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Activities of financial market participants

Review of the Credit Union Sector

2022

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Review of the credit union sector / 2022

Market participants

Lithuanian Central Credit Union (LCCU)

LCCU group assets €792.1 million

includes 45 credit unions

United Central Credit Union (UCCU)

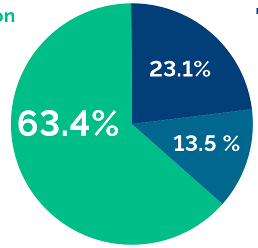
UCCU group assets €289.1 million

includes 11 credit unions

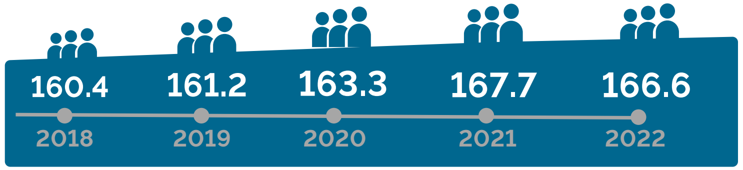
Under restructuring

Assets €168.5 million

3 credit unions in total

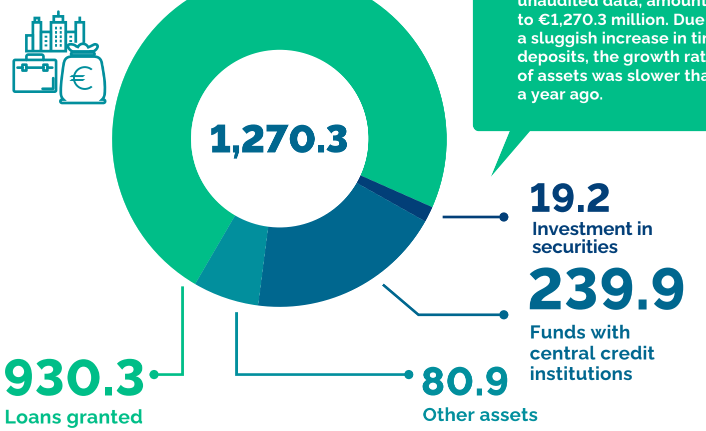


Members (thousands)



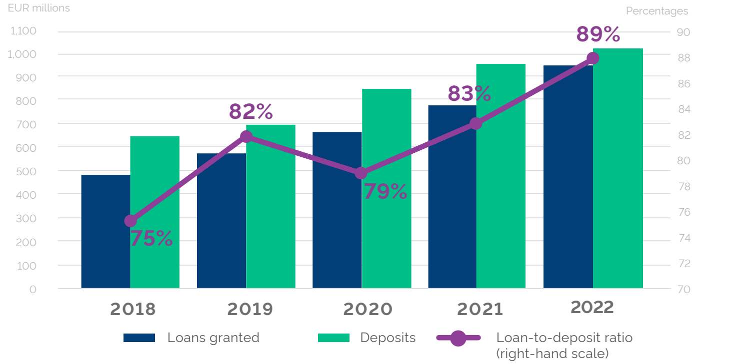
Assets (EUR millions)

In 2022, credit union assets increased by 14% and, according to unaudited data, amounted to €1,270.3 million. Due to a sluggish increase in time deposits, the growth rate of assets was slower than a year ago.



Note: Financial indicators of the credit union sector are calculated from the data of 59 credit unions, excluding central credit unions.

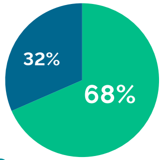
Credit union loan and deposit dynamics



Structure of deposit portfolio

€331.3 million On demand deposits

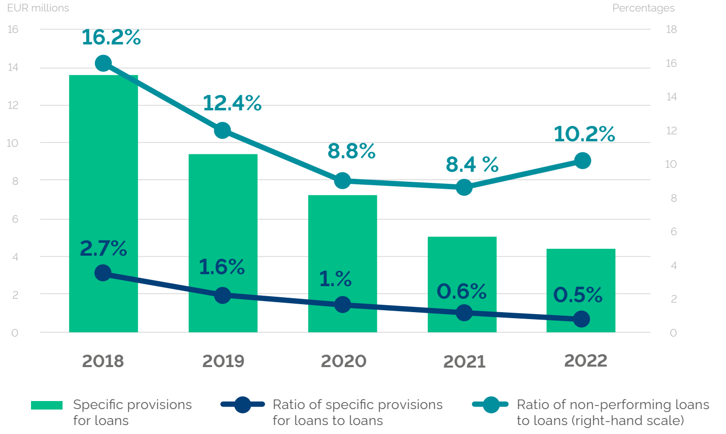
€718.8 million Time deposits



Loans +€132.5 million +16.6%

Deposits +€90.3 million +9.4%

Credit union loan quality indicators

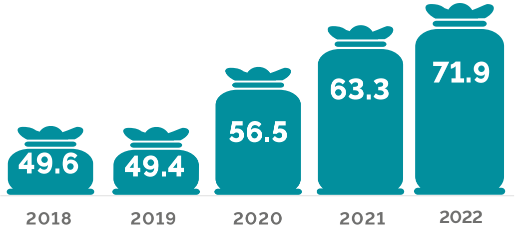


*Non-performing loans include unimpaired loans overdue for more than 60 days and impaired loans.

In 2022, specific provisions decreased -€0.5 million

Share capital

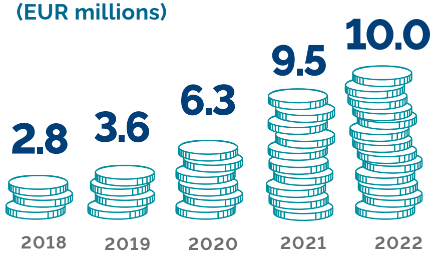
(EUR millions)



Sustainable shares, which can cover losses incurred by the credit union, increased to €70.9 million.

Profit

(EUR millions)



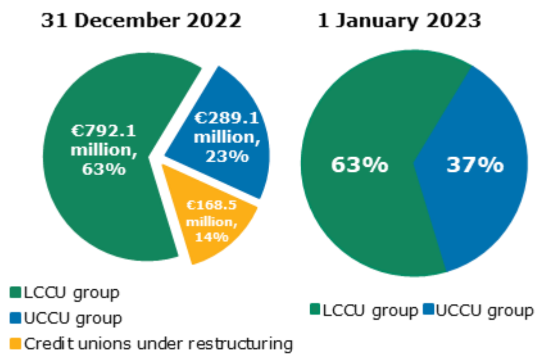
In 2022, the credit union sector earned the unaudited profit of €10 million, i.e. €0.7 million more than in 2021.

Growth in credit continued to have a positive impact on the sector's performance, and active lending activity led to an improvement in the main income items of credit unions.

In 2022, the credit union sector maintained sustained growth and increased lending to both the residential and business segments. The completed first phase of the systemic reform of credit unions strengthened cooperative banking, increased the importance of self-regulation and the role of central credit unions in achieving common goals. However, the ongoing war and the slowdown in economic activity make it necessary to closely monitor the quality of the loan portfolio and to increase capital. During the period under review, the credit union sector's assets grew by 14% and amounted to €1,270.3 million according to the data of unaudited statements. Due to the slower growth in time deposits, the pace of asset growth was slower than a year ago. Loans, which grew faster than deposits in 2022, led to an increase in the loan-to-deposit ratio which reached 89% at the end of the year (it was 83% a year ago). Loans granted by credit unions went up by 17% and deposits by 9%. As in the previous year, credit unions were more active in lending to legal entities. Increased lending was the main contributor to the operating result of the credit union sector. In the period under review, credit unions earned 26% higher net interest income and 8% higher net income from services and commissions. In 2022, the credit union sector's activities resulted in an unaudited profit of €10 million, which was €0.7 million higher than in 2021.

On 1 January 2023, the first phase of the systemic reform of credit unions came to an end, with no more credit unions operating independently. Over the transitional period (2018-2022), four credit unions (Rato Credit Union, LTL Credit Union, Saulėgrąža Credit Union and Taupa Credit Union), which had been operating on their own, joined the groups of central credit unions (CCU). On 1 December 2022, the credit union Taupa became a member of the Lithuanian Central Credit Union (LCCU) group, while the Rato Credit Union, LTL Credit Union and the credit union Saulėgrąža joined the United Central Credit Union (UCCU) group from 1 January 2023. There are currently two groups of credit unions operating in the credit union sector: the LCCU group uniting 45 credit unions, and the United Central Credit Union (UCCU) group, comprised of 14 credit unions.

Chart 1. Lithuanian credit union market composition in terms of assets



Source: Bank of Lithuania.

According to the data provided by credit unions, all credit unions complied with prudential requirements and successfully withstood the challenges related to the geopolitical situation and its negative impact on the economy.

As shown in Chart 1, following the structural changes in the credit union market (with four credit unions under restructuring joining the CCU groups), the largest share of the credit union market was still accounted for by the assets of the LCCU group.

It should be noted that, as the three credit unions under restructuring joined the UCCU group after the period under review (after 31 December 2022), the credit union market structure in force at 31 December 2022 (i.e. when the credit union market consisted of three groups: the LCCU group, UCCU group and three credit unions under restructuring) will be further used as a basis for reviewing the data of the CCU groups.

In the period under review, the assets of the LCCU group accounted for 63% of the credit union market following the accession of Taupa, the credit union under restructuring, to the LCCU group.

Central credit unions. At the end of 2022, two CCUs operated in Lithuania. They not only provided financial services but were also required to maintain liquidity of member credit unions, ensure their solvency as well as monitor and check the risks assumed by them. CCUs also have to ensure the CCU group's compliance with prudential requirements. The CCUs continued to strengthen supervision of their member credit unions, provided accounting, internal audit and other services to some of them, organised training of credit union staff and inspected their members. Exercising the right envisaged in the Republic of Lithuania Law on Central Credit Unions, the LCCU imposed enforcement measures on some member credit unions.

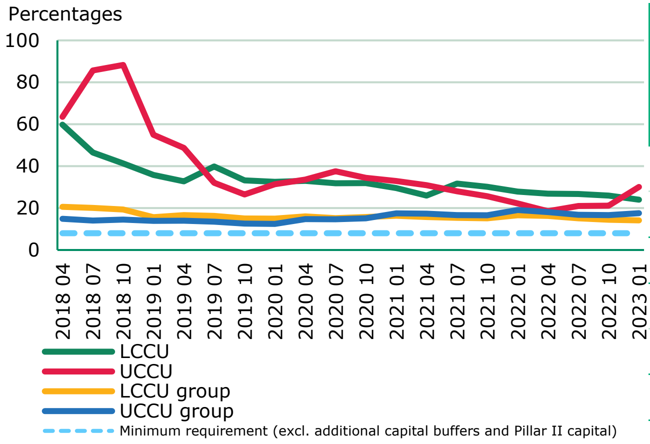
The total assets of both CCU groups exceed €1 billion and amounted to €1,081.2 million at the end of 2022, with the LCCU assets comprising the largest share (73.3%). Over the year, the assets of the CCU groups increased by €174.3 million (19.2%). This rapid growth in assets was mainly due to the accession of one credit union under restructuring to the LCCU group at the end of the period under review. Deposits in the CCU groups grew by €153.1 million (to €953.0 million) over 2022, which, as in previous periods, were the main source of funding for the CCU groups. In the period under review, the loan portfolio went up by €186.9 million (27.4%), to €868.6 million, with the largest share of loans granted to credit union members. The loan portfolio, which grew rapidly over 2022, remained the largest part of the assets of the CCU groups (80.3%). Part of monetary funds was held with the Bank of Lithuania or credit institutions. Funds held with the Bank of Lithuania amounted to €56.9 million (decreased by €28.4 million year-on-year). Another €15.6 million was held as funds with credit institutions or as cash. Debt securities investment portfolio (DIP) increased by 16.4%, to €115.2 million, over the period under review, but its share declined by 0.2 percentage points over the year, representing 10.7% of the assets of the CCU groups (10.9% in 2021).

The liabilities of the LCCU and UCCU groups at the end of 2022 amounted to €990.1 million and were €159.7 million (19.2%) higher than in 2021. The share of deposits by credit union members comprised 96.3% of total liabilities of the CCU groups at the end of the year, while the ratio of loans to members and deposits by members was 91%. The equity of the CCU groups amounted to €91.0 million at the end of the period under review.

Both CCU groups finished 2022 profitably. In total, the CCU groups earned the unaudited net profit of €8.9 million, which was €1.6 million higher than a year ago. The increase in credit and the monetary policy decisions taken by the European Central Bank during the period under review to raise interest rates in order to curb the rise in inflation led to an increase in net interest income (32%), which had a favourable impact on the operating result of the CCU groups. The main contributor to decreasing the profit of the CCU groups was the growth in loan impairment expenses which amounted to €2.5 million at the end of the period under review (in 2021, the CCU groups incurred €0.7 million of such expenses).

Chart 2. CCU capital adequacy ratios

(1 April 2018 - 1 January 2023)



Source: Bank of Lithuania.

Table 1. CCU capital adequacy ratios

(percentages)

Indicator	01/01/2022 value	01/01/2023 value	Requirement
LCCU	27.87	24.00	12.9
UCCU	22.18	30.08	13.5
Total	**26.96**	**24.88**	**–**
LCCU group	16.54	14.14	11.84
UCCU group	19.08	17.59	13.4
Total	**17.27**	**15.07**	**–**

Source: Bank of Lithuania.

Both CCU groups complied with the capital adequacy requirements set for them, as indicated in Table 1. Compared to 2021, the value of the overall capital adequacy ratio of CCU groups decreased by 2.2 percentage points to 15.1% at the end of the reporting period, due to the increase in the capital requirement to cover credit risk. CCU groups boosted their capital base by including the operating profit for 2021 in it and by share contributions from members of credit unions, also the groups attracted external capital in the form of subordinated loans the amount of which was €6.2 million at the end of the period in question. In addition to the above-mentioned capital strengthening measures, the CCU groups also attracted external capital in the form of subordinated bonds. At the end of the period under review, the amount of subordinated bonds in the CCU groups stood at €1.1 million.

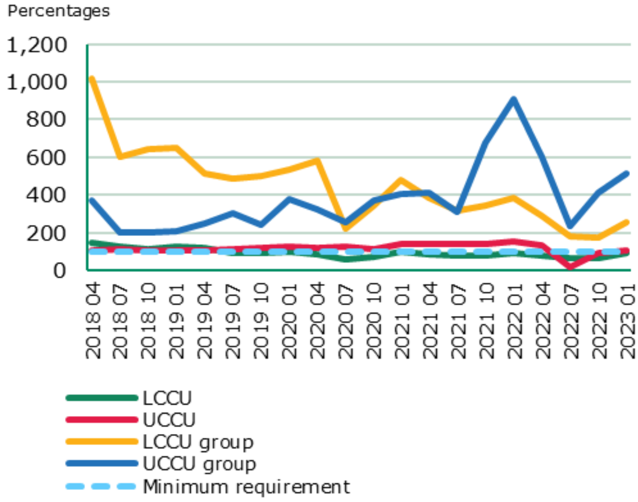
It should be noted that as of 1 May 2022, the country's state-level emergency situation related to the COVID-19 pandemic ended, which also meant the end of the COVID-19 containment measures announced by the Bank of Lithuania where it had granted a temporary exemption from compliance with the combined capital buffer requirement to its directly supervised institutions. In the case of CCU groups, the latter requirement consists of capital conservation (2.5%) and countercyclical capital (0.0%) buffers. It should also be noted that the countercyclical capital buffer rate was increased to 1% by the resolution of the Board of the Bank of Lithuania of 30 September 2022. This rate shall be complied with by the CCUs from 1 October 2023.

In addition to the above-mentioned changes to the combined capital buffer requirements, one additional combined capital buffer requirement should be mentioned: a sectoral systemic risk buffer of 2% for the housing loan portfolio came into force for the CCU groups from 1 July 2022. The capital buffer is calculated on the basis of the size of exposures of real estate mortgages to natural persons in Lithuania instead of the size of all exposures. According to the data of the CCU groups as at 1 December 2022, this amounted to 0.5% of the total risk-weighted exposure of the CCU groups.

While the COVID-19 pandemic, which had been raging since 2020, did not have a significant impact on the operating result of the CCU groups (the CCU groups were able to increase profits in both 2020 and 2021), the outbreak of the war in Ukraine in February 2022 had a significant impact on the macroeconomic outlook. The CCU groups ended 2022 in profit and exceeded the result of the previous year, however, the significant growth in inflation and the uncertainty of the economic environment may have a negative impact on the financial indicators of the CCU groups in the future, and in view of this, and of the increasing combined capital buffer requirement, it is important for the CCU groups to continue to focus on increasing their capital and ensuring the maintenance of an adequate capital level.

In 2022, the liquid asset reserves held by the CCU groups continued to be high and liquidity was high. The cooperative model of CCU groups predetermines the funding of CCU groups' activities through sustainable deposits held by members of credit unions. Over the period under review, CCU loans to members grew faster than deposits, resulting in a slight decrease in the liquidity of the CCU groups. Fluctuations in liquidity are influenced by seasonal factors, which lead to a decrease in liquidity in the first half of the year and an increase in the second half of the year. Moreover, as the UCCU group was found to have developed the institutional protection scheme compliant with the conditions set forth in Article 113(7) of Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (hereinafter – Regulation (EU) No 575/2013) in the period under review, the liquidity coverage ratio (LCR) requirement at solo level was reduced by half. The liquid assets accumulated by CCU groups (funds held with the Bank of Lithuania, government securities issued by the EU countries and cash) were almost three times higher than the net liquidity outflow. The main liquidity ratio of the CCP groups, the LCR, was 305%, well above the minimum requirement of 100%. (see Table 2).

Chart 3. Liquidity coverage ratios of CCUs
(1 April 2018 - 1 January 2023)



Source: Bank of Lithuania.

Table 2. Liquidity coverage ratios of CCUs
(percentages)

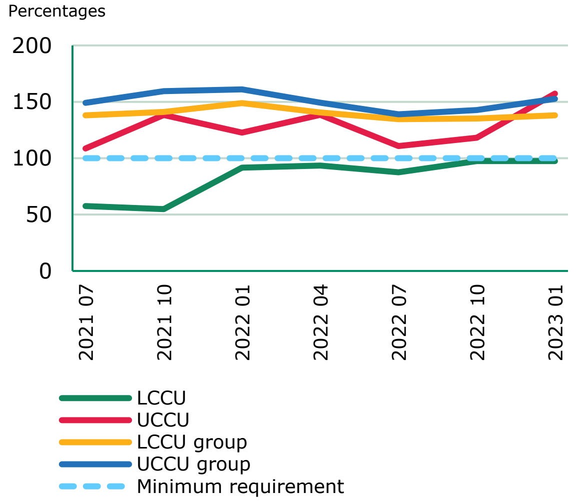
Indicator	01/01/2022	01/01/2023	Requirement
	value		
LCCU	91.5	89.4	50*
UCCU	150.9	104.2	50*
Total	**105.5**	**93.5**	**–**
LCCU group	387.2	257.0	100
UCCU group	908.0	511.0	100
Total	**483.8**	**305.0**	**–**

Source: Bank of Lithuania.

* Under the decision of the Bank of Lithuania, the LCCU and UCCU are subject to the LCR requirement set out in Article 412 of Regulation (EU) No 575/2013 on an individual basis, which is at least 50%.

The second mandatory liquidity requirement: the net stable funding ratio (NSFR), which measures the liquidity of credit institutions over the longer term, i.e. CCU groups, like banks, must have sufficient stable funding to cover their funding needs for a period of one year under both normal and stressed conditions. The CCU groups complied with the NSFR with a safety margin of 141.7% at the end of the reporting period (see Table 3).

Chart 4. Net stable funding ratios of CCUs (1 July 2021 - 1 January 2023)



Source: Bank of Lithuania.

Table 3. Net stable funding ratios of CCUs (percentages)

Indicator	01/01/2022 value	01/01/2023 value	Requirement
LCCU	91.6	97.4	50*
UCCU	122.7	157.3	50*
Total	**95.5**	**107.1**	**–**
LCCU group	148.8	138.0	100
UCCU group	161.0	152.6	100
Total	**152.0**	**141.7**	**–**

Source: Bank of Lithuania.

* Under the decision of the Bank of Lithuania, the LCCU and UCCU are subject to the NSFR requirement set out in Article 428b of Regulation (EU) No 575/2013 on an individual basis, which is at least 50%.

The structural adjustments in the LCCU group led to an increase in the share of non-performing loans of the CCU groups by 0.6 percentage points, to 6.7% (the share of non-performing loans of non-financial corporations was 8.3% of the portfolio and that of households was 6.0%) The ratio of loans to special provisions increased from 1.5% to 1.7%, whereas the indicator of coverage of non-performing loans with specific provisions declined by 0.45 percentage points to 15.98%.

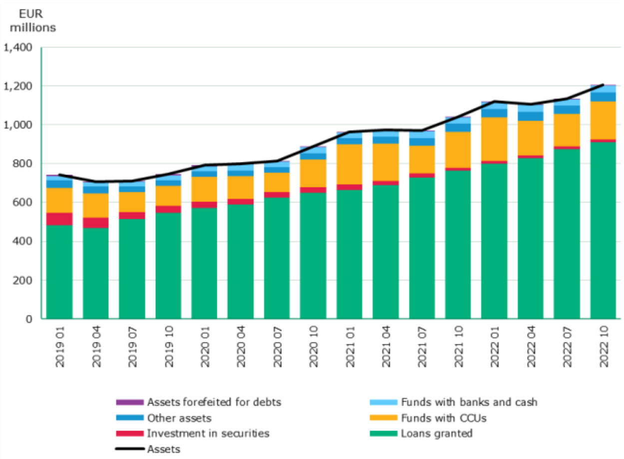
Stabilisation funds administered by CCUs accumulate resources to be used for restoring solvency of group members, if necessary. At the end of 2022, the LCCU and the UCCU stabilisation funds amounted to €7.0 million and €1.6 million respectively. In 2022, the LCCU and its members paid €1.7 million in mandatory contributions to the stabilisation fund and the resources from the LCCU stabilisation fund were not used to finance measures for ensuring solvency of member credit unions. The resources from the UCCU stabilisation fund were not used to finance measures for ensuring solvency of member credit unions in period under review either, its amount changed by €0.5 million after the UCCU and its members paid mandatory contributions to the stabilisation fund. It should be noted that by 2028, the amount no lower than 1% of the assets of the LCCU, UCCU and their member credit unions should be accumulated and held in the stabilisation funds of both CCU groups. At the end of the period under review, the LCCU stabilisation fund comprised 0.66% and the UCCU stabilisation accounted for 0.42% of the amount of assets of a respective CCU and its members.

Credit unions. On 1 January 2023, financial and supervisory reports were submitted to the Bank of Lithuania by 59 credit unions that united 166.6 thousand members. In addition to their head offices, credit unions also provided their services via 74 branches. The process of credit union mergers, which started a few years ago, continues. In 2022, Trakai Credit Union was granted consent to merge with Magnus Credit Union, and the merger process is still ongoing this year.

In 2022, the assets of credit unions grew by 14% (by 16% in 2021) and according to unaudited statements, amounted to €1,270.3 million or 2.2% of the banking sector's assets (2.6% a year ago). The change in the volume of assets of the credit union sector was driven by a growth in time and demand deposits and an increase in the scope of borrowing from CCUs. In the first half of 2022, the rate of growth of credit union assets was faster than in 2021, but it slowed in the second half of the year.

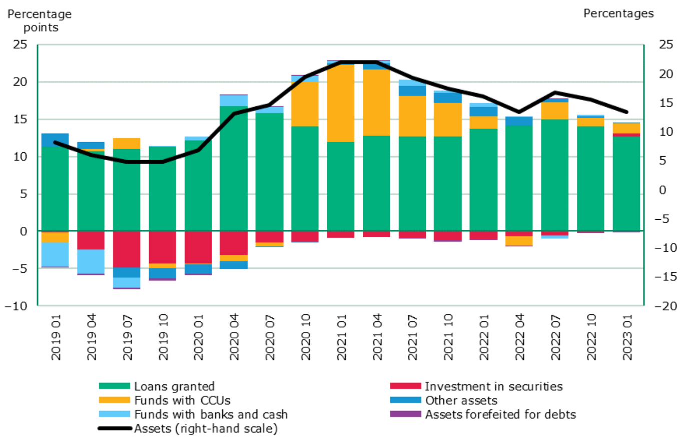
As demonstrated by the data submitted, the biggest growth in 2022 was again observed in credit union lending, with credit unions' investment in securities also increasing. As lending slowed down in the last quarter of 2022, some credit unions increased their investments in securities. However, no essential changes were observed in the composition of credit union assets. Loans granted continued to account for the largest share of assets, whereas the share of investment in securities went up to 1.5% of credit union assets. In 2022, the share of loans granted in assets increased by 2 percentage points, while the share of funds held with CCUs declined to 18.9% (it stood at 20.1% in 2021). During the period under review, credit unions' other assets grew at a slower pace than in 2021 and their share was insignificant at around 1% of total assets. In 2022, other assets grew by €2.9 million (€5.6 million in 2021) to €14 million. Credit unions' investments in the CCU capital went up by €3.6 million or 24.2%, but their share stood at 1.4% of the assets and remained similar as a year ago.

Chart 5. Composition of credit union assets
(1 January 2019 - 1 January 2023)



Source: Bank of Lithuania.

Chart 6. Contributions to the annual change of credit union assets
(1 January 2019 - 1 January 2023)



Source: Bank of Lithuania.

At the end of 2022, loans granted by credit unions to their members and associated members amounted to €930.3 million, of which, €659.5 million were granted to natural persons and €270.8 million were granted to legal entities. In the period under review, the net value of loans granted by credit unions grew by €132.5 million or 16.6%, and their share in the asset structure of credit unions went up by 2 percentage points (to 73%), compared with an increase of €132.8 million or 20% observed a year ago.

As per reported data, the increase in the volume of lending by credit unions was driven by growth in lending to both natural and legal persons, but the rate of lending to legal persons was faster for the second consecutive year. Loans to natural persons grew by €61 million or 10.2% and loans to legal persons went up by €71.5 million or 35.9% (€68.6 million or 12.9%, and €64.2 million or 47.5% respectively in 2021). More active lending to legal entities led to a change in the composition of credit union loan portfolio: the share of loans to natural persons declined, comprising 71% of the loan portfolio by the end of 2021 (75% a year earlier).

The quality of credit unions' loan portfolio remained stable, but some indicators deteriorated slightly. In 2022, the specific provisions against loans fell by 9.7% and the ratio of special provisions to loans dropped to 0.5% (0.6 % a year ago). The volume and share those who were late to repay their loans increased, with the volume of loans overdue by more than 60 days rising from €15.5 million to €19 million and their share growing from 1.9% to 2%. Accordingly, the share of non-performing[1] loans calculated for credit unions increased to 10.2% of the loan portfolio (8.4% a year ago). As per submitted data, the volume and share of

[1] Non-performing loans include unimpaired loans overdue for more than 60 days and impaired loans.

loans assigned to the riskier groups (Groups IV and V) in the loan portfolio grew. These loans accounted for 11.2% of the loan portfolio (9.7% a year ago). This was mainly influenced by changes in the loan portfolio of one credit union, the elimination of which would put the share of loans classified as higher risk at 8.5%. However, continuing adverse risks and prevailing uncertainty may have a negative impact on credit unions' loan portfolio, which is why adequate credit risk management continues to be relevant.

As in the previous year, loans, which grew faster than deposits in 2022, led to an increase in the loan-to-deposit ratio which accounted for 89% at the end of the year (83% a year ago). As mentioned above, loans granted by credit unions went up by 16.6% and deposits by 9.4% (20 and 13.8% respectively in the previous year). In the period under review, deposits rose by €90.3 million. They were used to finance 83% of credit union assets.

As at 1 January 2023, deposits amounted to €1,050.2 million, of which time deposits stood at €718.8 million and demand deposits totalled €331.3 million. In 2022, an increase was observed both in time deposits and demand deposits. In the second half of 2022, as credit union members started to receive funds for the sales of agricultural production, demand deposits grew and they did it faster than in the previous year They increased by €35.6 million or 12% over the period under review and by €23.6 million or 8.7% in 2021. Fixed-term deposits of credit unions grew at a slower pace than in 2021. In the period under review, fixed-term deposits went up by €54.7 million or 8.2% (€92.4 million or 16.2% in 2021), and comprised 68% of total deposits as of 1 January 2023 (69% of total deposits a year ago). Deposits of natural persons accounted for the largest share of the deposit portfolio (90%), since members of credit unions continue to choose deposits as a means of saving and investment.

According to the reported data, 35 credit unions raised their interest rates on time deposits in euro with a maturity of 12 months, with the average interest rate for these deposits standing at around 1.3% (1.1 % a year ago). Owing to a rapid expansion, the need for working capital increased in some credit unions, therefore, they actively borrowed from CCUs. In 2022, credit unions' indebtedness to CCUs grew significantly faster than in the previous year, with credit unions' indebtedness to the CCU rising by €43.4 million (€14 million a year ago), to €97 million as at 1 January 2023. This debt consisted of loans for working capital and subordinated loans.

According to the data provided by credit unions, their share capital increased by €8.6 million or 13.6% in 2022, amounting to €71.9 million as of 1 January 2022. The increase in share capital is attributable to the increasing capital requirements as the volumes of credit unions' lending grow. The increase in share capital was strongly influenced by the increase in the share capital of one credit union seeking a specialised bank licence. According to the reported data, sustainable shares of credit unions, which can be used to cover the losses incurred by credit unions, increased to €70.9 million, whereas their share comprised 99% of the share capital at the end of the period under review (sustainable shares of 10 credit unions account for 100%). Unsustainable additional shares comprising another portion of the share capital, which as of 1 January 2018 are not included in a credit union's adjusted capital used for the calculation of capital-related prudential requirements, can be returned to members who apply for their return, without permission of the Bank of Lithuania. On 1 January 2023, credit unions still had unsustainable additional share capital amounting to €1 million. The growth in share capital is an important instrument for increasing the capitalisation level of credit unions, while another important instrument, an increase in borrowed capital, also preserved its upward trend. In 2022, credit unions' borrowed capital increased by €2.9 million. In addition to the subordinated loans mentioned above, two credit unions took the opportunity to increase their capital by issuing non-equity securities (bonds).

In 2022, the credit union sector's activities resulted in an unaudited profit of €10 million (€9.3 million of audited profit in 2021). 56 credit unions that operated profitably earned a profit of €10.2 million, while 3 credit unions incurred a loss of €0.2 million.

Despite the worsening economic outlook, credit unions performed better than a year ago, which was due to a significant increase in net interest income as well as net fee and commission income.

Growing lending contributed to an improvement in the main income and expense items of credit unions. The comparison of the developments in income and expenses of credit unions in 2022 with the audited figures for 2021 reflects that credit unions earned 26% higher net interest income and 8% higher net income from services and fees in 2022. The recovery in the value of credit union loans, amounting to €0.6 million in 2022, had a lower impact on the operating result than a year earlier (€1.5 million in 2021).

As reflected by the data provided to the Bank of Lithuania, credit unions received 25% more interest income in 2022 than in 2021, mainly on loans to credit union members and associated members. Like in the previous year, interest income comprised the largest share of credit union income (82%). Operating expenses comprised the largest share of expenses in the period under review (61%), which increased by 17% compared to 2021 and 49.7% of total income was needed for their coverage (a year ago, 50.7%). As of 1 January 2023, 17 credit unions have accumulated €3.2 million in unappropriated loss from the previous year, therefore, the issue of improving operational efficiency is still relevant for them.

According to the unaudited report data as of 1 January 2023, all credit unions complied with prudential requirements. Information on each credit union's key annual and quarterly performance indicators as well as on their compliance with prudential requirements is published on the website of the Bank of Lithuania.

Annex. Key performance indicators for the credit union sector

Table 1. Main items of the balance-sheet statement of the CCUs and CCU groups (as of 31 December 2022)

No	Indicator	CCUs			CCU groups		
		Amount, EUR millions	Change, %		Amount, EUR millions	Change, %	
		01/01/2023	Q4 2022	Over the year	01/01/2023	Q4 2022	Over the year
1.	Assets	341.3	13.5	13.3	1,081.2	12.8	19.2
1.1.	Debt securities	101.8	17.1	12.6	115.2	22.7	16.4
1.2.	Equity securities	5.9	16.5	30.7	5.9	16.5	30.8
1.3.	Cash	0	0	0	3.8	1.3	10.5
1.4.	Funds with central banks	57.3	94.5	-33.9	56.9	93.8	-33.3
1.5.	Funds with credit institutions	95.4	-8.0	68.8	11.8	17.2	-30.7
1.6.	Loans to customers	77.8	7.9	29.8	868.6	8.7	27.4
1.6.1.	Other financial corporations	0.1	-13.3	-20.7	0.1	-13.3	-20.7
1.6.2.	Non-financial corporations	68.3	8.8	33.8	284.4	19.3	58.5
1.6.3.	Households	9.4	2.6	7.4	584.1	4.2	16.3
1.6.3.1.	o/w loans for house purchase	4.9	4.3	20.1	263.9	-10.4	5.1
1.7.	Other asset positions	3.0	-10.4	2.0	19.0	11.6	19.6
2.	Liabilities and equity	341.3	13.5	13.3	1081.2	12.8	19.2
2.1.	Deposits of central banks	2	-75.0	–	2	-75.0	–
2.2.	Liabilities to credit institutions	234.6	29.6	6.7	0.2	-96.9	-23.8
2.3.	Deposits	49.0	-22.6	55.6	953.0	14.3	19.1
2.3.1.	Other financial corporations	48.3	-23.6	57.5	76.3	-0.5	61.5
2.3.2.	Non-financial corporations	0.7	1927.3	-14.8	53.4	5.9	30.5
2.3.3.	Households	0.01	42.9	0.0	823.3	16.5	15.7
2.4.	Issued debt securities	1.1	–	–	1.2	–	–
2.5.	Other liability positions	27.6	16.4	7.1	33.8	21.2	11.5
2.6.	Total equity	26.9	9.9	12.9	91.0	9.7	19.2
2.6.1.	Profit (loss) for the current year	1.8	–	–	8.9	–	–

Source: Bank of Lithuania.

Table 2. Dynamics of performance indicators of the credit union sector

No	Indicator	Amount, EUR millions			Change, %	
		01/01/2022	01/10/2022	01/01/2023	Q4 2022	Over the year
1.	Assets	1,119.7	1,204.8	1,270.3	5.4	13.5
2.	Cash	3.7	3.8	3.7	-3.2	–
3.	Funds with banks	30.2	30.8	29.9	-2.9	1.0
4.	Funds with CCUs	225.1	198	239.9	21.2	6.6
5.	Government securities	15.4	13.9	19.2	38.6	24.9
6.	Loans granted	797.8	909.8	930.3	2.3	16.6
7.	Specific provisions for loans	4.8	4.2	4.3	1.2	-9.7
8.	Ratio of specific provisions for loans to loans (%)	0.6	0.5	0.5	–	–
9.	Debt to CCU	53.6	104.6	97.0	-7.3	81.1
10.	Deposits	959.9	985.1	1050.2	6.6	9.4
10.1	Credit union members and associated members	955.4	974.5	1039.2	6.6	8.8
11.	Share capital	63.3	66.3	71.9	8.4	13.6
12.	Profit (loss) for the current year	9.3	8.1	10.0	–	–

Source: Bank of Lithuania.