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The National Commercial Bank of Timor-Leste reports positive results for 2014

The National Commercial Bank of Timor-Leste [BNCTL] has reported on its performance in 2014 noting significant growth in assets, deposits and loans. With this growth and the launch of its mobile phone banking facility scheduled mid 2015, the bank, fully owned by the Government of Timor-Leste, is delivering on its mandate to provide access to financial services for Timorese individuals, micro, small and medium enterprises in both urban and rural areas.

BNCTL grew out of the Institute of Micro Finance of Timor-Leste [IMFTL] and became the first Timorese Bank when it was granted its unrestricted banking license on the 11th of July 2011 with paid up capital of \$10 million US.

The financial report to 31 December 2014, still subject to audit, shows BNCTL assets reaching \$90 million representing an 88% increase on figures for 2013. The portfolio of loans to the public reached \$26 million growing 24% and deposits from the public rose to \$64 million, an increase of 105%. Customers who were loaned money reached 17,076 and customers who made deposits at BNCTL reached 160,446. The increase in deposits and customers making deposits is regarded as a positive trend in Timor-Leste's developing economy.

In recent months BNCTL has been able to reduce its lending rates from 18% to 8-14%. Mortgage loans in 2015 will have interest rates in the range of 5-6%. With the growth of bank assets in 2014, strengthened liquidity will allow a greater amount for credit and longer-term loans. In 2015 and beyond BNCTL plans to reduce loan interest rates further while properly covering operating costs and fulfilling all Central Bank regulations.

From 2014 to 2017 priority will be given to loans for business, projects, investments, funds for services and small and medium-scale micro finance business. The proposed National Development Bank of Timor-Leste will provide a complementary role to BNCTL as it will focus on medium to large-scale business in targeted sectors whose needs are not currently met by existing financial institutions.

The Government congratulates BNCTL on its results for 2014. **ENDS**



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