



# **BANK OF THAILAND NEWS**

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## **NPLs as of July 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 July 2001, the non-performing loans (NPLs) of Thai financial system (excluding new IBFs and credit foncier companies) stood at 615.1 billion baht, a rise of 8.1 billion baht from the previous month. The July NPL was at 12.69% of the total loans of 4,646.3 billion baht comparing to 12.68% in June 2001. The increase was resulted from a rise in new NPLs and Re-entry while completed debt restructuring dropped somewhat. This month recorded a small amount of write-off loans while there was no transfer of bad debts to AMC.

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

1.2.1 NPLs of private banks stood at 476.9 billion baht or 17.95% of total loans which was 2,657.0 billion baht.

1.2.2 NPLs of state-owned banks stood at 92.5 billion baht or 6.39% of total loans which was 1,448.0 billion baht.

1.2.3 NPLs of foreign banks (full branch) stood at 20.8 billion baht or 3.55% of total loans which was 585.7 billion baht.

1.2.4 NPLs of finance companies stood at 24.9 billion baht or 15.98% of total loans which was 155.6 billion baht.

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

1.3.1 NPLs in manufacturing sector stood at 128.6 billion baht or 20.91% of total NPLs.

1.3.2 NPLs in personal consumption sector stood at 112.0 billion baht or 18.21% of total NPLs.

1.3.3 NPLs in wholesale & retail trade sector stood at 109.2 billion baht or 17.75% of total NPLs.

1.3.4 NPLs in real estate sector stood at 86.2 billion baht or 14.02% 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 July 2001 could be illustrated in details below:

	<u>Billion Baht</u>
2.1.1 NPLs as of June 2001	607.0
2.1.2 Increase in NPLs in July 2001	
- New NPLs	16.0
- Re-entry	<u>23.6</u> 39.6
2.1.3 Decrease in NPLs in July 2001	
- Debt-Restructuring	(21.6)
- Other reasons (Remarks shown below)	<u>(9.9)</u> <u>(31.5)</u>
2.1.4 Net increase in NPLs in July 2001	<b><u>8.1</u></b>
2.1.5 NPLs as of July 2001	<b><u>615.1</u></b>

Remarks : other reasons consist of

- 1) 4.1 billion baht in loan reclassified to less than 3 months overdue status as a result of loan repayments.
- 2) 0.4 billion baht in write-off loans classified as loss and doubtful of loss with 100% provision.
- 3) 5.4 billion baht in other cases, for example, repayment amount, write-off from losing right of claim.

2.2 The change of NPLs in July 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 increase of 6.4 billion baht or 1.36% of NPLs as of the previous month, which was 470.5 billion baht.

2.2.2 NPLs in state-owned banks had a net increase of 2.7 billion baht or 2.97% of NPLs as of the previous month, which was 89.9 billion baht.

2.2.3 NPLs in foreign banks (full branch) had a net decrease of 1.7 billion baht or 7.39% of NPLs as of the previous month which was 22.5 billion baht.

2.2.4 NPLs in finance companies had a net increase of 0.7 billion baht or 2.83% of NPLs as of the previous month which was 24.2 billion baht.

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

2.3.1 Of total 16.0 billion baht of new NPLs, 2.7 billion baht were in manufacturing sector, 2.7 billion baht in imports sector, and 2.5 billion baht in wholesale & retail trade sector.

2.3.2 Of total 23.7 billion baht of re-entry NPLs, 7.0 billion baht were in real estate sector, 5.8 billion baht in wholesale & retail trade sector, 3.2 billion baht in manufacturing sector and 2.8 billion baht in personal consumptions sector.

### **3. NPLs of New IBFs and Credit Foncier Companies**

3.1 NPLs of new IBFs as of July 2001 stood at 4.8 billion baht or 7.12% of total loans, which was 67.2 billion baht.

3.2 NPLs of credit foncier companies as of July 2001 stood at 0.9 billion baht or 28.43% of total loans which was 3.3 billion baht.

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

As of July 2001, NPLs of Thai financial system including new IBFs and credit foncier companies stood at 620.8 billion baht (net increase of 8.4 billion baht from the previous month) or 12.63% of total loans which was 4,916.8 billion baht, compared to 12.58% 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 202.0 billion baht. Thus, NPLs and total loans after provisions stood at 413.1 billion baht and 4,644.4 billion baht, respectively, whereby its ratio was 8.89%.

5.2 Financial institutions (including new IBFs and credit foncier companies) set aside provisions for unsecured NPLs amounted to 205.1 billion baht. Thus, NPLs and total loans after provisions stood at 415.7 billion baht and 4,711.7 billion baht, respectively, whereby its ratio was 8.82%.

The Bank of Thailand

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[Attachment](#)