



BANK OF THAILAND NEWS

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No.27/2544

NPLs as of December 2000

1. NPL Outstanding of Thai Financial System Excluding IBF of foreign financial institutions without branches in Thailand (New IBFs) and Credit Foncier Companies

1. As of December 2000, the non-performing loans (NPLs) of Thai financial system (excluding New IBFs and credit foncier companies) stood at 858.2 billion baht or 17.91 % of the total loans of 4,791.7 billion baht , compared to 22.70% in the previous month. A net decrease in December 2000 totaled 254.8 billion baht due to the impaired debt of a state-owned bank was brought into Covered Asset Pool guaranteed by the Cabinet Resolution. Moreover, a large amount of debt restructuring was successfully completed in December 2000 as well as loans classified as loss and doubtful of loss with 100% provision were written-off at the end of the year.
2. NPL outstanding categorized by types of financial institutions (excluding new IBFs and credit foncier companies) as of December 2000 were as follow:
 1. NPLs of private banks stood at 477.0 billion baht or 18.02% of total loans which was 2,647.0 billion baht.
 2. NPLs of state-owned banks stood at 308.0 billion baht or 21.62% of total loans which was 1,424.6 billion baht.
 3. NPLs of foreign banks (full branch) stood at 38.3 billion baht or 6.62% of total loans which was 578.1 billion baht.
 4. NPLs of finance companies stood at 34.9 billion baht or 24.61% of total loans which was 142.0 billion baht.
3. Major outstanding of NPLs categorized by business types were as follow :
 1. NPLs in manufacturing sector stood at 206.0 billion baht or 24.01% of total NPLs.
 2. NPLs in wholesale & retail trade business stood at 134.8 billion baht or 15.70% of total NPLs.
 3. NPLs in personal consumption sector stood at 129.9 billion baht or 15.13% 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 December 2000 could be illustrated in details below:

	<u>Billion Baht</u>		
2.1.1 NPLs as of November 2000			1,113.0
2.1.2 Increase in NPLs during December 2000			
- New NPLs	24.5		
- Re-entry	<u>28.4</u>	52.9	
2.1.2 Decrease in NPLs during December 2000			
- Debt-Restructuring	(76.0)		

- Other reasons (Remarks shown below)	(231.7)	(307.7)	
2.1.4 Net decrease in NPLs during December 2000			(254.8)
2.1.5 NPLs as of December 2000			858.2

Remarks : other reasons consist of

1. 8.0 billion baht in loan reclassification to less than 3 months overdue status as a result of loan repayments.
 2. 3.9 billion baht in transferring to AMC.
 3. 75.5 billion baht in write-off loans classified as loss and doubtful of loss with 100% provision.
 4. 144.3 billion baht in other cases, for example, repayment amount, write-off from losing right of claim, selling of debt, impaired debt transferring to Covered Asset Pool, etc.
2. The change of NPLs in December 2000 could be categorized by types of financial institutions (excluding new IBFs and credit foncier companies) as follow :
1. NPLs in private banks had a net decrease of 51.4 billion baht or 9.73% of NPLs as of the previous month, which was 528.5 billion baht. Most of the private banks had a net decrease of NPLs.
 2. NPLs in state-owned banks had a net decrease of 180.0 billion baht or 36.89% of NPLs as of the previous month, which was 488.0 billion baht. All of the state-owned banks had a net decrease of NPLs. A net decrease in December 2000 due to the impaired debt of a state-owned bank was brought into Covered Asset Pool guaranteed by the Cabinet Resolution.
 3. NPLs in foreign banks (full branch) had a net decrease of 1.1 billion baht or 2.71% of NPLs as of the previous month which was 39.3 billion baht.
 4. NPLs in finance companies had a net decrease of 22.3 billion baht or 38.96% of NPLs as of the previous month which was 57.2 billion baht.

2.3 The change of NPLs in December 2000 could be categorized by business types as follow:

2.3.1 Of total 24.5 billion baht of new NPLs, 6.7 billion baht were in manufacturing, 3.7 billion baht in wholesale & retail trade business, and 2.4 billion baht in import sector.

2.3.2 Of total 28.4 billion baht of re-entry NPLs, 10.0 billion baht were in manufacturing, 4.1 billion baht in service sector, and 3.4 billion baht in wholesale & retail trade business.

2. NPLs of New IBFs and Credit Foncier Companies

1. NPLs of new IBFs as of December 2000 stood at 5.0 billion baht or 6.40% of total loans, which was 77.5 billion baht. A net increase from the previous month was 1.3 billion baht.
2. NPLs of credit foncier companies as of December 2000 stood at 1.4 billion baht or 40.92% of total loans, which was 3.3 billion baht. A net decrease from the previous month was 0.3 billion baht.

4. NPL Outstanding of Thai Financial System including new IBFs and Credit Foncier Companies

As of December 2000, NPLs of Thai financial system including new IBFs and credit foncier companies stood at 864.5 billion baht or 17.74% of total loans which was 4,872.5 billion baht, compared to 22.43% of total loans at the end of last month.

5. Debt Restructuring

In December 2000, completed debt restructuring increased by 98.3 billion baht. Of these, 76.0 billion baht were restructuring of NPLs whereas the rest were restructuring of loans not exceeding 3 months overdue.

6. NPL Outstanding After Provisions

1. Financial institution system (excluding new IBFs and credit foncier companies) has set aside provisions for no collateral NPLs amounted to 285.8 billion baht, resulting in NPLs and total loans after provisions amounted to 572.4 billion baht and 4,505.8 billion baht, respectively. NPLs / total loans after provisions stood at 12.70%.
2. Financial institution system (including new IBFs and credit foncier companies) has set aside provisions for no collateral NPLs amounted to 288.9 billion baht, resulting in NPLs and total loans after provisions amounted to 575.6 billion baht and 4,583.5 billion baht, respectively. NPLs / total loans after provisions stood at 12.56%.

7. Performing Loans Trend

As of December 2000 performing loans in Financial institution system (excluding IBF of foreign banks and creditfoncier companies) has had an increasing trend since June 1999.

Unit : Billion Baht

Loans	Jun. 99	Dec. 99	Jun. 2000	Dec.2000
Less than 3 month overdue	158.5	113.2	99.1	87.9
Not overdue	2,781.9	3,176.1	3,338.6	3,845.6
Total PL	2,940.4	3,289.3	3,437.7	3,933.5
PL / Total Loans (%)	52.49	61.12	68.03	82.09

As of December 2000, performing loans stood at 3,933.5 billion baht. Of the stated amount, 87.9 billion baht were less than 3 month overdue which continue to drop over time, implying that NPLs

tends to decrease further. The 3,845.6 billion baht out of total performing loans were not the overdue.

Bank of Thailand
February 5, 2001

[Attachment](#)