

I. Colombian Financial Sector Results (March 2009)

The first section of this report contains first quarter aggregate results of Colombia's Financial Institutions, and their Managed Fund Accounts, that are subject to supervision by the Financial Superintendence. The second section analyzes risk factors, mainly credit and market risk, which had a significant effect in the financial sector during the first three months of the year. The third section describes recent developments in local financial markets. Finally, the fourth section summarizes the key conclusions of this report. The Appendix presents the main financial accounts for each type of Financial Institution and shows additional ratios of loan performance.

Aggregate Results

Table 1
Financial Institutions Accounts
Figures in million pesos and percentages

Financial Intermediaries	Mar-2009					Annual growth ¹				
						Mar-2009 / Mar-2008				
	Assets	Investment	Loans ²	Net worth	Profit ³	Assets (%)	Investment (%)	Loans (%)	Net worth (%)	Profit (\$m)
Credit Institutions	222,639,244	44,058,601	147,271,505	27,213,084	1,601,072	18.4%	25.6%	14.4%	24.3%	277,006
Insurance Industry ⁴	25,730,907	18,795,525	122,888	5,828,643	407,129	46.4%	57.7%	-63.8%	45.6%	409,978
Pension and Severance Fund Managers (AFP) ⁵	1,556,896	1,046,519	-	1,202,324	103,026	24.7%	23.5%	-	23.4%	55,175
Trust Fund Managers	1,367,024	804,291	-	957,001	89,382	31.4%	29.3%	-	23.9%	38,450
Brokerage Firms ⁶	4,474,957	390,724	-	786,435	40,432	19.9%	-17.3%	-	-15.3%	59,371
Investment Fund Managers ⁶	54,952	33,598	-	42,518	3,491	10.2%	44.2%	-	13.0%	3,795
Financial Infrastructure Providers ⁶	1,232,033	266,178	-	848,106	22,556	6.5%	27.4%	-	4.4%	14,042
Specialized State-Owned Institutions (IOE)	34,655,888	15,283,998	16,679,100	5,082,488	241,377	21.0%	28.3%	20.4%	-4.1%	122,357
TOTAL FINANCIAL INSTITUTIONS	291,711,900	80,679,435	164,073,493	41,960,599	2,508,465	20.8%	32.1%	14.8%	20.8%	980,176

Financial statements subject to revision by the SFC. Figures reported until the 22nd of April 2009.

(1) Variation in assets, investment and net worth are percentage change (%), whereas profit variation is presented in absolute values in million pesos (\$m).

(2) Gross loans = Net loans + Provisions

(3) Profits correspond to PUC account 5700 ("expected return") for pension funds, FCO, FCE, and other trust fund assets; for the remaining institutions profits correspond to PUC account 5900 ("profits and losses").

(4) Insurance companies report financial statements on a quarterly basis; figures here presented correspond to March 2009.

(5) Pension fund financial statements excludes information for the "defined-benefit" pension regime.

(6) Investment data corresponds to PUC account 1200, excluding derivatives and repurchase operations.

Regardless of the economic slowdown and signals of credit contraction, the economic performance of the Colombian Financial industry kept the upward trend seen during previous months up to March 2009. The positive results of financial intermediaries were partially explained by the increase in the value of their portfolios due to the recovery in the price of government bonds. In addition, credit institutions continued showing profits, despite the deceleration in gross loans' growth. These intermediaries accounted profits for \$1.6 trillion. During the first quarter of 2009 total profits for financial institutions reached \$2.5 trillion. Likewise, financial funds' profits reached \$6.7 trillion.

Table 2

Managed Funds Accounts

Figures in million pesos and percentages

Financial Intermediaries	Mar-2009					Annual growth ¹				
						Mar-2009 / Mar-2008				
	Assets	Investment	Loans ²	Net worth	Profit ³	Assets (%)	Investment (%)	Loans (%)	Net worth (%)	Profit (\$m)
Mandatory Pension Funds (FPO)	62,899,086	62,136,856	-	62,852,230	3,336,403	23.8%	25.0%	-	23.7%	4,926,523
Voluntary Pension Funds (FPV)	7,155,497	6,042,164	-	6,894,321	246,354	10.7%	22.4%	-	12.3%	322,939
Severance Funds (FC)	5,710,339	5,326,092	-	5,668,557	251,221	13.2%	13.3%	-	13.1%	323,563
Ordinary Mutual Funds (FCO)	15,234,012	10,834,435	-	15,169,762	359,588	55.9%	130.2%	-	57.6%	174,121
Specialized Mutual Funds (FCE)	5,103,352	3,742,350	-	4,865,186	117,996	84.4%	116.8%	-	81.1%	68,365
Other Trust-Fund Assets ⁴	68,471,994	29,020,345	836,381	41,141,659	1,020,127	-0.2%	-11.8%	32%	-5.9%	2,143,722
Pension Liability Fund (FPP)	39,924,404	38,741,481	-	39,122,857	1,236,547	40.0%	40.6%	-	41.7%	1,081,644
FPV managed by Trust Funds	1,013,998	907,217	-	1,009,322	31,238	17.0%	24.0%	-	16.9%	19,797
Mutual Investment Funds (FMI)	650,692	525,970	-	626,789	22,714	1.6%	-1.3%	-	1.3%	53,171
Investment Funds (FI)	1,066,705	888,037	-	1,028,580	29,951	87.8%	103.5%	-	86.6%	45,725
Value Funds (FV)	2,423,284	1,728,904	-	2,413,122	52,314	2.1%	20.4%	-	3.0%	74,668
TOTAL FINANCIAL FUNDS	209,653,364	159,893,851	836,381	180,792,384	6,704,453	18.8%	23.6%	31.7%	20.5%	9,234,239

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(2) Gross loans = Net loans + Provisions

(3) Profits correspond to PUC account 5700 ("expected return") for pension funds, FCO, FCE, and other trust fund assets; for the remaining institutions profits correspond to PUC account 5900 ("profits and losses").

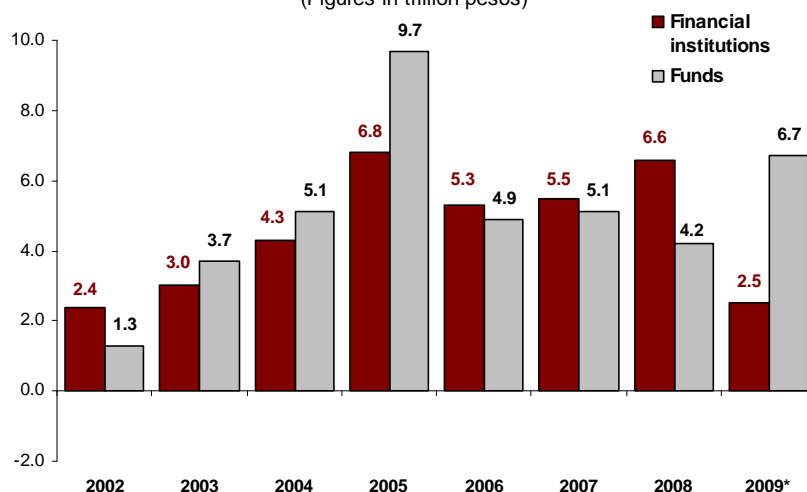
(4) Other Trust-Fund Assets report financial statements on a quarterly basis, figures here presented correspond to March 2009.

Mandatory Pension Funds were the main contributors to the overall performance of the Managed Fund Accounts. Last year, as the American financial turmoil unfolded, Mandatory Pension Funds posted a first quarter loss that amounted \$1.6 trillion whereas, in March 2009 profits were up to \$3.3 trillion.

Figure 1

Financial Sector Profits

(Figures in trillion pesos)



2009: As for March 2009.

Source: Financial Superintendencia. Financial statements subject to revision by the SFC.

Profitability

During the first quarter of 2009, Financial Institutions' reported higher profitability ratios than those registered in December 2008. In March 2009, total ROA and ROE figures were at 3.5% and 26.1%, respectively, compared to the 2.6% and 17.9% posted in December 2008. Pension and

Severance Fund Managers as well as Trust Fund Managers reported the highest ROA and ROE ratios; whereas, IOE and Financial Infrastructure Providers had the lowest.

Table 3
Financial Institutions Profitability Indicators
Percentages

Financial Intermediaries	Mar-2009			Mar-2008		
	ROA	ROE	Return on Investment (ROI)	ROA	ROE	Return on Investment (ROI)
Credit Institutions	2.9%	25.7%	14.8%	2.8%	26.5%	10.9%
Insurance Companies ¹	6.5%	31.0%	21.1%	-0.1%	-0.3%	4.7%
Pension and Severance Fund Managers (AFP) ²	29.2%	38.9%	22.3%	16.2%	21.1%	-5.5%
Trust Fund Managers	28.8%	42.9%	21.0%	21.1%	29.1%	13.1%
Brokerage Firms	3.7%	22.2%	153.2%	-2.0%	-7.9%	26.7%
Stock Brokerage Firms	3.4%	21.7%	164.1%	-2.2%	-8.6%	27.4%
Agricultural Brokerage Firms	20.0%	30.1%	24.4%	7.9%	14.9%	9.5%
Investment Fund Managers	27.9%	37.1%	25.0%	-2.4%	-3.2%	-24.2%
Financial Infrastructure Providers	7.5%	11.0%	15.8%	3.0%	4.3%	6.9%
Specialized State-Owned Institutions (IOE)	2.8%	20.4%	5.0%	1.7%	9.3%	2.8%
TOTAL FINANCIAL INSTITUTIONS	3.5%	26.1%	19.2%	2.6%	18.8%	7.9%

Financial statements subject to revision by the SFC. Figures reported until the 22nd of April 2009.
Indicators are calculated as follows:

$$ROA = \left(\frac{\text{profits}}{\text{assets}} + 1 \right)^{12 / \text{month}} - 1$$

$$ROE = \left(\frac{\text{profits}}{\text{net worth}} + 1 \right)^{12 / \text{month}} - 1$$

$$ROI = \left(\frac{\text{inv. rev.} - \text{inv. exp.}}{\text{gross investment}} + 1 \right)^{12 / \text{month}} - 1$$

where inv. rev. = investment revenues
inv. exp. = investment expenditure

(1) Insurance companies report financial statements on a quarterly basis; figures here presented correspond to March 2009.

(2) Pension fund financial statements excludes information for the "defined-benefit" pension regime.

As of March 2009, Financial Funds' ROA and ROE recovered from those reported during the same period last year. This increase was triggered by a remarkable performance of Pension and Severance funds and Funds managed by brokerage firms.

Table 4
Managed Funds Profitability Indicators
Percentages

Financial Intermediaries	Mar-2009			Mar-2008		
	ROA	ROE	Return on Investment (ROI)	ROA	ROE	Return on Investment (ROI)
Pension and Severance Funds ¹	21.8%	21.9%	22.2%	-10.7%	-10.8%	-13.4%
Pension Funds	22.1%	22.2%	22.4%	-11.1%	-11.2%	-14.1%
Severance Funds	18.8%	18.9%	19.8%	-5.6%	-5.7%	-5.6%
Funds managed by brokerage firms	10.5%	10.7%	13.8%	-7.4%	-7.6%	-12.5%
Trust Funds ²	8.8%	11.4%	18.3%	-2.6%	-3.4%	3.7%
TOTAL FINANCIAL FUNDS	13.4%	15.7%	20.4%	-5.6%	-6.6%	-7.5%

Financial statements subject to revision by the SFC. Figures reported until the 22nd of April 2009.
Indicators are calculated as follows:

$$ROA = \left(\frac{\text{profits}}{\text{assets}} + 1 \right)^{12 / \text{month}} - 1$$

$$ROE = \left(\frac{\text{profits}}{\text{net worth}} + 1 \right)^{12 / \text{month}} - 1$$

$$ROI = \left(\frac{\text{inv. rev.} - \text{inv. exp.}}{\text{gross investment}} + 1 \right)^{12 / \text{month}} - 1$$

where inv. rev. = investment revenues
inv. exp. = investment expenditure
gross investment = net investment + provisions

(1) Mandatory Pension Funds' 5-year return reached 11.49% effective annual- Since beginning of operations, average return reached 14.78% effective annual, as for 31st of March 2009

(2) Other trust fund assets reported by Formato 169 are not included

Improvement in profitability during the first quarter is mostly explained by the performance of investment portfolios. As mentioned before, government debt bonds' prices increased during the first quarter of March 2009 due to better inflationary expectations and lower financial markets'

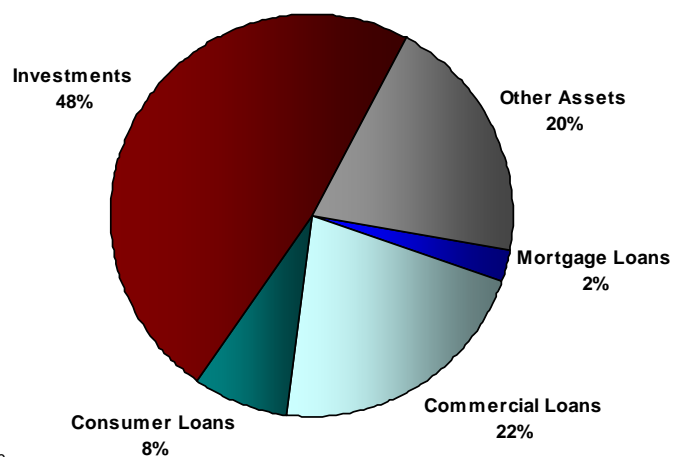
volatility. One way to measure the impact of investment portfolios appraisal in profitability is to observe the ROI's evolution. For both, Financial Institutions and Financial Funds, this ratio reported higher values compared to December 2008.

Assets and Liabilities

As of March 2009, the financial sector registered total assets for \$501.4 trillion, representing an increase of 20.0% compared to the same period last year. Total assets for the financial sector were largely distributed between Credit Institutions (44.4%), Trust Funds (25.4%) and Pension Funds (15.1%).

Figure 2

Financial Sector Asset Composition

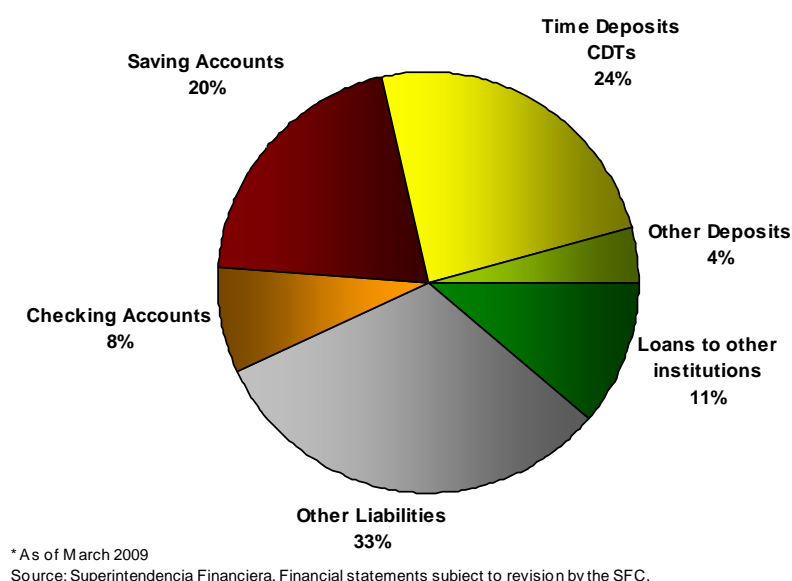


* As of March 2009

Source: Superintendencia Financiera. Financial statements subject to revision by the SFC.

Throughout the year, a shift in the relative weight of investments and loans has been observed due to current fixed-income market conditions. Investments' weight in total assets reached 48%; whereas, loans represented 32%.

Figure 3
Financial Sector Liabilities Composition



Total liabilities of Financial Institutions increased 19.5% annually to \$278.6 trillion. Demand deposits and loans to other institutions represented 56% and 11% of total deposits, respectively. As of March 2009, term deposits (CDTs) continued showing the largest share (42.7%) in total Credit Institutions deposits, reaching \$148.4 trillion.

II. Financial Sector Risks

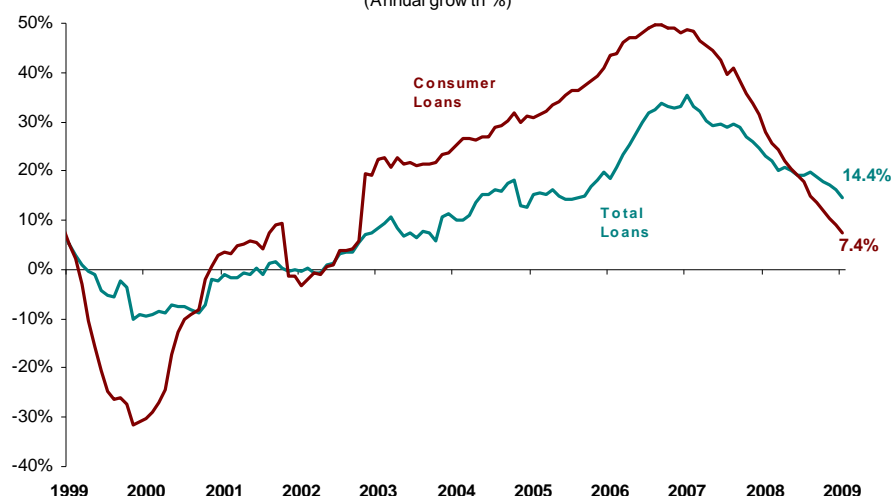
1. Credit Risk

During the first quarter of 2009, the loan growth rate of Credit Institutions fell hastily, falling from 17.7% in December 2008 to 14.4% in March 2009. Gross loans from Credit Institutions (including leasing operations) summed up \$147.3 trillion. Deceleration on the credit market was particularly evident on consumer loans whose annual growth rate declined from 10.5% to 7.4%. Commercial and mortgage loans' annual growth rate also decreased, reaching 17.8% and 4.1% in March, respectively. On the other hand, microfinance loans kept the upward growth trend seen in previous months, increasing from 55.9% to 63.6% during this period.

As of March 2009, total loans and leasing operations at Credit Institutions had the following composition: commercial loans \$93.8 trillion (63.7%), consumer loans \$40.2 trillion (27.3%), microfinance loans \$3.3 trillion (2.2%) and mortgage loans \$10.04 trillion (6.8%). Including Fondo Nacional del Ahorro, mortgage loans increased to \$12.3 trillion.

Figure 4

Loans by Type
(Annual growth %)



Note: As of March 2009. Loans including leasing operations. Specialized state-owned institutions (IOE) are not included.
Source: Financial Superintendence. Financial statements subject to revision by the SFC.

In March, past-due loans totalled \$6.9 trillion, equivalent to an annual nominal increase of 33.3%, the lowest registered since May 2007. By credit type, annual growth rates were at the end of the quarter as follows: commercial 47.6%, consumer 24.0%, mortgage 21.6%, and microfinance 34.1%.

Table 5
Indicators of Loan Performance ¹
Figures in million pesos and percentages

Mar-2009	LOAN TYPE				
	Commercial	Consumer	Mortgage	Microfinance	Total
Gross loans	93,758,276	40,179,641	10,044,590	3,288,998	147,271,505
Market share (%)	63.7%	27.3%	6.8%	2.2%	100.0%
Annual growth (%)	17.8%	7.4%	4.1%	63.6%	14.4%
Past-due loans	2,952,833	3,243,809	455,418	216,258	6,868,318
Market share (%)	43.0%	47.2%	6.6%	3.1%	100.0%
Annual growth (%)	47.6%	24.0%	21.6%	34.1%	33.3%
Provisions ²	3,886,897	3,043,412	340,487	138,006	7,589,443
Annual growth (%)	35.7%	60.8%	19.0%	51.2%	34.6%
LOAN RATIOS (%)					
Loan Quality ³					
Traditional	3.1%	8.1%	4.5%	6.6%	4.7%
Traditional (Mar-2008)	2.5%	7.0%	3.9%	8.0%	4.0%
By rating	8.3%	12.7%	10.0%	8.2%	9.6%
By rating (Mar-2008)	5.4%	10.5%	8.5%	8.8%	7.2%
Loan Coverage ⁴					
Traditional	131.6%	93.8%	74.8%	63.8%	110.5%
Traditional (Mar-2008)	143.1%	72.4%	76.3%	56.6%	109.5%
By rating	50.2%	59.5%	33.9%	51.5%	53.7%
By rating (Mar-2008)	66.6%	48.2%	35.0%	51.9%	61.2%

Financial statements subject to revision by the SFC. Figures reported until the 22nd of April 2009.

(1) Loan and leasing operations of credit institutions and credit unions. Specialized state-owned institutions (IOE) are not included.

(2) Total provisions includes other provisions.

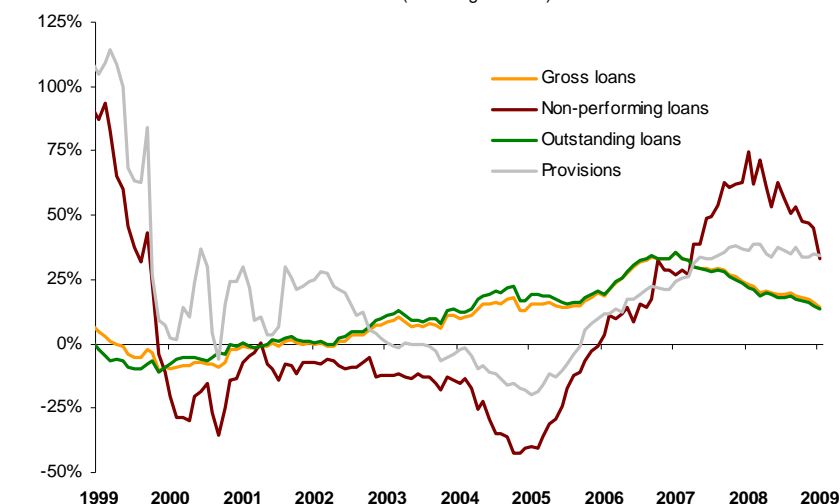
(3) Traditional Loan Quality = Past-due loans / Gross loans; Loan Quality by rating = Loans rated B, C, D & E / Gross loans.

(4) Traditional Loan Coverage = Provisions / Past-due loans; Loan Coverage by rating = Provisions / Loans rated B, C, D & E.

Figure 5

Credit Institutions Total Loans

(Annual growth %)



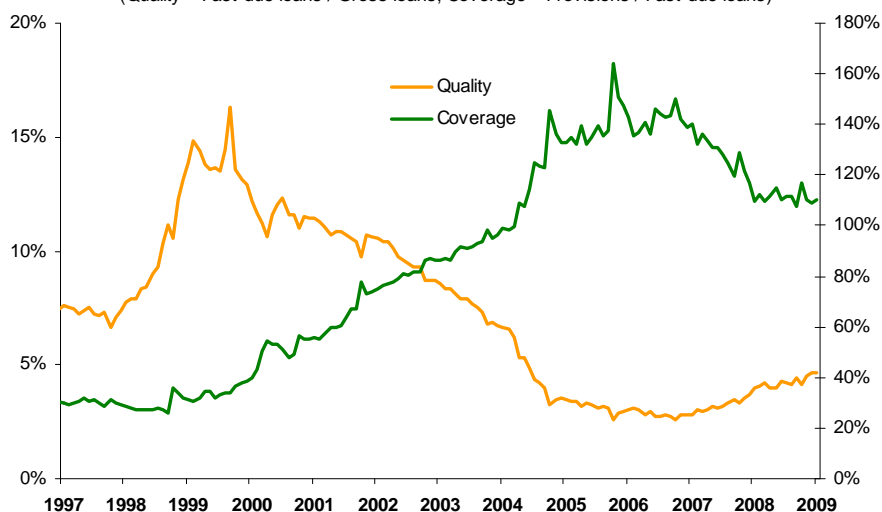
Note: As of March 2009. Loans including leasing operations. Specialized state-owned institutions (IOE) are not included.
Source: Superintendencia Financiera. Financial statements subject to revision by the SFC.

Loan quality levels during first quarter of 2009 increased from 4.1% in December 2008 to 4.7% in March 2009. The loan coverage ratio (proportion between provisions and past-due loans) fell from 117.3% to 110.5% between December 2008 and March 2009. Provisions reached \$7.6 trillion with an annual growth of 34.6%.

Figure 6

Loan Quality and Coverage

(Quality = Past-due loans / Gross loans; Coverage = Provisions / Past-due loans)



Note: As of March 2009. Loans including leasing operations. Specialized state-owned institutions (IOE) are not included.
Source: Financial Superintendence. Financial statements subject to revision by the SFC.

Loan disbursements growth rate dropped significantly between December 2008 (21.2%) and March 2009 (6.6%). During this quarter, loan interest rates have fallen approximately 100bps, reaching 19.6% at the end of March.

Table 6
Loan Disbursements and Interest Rates ¹

Figures in million pesos and percentages

	Mar-2009	Mar-2008	Annual growth ²
Disbursements	23,052,377	21,635,044	6.6%
Commercial ³	20,123,997	18,806,689	7.0%
Consumer ⁴	2,416,987	2,392,250	1.0%
Mortgage	346,488	383,590	-9.7%
Microfinance	164,904	52,515	214.0%
Interest Rates ⁵	19.56%	20.55%	-0.99%
Commercial	18.58%	19.65%	-1.07%
Consumer	27.77%	28.53%	-0.76%
Mortgage	13.67%	13.20%	0.47%
Microfinance	30.79%	31.41%	-0.62%

Financial statements subject to revision by the SFC. Figures reported until the 22nd of April 2009.

(1) Loan and leasing operations of credit institutions and credit unions. Specialized state-owned institutions (IOE) are not included. Loan disbursements and interest rate data is taken from information provided to the SFC (Formato 88).

(2) Annual variation of loan disbursements are shown as percentage growth, whereas interest rates are shown as an absolute variation.

(3) Commercial loans include: ordinary, treasury and preferential loans, overdrafts and business credit cards.

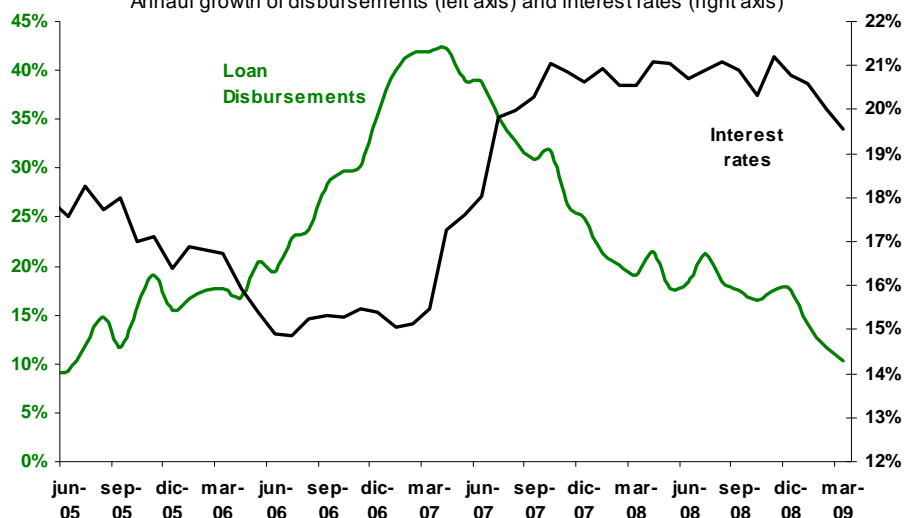
(4) Consumer loans include: personal loans and credit cards.

(5) Interest rates are a weighted average of loan amounts and according rates.

Figure 7

Loan Disbursements and Interest Rates*

Annual growth of disbursements (left axis) and interest rates (right axis)



Note: As of March 2009. Loans including leasing operations, including state-owned institutions (IOE).

* Loan disbursements and interest rate data is taken from information provided to the SFC (Formato 88). Interest rates are a weighted average of loan amounts and according rates. The annual growth of disbursements is an annual accumulated variation in order to account for seasonal effects.

2. Market Risk

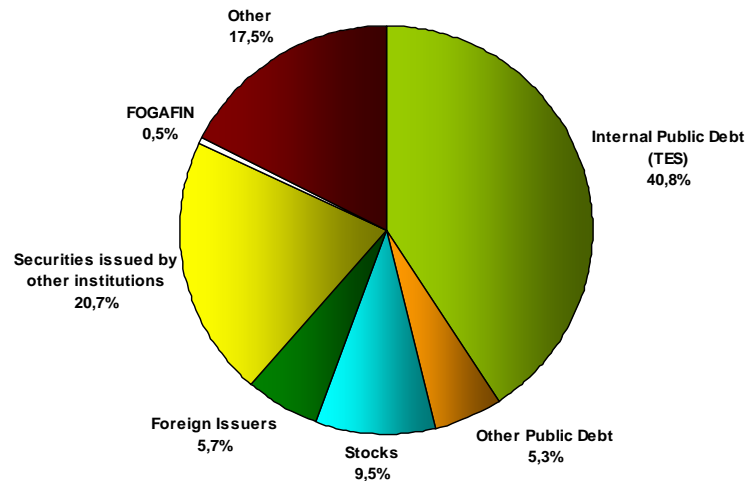
Investments

Financial institutions' investments amounted to \$80.7 trillion, equivalent to an annual growth rate of 32.1%. This performance was prompted by the dynamism shown by Credit Institutions, the Insurance Industry and IOE's.

On the other hand, Financial Funds' investments reached \$159.9 trillion, representing an annual increase of 23.6%. In this case, fund's investments were boosted by Mandatory Pension Funds (FPO), other Trust-Fund assets, and Pension Liability Funds (FPP).

Figure 8

Financial Sector Investment Portfolio
(Mar-09, Total investment = 240,6 trillion)



Source: Superintendencia Financiera. Financial statements subject to revision by the SFC.

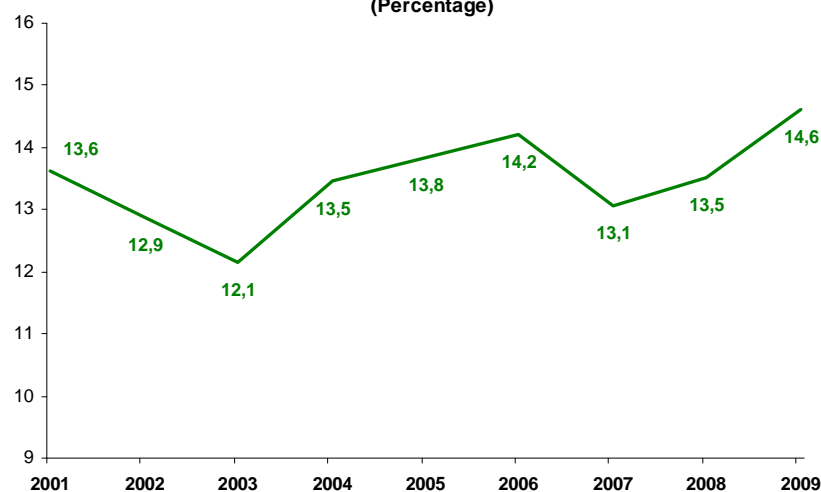
Figure 8 exhibits the investment portfolio composition of the financial industry. Fixed-income investment expanded its share in the portfolio, increasing from 38.6% in December 2008 to 40.8% in March 2009. Stocks' participation fell from 10.9% last December to 9.5% in March 2009. Finally, securities issued by other institutions increased from 18.5% to 20.7%.

Capital Adequacy Ratio ¹

Figure 9 shows the Capital Adequacy Ratio of Credit Institutions, which reached 14.6% in March 2009, higher than the 13.6% reported in December 2008.

Figure 9

Credit Institutions' Solvency Ratio
(Percentage)



* As of March 2009.

Source: Financial Superintendence. Financial statements subject to revision by the SFC.

¹
$$CAR = \frac{PT}{APR + (100/9)RM}$$
 where PT is the regulatory capital, APR are risk-weighted assets and RM is market risk (VaR).

Value at Risk (VaR) ²

Between December 2008 and March 2009, Credit Institutions' value at risk (maximum possible loss implied in the market risk) increased significantly from \$831.2 billion to \$1.1 trillion. This rise in the VaR was explained by the increase in the amount exposed to interest rate risk, which rose from \$636 billion to \$926.4 billion. Stocks' risk value was higher in March 2009 (\$123.9 billion) than that amount in December 2008 (\$100.6 billion). The collective funds' VaR decreased from \$50.6 billion to \$16.7 billion. In addition, the value at risk related to the exchange rate also decreased compared to December 2008.

Table 7
Value at Risk (VaR)¹ according to factors
Figure in million pesos

	Credit Institutions	
	Mar-09	Dec-08
Interest rate	926,428	636,044
Stocks	123,889	100,598
Exchange rate	32,811	43,980
Collective funds	16,738	50,563
Value at Risk (VaR)	1,099,866	831,186

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(1) Value at Risk (VaR) data is available through Format 386, available since April 2007.

² According to the new Standard Model of market risk measurement, only investments that are classified in treasury-books are considered in the calculation of Value-at-Risk. These positions include negotiable securities and securities available-for-sale. Securities denominated in foreign currency that are registered in banking-books are also taken into account in the VaR

III. Financial Market Developments

The first quarter of 2009 was characterized by financial markets' uncertainty and investors' preference towards liquidity and low risk assets. Volatility in the markets increased due to global economic slowdown and negative forecasts for this year. However, the observed volatility levels in the first quarter of 2009 were lower than those observed after the world financial crisis outbreak of 2008.

Figure 10

Colombian Financial Markets

Exchange rate "TRM" (left axis) and Public debt prices "TES" (right axis)

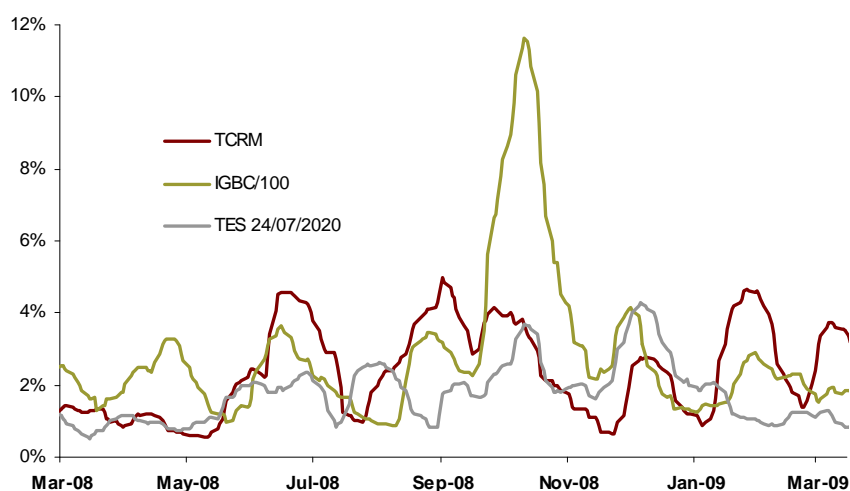


Source: Bloomberg.

Figure 11

Asset Price Volatility

Exchange rate (TRM), Public debt (TES 2020) and Stock index (IGBC)

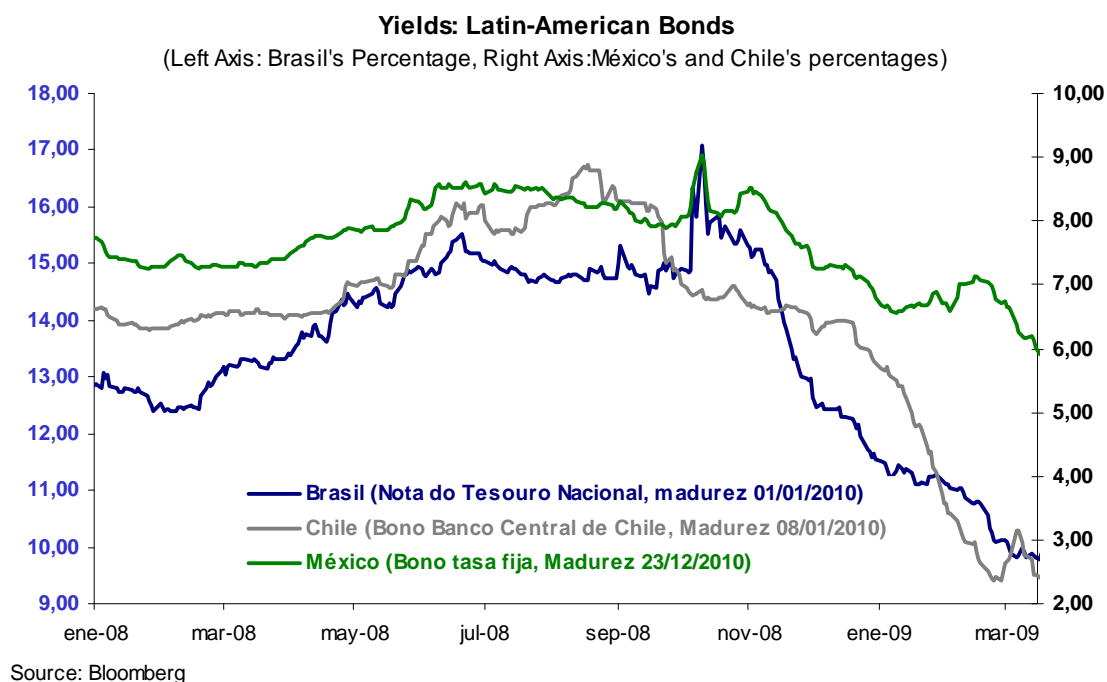


Note: Volatility = Standard deviation of prices from the last 30 days / average price of last 30 days.

Source: Bloomberg.

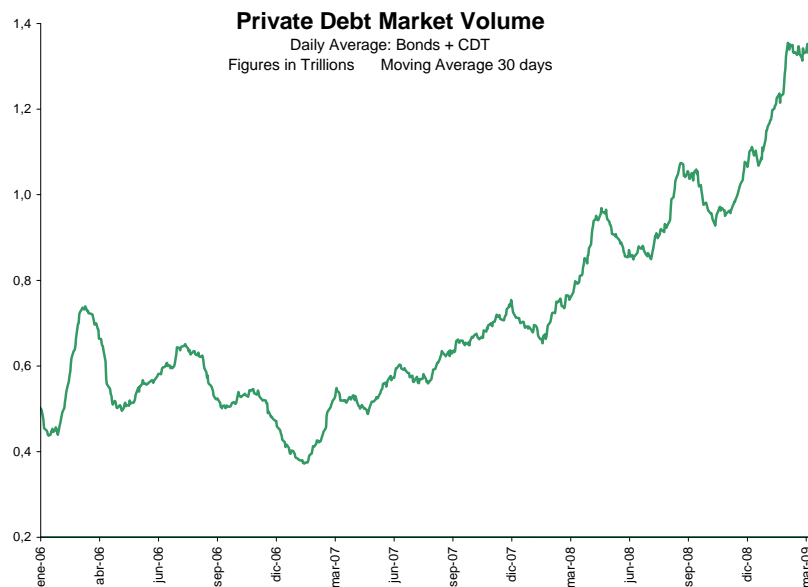
The exchange rate reported a sustained and accelerated devaluation during the first two months of the year, shifting from \$2,237.20 (January 2nd, 2009) to \$2,544.30 (February 27th, 2009). In early March, the exchange rate hit its maximum level (\$2,608.85), with a minimum of \$2,338.48 on March 19th. This behaviour can be explained by a flight-to-quality phenomenon (foreign investors prefer safer financial assets, moving to economies with lower risk than developing countries). Additionally, the worldwide economic slowdown led to a decrease in the volume of exports and remittances, which caused a lower inflow of dollars into the country. The exchange rate in the first quarter of 2009 showed the tendency displayed since the second semester of last year.

Figure 12



The local fixed-income market presented an outstanding performance during the first quarter, boosted by the performance of TES. On March 20th of 2009, the Colombian Central Bank (Banco de la República) cut its benchmark interest rate by 100bps, fixing it at 7.00% at the end of the month. The cumulative reductions for 2009 reached 250bps, which affected the public debt market positively. The declining inflation pressures as well as optimistic expectations (data for March: 6.14%), made these assets' value rise. Figure 13 confirms that the evolution of the fixed-income market in Colombia was analogous to other Latin-American countries. Private debt increased its market share, mostly due to an increase in the transactions volume during this period.

Figure 13



After the financial markets collapse in 2008, the local equity market continued its recovery path of previous months. Early this year, the IGBC index level was 7,623 (January 2nd, 2009) while at the end of March it increased to 8,023. The index reached its lowest level on October 2008 (6,461). Despite the positive relation between the Colombian and US equity market, the stock market continued its upturn obtaining returns of 5.24% during the first quarter of 2009.

The volatility of world financial markets is generally measured by the VIX Index, a widely accepted measure of global risk aversion. During the first quarter of 2009, reported economic data, portraying weakening market conditions, caused a dramatic increase in the market volatility; significantly distancing it from the levels reached during the last quarter of 2008.

Figure 14

Colombian Stock Exchange Index (IGBC)

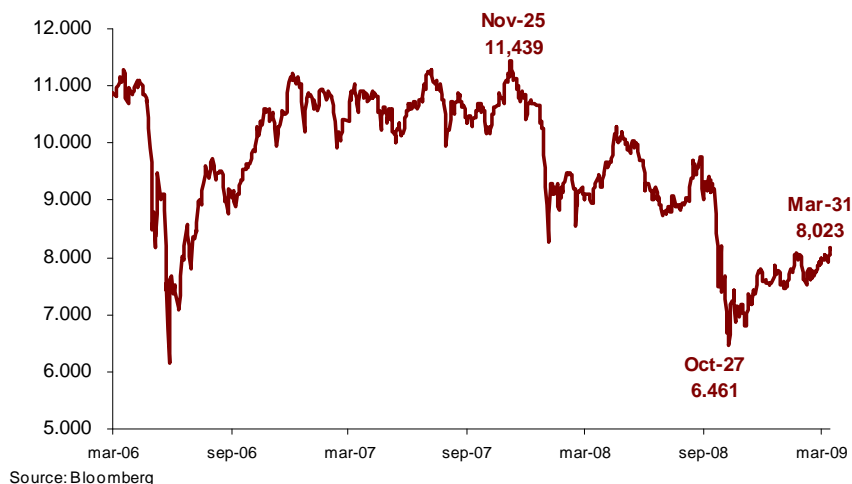


Figure 15
Volatility Index (VIX)



IV. Conclusions

- During the first quarter of 2009, Colombian Financial Institutions obtained total profits of \$2.5 trillion, a superior figure to the one achieved during the same period last year. Financial Funds reported \$6.7 trillion in total profits.
- Credit Institutions' loans growth rate kept displaying a slowdown trend, especially for consumer and commercial loans. In March 2009, gross loans from credit institutions (including leasing operations) reached \$147.3 trillion, which meant an annual increase of 14.4%.
- The total amount of past-due loans was \$6.9 trillion, which indicated an annual growth rate of 33.3%. The increase in past-due loans implied higher loan quality ratios. The traditional loan quality ratio for gross loans reached 4.7%. Provisions got up to \$7.6 trillion, equivalent to an annual growth rate of 34.6%.
- Total Investments in Financial Institutions were \$80.7 trillion, equivalent to an annual growth of 32.1%. Financial Funds investments added up to \$159.9 trillion, which meant an annual growth of 23.6%.
- Capital adequacy ratio for Credit Institutions reached 14.6% in March 2009, superior to the 9% minimum level imposed by the financial supervisor.
- Financial markets in the first quarter of 2009 were characterized by uncertainty and high volatilities. The exchange rate suffered devaluation and exhibited an increase in volatility towards the end of the quarter. The local equity markets became stable and reported better results when compared to December 2008. The local fixed-income market presented an outstanding performance due to better inflation expectations and lower benchmark interest rates.

APPENDIX 1: FINANCIAL STATEMENTS BY INSTITUTION

Financial Accounts of Credit Institutions

Figures in million pesos and percentages

Financial Intermediaries	Mar-2009					Annual growth ¹				
						Mar-2009 / Mar-2008				
	Assets	Investment	Loans ²	Net worth	Profit	Assets (%)	Investment (%)	Loans (%)	Net worth (%)	Profit (\$m)
Commercial Banks	192,127,836	39,275,901	126,200,670	21,764,789	1,354,093	19.2%	25.5%	15.5%	24.2%	226,650
Financial Corporations	4,694,217	3,474,466	0	2,500,621	143,596	13.4%	15.3%	-	16.2%	49,611
Commercial Financing Companies	22,756,161	888,263	18,595,406	2,367,504	87,187	11.4%	32.6%	7.3%	23.7%	-4,277
Financial Credit Unions	2,727,362	196,043	2,394,903	412,292	13,095	20.7%	90.6%	18.1%	42.7%	2,052
Superior Grade Cooperatives (OCGS)	333,668	223,928	80,527	167,878	3,101	262.3%	4427.1%	10.2%	905.6%	2,970
TOTAL	222,639,244	44,058,601	147,271,505	27,213,084	1,601,072	18.4%	25.6%	14.4%	24.3%	277,006

Financial statements subject to revision by the SFC. Figures reported until the 22nd of April 2009.

(1) Variation in assets, investment and net worth are percentage change (%), whereas profit variation is presented in absolute values in million pesos (\$m).

(2) Gross loans = Net loans + Provisions

Financial Accounts of the Insurance Industry

Figures in million pesos and percentages

Financial Intermediaries ³	Mar-2009					Annual growth ¹				
						Mar-2009 / Mar-2008				
	Assets	Investment	Loans ²	Net worth	Profit	Assets (%)	Investment (%)	Loans (%)	Net worth (%)	Profit (\$m)
Capitalization Companies	954,390	872,293	21,243	163,278	24,211	-4.7%	0.0%	-2.3%	-10.0%	31,670
General Insurance	7,934,576	4,202,314	65,923	2,171,456	119,615	11.6%	16.7%	0.8%	18.5%	132,918
Life Insurance	16,240,872	13,513,732	33,614	3,262,732	260,785	81.5%	85.8%	-86.6%	83.7%	242,536
Insurance Credit Unions	351,657	196,029	2,108	98,183	2,518	14.6%	26.5%	-5.5%	9.2%	2,855
Insurance Brokerage Firms	249,411	11,157	-	132,994	-	17.5%	-18.8%	-	8.4%	-
TOTAL	25,730,907	18,795,525	122,888	5,828,643	407,129	46.4%	57.7%	-63.8%	45.6%	409,978

Financial statements subject to revision by the SFC. Figures reported until the 22nd of April 2009.

(1) Variation in assets, investment and net worth are percentage change (%), whereas profit variation is presented in absolute values in million pesos (\$m).

(2) Gross loans = Net loans + Provisions

(3) Insurance companies report financial statements on a quarterly basis; figures here presented correspond to March 2009.

Financial Accounts of Pension and Severance Funds

Figures in million pesos and percentages

Financial Intermediaries	Mar-2009					Annual growth ¹				
						Mar-2009 / Mar-2008				
	Assets	Investment	Loans	Net worth	Profit ²	Assets (%)	Investment (%)	Loans (%)	Net worth (%)	Profit (\$m)
TOTAL PENSION AND SEVERANCE FUND MANAGERS (AFP) ³	1,556,896	1,046,519	-	1,202,324	103,026	24.7%	23.5%	-	23.4%	55,175
Mandatory Pension Funds (FPO)	62,899,086	62,136,856	-	62,852,230	3,336,403	23.8%	25.0%	-	23.7%	4,926,523
Voluntary Pension Funds (FPV)	7,155,497	6,042,164	-	6,894,321	246,354	10.7%	22.4%	-	12.3%	322,939
Severance Funds (FC)	5,710,339	5,326,092	-	5,668,557	251,221	13.2%	13.3%	-	13.1%	323,563
TOTAL PENSION AND SEVERANCE FUNDS	75,764,922	73,505,112	-	75,415,108	3,833,978	21.5%	23.9%	-	21.8%	5,573,025

Financial statements subject to revision by the SFC. Figures reported until the 22nd of April 2009.

(1) Variation in assets, investment and net worth are percentage change (%), whereas profit variation is presented in absolute values in million pesos (\$m).

(2) Profits correspond to PUC account 5700 ("expected return") for pension funds, FCO, FCE, and other trust fund assets; for the remaining institutions profits correspond to PUC account 5900 ("profits and losses").

(3) Pension fund financial statements excludes information for the "defined-benefit" pension regime.

Financial Accounts of Trust Funds and Mutual Funds

Figures in million pesos and percentages

Financial Intermediaries	Mar-2009					Annual growth ¹				
						Mar-2009 / Mar-2008				
	Assets	Investment	Loans ²	Net worth	Profit ³	Assets (%)	Investment (%)	Loans (%)	Net worth (%)	Profit (\$m)
TOTAL TRUST FUND MANAGERS	1,367,024	804,291	-	957,001	89,382	31.4%	29.3%	-	23.9%	38,450
Ordinary Mutual Funds (FCO)	15,234,012	10,834,435	-	15,169,762	359,588	55.9%	130.2%	-	57.6%	174,121
Specialized Mutual Funds (FCE)	5,103,352	3,742,350	-	4,865,186	117,996	84.4%	116.8%	-	81.1%	68,365
Pension Liability Fund (FPP)	39,924,404	38,741,481	-	39,122,857	1,236,547	40.0%	40.6%	-	41.7%	1,081,644
FPV administered by Trust Funds	1,013,998	907,217	-	1,009,322	31,238	17.0%	24.0%	-	16.9%	19,797
Other Trust Fund Assets ⁴	68,471,994	29,020,345	836,381	41,141,659	1,020,127	-0.2%	-11.8%	31.7%	-5.9%	2,143,722
TOTAL TRUST AND MUTUAL FUNDS	129,747,761	83,245,828	836,381	101,308,786	2,765,496	17.4%	23.1%	31.7%	19.9%	3,487,650

Financial statements subject to revision by the SFC. Figures reported until the 22nd of April 2009.

(1) Variation in assets, investment and net worth are percentage change (%), whereas profit variation is presented in absolute values in million pesos (\$m).

(2) Gross loans = Net loans + Provisions

(3) Profits correspond to PUC account 5700 ("expected return") for pension funds, FCO, FCE, and other trust fund assets; for the remaining institutions profits correspond to PUC account 5900 ("profits and losses").

(4) Other Trust-Fund Assets report financial statements on a quarterly basis, figures here presented correspond to March 2009.

Financial Accounts of Brokerage and Investment Intermediaries

Figures in million pesos and percentages

Financial Intermediaries	Mar-2009					Annual growth ¹				
						Mar-2009 / Mar-2008				
	Assets	Investment ²	Loans	Net worth	Profit	Assets (%)	Investment (%)	Loans (%)	Net worth (%)	Profit (\$m)
Stock Brokerage Firms	4,406,902	366,176	-	739,808	37,265	19.9%	-19.4%	-	-17.4%	57,303
Agricultural Brokerage Firms	68,055	24,547	-	46,626	3,167	18.5%	41.6%	-	48.8%	2,062
Independent Brokerage Firms	-	-	-	-	-	-	-	-	-	-
Investment-Fund Managers	54,952	33,598	-	42,518	3,491	10.2%	44.2%	-	13.0%	3,795
TOTAL BROKERAGE AND INVESTMENT-FUND MANAGERS	4,529,908	424,322	-	828,952	43,923	19.8%	-14.4%	-	-14.2%	63,166
Mutual-Investment Funds (FMI)	650,692	525,970	-	626,789	22,714	1.6%	-1.3%	-	1.3%	53,171
Investment Funds (FI)	1,066,705	888,037	-	1,028,580	29,951	87.8%	103.5%	-	86.6%	45,725
Value Funds (FV)	2,423,284	1,728,904	-	2,413,122	52,314	2.1%	20.4%	-	3.0%	74,668
TOTAL INVESTMENT AND VALUE FUNDS	4,140,681	3,142,911	-	4,068,490	104,979	15.6%	30.6%	-	15.8%	173,564

Financial statements subject to revision by the SFC. Figures reported until the 22nd of April 2009.

(1) Variation in assets, investment and net worth are percentage change (%), whereas profit variation is presented in absolute values in million pesos (\$m).

(2) Investment data corresponds to PUC account 1200, excluding derivatives and repurchase operations.

Financial Accounts of Financial Infrastructure Providers

Figures in million de pesos and percentages

Financial Intermediaries	Mar-2009					Annual growth ¹				
						Mar-2009 / Mar-2008				
	Assets	Investment	Loans ²	Net worth	Profit	Assets (%)	Investment (%)	Loans (%)	Net worth (%)	Profit (\$m)
Foreign Exchange Offices	58,896	1,682	-	24,217	-835	-59.1%	-45.3%	-	-68.4%	1,995
General Deposit Stores (AGD)	584,426	49,912	-	404,465	2,011	14.0%	30.1%	-	5.3%	10,959
Low-value Payment System Administrator	281,138	63,093	-	195,407	6,686	11.6%	19.9%	-	12.5%	1,075
Colombian Stock Exchange (BVC) ³	101,500	50,597	-	76,165	5,976	-7.4%	2.6%	-	-2.4%	-285
Agricultural Stock Exchange ³	65,279	31,734	-	56,627	1,493	63.5%	288.4%	-	67.7%	-586
Agricultural Stock Clearing-house ³	27,347	11,362	-	25,956	433	201.1%	333%	-	261.5%	384
Risk-Rating Agencies ³	9,182	58	-	7,036	274	48.7%	-72.4%	-	63.7%	-161
Centralized Deposit Administrator (Deceval) ³	91,662	57,033	-	51,751	5,518	20.8%	6.0%	-	7.0%	114
Stock Market Regulator (AMEV) ³	4,103	54.50	-	2,704	348	34.4%	-	-	33.7%	51
Foreign Exchange Trading System Administrator	5,938	-	-	1,941	563	118.6%	-	-	-14.8%	239
Foreign Exchange Clearing-house	2,563	652.57	-	1,837	90	18.0%	-11.7%	-	10.1%	258
TOTAL	1,232,033	266,178	-	848,106	22,556	6.5%	27.4%	-	4.4%	14,042

Financial statements subject to revision by the SFC. Figures reported until the 22nd of April 2009.

(1) Variation in assets, investment and net worth are percentage change (%), whereas profit variation is presented in absolute values in million pesos (\$m).

(2) Gross loans = Net loans + Provisions

(3) Investment data corresponds to PUC account 1200, excluding derivatives and repurchase operations.

Financial Accounts of Specialized State-Owned Institutions (IOE)

Figures in million pesos and percentages

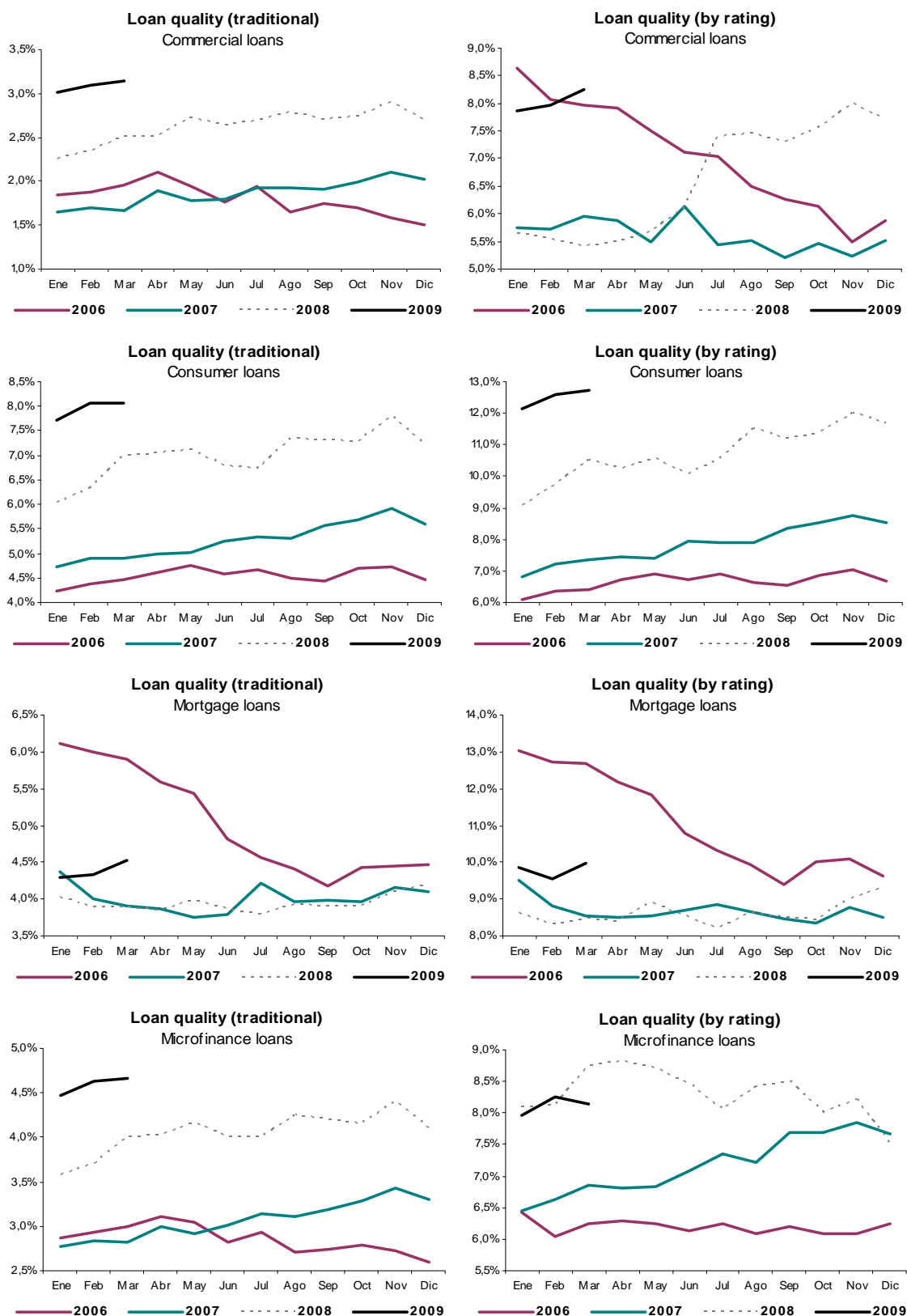
Institution	Mar-2009					Annual growth ¹				
						Mar-2009 / Mar-2008				
	Assets	Investment	Loans ²	Net worth	Profit	Assets (%)	Investment (%)	Loans (%)	Net worth (%)	Profit (\$m)
Bancoldex	6,241,152	521,852	5,728,674	1,286,151	40,136	31.3%	73.4%	31.1%	-0.8%	10,415
Findeter	4,668,206	181,006	3,938,141	754,241	8,262	37.9%	1512.0%	26.4%	7.4%	-2,193
FEN	341,375	248,363	385,078	319,674	16,206	-65.6%	-68.1%	-6.9%	-66.4%	-28,851
Finagro	5,008,003	685,890	4,207,695	489,982	16,811	23.8%	2499.6%	7.2%	19.8%	5,600
Icetex	31,492	23,181	0	15,016	1,738	4%	11%	-100%	44%	2,431
Fonade	1,118,871	755,345	4,340	108,224	3,903	-18.9%	-16.1%	-29.6%	6.5%	90
Fogafin	9,627,093	8,318,306	0	66,541	39,685	28.0%	44.5%	-	494.5%	35,328
Fondo Nacional del Ahorro	3,759,235	994,660	2,262,807	1,621,789	78,433	23.4%	3.1%	17.5%	12.8%	63,415
Fogacoop	290,367	217,052	-	58,514	9,446	16.4%	11.7%	-	19.3%	5,856
FNG	418,396	363,098	149,869	228,882	1,468	11.7%	14.4%	73.9%	-0.1%	3,102
Caja de Vivienda Militar	3,151,698	2,975,245	2,497	133,475	25,288	9.9%	12.8%	-63.6%	29.8%	27,165
TOTAL IOEs	34,655,888	15,283,998	16,679,100	5,082,488	241,377	21.0%	28.3%	20.4%	-4.1%	122,357

Financial statements subject to revision by the SFC. Figures reported until the 22nd of April 2009.

(1) Variation in assets, investment and net worth are percentage change (%), whereas profit variation is presented in absolute values in million pesos (\$m).

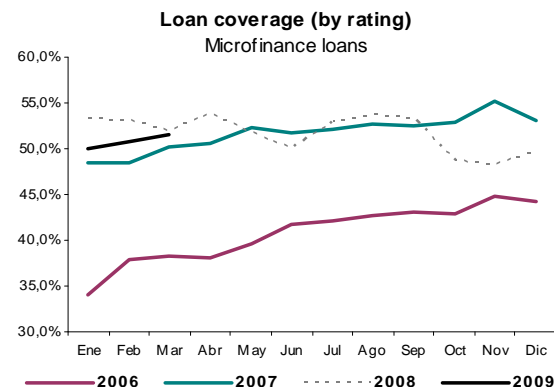
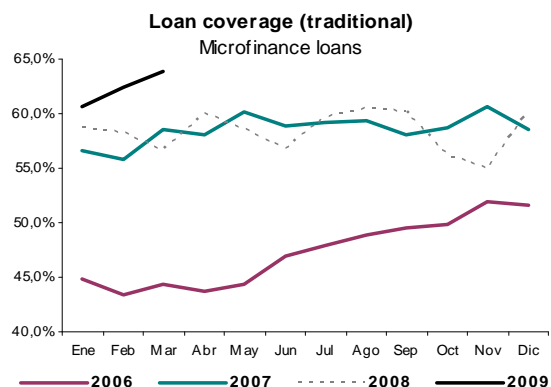
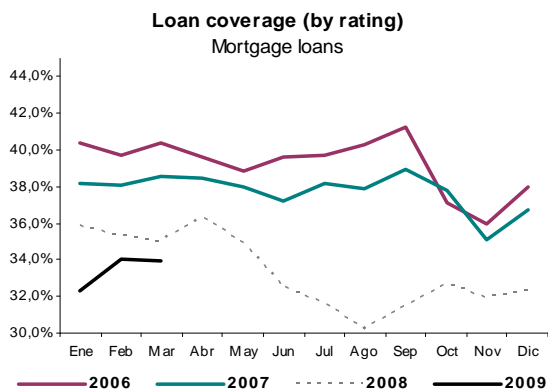
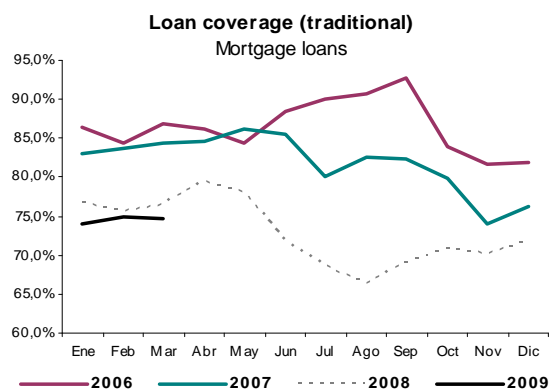
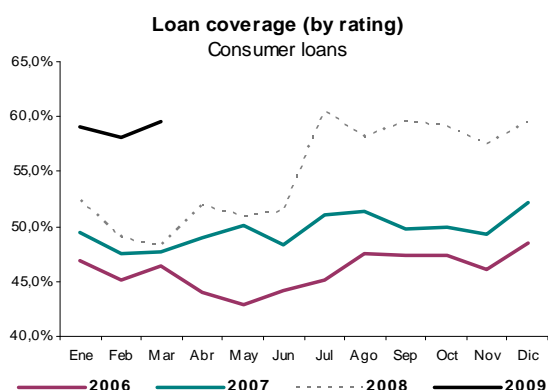
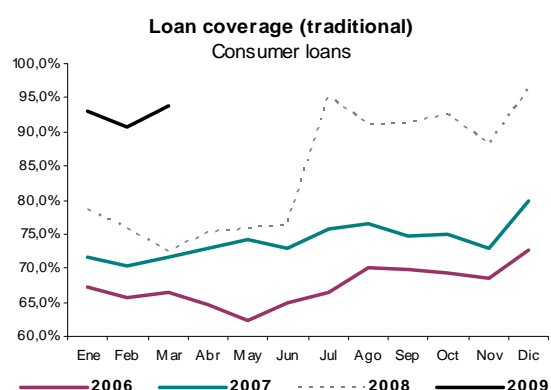
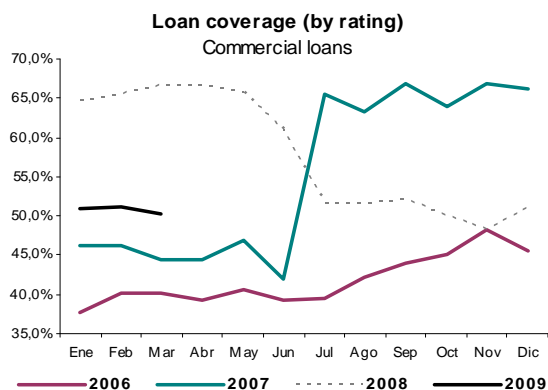
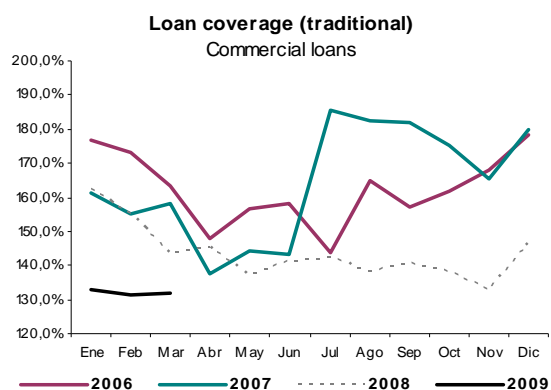
(2) Gross loans = Net loans + Provisions

APPENDIX 2: ADDITIONAL INDICATORS OF CREDIT RISK Loan Quality Indicators by Loan Type



Source: Superintendencia Financiera. Financial statements subject to revision by SFC.

Loan Coverage Indicators by Loan Type



Source: Superintendencia Financiera. Financial statements subject to revision by SFC.