Table 18.11: Financial Soundness Indicator, 2015 - 2025

(In percent)

Particulars	2015 Sep	2015 Dec	2016 Mar	2016 Jun	2016 Sep	2016 Dec	2017 Mar	2017 Jun	2017 Sep	2017 Dec	2018 Mar	2018 Jun	2018 Sep	2018 Dec
Capital adequacy														
Regulatory capital to risk-weighted assets	42.0	41.5	40.0	42.9	42.0	44.6	41.3	41.8	43.9	44.9	42.5	43.1	43.9	44.7
Tier 1 capital to risk-weighted assets	36.1	33.1	35.8	36.4	34.1	34.6	38.0	37.3	37.9	36.6	39.4	38.5	37.4	36.0
Non-performing loans net of provisions to capital	7.8	6.2	7.5	8.4	4.0	7.6	6.3	18.8	17.7	6.9	7.1	9.7	9.1	9.5
Tier 1 capital to assets	18.1	16.6	17.5	17.8	17.7	18.6	20.8	20.5	21.1	19.8	21.6	21.4	21.4	19.5
Asset quality														
Non-performing loans to total gross loans	14.2	12.9	11.8	12.2	10.5	11.8	11.3	16.6	17.0	10.7	10.5	12.5	11.4	11.6
Loan concentration by economic sectors [1/]	80.6	81.8	82.5	86.4	86.0	86.4	86.3	86.7	86.9	86.1	87.2	87.2	87.2	86.6
Provisions to non-performing loans	78.2	81.8	76.2	72.6	84.5	71.2	76.9	54.2	56.3	72.4	71.4	66.1	66.1	64.9
Earnings and profitability														
Return on assets (ROA)	4.2	4.8	7.4	7.0	6.2	6.2	5.3	4.7	4.6	5.0	4.6	4.5	4.9	5.7
Return on equity (ROE)	14.3	16.9	29.5	24.4	21.2	20.4	17.4	14.5	13.8	15.0	13.9	13.7	14.9	15.9
Interest margin to gross income	60.2	62.2	63.4	67.3	66.6	65.9	66.4	65.9	65.9	64.5	60.5	62.6	63.1	64.2
Non-interest expenses to gross income	28.1	27.9	25.9	29.1	26.5	28.9	27.7	28.3	30.3	30.9	30.9	30.2	29.4	30.5
Liquidity														
Liquid assets to total assets (Liquid asset ratio)	39.7	35.2	39.2	38.0	35.6	32.4	29.6	31.0	31.3	31.4	30.5	27.8	27.2	29.1
Liquid assets to short-term liabilities	56.5	49.6	56.2	55.4	53.1	49.0	45.1	47.8	48.7	48.7	47.3	43.1	43.2	45.8
Net open position in foreign exchange to capital	19.7	20.2	22.7	18.4	17.4	15.2	11.8	8.3	8.7	8.9	9.3	9.9	10.5	9.1

Particulars	2019 Mar	2019 Jun	2019 Sep	2019 Dec	2020 Mar	2020 Jun	2020 Sep	2020 Dec	2021 Mar	2021 Jun	2021 Sep	2021 Dec	2022 Mar	2022 Jun	2022 Sep	2022 Dec
Capital adequacy																
Regulatory capital to risk-weighted assets	46.3	47.4	47.3	46.4	46.5	47.9	48.2	46.3	45.8	47.2	48.7	46.9	48.2	48.3	52.4	50.7
Tier 1 capital to risk-weighted assets	42.8	42.5	40.8	39.0	43.6	44.1	42.9	41.0	42.1	41.5	39.9	36.4	44.1	42.2	43.9	41.2
Non-performing loans net of provisions to capital	8.4	9.1	8.7	9.3	8.1	8.4	7.9	21.0	20.9	21.7	19.1	14.2	8.4	8.4	7.7	8.1
Tier 1 capital to assets	22.0	22.5	22.7	20.9	22.7	22.7	21.5	19.3	19.3	18.7	17.9	15.9	18.7	18.0	19.3	17.9
Asset quality																
Non-performing loans to total gross loans	10.5	10.9	10.9	11.6	11.3	12.1	12.0	18.8	18.1	18.9	17.2	12.6	9.4	9.1	10.0	9.4
Loan concentration by economic sectors [1/]	86.5	87.1	87.6	86.8	86.6	85.1	86.1	87.0	87.8	88.5	88.9	88.1	87.6	87.3	86.5	86.1
Provisions to non-performing loans	66.3	63.4	64.6	65.1	68.7	68.0	69.3	51.7	51.9	50.1	51.3	54.8	63.4	62.5	63.7	60.6
Earnings and profitability																
Return on assets (ROA)	5.5	5.1	5.0	4.6	4.4	3.1	3.5	2.5	4.8	5.0	6.2	5.8	6.0	5.4	5.3	4.7
Return on equity (ROE)	17.4	15.3	14.8	13.3	13.0	8.9	9.8	7.5	15.8	16.3	20.2	19.8	20.6	18.7	18.3	15.9
Interest margin to gross income	62.2	63.4	64.1	65.0	66.6	71.2	72.6	71.6	62.1	61.2	55.7	58.1	57.4	59.3	61.2	63.1
Non-interest expenses to gross income	29.2	30.3	29.8	31.8	30.3	29.6	28.7	31.8	28.5	27.9	24.9	28.8	31.4	29.2	28.7	32.6
Liquidity																
Liquid assets to total assets (Liquid asset ratio)	27.2	26.4	27.5	25.4	24.7	28.6	25.3	32.3	30.6	31.1	29.9	35.8	35.8	38.1	31.5	32.2
Liquid assets to short-term liabilities	41.4	41.9	45.0	40.5	38.3	44.7	43.2	52.2	48.3	49.6	47.0	55.0	54.5	57.8	50.1	51.1
Net open position in foreign exchange to capital	11.4	7.4	8.4	6.4	9.6	9.1	5.2	-9.2	-8.7	-10.1	5.6	6.1	-5.2	-5.7	-5.7	-7.0

Particulars	2023 Mar	2023 Jun	2023 Sep	2023 Dec	2024 Mar	2024 Jun	2024 Sep	2024 Dec	2025 Mar	2025 Jun	2025 Sep	2025 Dec
Capital adequacy												
Regulatory capital to risk-weighted assets	49.8	50.2	51.1	50.6	49.0	50.4	52.0	54.1	51.1	50.0	48.3	46.5
Tier 1 capital to risk-weighted assets	46.2	44.5	43.5	41.5	45.7	45.0	44.8	44.8	47.7	45.0	41.7	37.9
Non-performing loans net of provisions to capital	8.8	5.4	5.2	7.1	7.3	7.3	7.0	4.8	5.9	6.5	7.7	5.2
Tier 1 capital to assets	20.1	19.9	20.0	19.1	21.3	21.4	21.6	20.1	20.9	20.1	19.4	17.5
Asset quality												
Non-performing loans to total gross loans	9.0	7.5	7.5	8.3	7.1	7.5	7.6	5.9	6.2	7.0	7.4	5.7
Loan concentration by economic sectors [1/]	87.0	87.1	84.2	84.2	84.5	79.9	79.6	79.2	78.7	79.0	78.7	78.8
Provisions to non-performing loans	56.2	65.6	65.9	58.5	52.4	51.8	52.5	59.4	56.1	56.0	52.4	59.2
Earnings and profitability												
Return on assets (ROA)	5.1	5.0	5.2	5.1	4.8	4.9	4.8	4.9	4.7	4.5	4.6	5.0
Return on equity (ROE)	16.6	15.8	16.0	15.4	14.7	15.3	14.6	14.5	14.0	13.3	13.7	15.7
Interest margin to gross income	61.7	64.1	65.0	64.6	65.5	66.3	66.5	65.8	60.6	61.9	62.3	61.5
Non-interest expenses to gross income	32.4	31.2	31.1	32.1	35.8	33.6	35.0	34.8	37.1	36.7	36.3	38.0
Liquidity												
Liquid assets to total assets (Liquid asset ratio)	31.1	30.3	28.7	30.5	27.3	24.4	21.5	27.5	29.5	22.8	18.7	21.8
Liquid assets to short-term liabilities	48.8	48.2	47.0	49.4	44.3	40.2	35.9	47.4	47.7	37.6	30.6	35.1
Net open position in foreign exchange to capital	-7.3	-8.7	-8.5	-10.2	-10.4	-11.8	-11.9	-8.4	-9.2	-8.3	5.2	4.1

NOTE:

This table has been compiled in line with the IMF 2019 Financial Soundness Indicators Compilation Guide

[1/] Refers to lending to the three largest economic sectors as a proportion to the total gross loans to the nonfinancial corporations

Source: Maldives Monetary Authority.