

## Bank Deposits Monthly Situation Report

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- In October 2009 real annual growth in traditional deposits in resident commercial banks fell by 3.7%.
- Growth in demand deposits was high (9.7%) while growth in time deposits was negative (-15.2%).
- The sources of growth in financial savings were: first, public-sector securities and, second, savings from the retirement savings system (RSS) not including Siefores.

### Commercial banking: traditional deposits

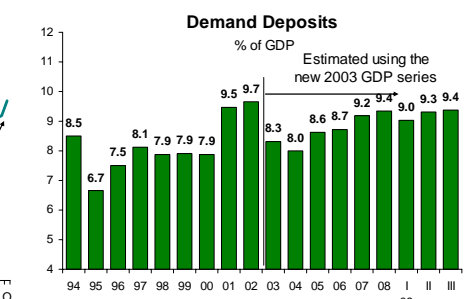
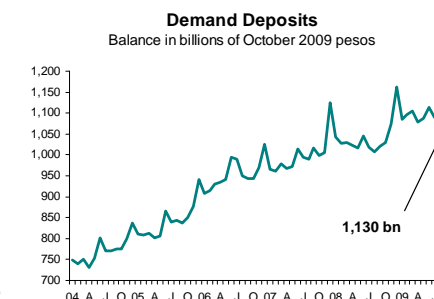
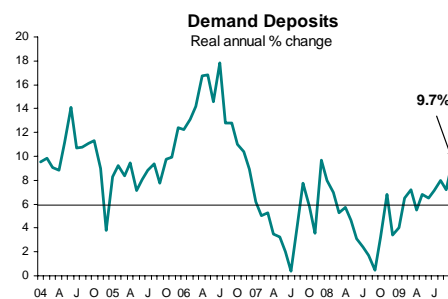
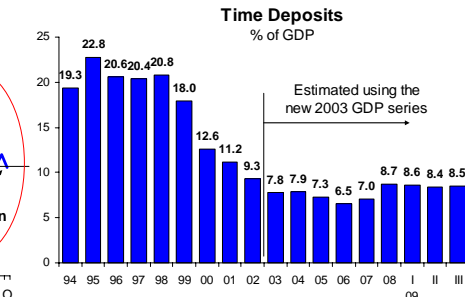
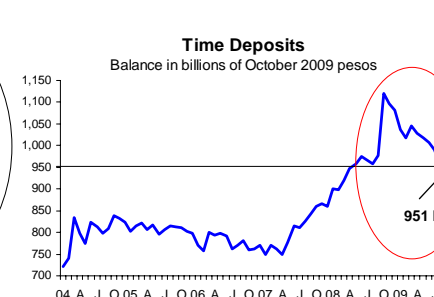
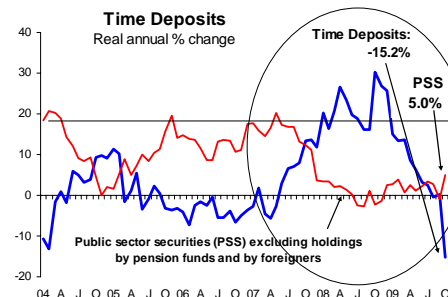
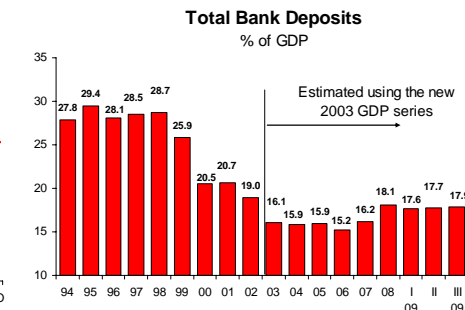
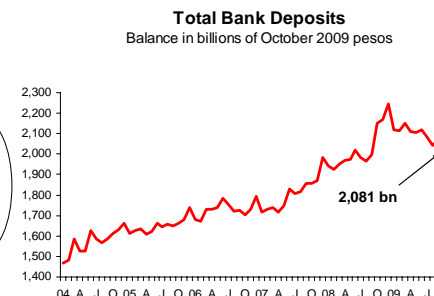
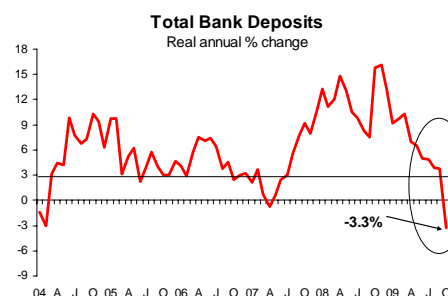
In October 09 real annual growth in traditional bank deposits was negative, at -3.3%. This rate was lower than for the preceding month (3.8%) and for the same month in 2008 (15.8%). The performance in traditional deposits was the result of the contraction in its time deposit component.

### Time deposits in banks

In October 09 real annual growth of banks time deposits was negative, at -15.2%. In the previous month it was positive (0.2%), as it was in the same month in 2008 (30.3%). It is worth remembering that in October 2008 a significant amount of assets held in debt mutual funds moved to time deposits in banks because the mutual funds were posting losses as a result of the climate of uncertainty at the time. Bank time deposits do not post losses. As can be seen from the chart, from November 2008 time deposit began to contract gradually and October 2009 saw the end of the arithmetical non-recurring effect of October 2008.

### Bank demand deposits

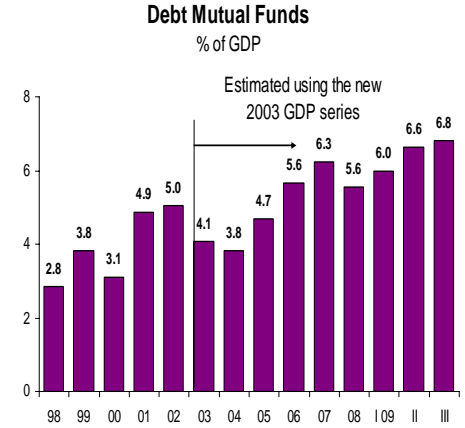
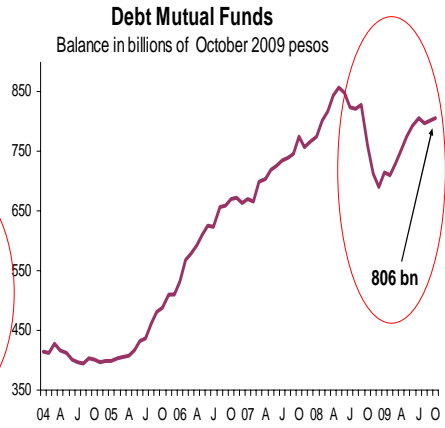
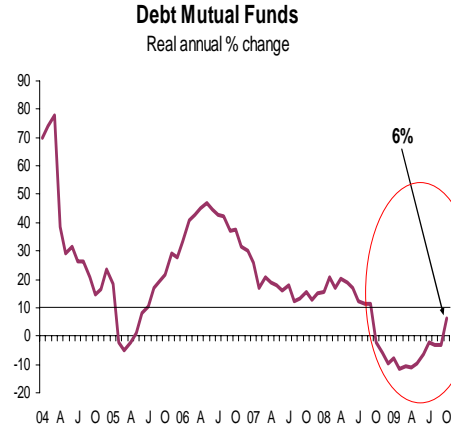
Real annual growth for demand deposits in October 09 was 9.7%. This rate was higher than for the preceding month (7.2%) and for the same month in 2008 (3.2%). Growth contribution per component was as follows: checks in domestic currency contributed 5.3 percentage points (pp) of the 9.7 pp of growth; foreign currency checks, 2.5%; and checking accounts, 1.9 pp.



Fuente: Banco de México

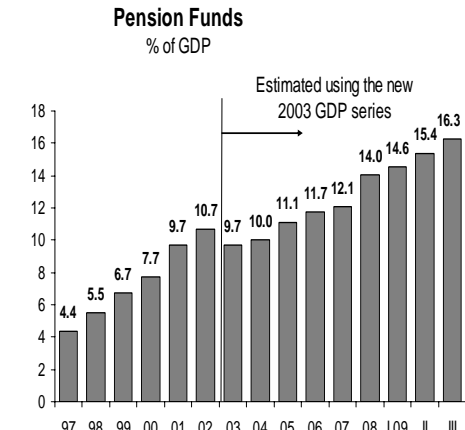
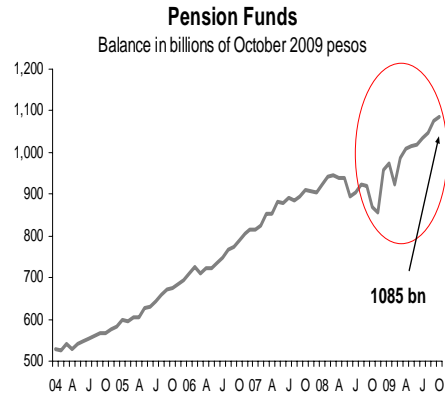
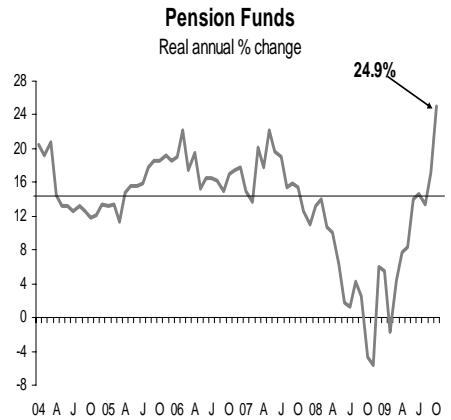
**Debt Mutual Funds**

In October 2009, real annual growth for debt mutual funds was 6%. This rate of growth was higher than in the preceding month (-3.4%) as well as in the same month in 2008 (-2%). As can be seen from the chart, in October 2009 the debt mutual funds registered positive growth, which had not happened between October 2008 and September 2009. Their negative growth in this period was due to their losses posted in October 2008. Their improved performance contrasts with a contraction in time deposits over the same period. In addition, in October 2009 the sum of traditional deposits (demand + term) plus the balance of the mutual funds showed a negative real annual growth of -0.9%. In the preceding month, this aggregate grew at 1.7%, and in the same month in 2008 at 10.5%. The slowdown and deterioration in this aggregate of savings could be the result of the economic recession in 2009.



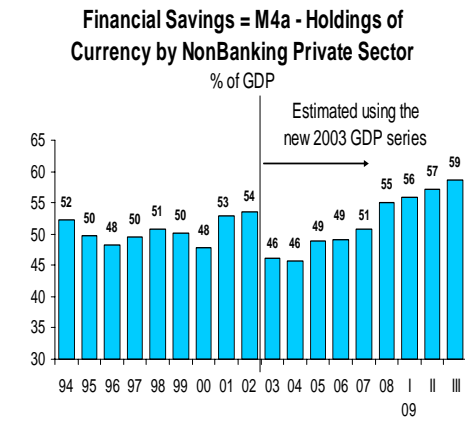
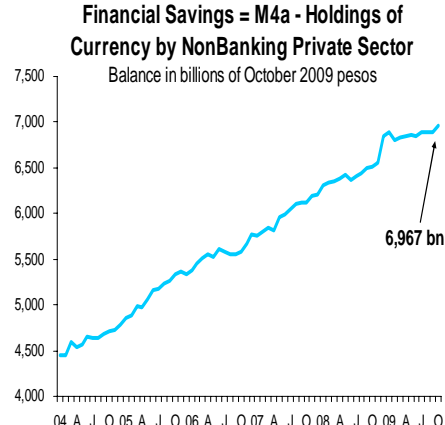
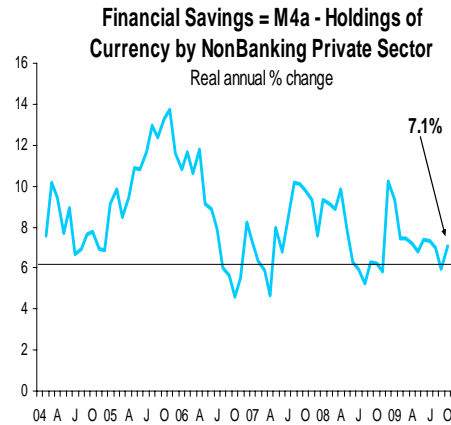
**Specialized debt mutual funds in the management of pension funds (Siefos):**

In October 2009 the funds deposited in Siefos grew 24.9% in real annual terms. This rate was higher than for the preceding month (17.1%) and for the same month of 2008 (-4.7%). In October 2009 Siefos also registered significant losses, as did the debt mutual funds. The reduction in interest rates has allowed the Siefos and debt mutual funds to begin to recover their balance sheets. The improved performance of the Siefos and debt mutual funds to begin to recover their balance sheets. The improved performance of the Siefos may also in part reflect the recovery in formal employment that began in July 2009.



**Financial Savings (FS, includes bank and non-bank savings instruments)**

Real annual growth for FS was 7.1% in October 09. This rate was higher than for the preceding month (6%) and for the same month in 2008 (6.2%). Growth contribution per component was as follows: public-sector securities accounted for 4.5 percentage points (pp) of the 7.1 pp of growth; the retirement savings system other than Siefos accounted for 3.4 pp; deposit institutions 0.5 pp (development banks +0.8 pp, commercial banks -1.1 pp, agencies -0.2); and corporate securities, -0.4 pp.



Fuente: Banco de México

## FINANCIAL SAVINGS BY COMPONENTS

Balance end of period in billions of October 2009 pesos

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	J 08	F	M	A	M	J	J	A	S	O	N	D	J 09	F	M	A	M	J	J	A	S	O
<b>M4 a</b>	<b>3,430</b>	<b>3,655</b>	<b>3,784</b>	<b>4,205</b>	<b>4,408</b>	<b>4,812</b>	<b>5,149</b>	<b>5,732</b>	<b>6,216</b>	<b>6,683</b>	<b>6,744</b>	<b>6,774</b>	<b>6,785</b>	<b>6,805</b>	<b>6,858</b>	<b>6,796</b>	<b>6,843</b>	<b>6,862</b>	<b>6,929</b>	<b>6,951</b>	<b>7,003</b>	<b>7,355</b>	<b>7,380</b>	<b>7,294</b>	<b>7,307</b>	<b>7,316</b>	<b>7,345</b>	<b>7,315</b>	<b>7,364</b>	<b>7,353</b>	<b>7,355</b>	<b>7,435</b>
- Bills & currency holdings	209	263	268	280	310	338	367	397	442	470	442	438	429	423	430	424	430	429	425	443	451	507	491	486	479	476	481	475	480	469	462	468
= Financial Savings	3,221	3,391	3,517	3,925	4,098	4,473	4,782	5,336	5,774	6,213	6,302	6,336	6,356	6,382	6,428	6,372	6,413	6,434	6,505	6,508	6,552	6,848	6,889	6,808	6,828	6,840	6,864	6,841	6,884	6,893	6,967	
<b>I. Deposit Institutions</b>	<b>4,039</b>	<b>2,117</b>	<b>1,842</b>	<b>1,910</b>	<b>1,829</b>	<b>1,936</b>	<b>2,040</b>	<b>2,185</b>	<b>2,189</b>	<b>2,385</b>	<b>2,310</b>	<b>2,291</b>	<b>2,303</b>	<b>2,339</b>	<b>2,324</b>	<b>2,378</b>	<b>2,344</b>	<b>2,306</b>	<b>2,348</b>	<b>2,528</b>	<b>2,579</b>	<b>2,672</b>	<b>2,561</b>	<b>2,523</b>	<b>2,568</b>	<b>2,517</b>	<b>2,511</b>	<b>2,545</b>	<b>2,507</b>	<b>2,475</b>	<b>2,491</b>	<b>2,498</b>
Development banks	236	243	249	296	310	322	320	383	320	304	271	267	260	275	258	266	269	244	248	272	303	323	339	307	315	310	310	331	331	336	325	325
Commercial banks (domestic)	1,820	1,748	1,504	1,537	1,452	1,562	1,660	1,738	1,794	1,985	1,943	1,925	1,950	1,970	1,975	2,020	1,984	1,967	1,998	2,152	2,170	2,244	2,121	2,113	2,150	2,108	2,105	2,121	2,081	2,043	2,074	2,081
Demand deposits	499	534	579	704	739	807	837	941	1,025	1,124	1,042	1,028	1,030	1,023	1,017	1,045	1,018	1,008	1,021	1,030	1,073	1,162	1,085	1,095	1,104	1,079	1,087	1,113	1,090	1,088	1,094	1,130
Time deposits	1,321	1,214	925	833	713	755	823	798	770	861	901	897	920	947	958	976	966	959	978	1,121	1,097	1,082	1,036	1,019	1,046	1,029	1,019	1,008	990	955	980	951
Agencies abroad of commercial banks	155	118	83	69	59	42	48	50	59	79	78	80	76	75	73	72	72	77	83	86	88	86	84	85	84	81	77	74	77	78	73	74
Savings and loans institutions	7	8	6	7	8	10	12	14	16	18	18	18	18	18	19	19	19	19	19	19	19	18	18	18	18	18	18	19	18	18	18	18
<b>II. Securities issued by the public sector</b>	<b>651</b>	<b>905</b>	<b>1,222</b>	<b>1,506</b>	<b>1,706</b>	<b>1,881</b>	<b>2,022</b>	<b>2,374</b>	<b>2,724</b>	<b>2,914</b>	<b>3,069</b>	<b>3,120</b>	<b>3,114</b>	<b>3,085</b>	<b>3,126</b>	<b>3,004</b>	<b>3,065</b>	<b>3,133</b>	<b>3,154</b>	<b>3,012</b>	<b>3,010</b>	<b>3,005</b>	<b>3,164</b>	<b>3,132</b>	<b>3,106</b>	<b>3,174</b>	<b>3,214</b>	<b>3,158</b>	<b>3,217</b>	<b>3,251</b>	<b>3,246</b>	<b>3,307</b>
Federal government securities	621	864	1,021	1,003	1,112	1,199	1,098	1,247	1,705	1,951	2,044	2,073	2,085	2,093	2,097	2,011	2,052	2,124	2,139	2,065	2,139	2,128	2,292	2,259	2,274	2,311	2,361	2,310	2,362	2,382	2,368	2,431
Central bank bonds	0	0	31	204	214	195	242	277	98	13	13	6	6	4	4	3	3	2	2	1	1	1	1	1	1	1	1	1	1	1	1	1
IPAB bonds (Bank savers protection institute)	0	0	104	211	280	338	466	547	573	620	674	697	680	644	680	645	667	663	670	607	533	538	535	535	495	516	503	498	502	513	522	530
Other public sector bonds	30	41	66	88	99	149	216	303	347	330	339	345	343	344	346	346	344	344	344	339	337	338	336	338	335	346	348	349	352	355	354	346
<b>III. Debt securities issued by private firms</b>	<b>106</b>	<b>88</b>	<b>126</b>	<b>136</b>	<b>178</b>	<b>226</b>	<b>251</b>	<b>257</b>	<b>291</b>	<b>335</b>	<b>339</b>	<b>344</b>	<b>347</b>	<b>359</b>	<b>360</b>	<b>376</b>	<b>383</b>	<b>380</b>	<b>382</b>	<b>352</b>	<b>346</b>	<b>342</b>	<b>341</b>	<b>334</b>	<b>331</b>	<b>321</b>	<b>310</b>	<b>316</b>	<b>331</b>	<b>330</b>	<b>319</b>	<b>328</b>
<b>IV. Pension funds outside Mutual Pension Funds</b>	<b>245</b>	<b>279</b>	<b>325</b>	<b>372</b>	<b>384</b>	<b>429</b>	<b>466</b>	<b>516</b>	<b>567</b>	<b>575</b>	<b>580</b>	<b>577</b>	<b>588</b>	<b>596</b>	<b>613</b>	<b>610</b>	<b>617</b>	<b>612</b>	<b>617</b>	<b>612</b>	<b>614</b>	<b>612</b>	<b>614</b>	<b>612</b>	<b>614</b>	<b>612</b>	<b>614</b>	<b>612</b>	<b>614</b>	<b>612</b>	<b>614</b>	<b>612</b>
<b>Financial Savings = I + II + III + IV</b>	<b>5,040</b>	<b>3,390</b>	<b>3,515</b>	<b>3,923</b>	<b>4,096</b>	<b>4,471</b>	<b>4,779</b>	<b>5,333</b>	<b>5,771</b>	<b>6,209</b>	<b>6,298</b>	<b>6,332</b>	<b>6,353</b>	<b>6,379</b>	<b>6,424</b>	<b>6,368</b>	<b>6,409</b>	<b>6,430</b>	<b>6,501</b>	<b>6,504</b>	<b>6,549</b>	<b>6,844</b>	<b>6,886</b>	<b>6,805</b>	<b>6,825</b>	<b>6,837</b>	<b>6,861</b>	<b>6,838</b>	<b>6,881</b>	<b>6,881</b>	<b>6,890</b>	<b>6,964</b>
<b>Instruments included in Financial Savings</b>																																
Mutual Pension Funds (MPF)	102	174	241	350	433	515	584	693	816	906	924	941	944	938	939	895	903	923	918	868	856	960	975	924	985	1,010	1,017	1,019	1,035	1,047	1,076	1,085
Holdings of public sector securities by foreigners	40	16	13	24	23	32	96	134	164	249	292	314	317	308	306	295	340	365	353	307	292	286	303	281	282	282	287	274	281	290	308	322
Debt Mutual Funds	181	259	227	363	385	396	400	511	665	766	775	803	818	845	857	848	825	823	829	760	713	691	715	711	732	753	775	793	806	797	801	806
Total Mutual Funds: Debt + Variable Income	216	303	270	415	433	466	485	603	801	940	942	962	982	1,003	1,018	1,007	976	972	971	885	833	815	830	821	845	872	901	919	937	947	951	
Financial Savings without Total Pension Funds	2,874	2,938	2,951	3,203	3,281	3,530	3,731	4,127	4,391	4,733	4,798	4,818	4,824	4,849	4,876	4,867	4,893	4,899	4,969	5,027	5,083	5,062	5,095	5,068	5,022	5,006	5,021	5,003	5,023	5,011	4,983	5,051
Total Pension Funds (MPF + non-MPF)	2,166	452	564	720	815	942	1,048	1,206	1,380	1,476	1,501	1,515	1,528	1,530	1,548	1,501	1,517	1,532	1,532	1,477	1,466	1,782	1,791	1,737	1,803	1,831	1,840	1,835	1,858	1,870	1,907	1,913
<b>Real annual % change</b>																																
<b>M4 a</b>	<b>5.4</b>	<b>6.6</b>	<b>3.6</b>	<b>11.1</b>	<b>4.8</b>	<b>9.2</b>	<b>7.0</b>	<b>11.3</b>	<b>8.4</b>	<b>7.5</b>	<b>9.2</b>	<b>9.1</b>	<b>8.6</b>	<b>9.5</b>	<b>7.7</b>	<b>6.0</b>	<b>5.9</b>	<b>5.2</b>	<b>6.1</b>	<b>6.5</b>	<b>5.9</b>	<b>10.1</b>	<b>9.4</b>	<b>7.7</b>	<b>7.5</b>	<b>7.1</b>	<b>7.6</b>	<b>7.6</b>	<b>7.2</b>	<b>6.1</b>	<b>7.0</b>	
- Bills & currency holdings	3.8	26.1	1.7	4.7	10.4	9.2	8.6	8.0	11.4	6.4	6.7	8.2	3.9	4.4	5.7	2.6	4.4	4.1	4.2	9.8	7.3	7.9	11.2	10.9	11.7	12.7	11.9	12.0	11.6	9.4	8.7	5.7
= Financial Savings	5.5	5.3	3.7	11.6	4.4	9.2	6.9	11.6	8.2	7.6	9.4	9.2	8.9	9.8	7.8	6.3	6.0	5.3	6.3	6.2	5.8	10.2	9.3	7.5	7.4	7.2	6.8	7.4	7.3	7.0	6.0	7.1
<b>I. Deposit Institutions</b>	<b>3.3</b>	<b>-47.6</b>	<b>-13.0</b>	<b>3.7</b>	<b>-4.2</b>	<b>5.9</b>	<b>5.4</b>	<b>7.1</b>	<b>0.2</b>	<b>9.0</b>	<b>11.3</b>	<b>9.2</b>	<b>8.9</b>	<b>13.0</b>	<b>10.9</b>	<b>8.1</b>	<b>8.8</b>	<b>5.9</b>	<b>5.8</b>	<b>14.0</b>	<b>15.0</b>	<b>12.0</b>	<b>10.9</b>	<b>10.1</b>	<b>11.5</b>	<b>7.6</b>	<b>8.0</b>	<b>7.0</b>	<b>7.0</b>	<b>7.3</b>	<b>6.1</b>	<b>-1.2</b>
Development banks	8.7	2.9	2.2	19.2	4.5	4.1	-0.7	19.8	-16.4	-5.1	-5.3	-7.9	-13.1	-1.7	0.6	-3.9	6.4	-8.5	-7.8	2.3	8.2	6.4	25.0	14.9	21.3	12.4	20.4	24.3	23.3	37.7	31.0	19.5
Commercial banks (domestic)	3.9	-4.0	-13.9	2.2	-5.5	7.5	6.3	4.7	3.2	10.6	13.3	11.1	12.0	14.8	13.0	10.5	9.8	8.3	7.6	15.8	16.1	13.1	9.1	9.8	10.3	7.0	6.6	5.0	4.9	3.9	3.8	-3.3
Demand deposits	0.1	6.9	8.5	21.6	5.0	9.1	3.8	12.4	8.9	9.7	8.0	7.0	5.3	5.8	4.6	3.1	2.4	1.7	0.5	3.2	6.8	3.4	4.1	6.5	7.2	5.5	6.9	6.5	7.1	8.0	7.2	9.7
Time deposits	5.4	-8.1	-23.8	-9.9	-14.4	5.9	9.0	-3.1	-3.5	11.9	20.2	16.4	20.7	26.5	23.5	19.7	19.0	16.1	16.1	30.3	26.8	25.7	15.0	13.5	13.7	8.7	6.3	3.3	2.5	-0.4	0.2	-15.2
Agencies abroad of commercial banks	-9.9	-23.7	-29.7	-16.9	-15.2	-28.4	13.4	4.4	18.3	34.7	32.3	36.1	29.1	29.6	-2.8	-4.5	-6.2	-1.5	9.2	13.2	14.7	9.0	7.1	5.2	11.5	8.2	5.6	3.2	6.4	1.4	-12.0	-14.0
Savings and loans institutions	-26.7	13.8	-21.5	11.6	11.7	23.7	20.3	17.3	16.4	8.8	9.9	9.6	7.7	8.0	7.3	6.7	5.7	9.5	8.2	6.9	5.9	4.8	3.1	2.0	2.2	0.4	-0.7	-1.5	-1.8	-2.2	-1.7	-1.2
<b>II. Securities issued by the public sector</b>	<b>18.2</b>	<b>39.0</b>	<b>35.0</b>	<b>23.3</b>	<b>13.3</b>	<b>10.2</b>	<b>7.5</b>	<b>17.4</b>	<b>14.7</b>	<b>7.0</b>	<b>8.6</b>	<b>9.6</b>	<b>7.9</b>	<b>7.1</b>	<b>4.4</b>	<b>2.6</b>	<b>1.6</b>	<b>2.7</b>	<b>4.6</b>	<b>-0.3</b>	<b>-1.0</b>	<b>3.1</b>	<b>3.1</b>	<b>0.4</b>	<b>-0.3</b>	<b>2.9</b>	<b>2.8</b>	<b>5.1</b>	<b>5.0</b>	<b>3.8</b>	<b>2.9</b>	<b>9.8</b>
Federal government securities	15.3	39.1	18.1	-1.7	10.9	7.8	-8.5	13.6	36.7	14.4	16.6	14.0	11.7	12.7	6.6	5.4	4.0	5.6	5.9	2.4	4.4	9.0	12.2	9.0	9.1	10.4	12.6	14.9	15.1	12.2	10.7	17.7
Central bank bonds	na	na	na	560.1	5.2	-9.2	24.2	14.3	-64.5	-86.9	-87.8	-93.0	-93.0	-95.6	-95.9	-96.2	-96.0</															