
Banking Division

Key statistics and trends 2009-2010



Guernsey Financial
Services Commission

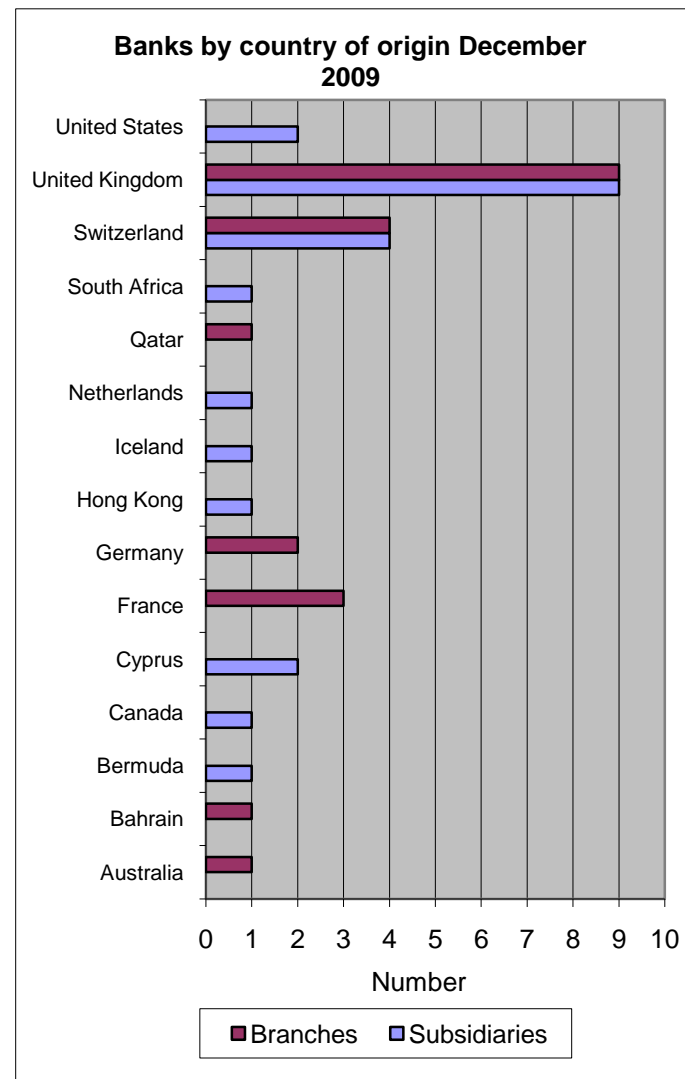
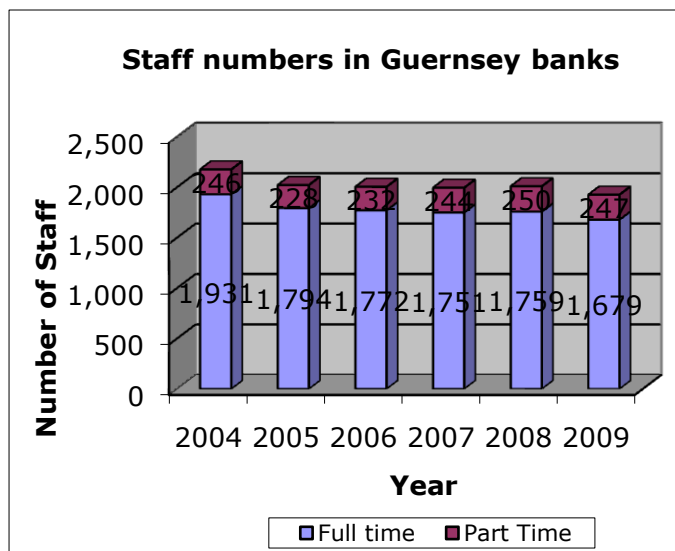
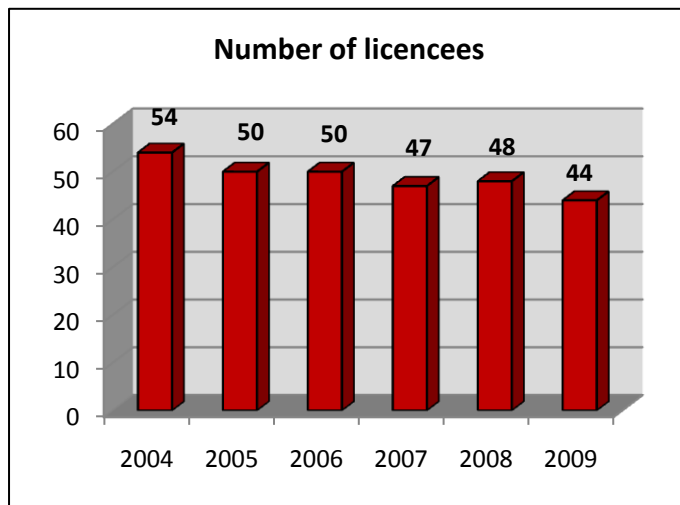
www.gfsc.gg

Licence Trends

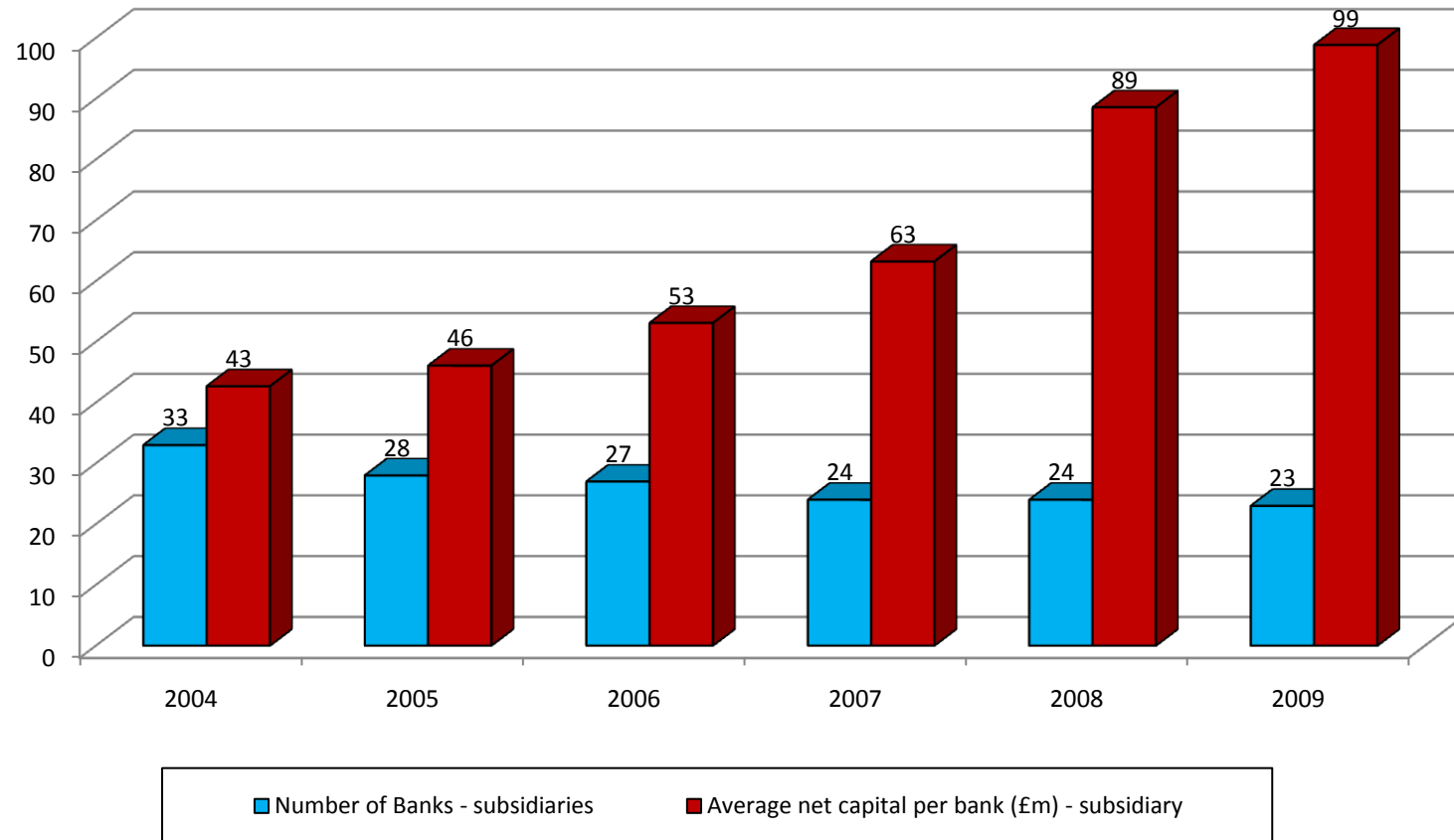
✓ Continued downward trend in the number of bank licences

✓ 44 licensees in Guernsey represent 15 different countries

✓ The number of staff employed within the Guernsey banking industry is down 4.4% in 2009.

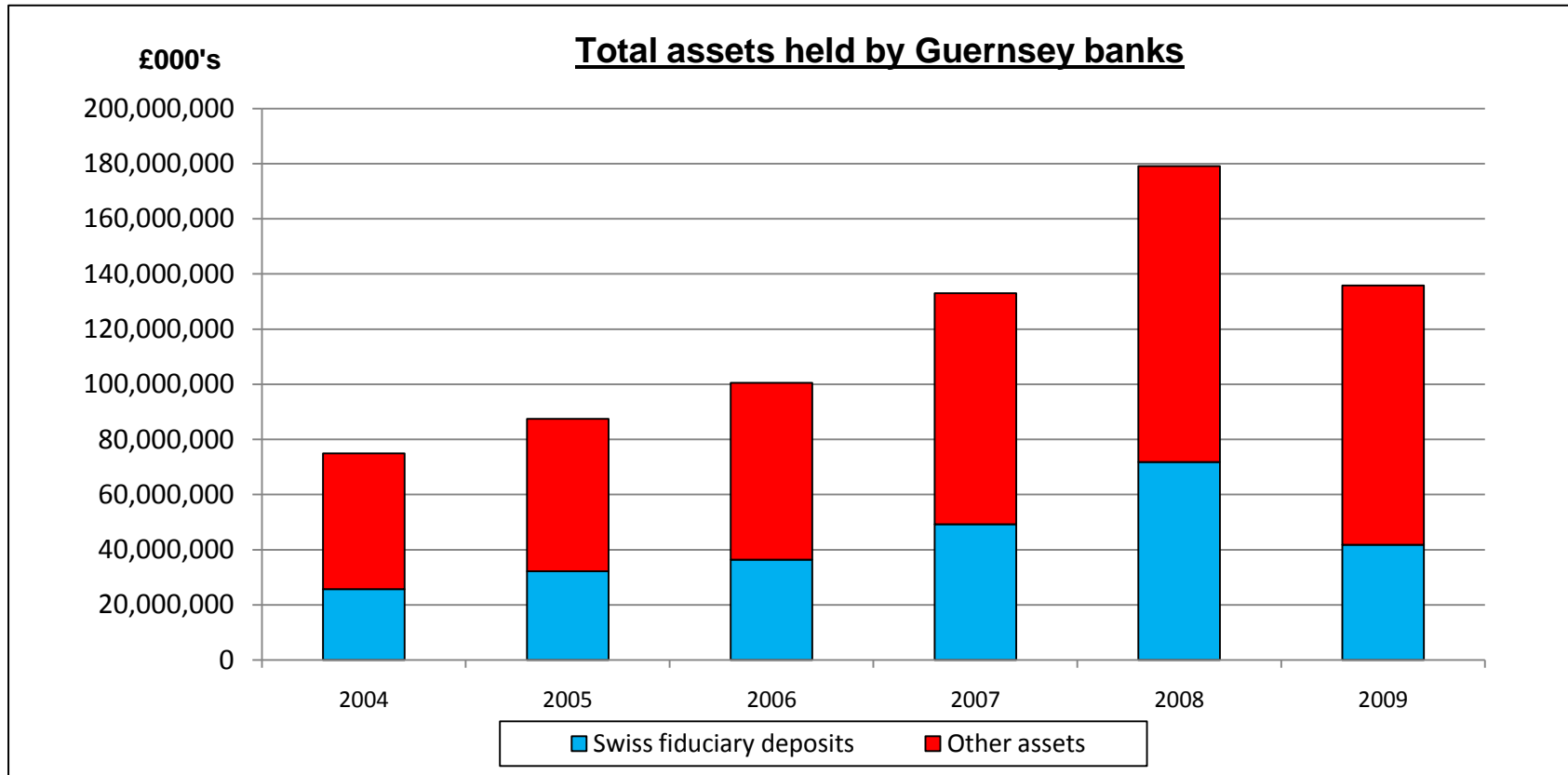


Banking Trends – Capital



Average net capital per bank increase reveals fewer banks holding more capital.

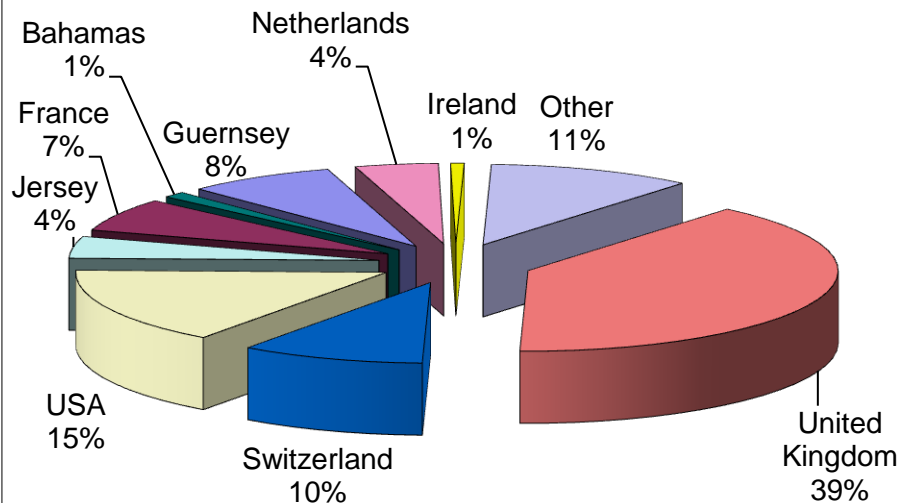
Banking Trends – Real / Nominal growth



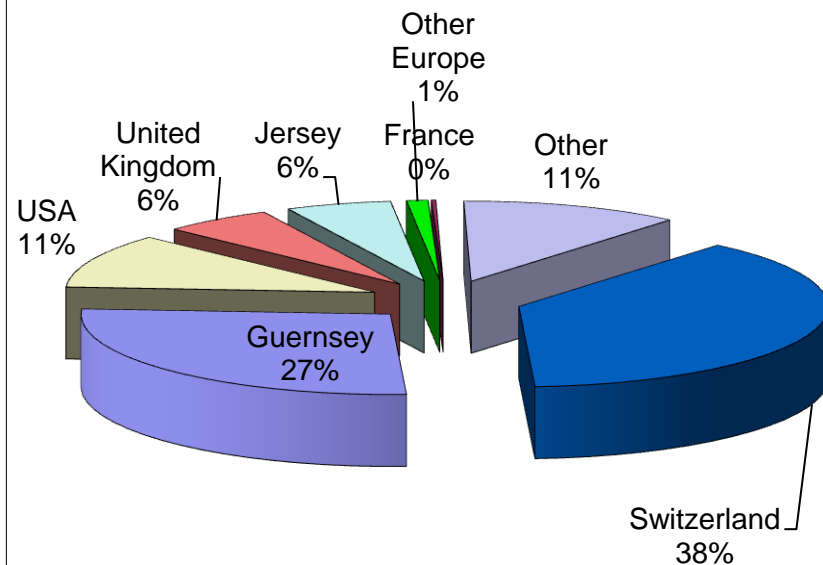
- ✓ The 5 years prior to 2009 marked a solid growth in the total assets of the Guernsey banks but this has now fallen to 2007 levels.
- ✓ The main variable factor is Swiss fiduciary deposits whose popularity depends on global interest rates.

Banking Trends – Country Analysis

Geographical analysis of assets as at 31 December 2009



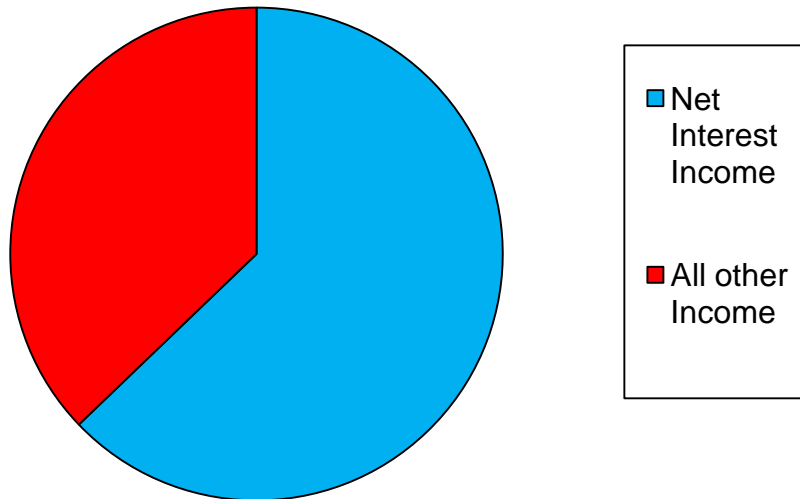
Geographical analysis of liabilities as at 31 December 2009



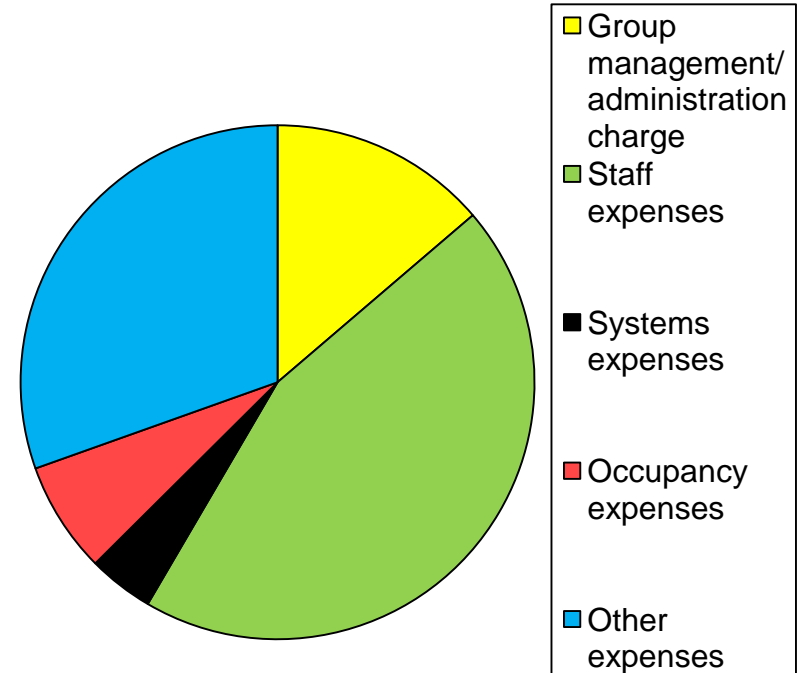
In general, deposits from Switzerland fund UK assets.

Banking Trends - Profit and Loss

Income Analysis Dec 2009



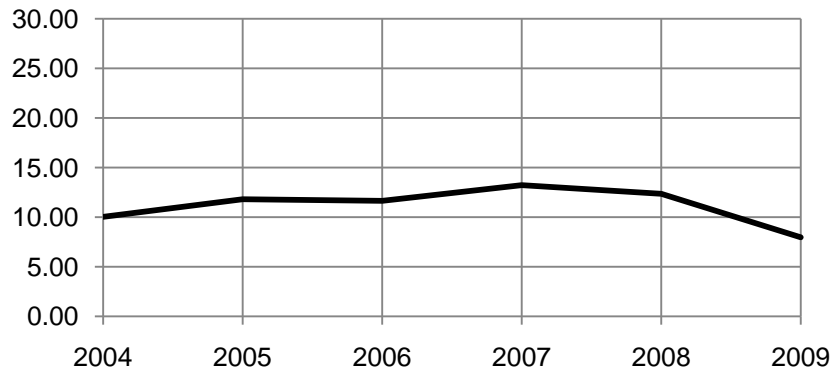
Expenses Analysis Dec 2009



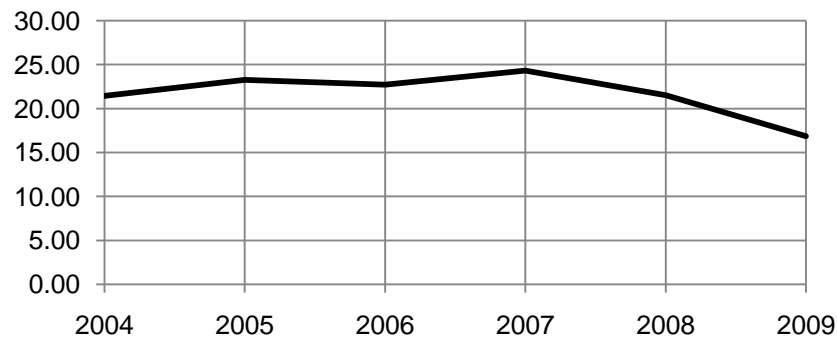
- Net Interest Income is the major profit source
- Staff expenses are the single highest cost

Banking Trends - Profit and Loss

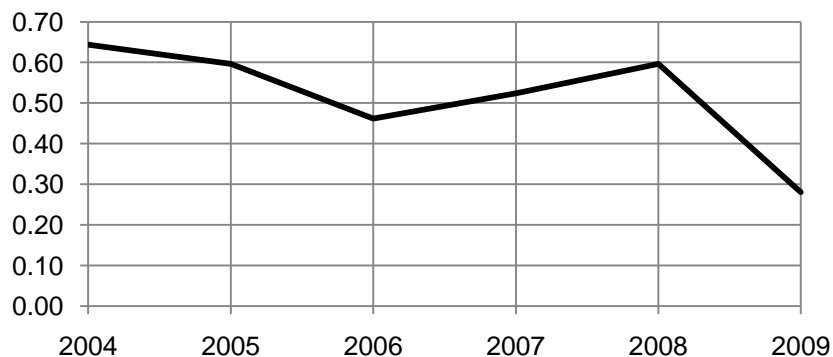
Pre-tax return on T1 & T2 capital % - subsidiaries



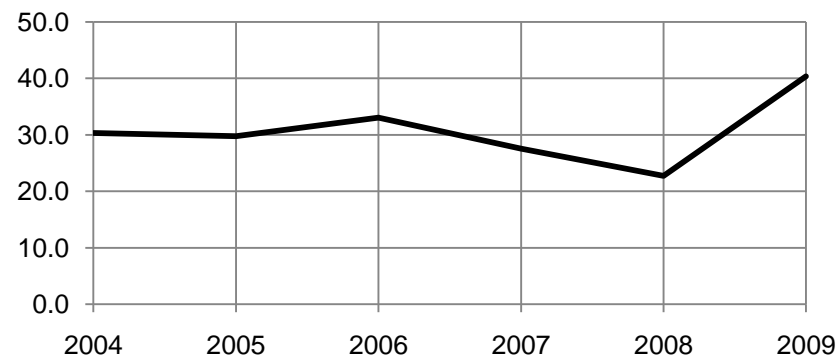
Pre-tax return on regulatory capital % - subsidiaries



Pre-tax Return on assets % - all licensees

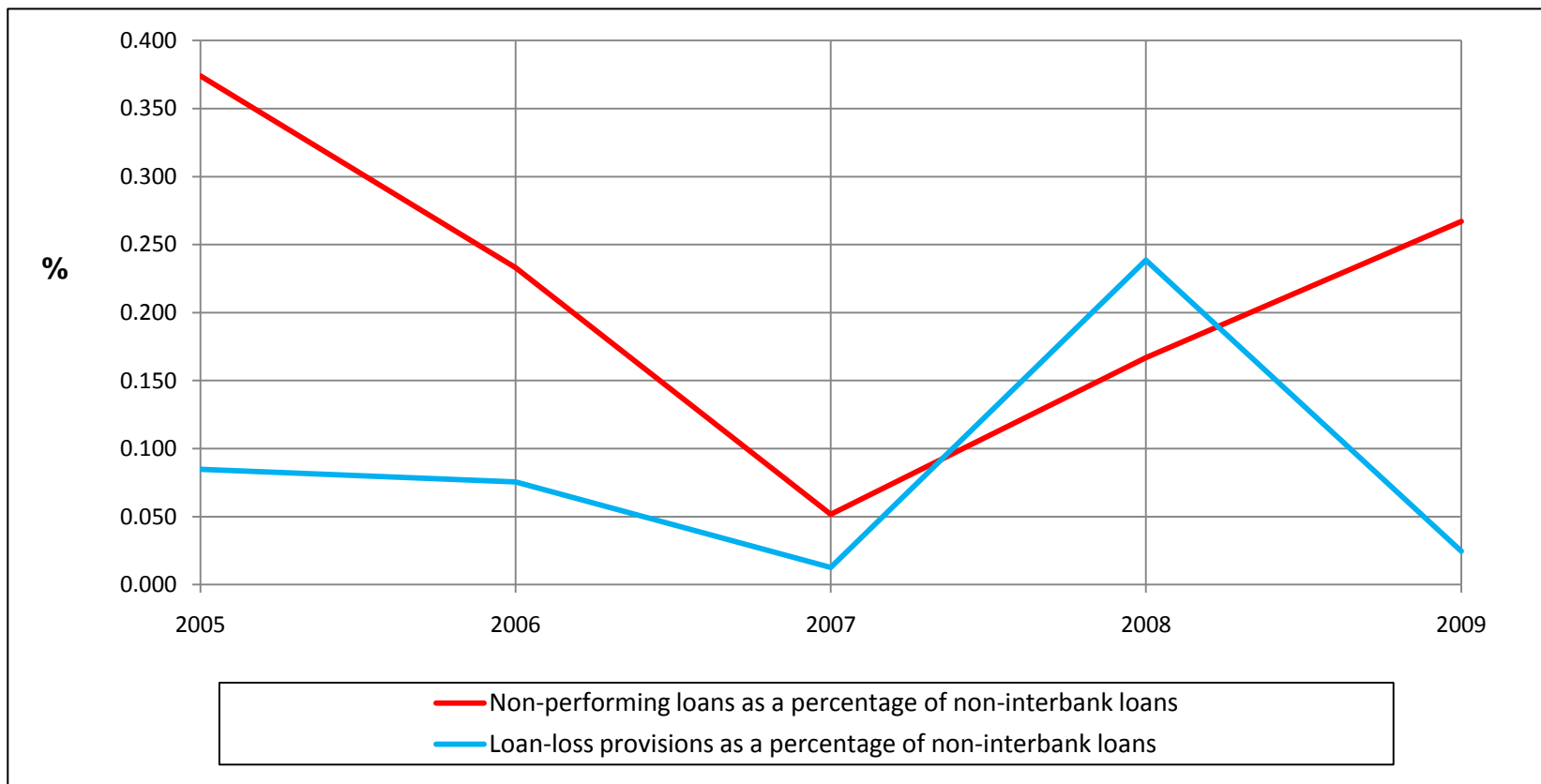


Cost / Income ratio % - all licensees



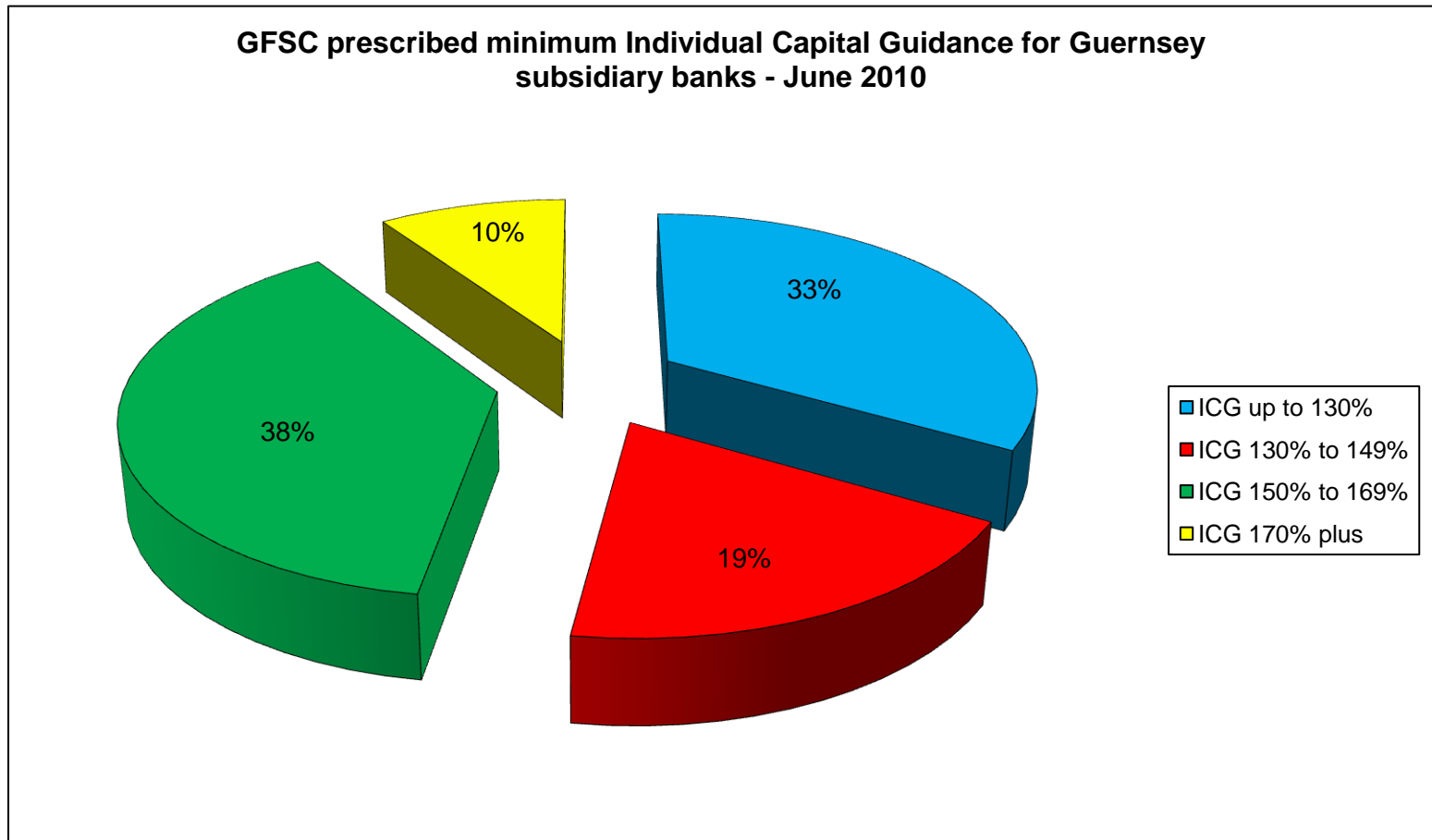
- All profit figures are difficult to interpret due to differing cost income sharing arrangements with the parent.
- The Return on capital figures are very simple – i.e. returns divided by unadjusted Tier 1 and 2 capital

Bank Trends - Impairment

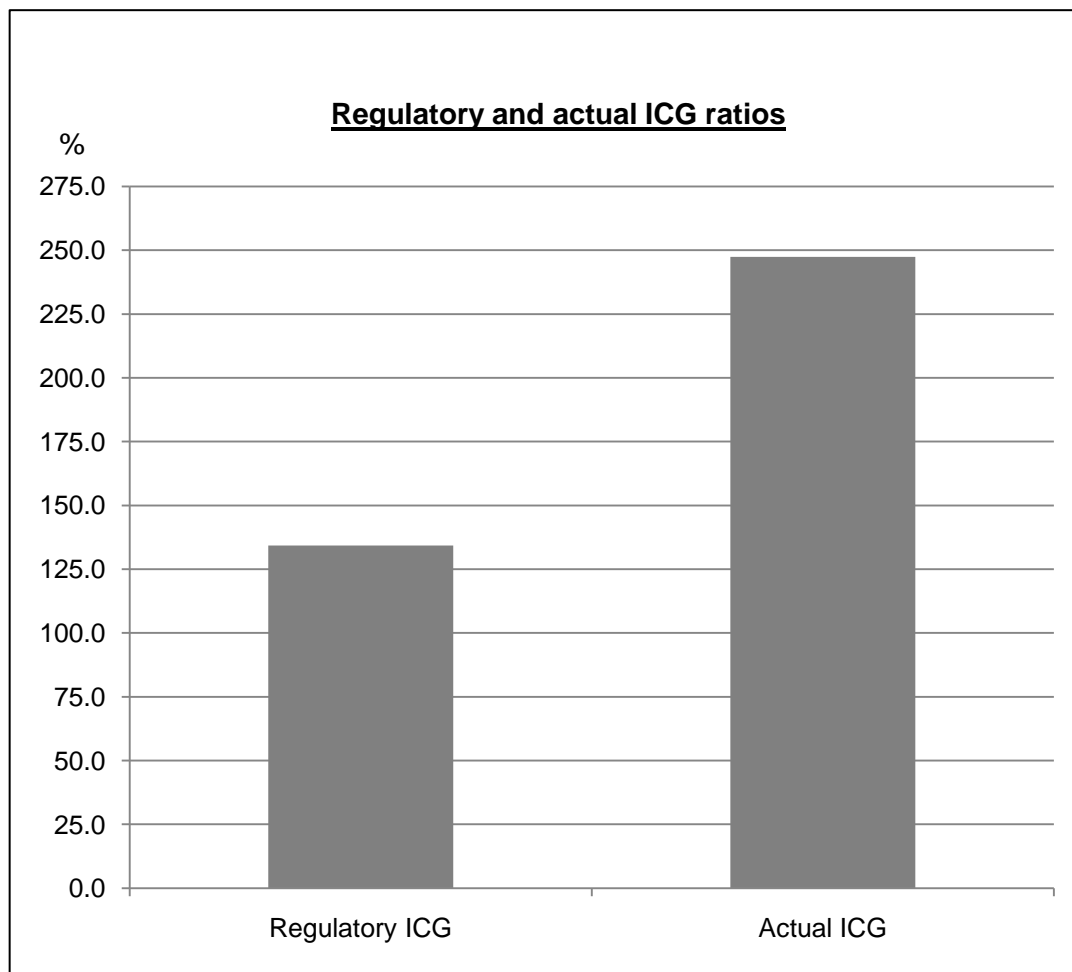


- Minimal credit risks – ratios are very low compared to other countries
- Further provisions in 2010 may be required

Regulatory statistics - ICGs



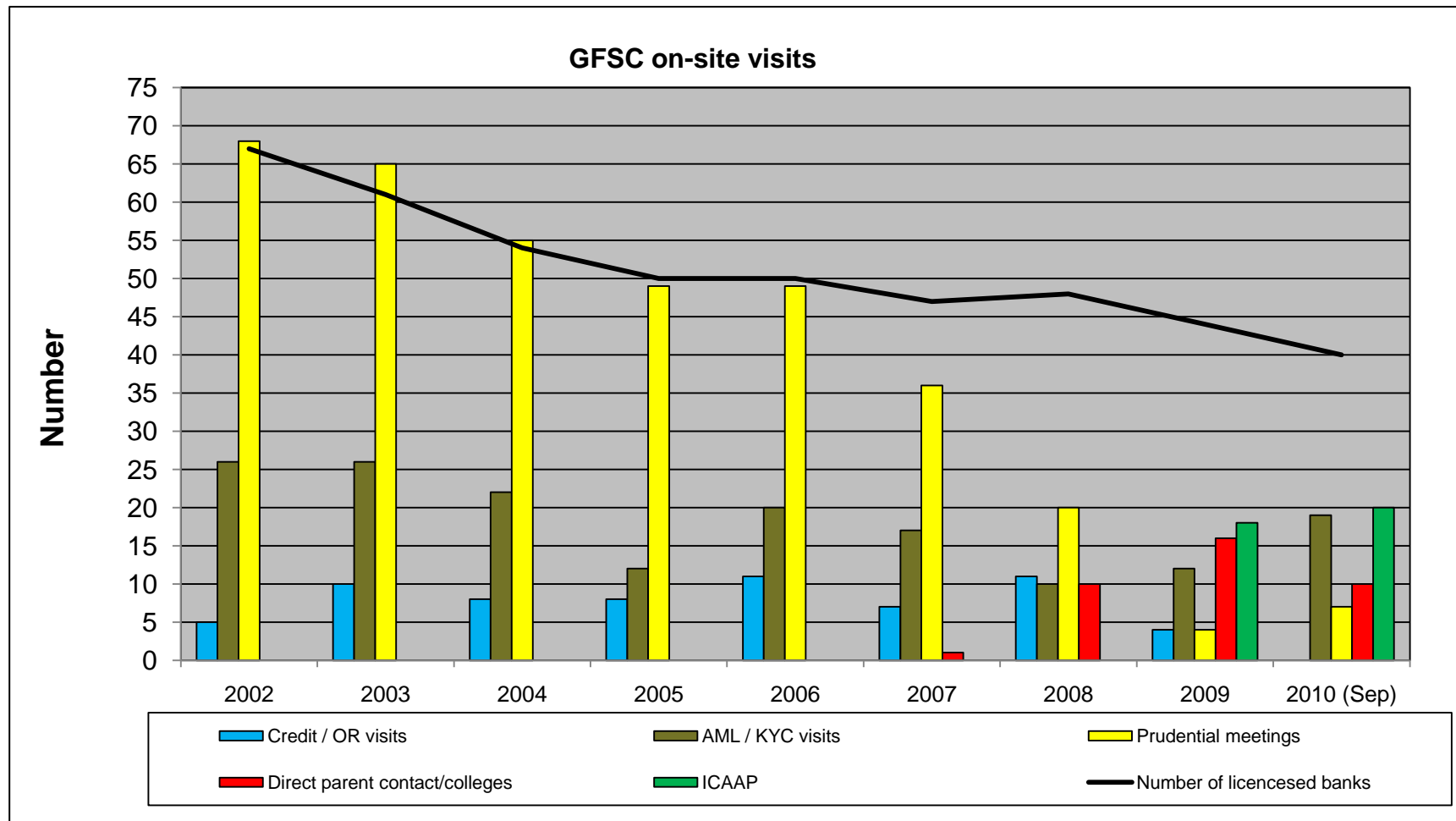
Regulatory statistics - ICG



✓ Actual regulatory capital needed for all subsidiaries divided by Pillar 1 capital, the aggregate ICG is 134%.

✓ The actual capital figure divided by Pillar 1 capital (as opposed to regulatory capital) is 247%

Regulatory statistics



Regulatory changes from prudential meetings to more in-depth contacts