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**TO THE MEDIA**

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**BANKING SECTOR OF THE FEDERATION OF BIH IN THE FIRST QUARTER OF 2013**

In the first quarter of the current year, in spite the more difficult conditions for performance and in spite all the negative influences, the banking sector in the Federation of BiH preserved stability, adequate capitalization, the citizens' savings maintained the growth trend and the liquidity is still satisfactory.

The data for the first quarter of 2013., indicate that the aggregate balance sheet of the banking sector in F BiH was 14,8 billion KM and it declined by 1,2% or 183 million KM in comparison to the end of 2012. The decline of the balance sheet in the most part is a result of the decline in deposits and loan liabilities, and consequently the cash funds.

The cash funds reported a decline by 5,9% or 233 million KM and were 3,73 billion KM. The loans at the end of the first quarter were 10,7 billion KM and their participation in the assets increased by 1,1% percent points and is 72,2%. Deposits, reported a decline of 162 million KM or 1,5% and are 10,8 billion KM and the saving deposits, are 5,89 billion KM, which is by 2,3% or 135 million KM higher than at the end of 2012. The long term continuous growth and the positive trends in the segment of the savings in the banks in F BiH, are the result in most part of a strengthening of the safety and stability of the overall banking system, for which the key importance is the existence of a functional and efficient supervision which is implemented by the Banking Agency of the F BiH, as well as the existence of the deposit insurance system.

The total capital increased by 1,8% or 39 million KM based on the current financial result-profit and as of 31. 03. 2013. was 2,26 billion KM.

At the level of the banking system in F BiH, in the first quarter of 2013., realized was a profit in the amount of 42,3 million KM. It is evident that the overall profitability of the system has improved in comparison to the previous year, which is primarily a result of the application of the new methodological approach ( implementation of the IAS 37/39).

**PUBLIC RELATIONS OFFICE**