

Financial Analysis Report on the EU wide transparency Risk Analysis of banks (Q3 2022 – Q2 2023)

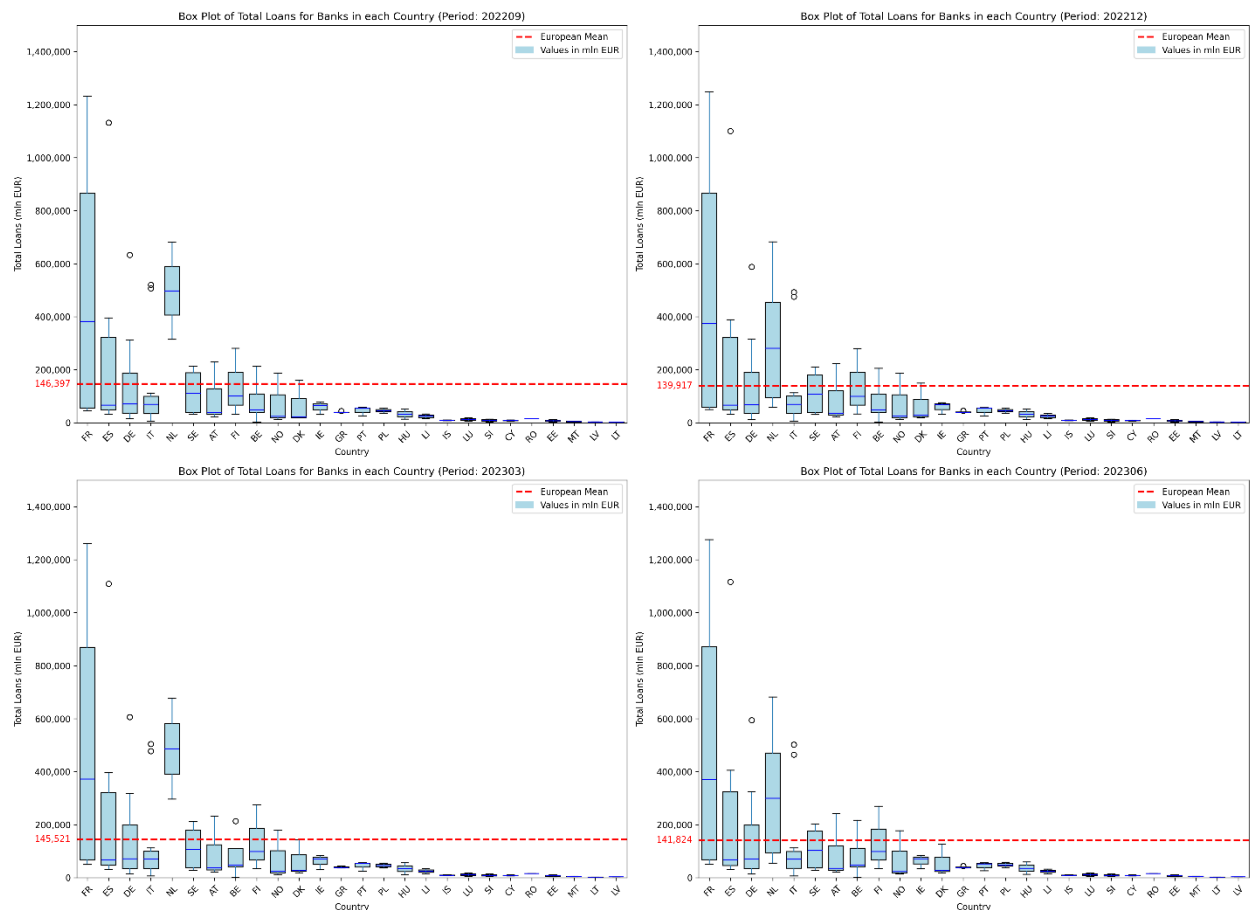
Executive Summary

This report provides a comprehensive Risk analysis of the banks across European Union (EU) member states over four periods: 2022 Q3, 2022 Q4, 2023 Q1 and 2023 Q2. The objective is to examine the trends and variations in total loans and in ratios such as: stage 1, 2, 3 loans to total loans, total loans to total assets and stage 3 loans to total assets. Another objective is to assess deviations for countries compared to the EU average and understand the financial landscape across the region during this time frame.

Overview of Trends in Total Loans

The analysis of the total loan amounts, represented through box plots for each quarter, reveals several notable trends and patterns. The four periods exhibit some consistency in overall loan distribution, with a gradual decrease in the EU mean per country of about 5 Bil EUR from 2022 Q3 to 2023 Q2 and shifts in the spread of loan amounts. The leading 5 countries in the amount of loans are France (4.8 T EUR), Spain (2.4 T EUR), Germany (2 T EUR), Netherlands (1.6 T EUR), Italy (1.5 T EUR). While Spain, Germany and Italy have seen a decrease of a total 81 B Eur, France has increased by 90 B Eur and inconcludent for Netherlands due to incomplete reported data for 2022 Q3. For the rest of Europe (excl. FR, ES, DE, NL, IT and OT for other seasonally reported aggregated data) the trend indicates a decrease of 58 B Eur in Total Loans.

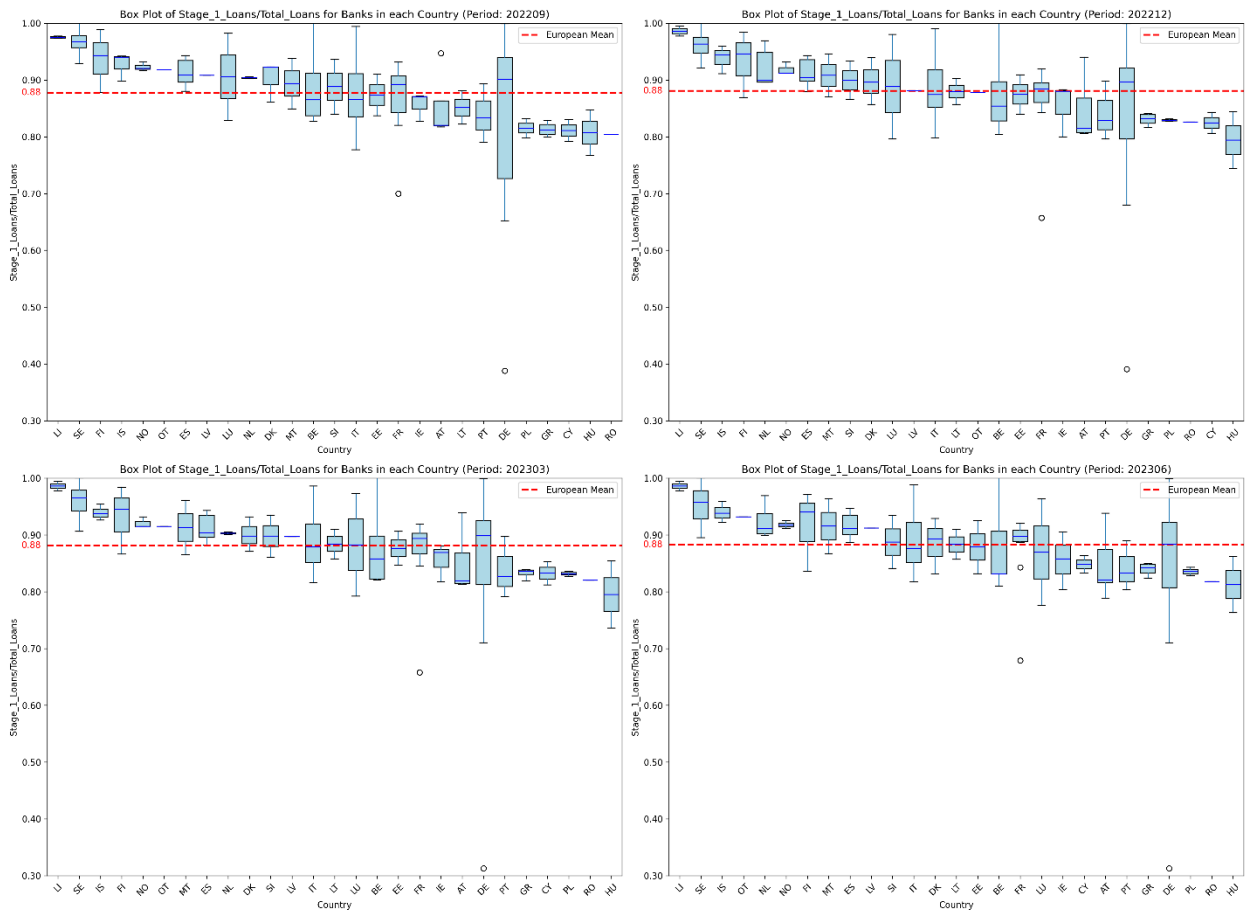
Box Plots of Total Loans for Different Periods



Overview of Trends in Loans_1_Stage/Total Loans ratio

From the boxplots, it can be noticed that most countries have Stage 1 loans percentages above the European mean (88%). A gradual tightening is observed in the spread of Stage 1 loans across quarters, as more countries converge towards the mean in 2023. The lowest level of Stage 1 loans, is represented by banks in Germany, Greece, Romania, Hungary, Cyprus and Poland. Across the quarters, it can be observed how Hungary is moving away from the EU mean, while Romania, Greece, Germany (expect for 1 outlier bank) are converging with the EU mean which means a gradual improvement. The highest ratio in Loans_1_Stage/Total Loans is represented by banks in Liechtenstein, Finland and Sweden.

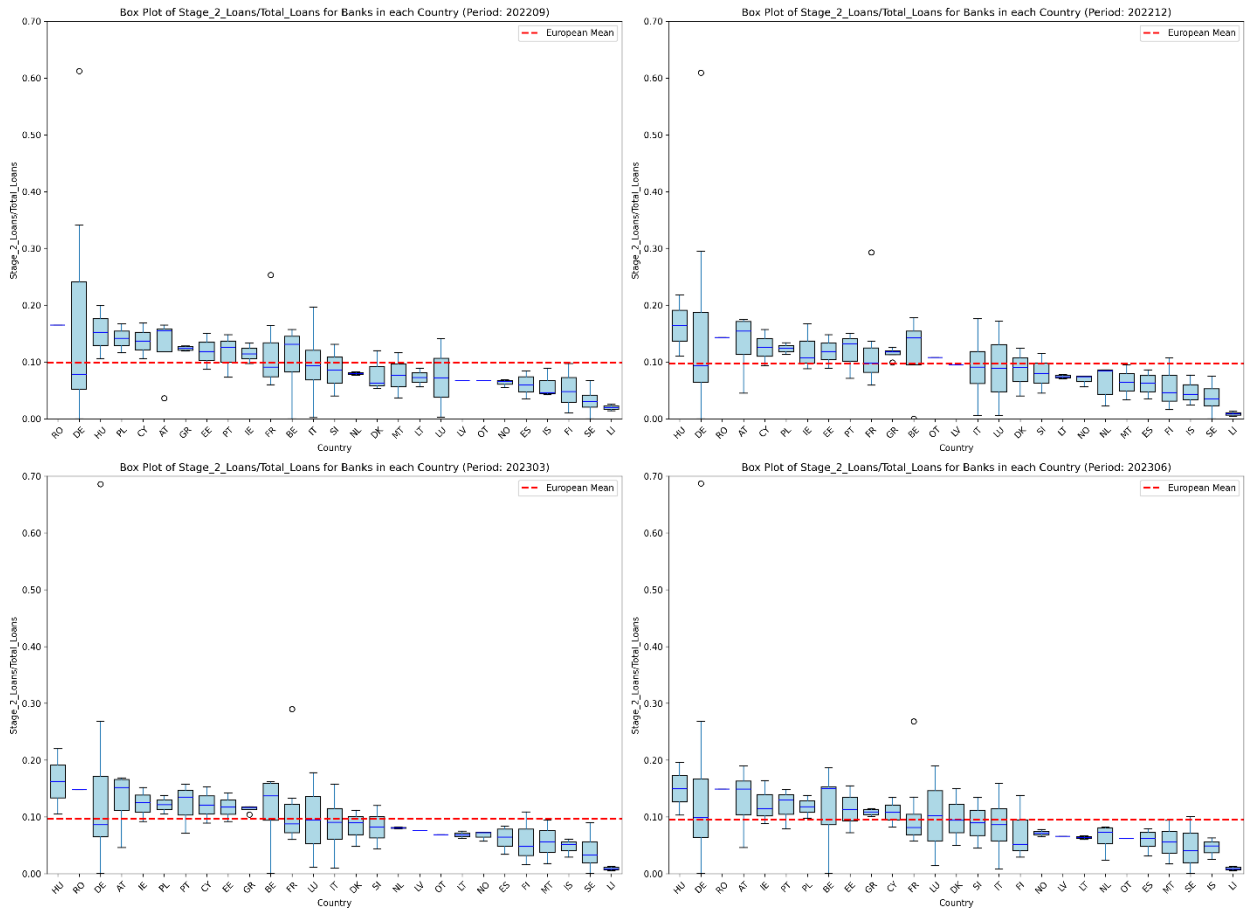
Box Plots of Stage_1_Loans/Total_Loans for Different Periods



Overview of Trends in Loans_2_Stage/Total Loans ratio

While most countries exhibit manageable levels of Stage 2 loans with the EU mean around 10%, certain countries (notably Hungary, Finland, Luxembourg, Ireland, Danemark) face elevated risk exposure, that has deteriorated over the analysed periods. Certain countries have on the contrary improved, such as France (except for 1 outlier), Germany with its box plot percentiles converging more around the EU mean.

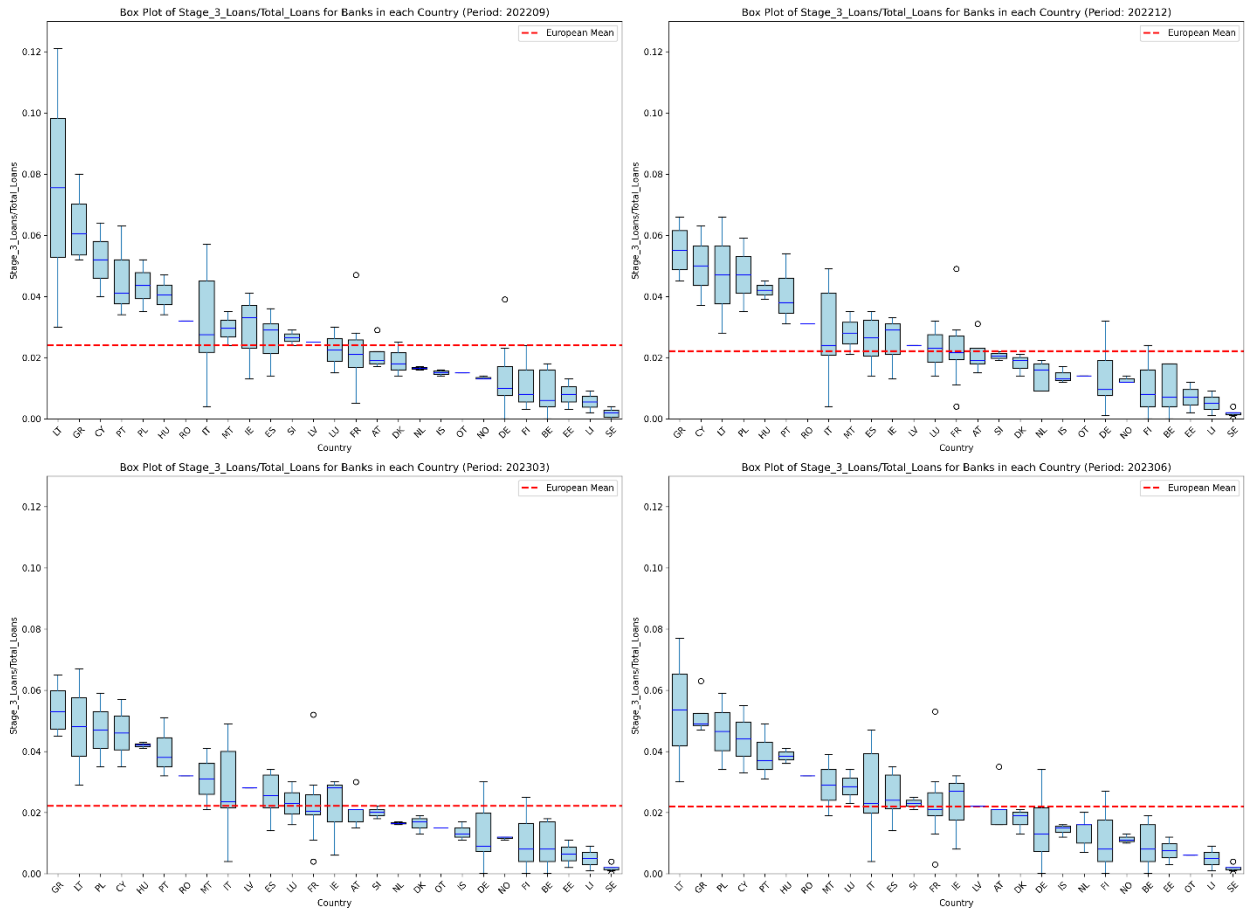
Box Plots of Stage_2_Loans/Total_Loans for Different Periods



Overview of Trends in Loans_3_Stage/Total Loans ratio

The mean for Europe for Stage 3 loans is around 2.2 %. Notable countries that have improved this ratio is Greece, Italy, France, Malta, Portugal, Hungary, Cyprus, Netherlands and most notably Lithuania, with the bank Revolut improving this ratio from 12.1% to 7.7%, but still remaining as number one bank with the worst ratio at the moment of stage 3 Loans to Total Loans. Countries that on the contrary have deteriorated in the Stage 3 loans ratio and converged to the EU mean or above the EU mean are Poland, Spain and Austria.

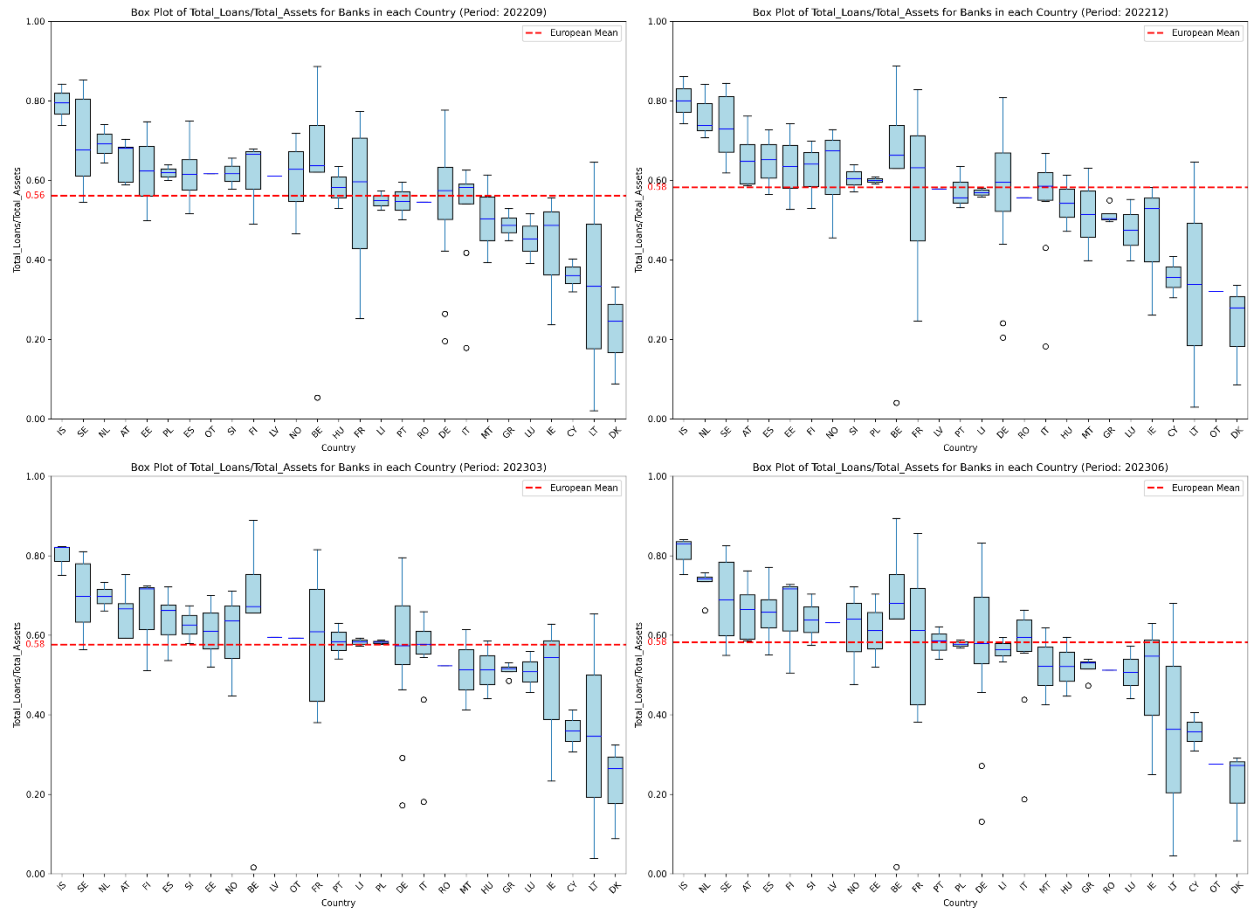
Box Plots of Stage_3_Loans/Total_Loans for Different Periods



Overview of Trends in Total_Loans/Total_Assets ratio

From the boxplots, it can be observed an increase in the EU mean from 56% to 58% and putting this in contrast with a decrease of Total Loans at European level analysed previously, it can be concluded that the assets have decreased at a faster pace than the Total loans leading in an increate of the ratio of Total loans to Total assets observed in the graphs.

Box Plots of Total_Loans/Total_Assets for Different Periods



Overview of Trends TOP 20 EU Banks in Loans_3_Stage/Total Loans ratio

From the Top 20 graph for this ratio, it can be observed that Greek Banks have on average benefited from the decrease in position since 2022 Q2 with Piraeus Holdings decreasing from 2nd position to 8th position, while other Greek banks have maintained their position or advanced slightly (Alpha Services and Holdings, Eurobank Ergasias and National Bank of Greece). Another notable decrease is the Revolut Bank improving this ratio from 12.1% to 7.7%, but still remaining as number one riskiest bank according to this measure. A notable increase is the Bank Polska Kasa, that saw its position increase from 9th position to 3rd position, while its ratio has increased slightly from 5.2% to 5.9%. This top 20 of most riskier banks according to this measure gives the picture that overall the riskiest banks in EU have improved their Loan 3 stage to Total Loans ratio during the analysed period, while the EU mean has remained fairly stable only decreasing by 0.2% .

The top 20 for other ratios and other meaningful graphs to the interest of the reader can be observed in the annex for drawing more conclusions.

Top 20 Banks by Stage 3 Loans/Total Loans in 2023 Q2 with Position Movement since 2022 Q3

	Bank_name	NSA	2022 Q3	2022 Q4	2023 Q1	2023 Q2
1	Revolut Holdings Europe UAB ➡	LT	0.121	0.066	0.067	0.077
2	ALPHA SERVICES AND HOLDINGS S.A. ▲ 1.0	GR	0.067	0.066	0.065	0.063
3	Bank Polska Kasa Opieki S.A. ▲ 6.0	PL	0.052	0.059	0.059	0.059
4	Hellenic Bank Public Company Ltd ➡	CY	0.064	0.063	0.057	0.055
5	Bpifrance ▲ 8.0	FR	0.047	0.049	0.052	0.053
6	Eurobank Ergasias Services and Holdings S.A. ▲ 1.0	GR	0.054	0.05	0.048	0.049
7	LSF Nani Investments S.à r.l. ▼ 2.0	PT	0.063	0.054	0.051	0.049
8	Piraeus Financial Holdings ▼ 6.0	GR	0.08	0.06	0.058	0.049
9	Cassa Centrale Banca ▼ 1.0	IT	0.052	0.049	0.049	0.047
10	National Bank of Greece, S.A. ➡	GR	0.052	0.045	0.045	0.047
11	ICCREA BANCA SPA ▼ 5.0	IT	0.057	0.044	0.045	0.044
12	MBH csoport !	HU	0.034	0.039	0.043	0.041
13	Banca Monte dei Paschi di Siena S.p.A. ▲ 5.0	IT	0.039	0.041	0.04	0.04
14	Bank of Valletta Plc !	MT	0.035	0.035	0.041	0.039
15	BANCA POPOLARE DI SONDRIO SOCIETA' PER AZIONI ▼ 4.0	IT	0.048	0.04	0.04	0.039
16	Banco Comercial Português, SA ➡	PT	0.041	0.038	0.038	0.037
17	BANCO BPM SOCIETA' PER AZIONI ▼ 3.0	IT	0.044	0.041	0.04	0.037
18	OTP-csoport ▼ 6.0	HU	0.047	0.045	0.041	0.036
19	Raiffeisenbankengruppe OÖ Verbund eGen !	AT	0.029	0.031	0.03	0.035
20	Unicaja Banco, S.A. !	ES	0.034	0.035	0.034	0.035
21	European Mean	nan	0.023	0.022	0.022	0.021

Legend:

- ! New Entry
- ▲ Moved Up
- ▼ Moved Down
- ➡ Stayed the Same

Annex

Top 20 Banks by Stage 1 Loans/Total Loans in 2023 Q2 with Position Movement since 2022 Q3

	Bank_name	NSA	2022 Q3	2022 Q4	2023 Q1	2023 Q2	Legend:
1	The Bank of New York Mellon ➡	BE	1.0	1.0	1.001	1.001	! New Entry
2	Kommuninvest - Grupp ➡	SE	1.0	1.0	1.0	1.0	▲ Moved Up
3	UBS Europe SE ➡	DE	0.999	0.999	0.999	0.999	▼ Moved Down
4	LGT Group Foundation ▲ 5.0	LI	0.973	0.995	0.994	0.994	➡ Stayed the Same
5	FINECOBANK SPA ▼ 1.0	IT	0.994	0.99	0.986	0.988	
6	Länsförsäkringar Bank AB - gruppen ▲ 1.0	SE	0.98	0.979	0.983	0.982	
7	Liechtensteinische Landesbank AG ▲ 1.0	LI	0.977	0.977	0.978	0.978	
8	Kuntarahoitus Oyj ▼ 3.0	FI	0.988	0.984	0.984	0.971	
9	BNG Bank N.V. !	NL	nan	0.969	nan	0.969	
10	Skandinaviska Enskilda Banken - gruppen ▲ 1.0	SE	0.963	0.964	0.966	0.965	
11	MDB Group Limited !	MT	0.938	0.946	0.961	0.964	
12	Quintet Private Bank (Europe) S.A. ▼ 6.0	LU	0.982	0.98	0.973	0.963	
13	Íslandsbanki hf. ▲ 6.0	IS	0.942	0.959	0.954	0.959	
14	BANCA MEDIOLANUM S.P.A. ➡	IT	0.954	0.953	0.953	0.953	
15	Svenska Handelsbanken - gruppen ▼ 5.0	SE	0.971	0.962	0.964	0.95	
16	Norddeutsche Landesbank - Girozentrale - ▼ 1.0	DE	0.952	0.951	0.946	0.948	
17	Bankinter, S.A. ▲ 1.0	ES	0.943	0.943	0.943	0.947	
18	Nordea Bank Abp ▼ 1.0	FI	0.943	0.946	0.945	0.94	
19	BAWAG Group AG ▼ 3.0	AT	0.947	0.94	0.939	0.938	
20	Landsbankinn hf. !	IS	0.94	0.944	0.937	0.938	
21	European Mean	nan	0.877	0.880	0.881	0.882	

Top 20 Banks by Stage 2 Loans/Total Loans in 2023 Q2 with Position Movement since 2022 Q3

	Bank_name	NSA	2022 Q3	2022 Q4	2023 Q1	2023 Q2	Legend:
1	Morgan Stanley Europe Holding SE ➡	DE	0.612	0.609	0.686	0.687	! New Entry
2	Volkswagen Bank Gesellschaft mit beschränkter Haftung ▲ 1.0	DE	0.273	0.295	0.268	0.268	▲ Moved Up
3	Bpifrance ▲ 2.0	FR	0.253	0.293	0.29	0.268	▼ Moved Down
4	MBH csoport ▲ 2.0	HU	0.199	0.218	0.22	0.196	➡ Stayed the Same
5	Raiffeisen Bank International AG ▲ 9.0	AT	0.158	0.171	0.166	0.19	
6	Banque Internationale à Luxembourg !	LU	0.141	0.172	0.178	0.19	
7	Deutsche Pfandbriefbank AG ➡	DE	0.198	0.21	0.189	0.187	
8	Investeringsmaatschappij Argenta !	BE	0.131	0.142	0.137	0.186	
9	Atlantic Lux HoldCo S.à r.l. ▼ 5.0	DE	0.255	0.213	0.192	0.182	
10	Bank of Ireland Group plc !	IE	0.133	0.167	0.152	0.164	
11	Erste Group Bank AG ➡	AT	0.165	0.175	0.169	0.163	
12	UNICREDIT, SOCIETA' PER AZIONI ▼ 4.0	IT	0.197	0.176	0.158	0.159	
13	Luminor Holding AS ▲ 4.0	EE	0.15	0.148	0.142	0.155	
14	KBC Groep ▲ 1.0	BE	0.157	0.178	0.162	0.153	
15	Belfius Bank ▲ 4.0	BE	0.145	0.154	0.159	0.15	
16	Nykredit Realkredit A/S !	DK	0.12	0.124	0.112	0.15	
17	Banca Transilvania ▼ 5.0	RO	0.165	0.143	0.148	0.149	
18	Raiffeisenbankengruppe OÖ Verbund eGen ▼ 2.0	AT	0.155	0.154	0.152	0.149	
19	LSF Nani Investments S.à r.l. ▼ 1.0	PT	0.148	0.15	0.158	0.148	
20	OP Osuuskunta !	FI	0.097	0.107	0.109	0.138	
21	European Mean	nan	0.098	0.097	0.096	0.095	

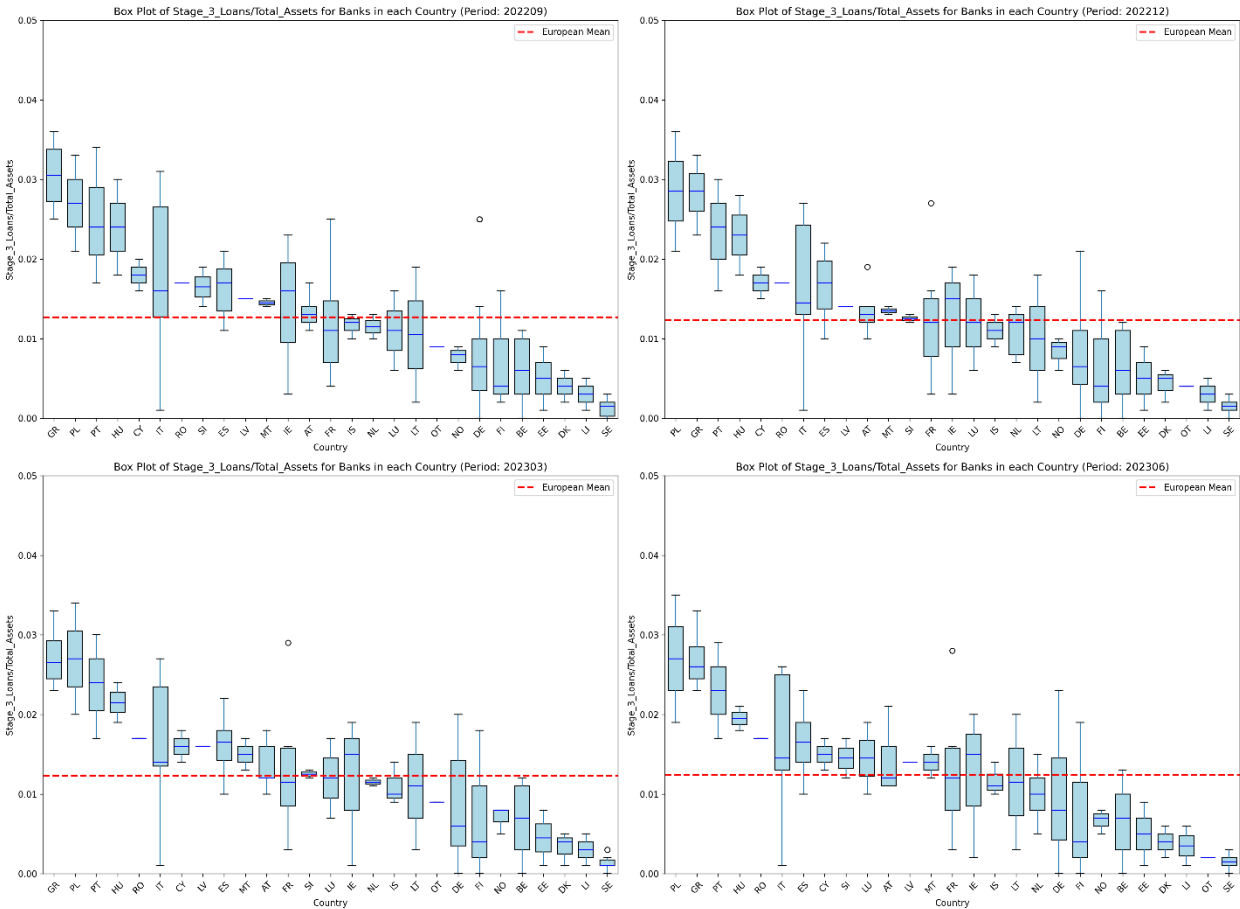
Top 20 Banks by Total Loans/Total Assets in 2023 Q2 with Position Movement since 2022 Q3

	Bank_name	NSA	2022 Q3	2022 Q4	2023 Q1	2023 Q2	Legend:
1	Crelan ➡	BE	0.886	0.887	0.889	0.894	! New Entry
2	RCI Banque ▲ 5.0	FR	0.773	0.827	0.815	0.856	▲ Moved Up
3	Landsbankinn hf. ➡	IS	0.842	0.86	0.82	0.84	▼ Moved Down
4	Deutsche Pfandbriefbank AG ▲ 2.0	DE	0.776	0.807	0.795	0.832	➡ Stayed the Same
5	Íslandsbanki hf. ➡	IS	0.794	0.8	0.823	0.83	
6	SBAB Bank AB - Grupp ▼ 2.0	SE	0.84	0.835	0.804	0.825	
7	Länsförsäkringar Bank AB - gruppen ▼ 5.0	SE	0.852	0.844	0.81	0.813	
8	Kutxabank, S.A. ➡	ES	0.748	0.726	0.721	0.771	
9	Volksbanken Verbund ▲ 7.0	AT	0.703	0.761	0.752	0.762	
10	Norddeutsche Landesbank - Girozentrale - ▲ 8.0	DE	0.686	0.749	0.748	0.757	
11	de Volksbank N.V. !	NL	nan	0.793	nan	0.757	
12	SFIL S.A. ▼ 3.0	FR	0.747	0.752	0.732	0.753	
13	Investeringsmaatschappij Argenta ▼ 1.0	BE	0.738	0.738	0.753	0.752	
14	Arion banki hf ▼ 1.0	IS	0.737	0.742	0.751	0.752	
15	Coöperatieve Rabobank U.A. !	NL	nan	0.724	nan	0.746	
16	ABN AMRO Bank N.V. ▼ 5.0	NL	0.74	0.738	0.733	0.742	
17	Bankinter, S.A. !	ES	0.68	0.712	0.719	0.736	
18	BNG Bank N.V. !	NL	nan	0.841	nan	0.734	
19	Confédération Nationale du Crédit Mutuel ▼ 5.0	FR	0.724	0.729	0.73	0.733	
20	Volkswagen Bank Gesellschaft mit beschränkter Haftung !	DE	0.625	0.657	0.789	0.729	
21	European Mean	nan	0.561	0.581	0.576	0.582	

Top 20 Banks by Stage 3 Loans/Total Assets in 2023 Q2 with Position Movement since 2022 Q3

	Bank_name	NSA	2022 Q3	2022 Q4	2023 Q1	2023 Q2	
1	Bank Polska Kasa Opieki S.A.	▲ 3.0	PL	0.033	0.036	0.034	0.035
2	ALPHA SERVICES AND HOLDINGS S.A.	▲ 1.0	GR	0.033	0.033	0.033	0.033
3	LSF Nani Investments S.à r.l.	▼ 1.0	PT	0.034	0.03	0.03	0.029
4	Bpifrance	▲ 8.0	FR	0.025	0.027	0.029	0.028
5	Eurobank Ergasias Services and Holdings S.A.	▲ 4.0	GR	0.028	0.027	0.025	0.027
6	Cassa Centrale Banca	▲ 1.0	IT	0.028	0.027	0.026	0.026
7	Banca Monte dei Paschi di Siena S.p.A.	▲ 8.0	IT	0.024	0.027	0.027	0.026
8	BANCA POPOLARE DI SONDRIO SOCIETA' PER AZIONI	➡	IT	0.028	0.023	0.023	0.025
9	ICCREA BANCA SPA	▼ 4.0	IT	0.031	0.024	0.025	0.025
10	National Bank of Greece, S.A.	▲ 1.0	GR	0.025	0.023	0.023	0.025
11	Banco Comercial Português, SA	▲ 3.0	PT	0.024	0.024	0.024	0.023
12	Banco de Sabadell, S.A.	▲ 5.0	ES	0.021	0.022	0.022	0.023
13	Atlantic Lux HoldCo S.à r.l.	➡	DE	0.025	0.021	0.02	0.023
14	Piraeus Financial Holdings	▼ 13.0	GR	0.036	0.03	0.028	0.023
15	BANCO BPM SOCIETA' PER AZIONI	▼ 5.0	IT	0.026	0.025	0.023	0.022
16	Deutsche Pfandbriefbank AG	!	DE	0.011	0.016	0.016	0.022
17	OTP-csoport	▼ 11.0	HU	0.03	0.028	0.024	0.021
18	Raiffeisenbankengruppe OÖ Verbund eGen	!	AT	0.017	0.019	0.018	0.021
19	Akcinė bendrovė Šiaulių bankas	!	LT	0.019	0.018	0.019	0.02
20	Unicaja Banco, S.A.	!	ES	0.018	0.02	0.018	0.02
21	European Mean	nan		0.012	0.012	0.012	0.012

Box Plots of Stage_3_Loans/Total_Assets for Different Periods



Box Plots of Total Loans for Different Periods

