

Table 1
Principal banking system indices, December 2001 to June 2015

Year	Ratio of market value to book value ^a (MV/BV)	Average yield spread between bonds of the banks and government bonds ^b (percentage points)	Ratio of credit to GDP ^{c,d} (percent)	Rate of change in balance-sheet credit to the public ^{d,e} (percent)	Annual loan loss provision to total credit to the public ^{e,f} (percent)	Ratio of credit ^{f,g} to deposits (percent)	Capital adequacy ratio ^f (percent)	Common Equity/Core Tier 1 capital ratio ^{f,h} (percent)	Equity to total balance-sheet assets ^f (percent)	ROE ^f (percent)
2001	0.91	0.7	109.3	17.9	0.84	0.81	9.4		4.9	5.6
2002	0.56	0.8	104.6	-1.1	1.32	0.83	9.9		4.9	2.5
2003	0.85	0.7	102.9	-1.7	1.12	0.82	10.3		5.3	8.3
2004	1.06	0.7	98.5	0.1	0.92	0.80	10.7		5.5	12.4
2005	1.45	0.7	99.4	6.7	0.69	0.82	10.7		5.4	14.5
2006	1.33	0.6	94.3	2.0	0.52	0.80	10.8		5.9	17.3
2007	1.21	0.9	94.3	7.7	0.28	0.85	11.0		6.1	15.6
2008	0.56	2.0	98.6	10.4	0.72	0.90	11.2		5.7	0.3
2009	1.11	1.6	92.7	-1.4	0.75	0.86	13.7 ⁱ		6.3	8.8
							13.6 ^j	7.9 ^j		
2010	1.06	1.0	92.4	7.2	0.41	0.91	14.0	8.2	6.7	9.8
2011	0.69	1.3	89.6	3.7	0.39	0.89	14.0	8.0	6.2	10.2
2012	0.78	1.0	85.6	2.1	0.41	0.87	14.9	8.7	6.6	7.9
2013	0.84	0.9	82.0	1.1	0.25	0.87	14.7	9.3	6.9	8.7
							14.2 ^k	9.1 ^k		
2014	0.72	0.9	82.6	4.3	0.15	0.85	14.2 ^k	9.2 ^k	6.7	7.3
Jun-15	0.83	1.0	81.9	3.6	0.11	0.86	13.9	9.5	7.0	10.9

^a In calculating the MV/BV ratio, the book value (BV) of the five major banks is calculated with a delay of one quarter after the market value (MV).

^b Average for December of that year.

^c Measured using gross credit.

^d Measured in relation to the entire banking system.

^e Until December 2010—net credit to the public; from December 2011—gross credit to the public.

^f The five banking groups.

^g Calculated in relation to net credit.

^h Until December 31, 2013, the banking corporations presented the Core Tier 1 capital ratio, in accordance with Basel II principles. From

ⁱ Calculated in accordance with the Basel I principles.

^j Calculated in accordance with Basel II principles.

^k Calculated in accordance with Basel III principles in accordance with the transition directives.

SOURCE: Banking Supervision Department based on Central Bureau of Statistics, the Tel Aviv Stock Exchange, the Bank of Israel, published financial statements, and reports to the Banking Supervision Department.