

Appendix: Financial soundness indicators

Table 1: Domestic Banks

Unit: %

Items	Year (end of year)					
	2006	2007	2008	2009	2010	2011
Earnings and profitability						
Return on assets (ROA)	-0.06	0.28	0.12	0.28	0.57	0.58
Return on equity (ROE)	-0.94	4.32	1.86	4.52	9.08	9.27
Net interest income to gross income	68.34	66.38	78.53	59.54	59.52	62.61
Non interest expenses to gross income	51.21	54.07	62.97	59.81	55.99	55.44
Gains and losses on financial instruments to gross income	12.63	9.08	3.91	16.43	9.93	6.92
Personnel expenses to non-interest expenses	55.37	55.93	54.80	57.56	57.67	57.71
Spread between lending and deposit rates (basis points)	R 2.07	R 1.82	R 1.75	R 1.22	R 1.36	1.41
Asset quality						
Non-performing loans to total loans	2.15	1.83	1.54	1.15	0.61	0.43
Provision coverage ratio	62.26	64.07	69.48	90.35	157.32	250.08
Capital adequacy						
Regulatory capital to risk-weighted assets	10.87	10.80	11.04	11.83	11.96	12.06
Tier 1 capital to risk-weighted assets	9.88	8.50	8.42	9.03	R 9.18	9.08
Capital to total assets	6.19	6.42	6.12	6.25	6.31	6.29
Non-performing loans net of provisions to capital	15.16	12.24	10.33	6.41	2.91	0.56
Liquidity						
Customer deposits to total loans	119.41	117.98	122.34	133.13	132.28	128.66
Liquid assets to total assets	-	10.58	12.69	15.20	10.46	11.05
Liquid assets to short-term liabilities	-	15.66	18.39	20.98	14.65	15.67

Table 1 : Domestic Banks (cont.)

Unit: %

Items	Year (end of year)					
	2006	2007	2008	2009	2010	2011
Credit risk concentration						
Household loans to total loans	46.74	46.59	45.48	46.41	46.67	46.06
Corporate loans to total loans	43.02	43.90	45.27	43.26	43.66	44.91
Large exposures to capital	144.28	136.85	142.38	142.48	141.73	141.16
Gross asset positions in financial derivatives to capital	5.28	10.35	21.92	8.17	8.54	7.57
Gross liability positions in financial derivatives to capital	4.79	5.44	16.48	8.44	10.02	7.05
Sensitivity to market risk						
Net open position in foreign exchange to capital	3.11	5.02	2.41	2.43	2.72	2.71
Foreign-currency-denominated loans to total loans	13.44	15.57	16.54	16.22	16.28	18.14
Net open position in equities to capital	28.63	30.88	24.99	25.69	24.48	24.15
Foreign-currency-denominated liabilities to total liabilities	19.86	22.20	20.41	19.48	20.31	21.65

Notes: 1. The data of earnings and profitability in 2006 and 2007 exclude Chinese Bank and Bowa Bank.

2. The figures for "Spread between lending and deposit rates" exclude the data of preferred deposits rates of retired government employees and central government lending rates.

3. Figures with "R" are revised data.

Table 2: Non-financial Corporate Sector

Units: %, times

Items	Year (end of year)					
	2006	2007	2008	2009	2010	2011
Total liabilities to equity						
Corporate sector	85.21	82.20	90.02	86.88	85.59	-
TWSE-listed companies	64.27	63.28	67.54	65.43	68.45	73.53
OTC-listed companies	74.17	78.21	89.56	62.75	70.57	66.25
Return on equity						
Corporate sector	13.04	13.90	4.76	8.07	13.32	-
TWSE-listed companies	15.34	18.04	8.08	9.58	15.36	10.07
OTC-listed companies	17.06	8.20	-5.98	6.91	13.20	8.32
Net income before interest and tax / interest expenses (times)						
Corporate sector	10.10	10.78	3.39	8.54	16.73	-
TWSE-listed companies	16.85	19.07	8.26	15.03	29.75	18.89
OTC-listed companies	14.06	6.79	-	10.85	17.34	14.82

Notes: 1. The data of all corporates are from JCIC, and those of TWSE-listed and OTC-listed corporates are from TEJ.

2. The data of "net income before interest and tax / interest expenses" for OTC-listed companies in 2008 is nil due to the net loss of the same year.

Table 3: Household Sector

Unit: %

Items	Year (end of year)					
	2006	2007	2008	2009	2010	2011
Household borrowing to GDP	83.17	81.47	81.92	R 84.74	R 82.05	82.58
Borrowing service and principal payments to gross disposable income	44.66	42.09	R 40.72	R 36.80	R 36.07	36.40

Notes: 1. The figures of disposable income for 2011 are CBC estimates.

2. Figures with "R" are revised data.

Table 4: Real Estate Market

Unit: %

Items	Year (end of year)					
	2006	2007	2008	2009	2010	2011
Land price index	96.38	98.92	100.51	100.38	105.93	112.05
Residential real estate loans to total loans	29.14	30.14	29.16	30.57	29.99	28.64
Commercial real estate loans to total loans	10.74	11.84	12.14	12.47	13.25	13.70

Notes: Figures of Land price index are on a end-September basis (March 2008 = 100).

Table 5: Market Liquidity

Unit: %

Items	Year (end of year)					
	2006	2007	2008	2009	2010	2011
The turnover ratio of trading value in stock market	142.20	153.28	145.45	178.28	136.74	119.87
The monthly average turnover ratio in bond market	140.58	74.65	47.93	31.56	32.40	19.39

Notes: 1. The turnover ratio in terms of trading value in stock market is the cumulative figure of the period.

2. The monthly average turnover ratio in bond market is the average figure of the period.