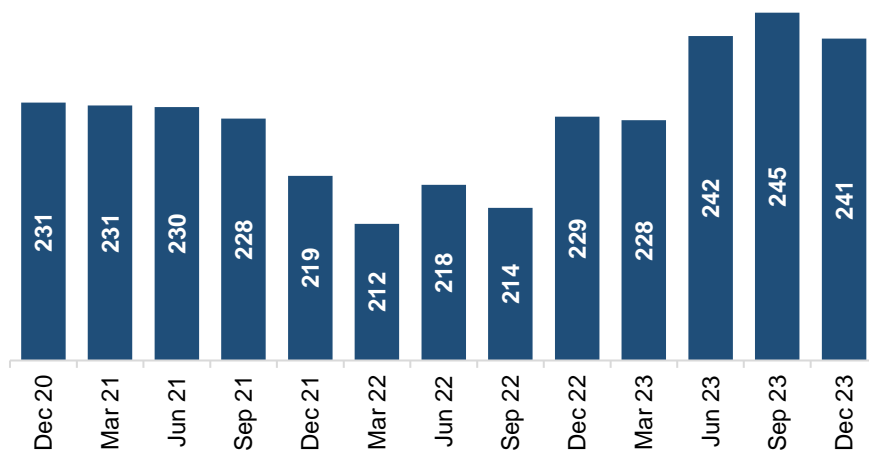
# Non-financial sector deposits

## Enterprises' deposits (PLN bn)

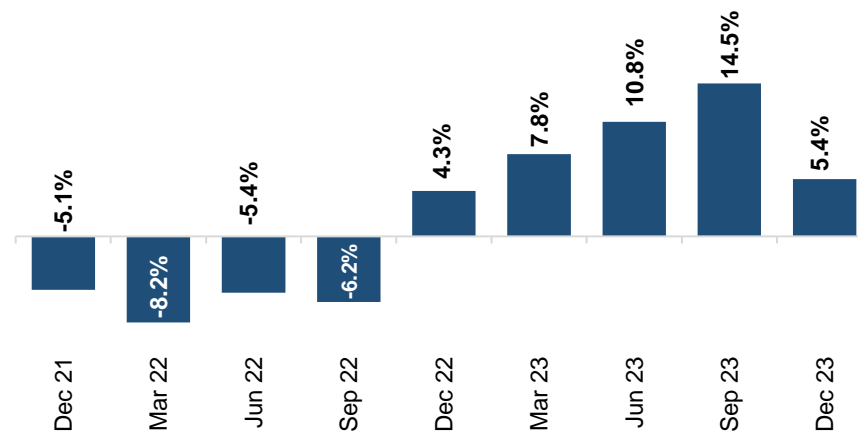


# Capital adequacy: commercial and cooperative banks

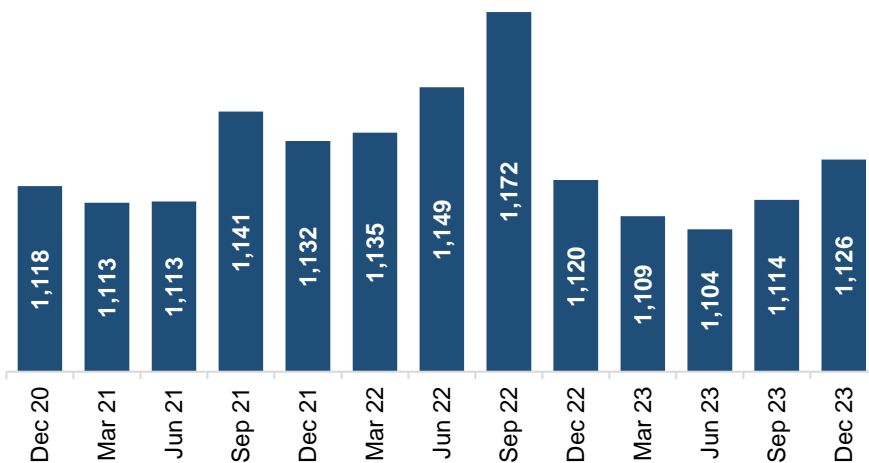
## Own funds (PLN bn)



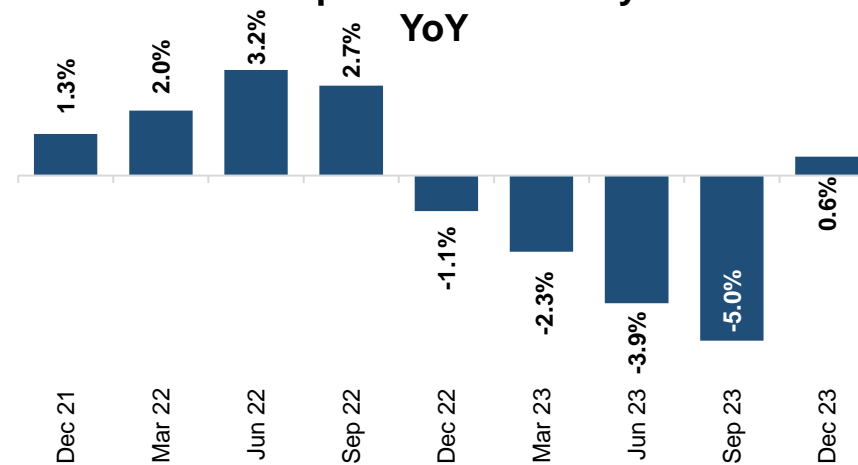
## Own funds dynamics YoY



## Total risk exposure amount (PLN bn)

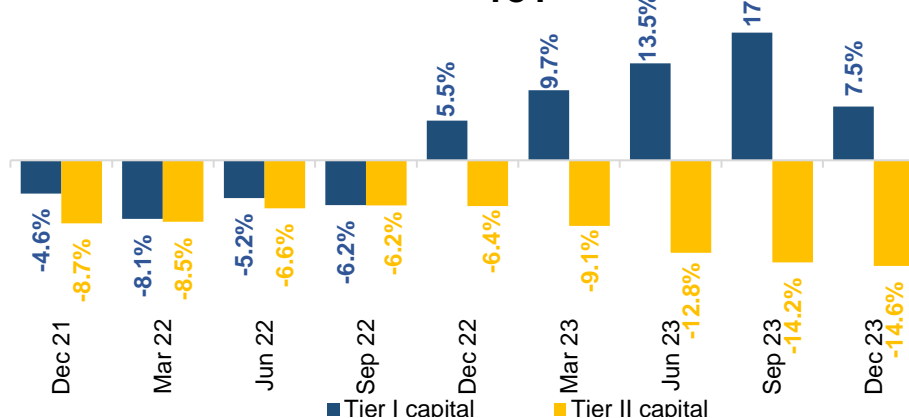


## Total risk exposure amount dynamics YoY

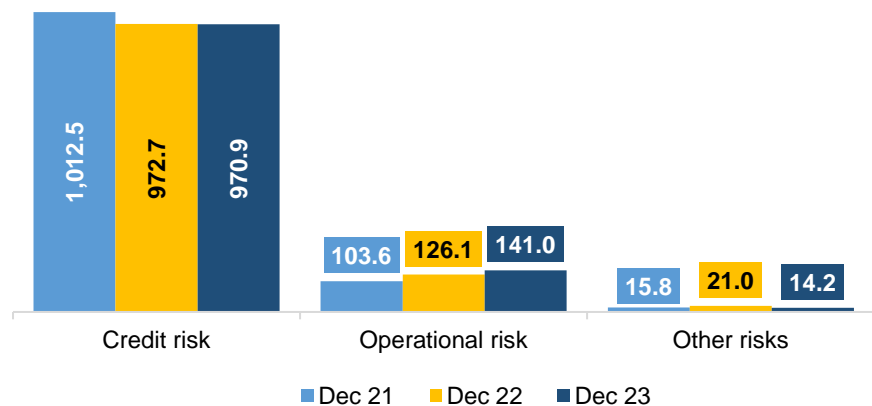


# Capital adequacy: commercial and cooperative banks

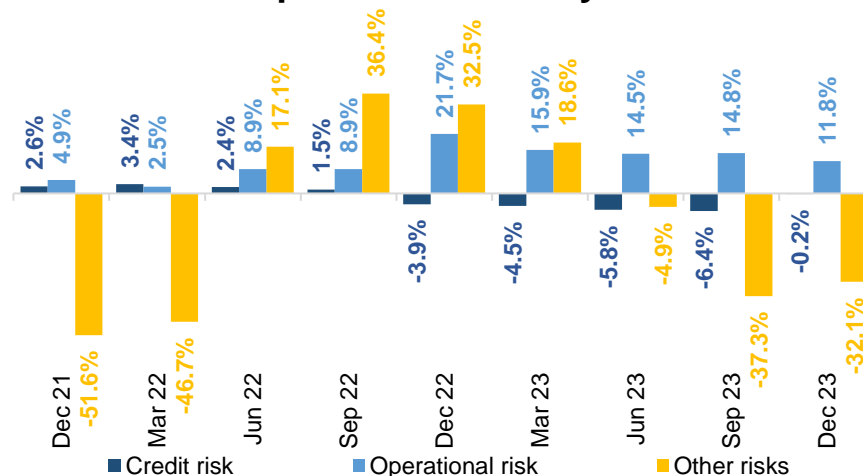
**Tier I capital and Tier II capital dynamics YoY**



**Risk exposure amount (PLN bn)**



**Risk exposure amount dynamics YoY**



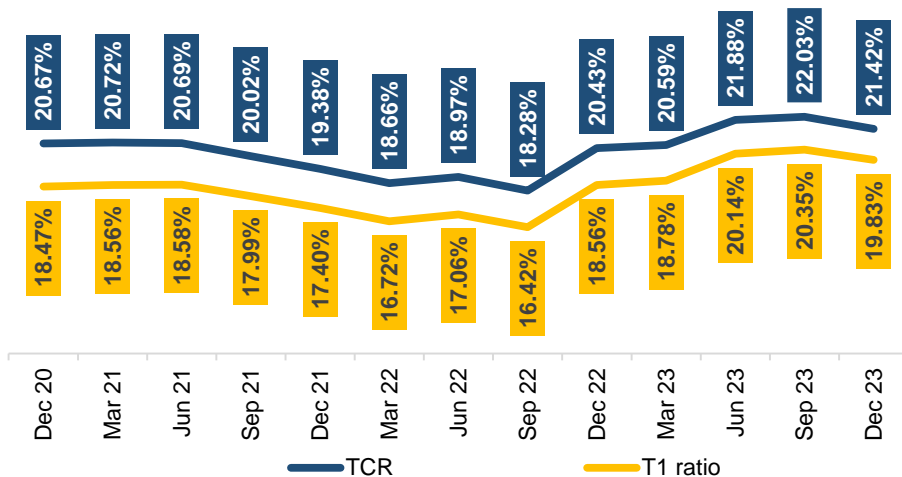
In the fourth quarter of 2023:

- further increase in operational risk exposure and decrease in credit risk exposure amount,
- own funds decrease – by PLN 4.1 bn.

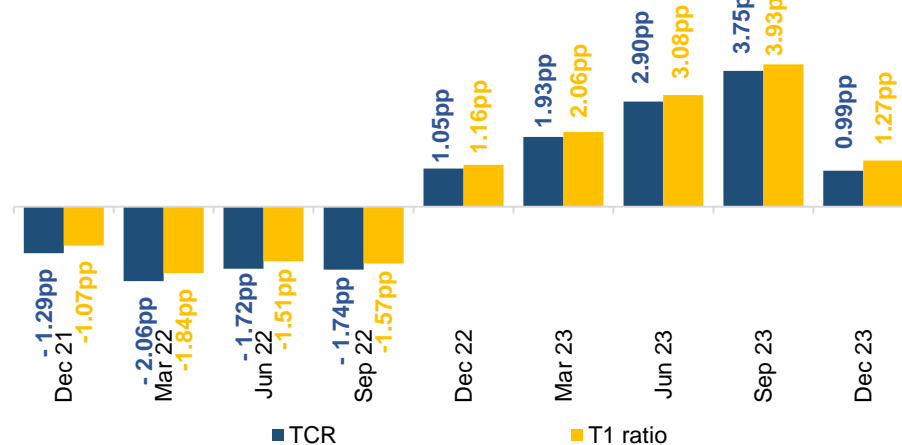
Capital situation of the banking sector remains stable.

# Capital adequacy: commercial and cooperative banks

## Capital adequacy ratios



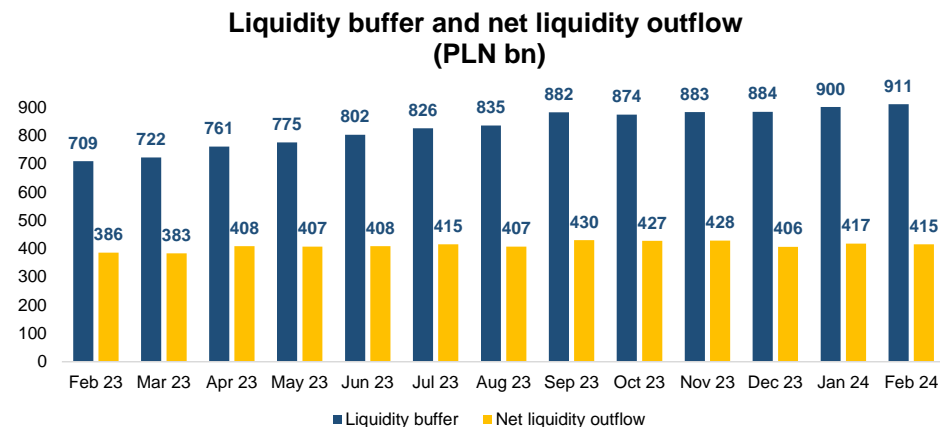
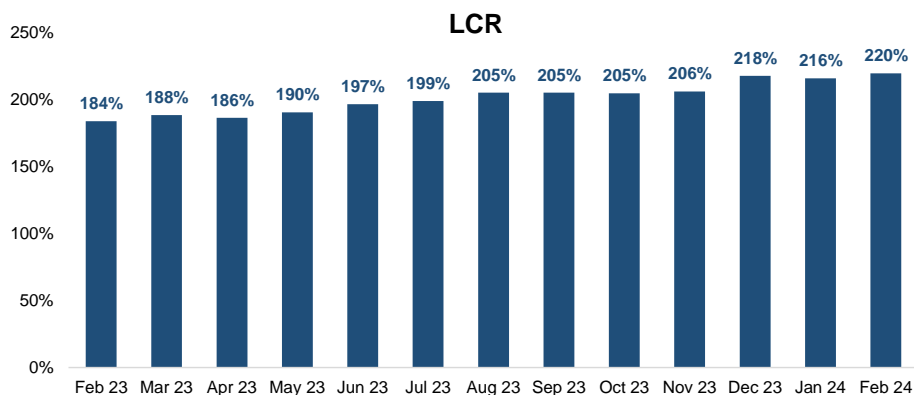
## Changes in capital adequacy ratios YoY (p.p.)



As at the end of December 2023, capital adequacy ratios of the sector were 21.42% (TCR) and 19.83% (T1).

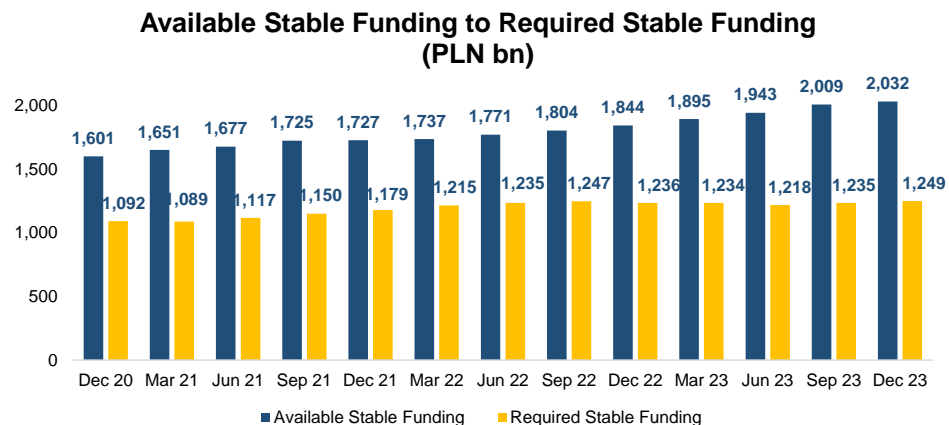
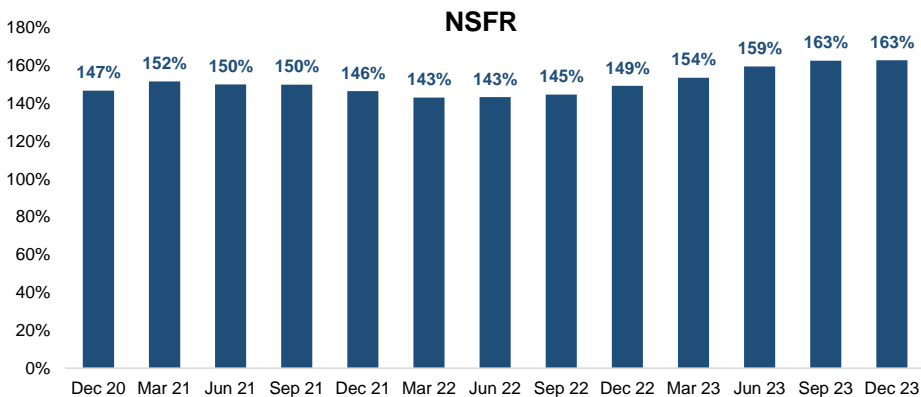


# Liquidity



- At the end of February 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 February 2024, LCR for commercial banks (excluding affiliating banks) amounted to 220%.

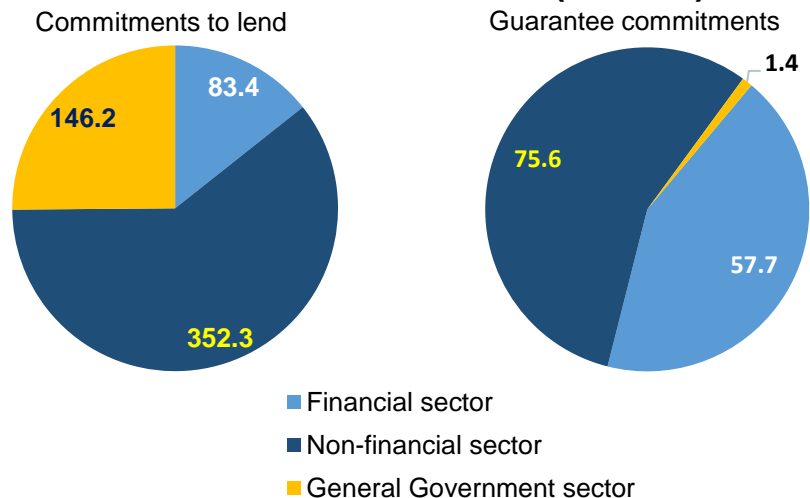
# Liquidity



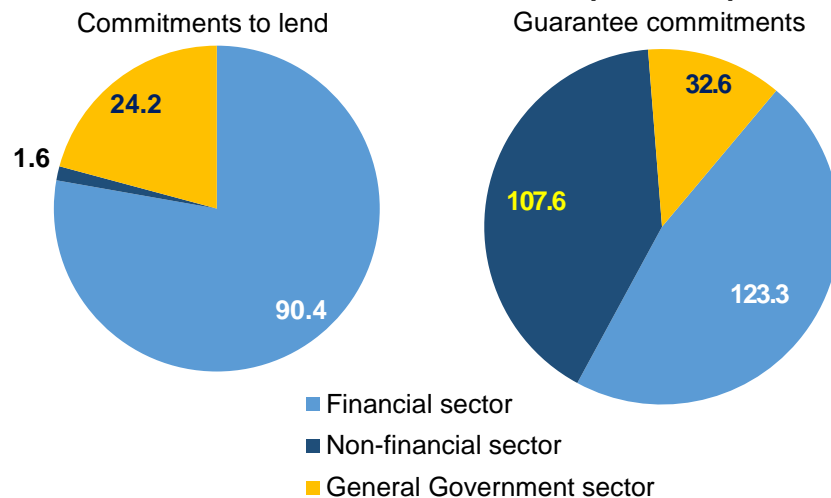
- For many months, the average NSFR in the commercial banks sector (excluding affiliating banks) has been above the 100% requirement, as required since 28 June 2021.
- At the end of December 2023:
  - NSFR of all commercial banks amounted to 163%,
  - all commercial banks fulfilled the requirement (100%).

# Off-balance-sheet commitments

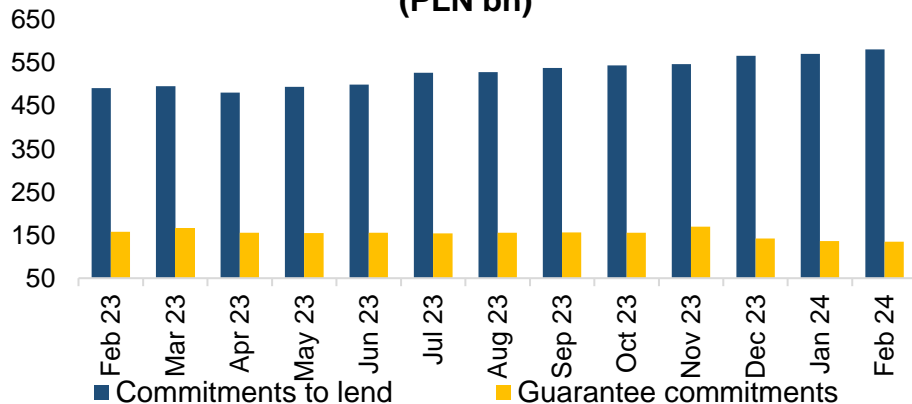
**Off-balance-sheet commitments; February 2024**  
**Commitments extended (PLN bn)**



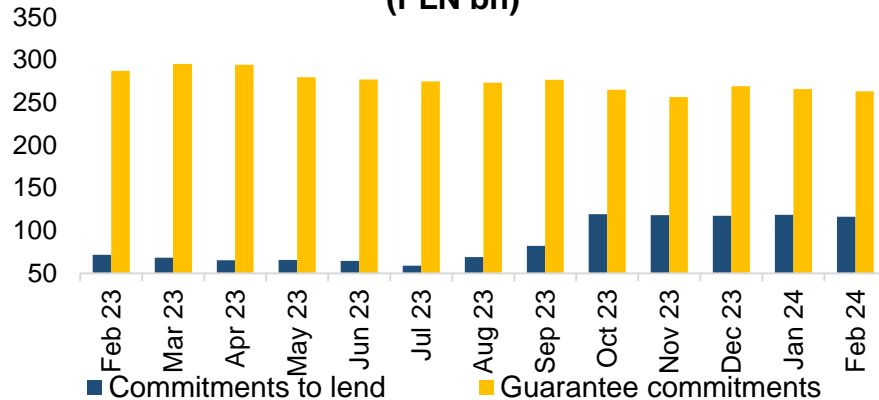
**Off-balance-sheet commitments; February 2024**  
**Commitments received (PLN bn)**



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

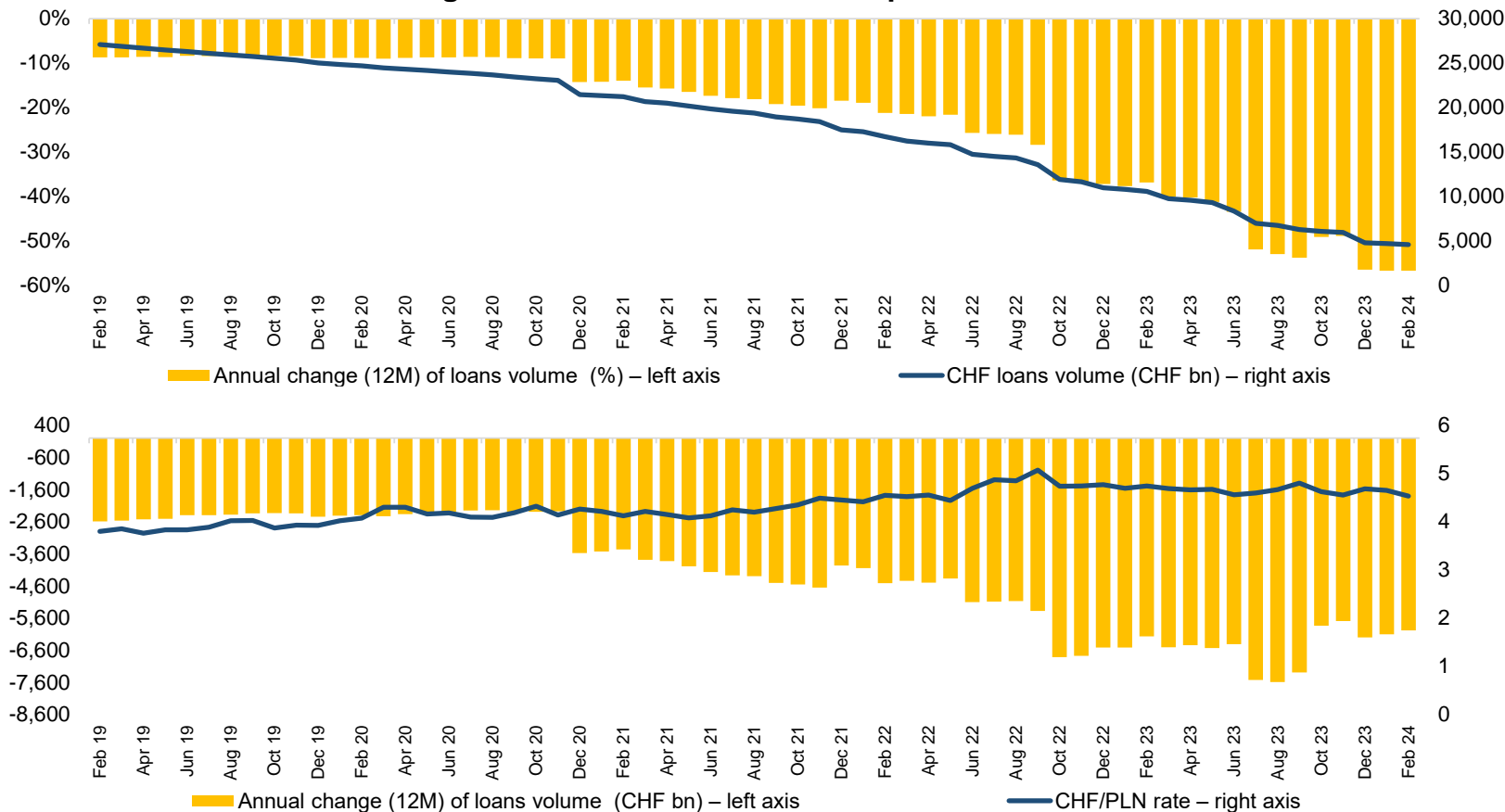


**Off-balance-sheet commitments: commitments received**  
**(PLN bn)**



# Additional information

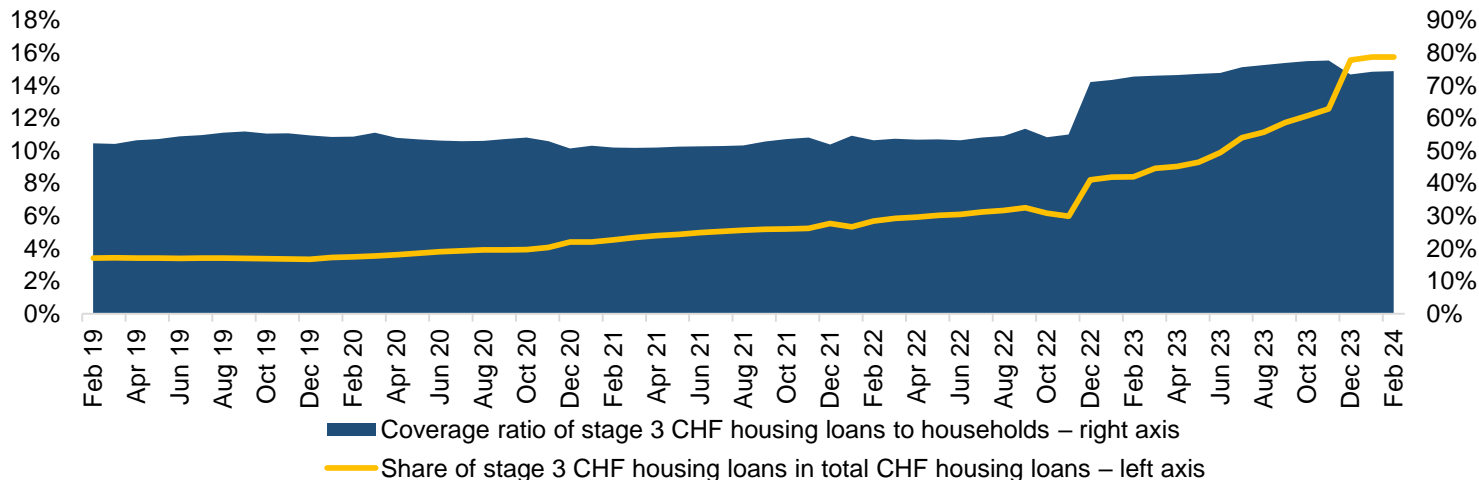
### Housing loans to households in CHF: portfolio evolution



**!** 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 February 2024.

# Additional information

## Quality and coverage ratio of CHF housing loans to households



## Number and volume of CHF housing loans to households

