

OPERATING RESULTS OF COMMERCIAL BANKS IN LATVIA SUMMARY OF 1ST QUARTER 2018

Equity decrease in the 1st quarter 2018

Total capital of the Latvian banking sector reached EUR 3.1 billion as of March 31, 2018. Total equity has decreased during the 1st quarter 2018; the decrease was EUR -0.1 billion or -3%. However total equity has increased in the last 12 months period, the increase was +0.1 billion EUR or +4%.

Total portfolio of issued loans has been decreasing since the beginning of 2017

The portfolio of issued loans by Latvian banking sector was EUR 14.3 billion as of March 31, 2018. The portfolio has decreased by -0.2 billion EUR or -1% in the 1st quarter 2018. The decrease was mainly observed at the segment of companies, which is explained by the change of the business model of some commercial banks. Total portfolio of issued loans has decreased by -0.9 billion EUR or -6% in the last 12 months period.

Deposits declined by -2.2 billion EUR in the 1st quarter 2018

Total deposits at Latvian banking sector were EUR 18.1 billion as of March 31, 2018. The portfolio has decreased by -11% in the 1st quarter 2018. The decrease was mainly observed at the segment of companies. Total deposits at Latvian banking sector have been decreasing since 2016.

Net profit of Latvian banking sector in the 1st quarter 2018 reached 91 million EUR

Total profit of commercial banks in Latvia in the 1st quarter of 2018 was by EUR -14 million or -13% lower compared to the results of the 1st quarter of 2017.

TOP 3 most profitable banks in the 1st quarter 2018:

1. Swedbank – EUR 32 million;
2. Rietumu bank – EUR 16 million;
3. SEB bank – EUR 12 million.

Total assets of commercial banks have been decreasing since 2016

Total assets of Latvian commercial banks were EUR 25.7 billion as of March 31, 2018. The value of assets has declined by EUR -2.7 billion or -9% in the 1st quarter 2018 reaching the lowest value since 2007.