



BANK OF THAILAND NEWS

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NPLs as of June 2001

1. NPL Outstanding of Thai Financial System (Excluding IBF of Foreign Financial Institutions Without Branches in Thailand (New IBFs) and Credit Foncier Companies)

1.1 As of June 2001, the non-performing loans (NPLs) of Thai financial system (excluding new IBFs and credit foncier companies) stood at 607.9 billion baht or 13.13% of the total loans of 4,628.7 billion baht, compared to 17.88% in May 2001. A net decrease of NPLs in June 2001 totalled 256.6 billion baht resulted from the transfer of bad debts of state-owned banks to an asset management company, debt restructuring and write-off loans.

1.2 NPL outstanding categorized by types of financial institutions (excluding new IBFs and credit foncier companies) as of June 2001 were as follow:

1.2.1 NPLs of private banks stood at 470.5 billion baht or 17.78% of total loans which was 2,646.1 billion baht.

1.2.2 NPLs of state-owned banks stood at 90.8 billion baht or 7.10% of total loans which was 1,277.9 billion baht.

1.2.3 NPLs of foreign banks (full branch) stood at 22.5 billion baht or 4.06% of total loans which was 553.0 billion baht.

1.2.4 NPLs of finance companies stood at 24.2 billion baht or 15.95% of total loans which was 151.6 billion baht.

1.3 Major outstanding of NPLs categorized by business sectors were as follow :

1.3.1 NPLs in manufacturing sector stood at 129.7 billion baht or 21.34% of total NPLs.

1.3.2 NPLs in personal consumption sector stood at 110.9 billion baht or 18.25% of total NPLs.

1.3.3 NPLs in wholesale & retail trade sector stood at 103.8 billion baht or 17.08% of total NPLs.

1.3.4 NPLs in real estate sector stood at 84.3 billion baht or 13.87% of total NPLs.

2. The Change of NPLs in Thai Financial System Excluding New IBFs and Credit Foncier Companies

2.1 The change of NPLs in Thai Financial System (excluding new IBFs and credit foncier companies) in June 2001 could be illustrated in details below:

			<u>Billion Baht</u>
2.1.1 NPLs as of May 2001			864.5
2.1.2 Increase in NPLs in June 2001			
- New NPLs	13.7		
- Re-entry	<u>24.6</u>	38.3	
2.1.3 Decrease in NPLs in June 2001			
- Debt-Restructuring	(46.1)		
- Other reasons (Remarks shown below)	<u>(248.8)</u>	<u>(294.9)</u>	
2.1.4 Net decrease in NPLs in June 2001			<u>(256.6)</u>
2.1.5 NPLs as of June 2001			<u>607.9</u>

Remarks : other reasons consist of

1. 7.4 billion baht in loan reclassified to less than 3 months overdue status as a result of loan repayments.

2. 209.5 billion baht transferred to AMC.

3. 20.4 billion baht in write-off loans classified as loss and doubtful of loss with 100% provision.

4. 11.5 billion baht in other cases, for example, repayment amount, write-off from losing right of claim.

2.2 The change of NPLs in June 2001 could be categorized by types of financial institutions (excluding new IBFs and credit foncier companies) as follow:

2.2.1 NPLs in private banks had a net decrease of 24.6 billion baht or 4.96% of NPLs as of the previous month, which was 495.0 billion baht.

2.2.2 NPLs in state-owned banks had a net decrease of 218.4 billion baht or 70.63% of NPLs as of the previous month, which was 309.2 billion baht.

2.2.3 NPLs in foreign banks (full branch) had a net decrease of 5.4 billion baht or 19.50% of NPLs as of the previous month which was 27.9 billion baht.

2.2.4 NPLs in finance companies had a net decrease of 8.2 billion baht or 25.31% of NPLs as of the previous month which was 32.4 billion baht.

2.3 The change of NPLs in June 2001 could be categorized by business sectors as follow:

2.3.1 Of total 13.7 billion baht of new NPLs, 3.8 billion baht were in manufacturing sector, 2.0 billion baht in wholesale & retail trade sector, and 1.6 billion baht in personal consumption sector.

2.3.2 Of total 24.6 billion baht of re-entry NPLs, 6.4 billion baht were in wholesale & retail trade sector, 5.5 billion baht in manufacturing sector, 3.2 billion baht in service sector and 2.1 billion baht in real estate sector.

3. NPLs of New IBFs and Credit Foncier Companies

3.1 NPLs of new IBFs as of June 2001 stood at 4.4 billion baht (slightly decrease from the previous month) or 5.75% of total loans, which was 77.2 billion baht.

3.2 NPLs of credit foncier companies as of June 2001 stood at 0.9 billion baht (slightly increase from the previous month) or 29.44% of total loans which was 3.2 billion baht.

4. NPL Outstanding of Thai Financial System Including New IBFs and Credit Foncier Companies

As of June 2001, NPLs of Thai financial system including new IBFs and credit foncier companies stood at 613.3 billion baht (net decrease of 256.6 billion baht from the previous month) or 13.02% of total loans which was 4,709.1 billion baht, compared to 17.69% of total loans at the end of last month.

5. NPL Outstanding after Provisions

5.1 Financial institutions (excluding new IBFs and credit foncier companies) set aside provisions for unsecured NPLs amounted to 202.5 billion baht (higher than the regulation requirement). Thus, NPLs and total loans after provisions stood at 405.4 billion baht and 4,426.2 billion baht, respectively, whereby its ratio was 9.16%.

5.2 Financial institutions (including new IBFs and credit foncier companies) set aside provisions for unsecured NPLs amounted to 205.2 billion baht (higher than the regulation requirement). Thus, NPLs and total loans after provisions stood at 408.0 billion baht and 4,503.8 billion baht, respectively, whereby its ratio was 9.06%.

Bank of Thailand

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[Attachment](#)