
Banking

Key statistics and trends 2005-2014



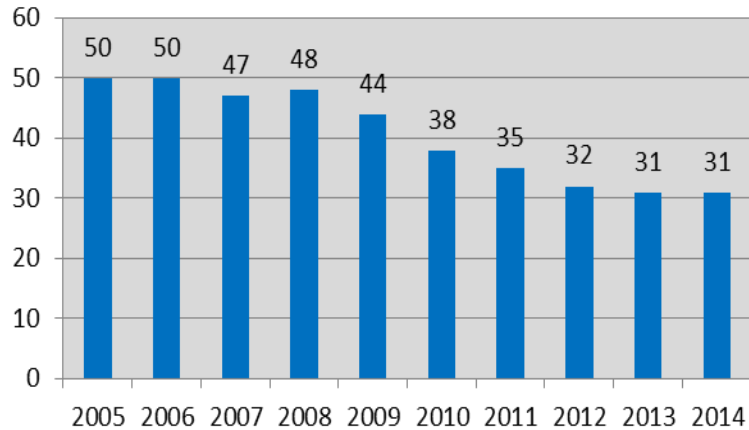
Guernsey Financial
Services Commission

www.gfsc.gg

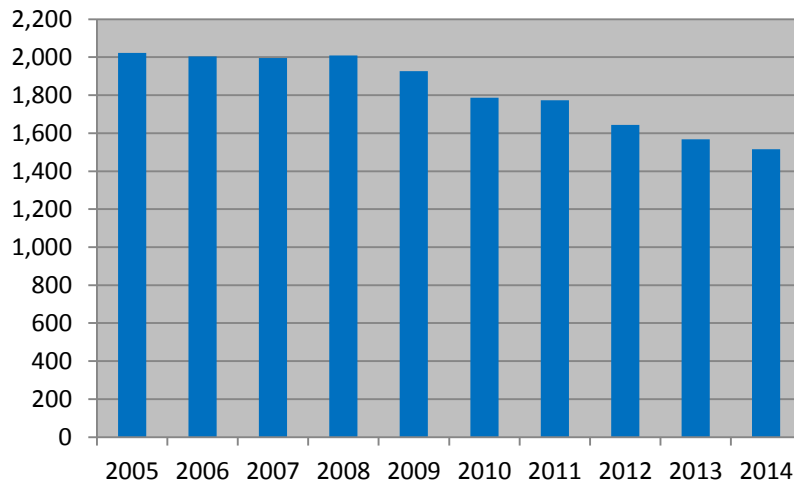
Licence Trends

- ✓ The number of bank licences has stabilised
- ✓ 31 licensees in Guernsey represent 13 different countries
- ✓ The number of staff employed within the Guernsey banking industry is down 3.4% to the end of 2014.

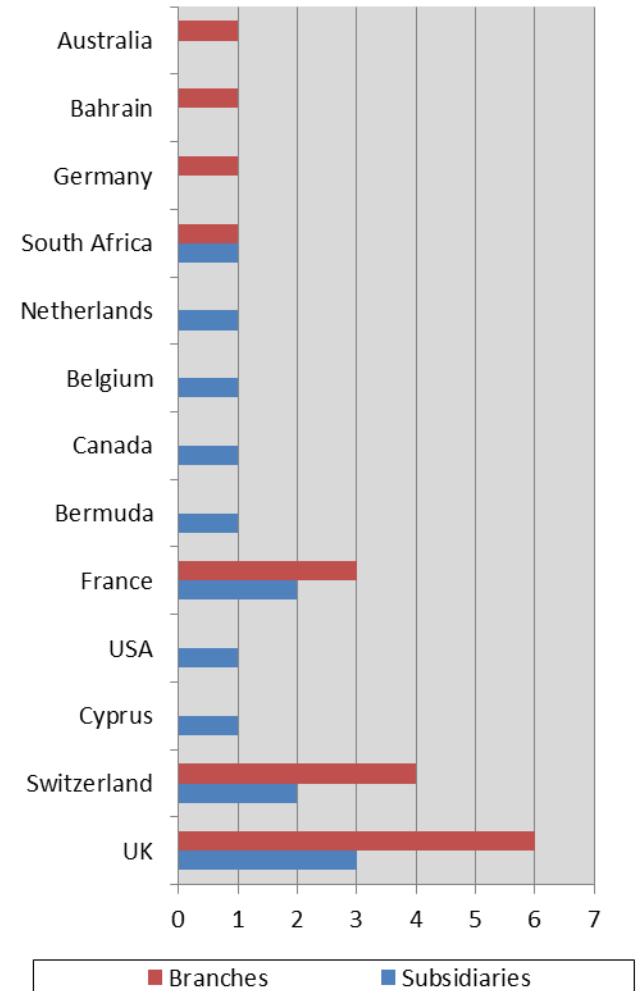
Number of licensees



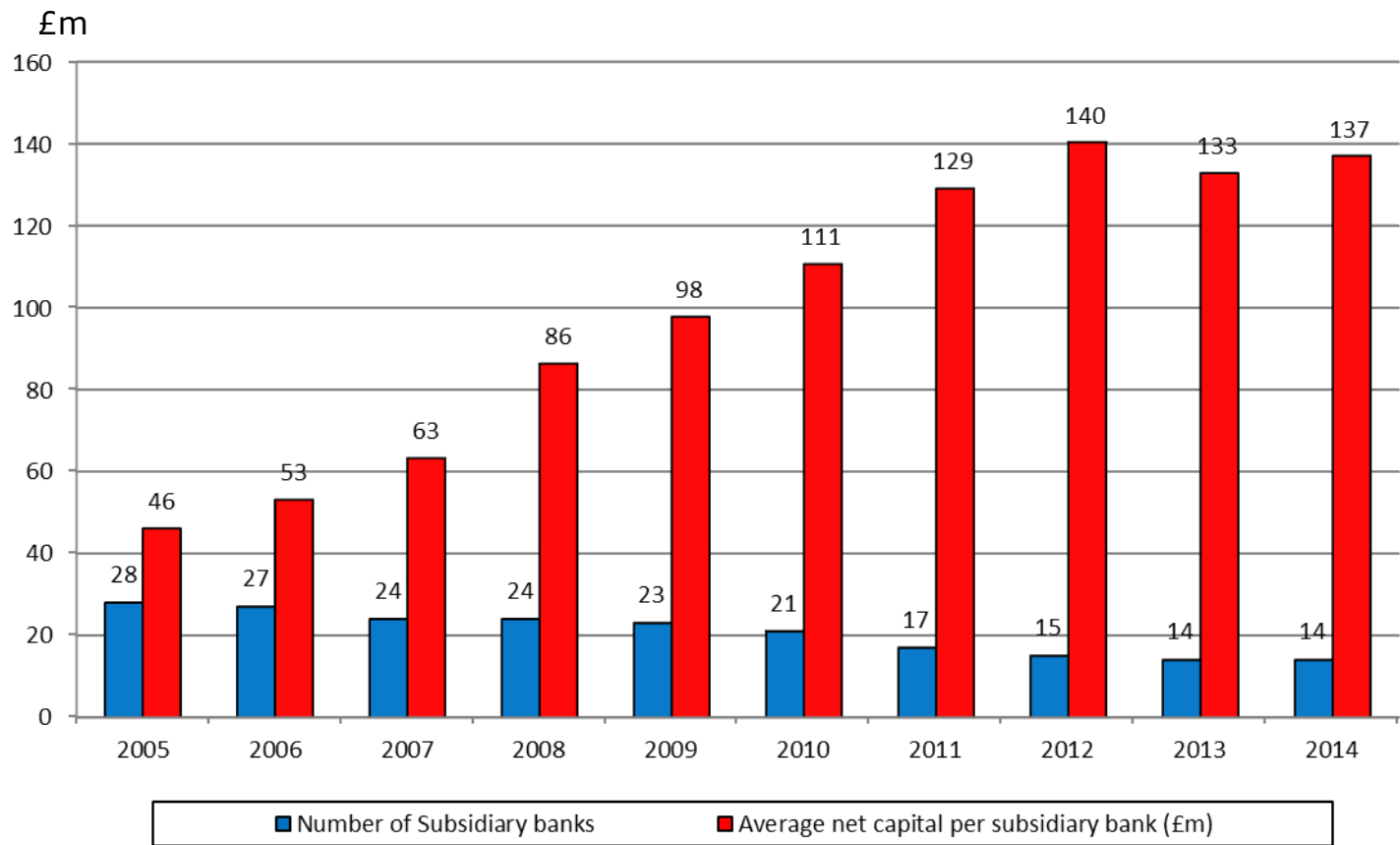
F.T.E. staff numbers in Guernsey banks



Banks by country of origin December 2014

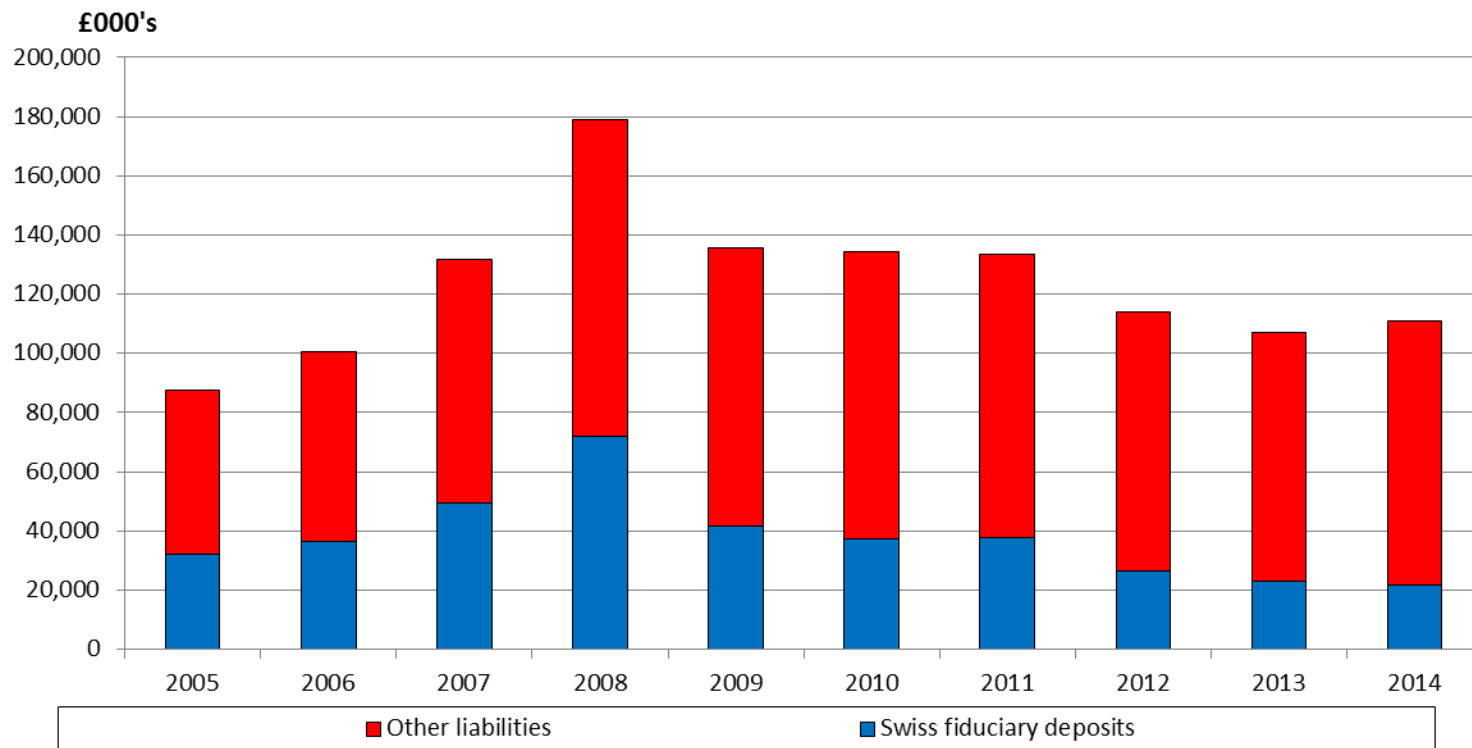


Banking Trends – Capital



Average net capital per bank increase reveals fewer banks holding more capital up to 2012, decreasing in 2013 but increasing again in 2014

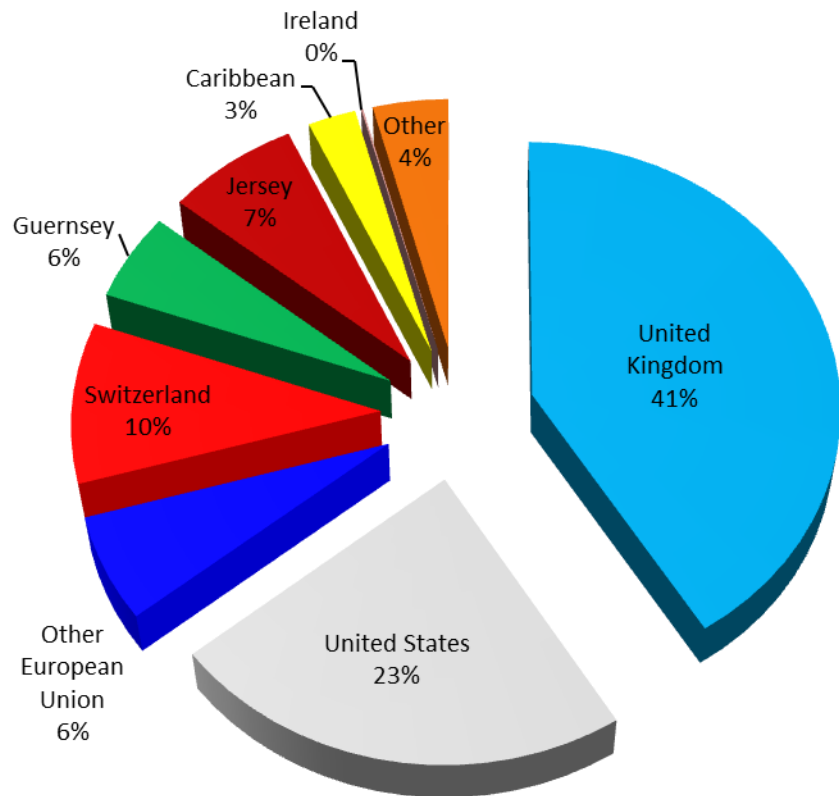
Banking Trends –Nominal growth



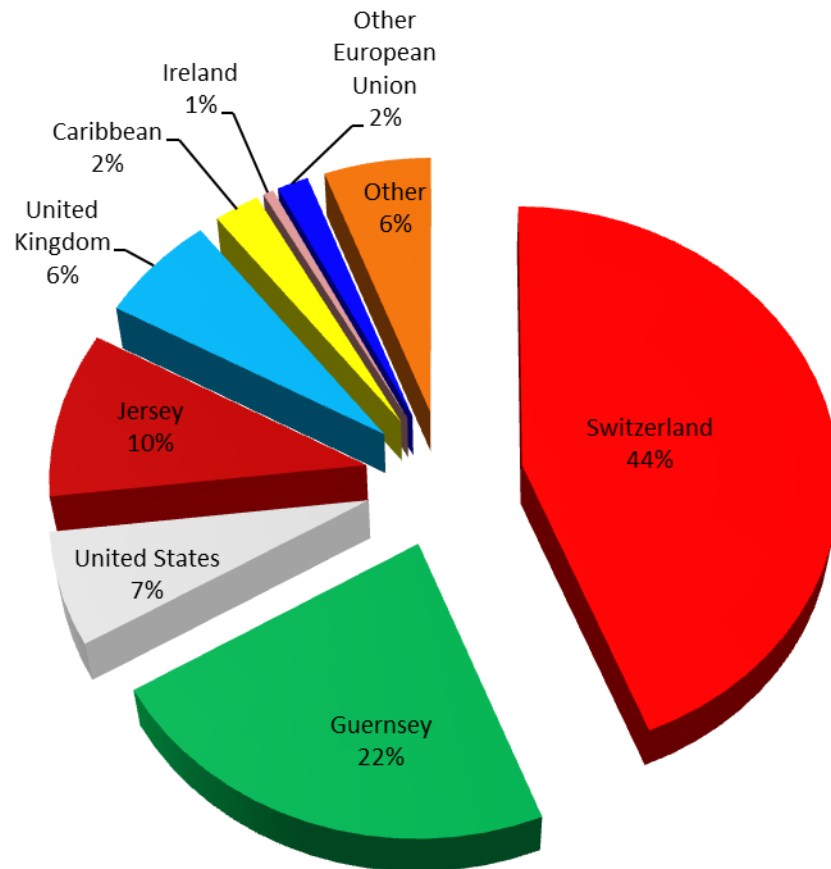
- ✓ The 5 years prior to 2009 marked a solid growth in the total liabilities of the Guernsey banks, but despite falling to below 2007 levels it has increased again slightly.
- ✓ The main variable factor is Swiss fiduciary deposits whose popularity depends on global interest rates.

Banking Trends – Country Analysis

Geographical analysis of assets as at 31 December 2014

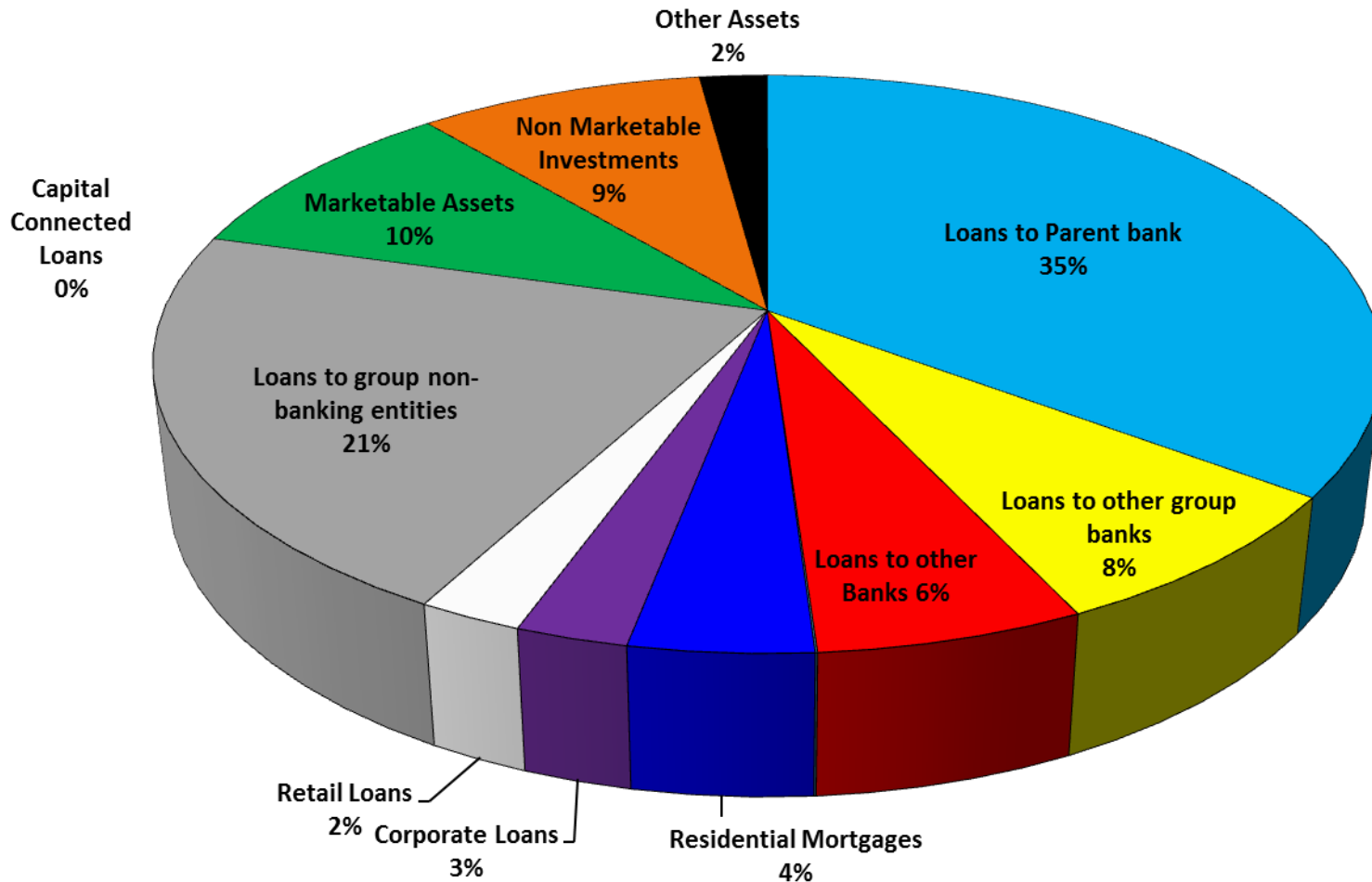


Geographical analysis of deposits as at 31 December 2014



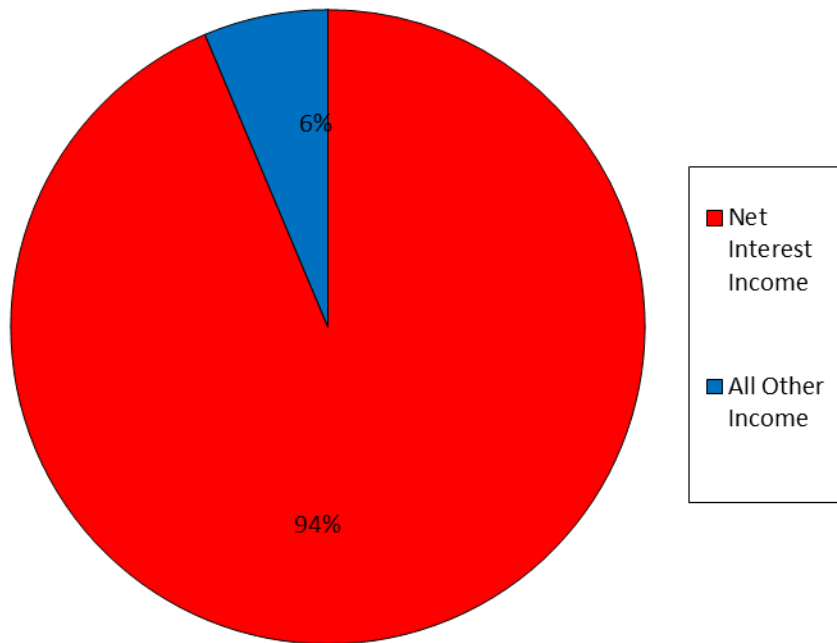
In general, deposits from Switzerland fund UK assets.

Banking Trends – Asset type Q4 2014

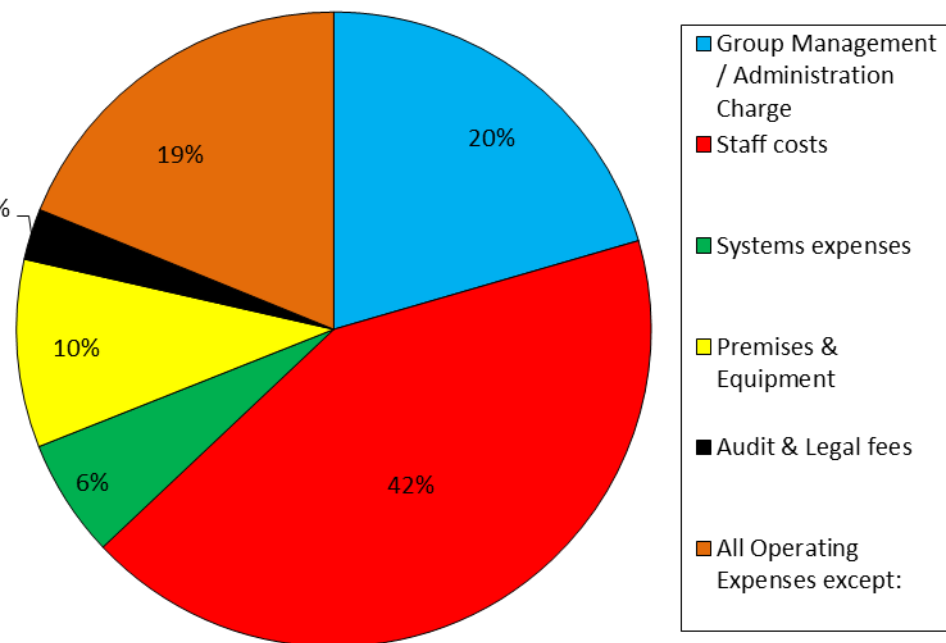


Banking Trends - Profit and Loss

Income Analysis Dec 2014



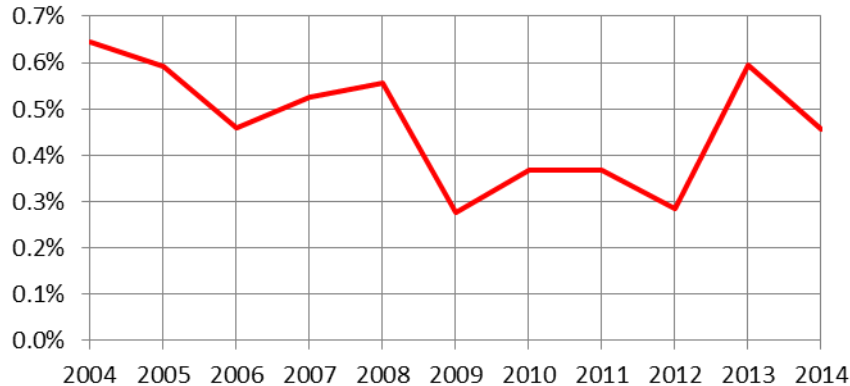
Expenses Analysis Dec 2014



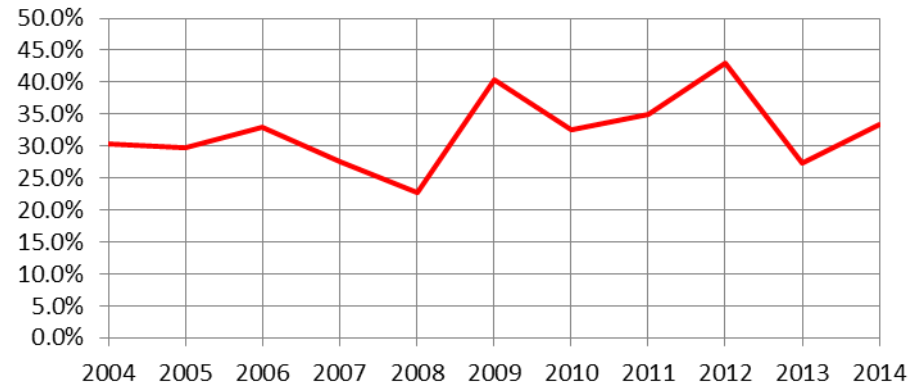
- Net Interest Income is the major profit source
- Staff expenses are the single highest cost

Banking Trends - Profit and Loss

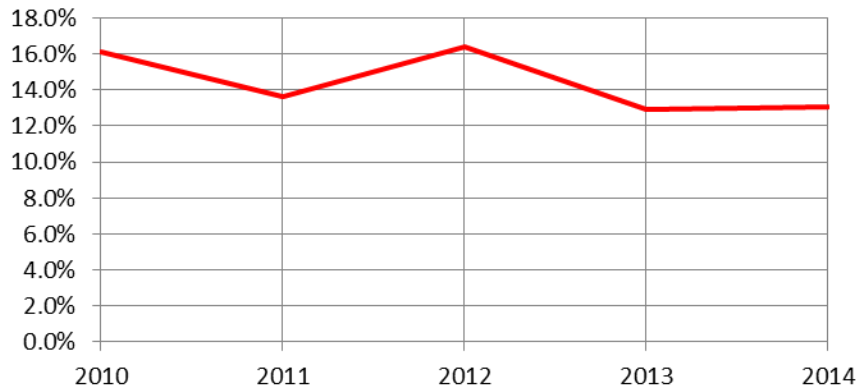
Pre-tax return on Assets % - all licensees



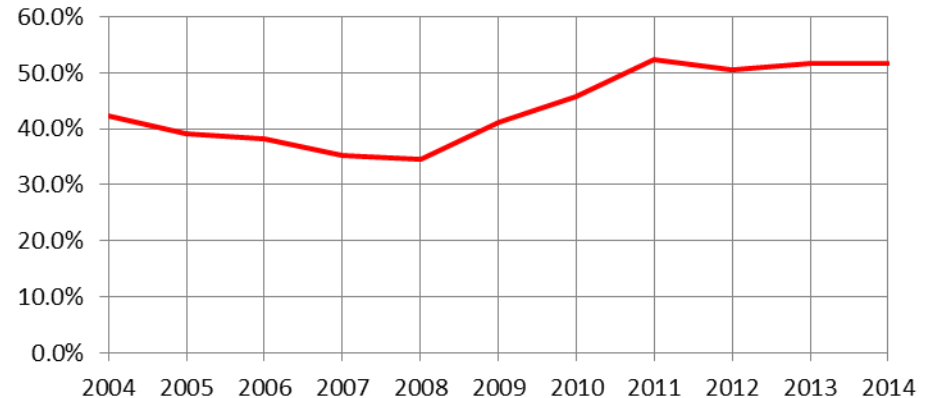
Cost / Income Ratio % - all licensees



Pre-tax Return on Regulatory Capital - Subsidiaries

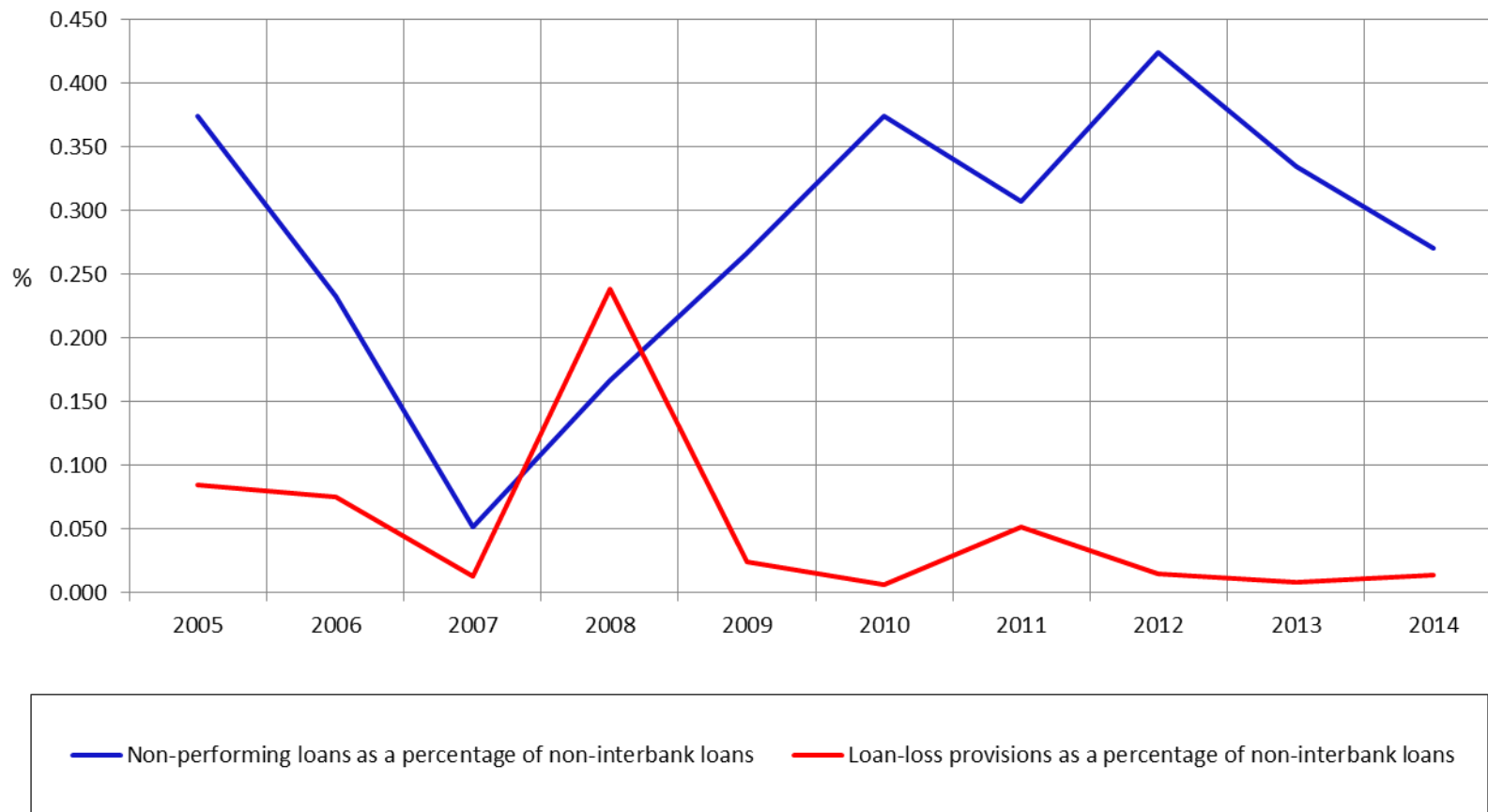


Cost / Income Ratio % - Subsidiaries



- 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

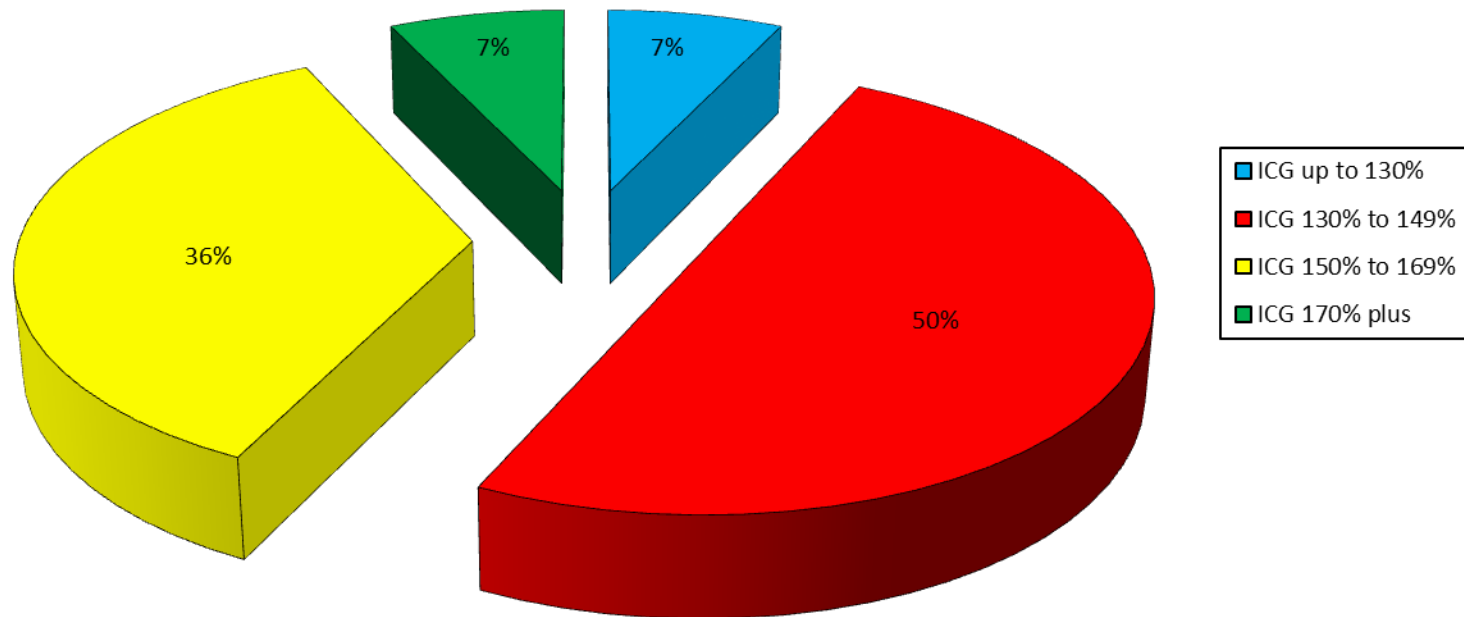
Bank Trends - Impairment



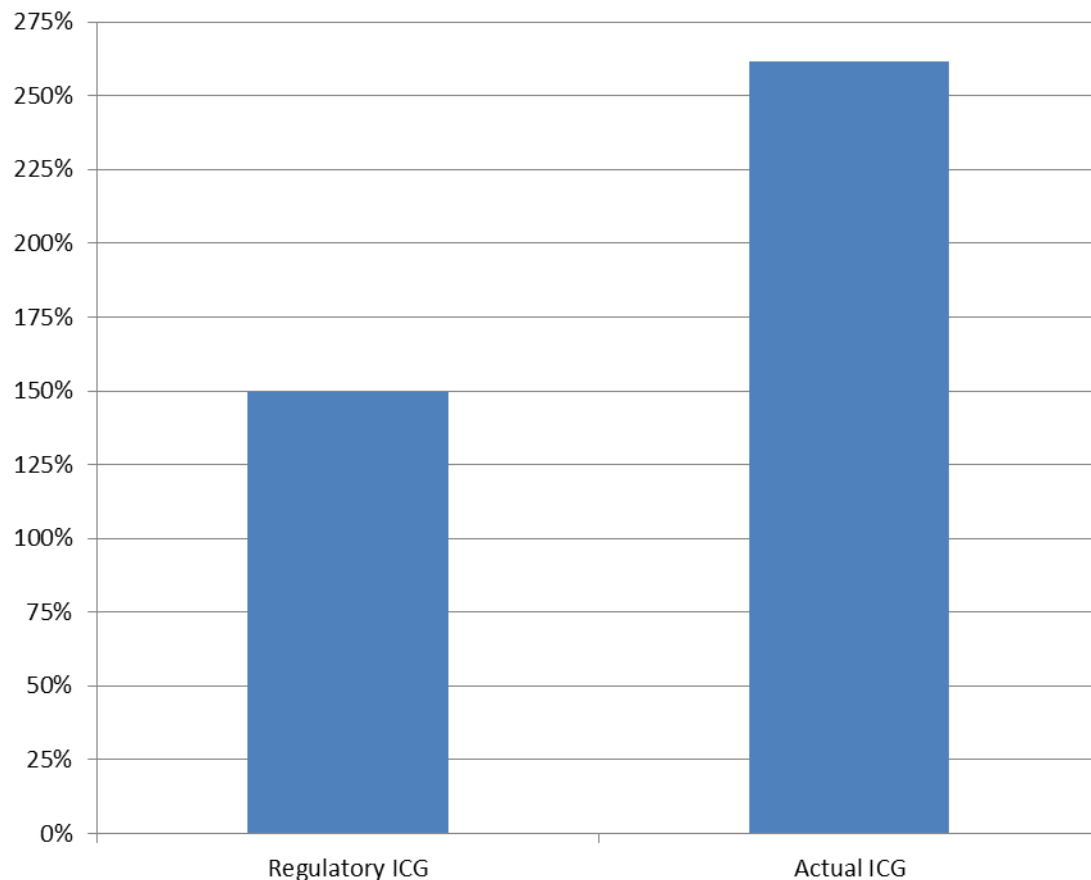
- Minimal credit risks – ratios are very low compared to other countries

Regulatory statistics - ICGs

GFSC prescribed minimum Individual Capital Guidance for Guernsey subsidiary banks - December 2014



Regulatory statistics - ICG



✓ Actual regulatory capital needed for all subsidiaries divided by Pillar 1 capital, the aggregate ICG is 150%.

✓ The actual capital figure divided by Pillar 1 capital (as opposed to regulatory capital) is 261%