

SEE-5 Banking Sector Overview 2023 & Outlook

SPECIAL ISSUE

JUNE 2024

- Romania
- Bulgaria
- Serbia
- North Macedonia
- Albania

**NATIONAL BANK
OF GREECE**



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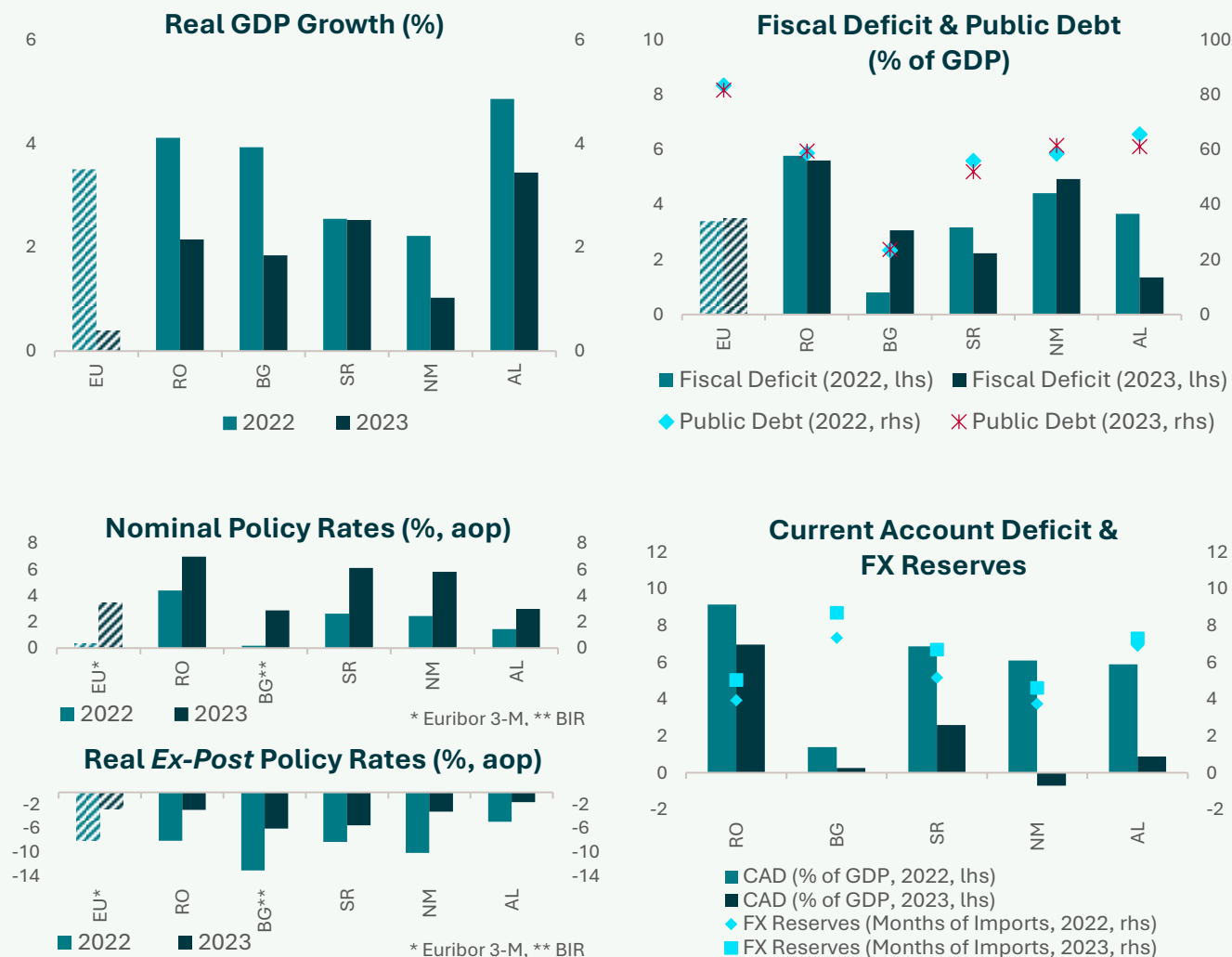
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Macroeconomic Environment - 2023 Overview

- SEE-5 economies saw GDP growth moderating in 2023 (to a still healthy 2.2% from 3.8% in 2022), mainly on the back of tight financing conditions and still high -- yet gradually declining -- inflation. Nonetheless, all the economies under review continued to outperform the EU average (up by a mere 0.4%). Robust growth in private consumption, on the back of tight labour market conditions and a loose incomes policy, was the key engine of economic expansion
- The correction in global energy prices following their surge in the wake of the Russia-Ukraine conflict, together with the impact of the measures adopted by authorities to contain the rising cost of living, helped lower headline inflation in SEE-5 in 2023 (to 10.3% on average, down from the record-high of 13.5% in 2022, yet still above its pre-pandemic average of less than 3.0%)
- Against the backdrop of elevated inflation and considerable upside inflation risks, all regional central banks continued hiking rates in 2023, while withdrawing the excess liquidity injected in the market during the pandemic
- Fiscal consolidation decelerated or even halted in 2023, with budget deficit remaining above its pre-pandemic level in all the economies under review (barring Albania). Slowing tax revenue growth, on the one hand, and increased discretionary spending (to fund schemes cushioning the impact of high inflation and hikes in public sector wages and pensions) and interest payments, on the other hand, were the main drivers behind this performance. Despite elevated budget deficits, public debt dynamics continued to benefit from solid nominal GDP growth, with the underlying ratios remaining close (Albania, N. Macedonia) or below the 60% of GDP threshold (Romania, Bulgaria and Serbia)
- Favourable global commodity price developments drove a correction in current account deficits and further strengthening of FX reserve positions in all the economies under review

Economic growth in SEE-5 moderated to still healthy rates in 2023, continuing to outperform the EU average

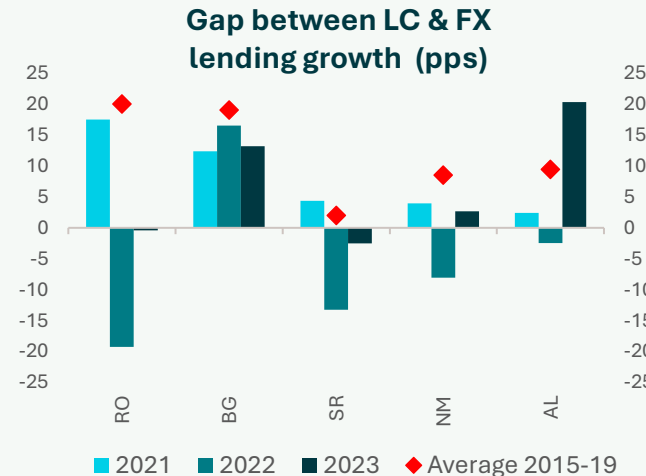
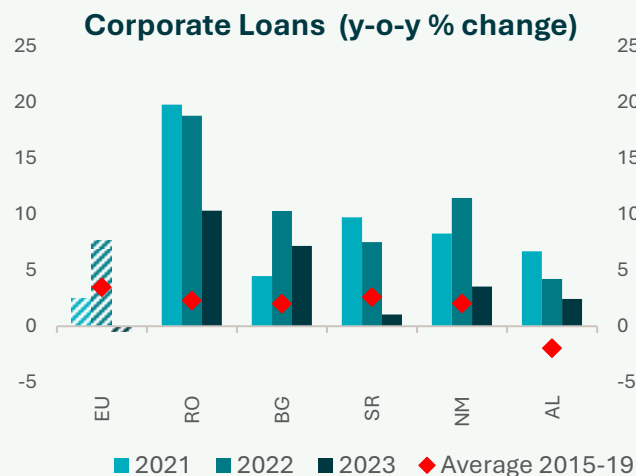
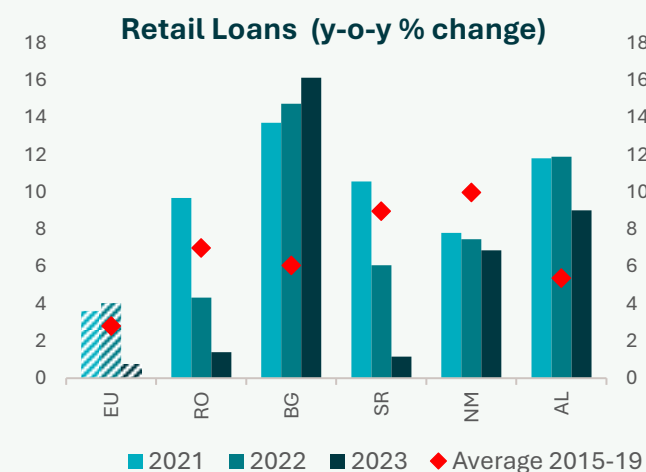
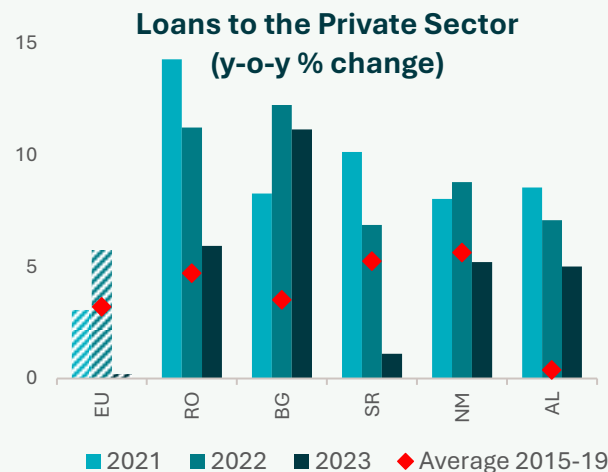


Sources: EBA, National Central Banks & NBG estimates

Banking Sector Activity - 2023 Overview

Credit expansion eased, on the back of tightening financing conditions

- Lending growth slowed-down markedly in SEE-5 (except Bulgaria), as higher interest rates weighed on credit demand, and banks adopted more stringent lending standards -- dictated, *inter alia*, by central banks' ambitious macro-prudential measures. The latter include hikes in banks' reserve requirement rates (Bulgaria, Serbia) and increases in countercyclical capital buffers. Still, the pace of credit expansion in all the economies under review (except Serbia) did not fall below its pre-pandemic average
- The deceleration in growth of household lending was driven by the mortgage segment in all the banking systems under review, barring that of Bulgaria, where strong demand for real estate (both for residential and investment purposes) and abundant credit supply sustained mortgage lending growth
- Weaker corporate lending growth was in line, *inter alia*, with moderating inflation, which, in turn, translated into slower growth in short-term (working capital) financing needs. In Serbia, corporate lending growth was affected by a negative base effect from the maturing of loans granted under state guarantee schemes
- Foreign currency (FX)-denominated lending growth fell behind local currency (LC)-denominated lending growth in most of the economies under review, in line with lower FX needs following the correction in global commodity prices. Although FX loans come at a lower interest rate cost compared with LC loans, growth in LC traditionally exceeds that in FX, reflecting central banks' efforts to contain euroization. In this context, the central bank of North Macedonia raised further banks' required reserves on FX-denominated liabilities in 2023

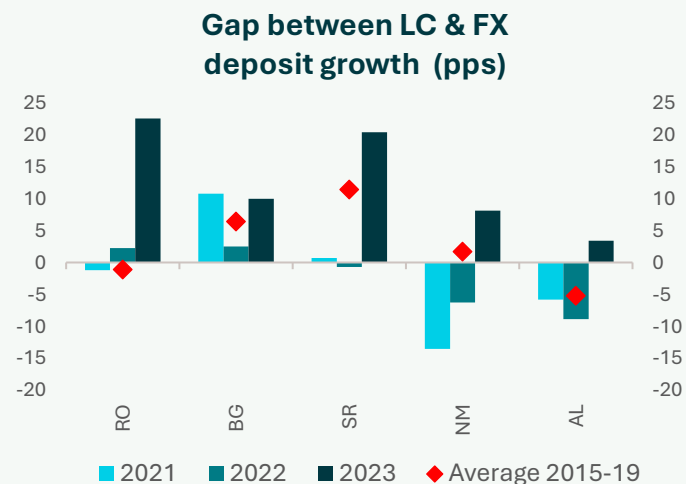
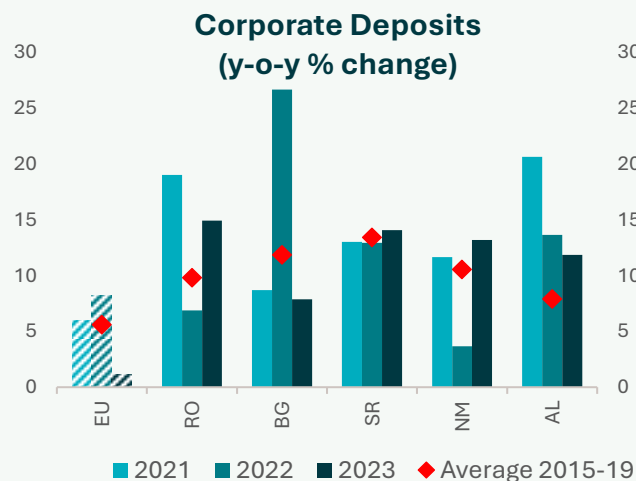
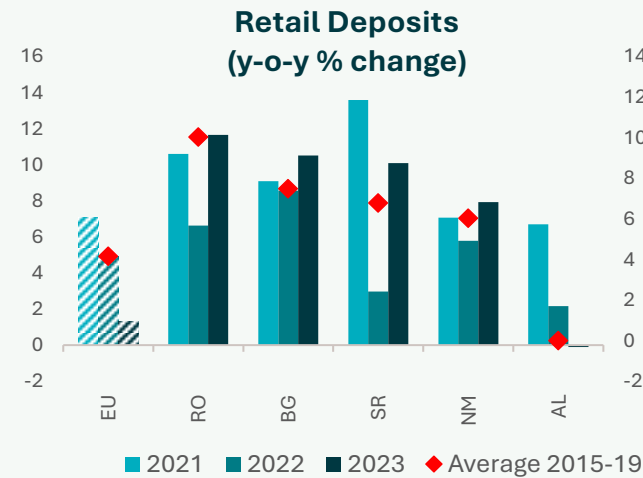
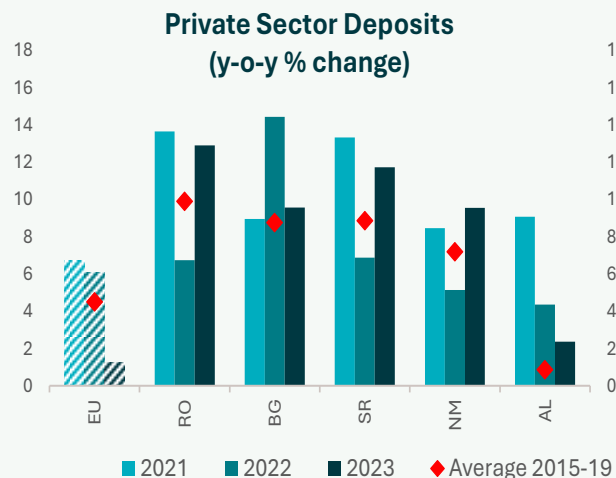


Sources: EBA, National Central Banks & NBG estimates

Banking Sector Activity - 2023 Overview

... while deposit growth picked-up

- The easing of the cost-of-living crisis, as reflected in the moderation of inflationary pressures, amid healthy economic growth rate, and rising deposit interest rates in real terms, allowed households & corporates to accumulate financial savings at a faster pace in 2023 (yet still below that of GDP growth) in most of the economies under review
- In Bulgaria, the sharp deceleration in corporate deposit growth was largely attributed to a negative base effect from the unwinding of the generous energy subsidy scheme to businesses
- In Albania, the slowdown in deposit growth, mostly reflects the impact of the appreciation of the Lek (up c. 10% against the EUR) on FX deposits (accounting for more than 50% of total deposits)
- Deposit growth in LC outpaced that in FX in all the economies under review, reflecting much stronger GDP growth in SEE-5 versus its main trade partner, the EU, higher LC interest rates as well as returning confidence in domestic currencies
- Lending growth exceeded deposit growth in Bulgaria and Albania, suggesting, *inter alia*, a relatively weak transmission of monetary policy tightening, on the back of abundant liquidity in the market, and strong competition among banks. In Romania, Serbia and North Macedonia lending growth lagged deposit growth, resulting in a further strengthening of domestic banks' liquidity position (see also the "Banking (Under)Penetration in SEE-5" section)

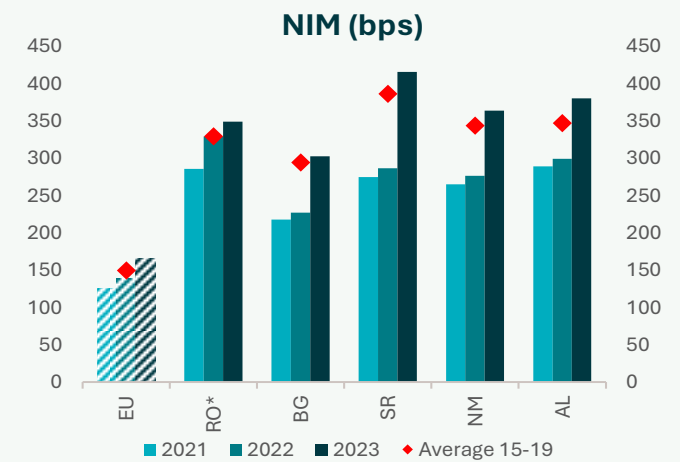
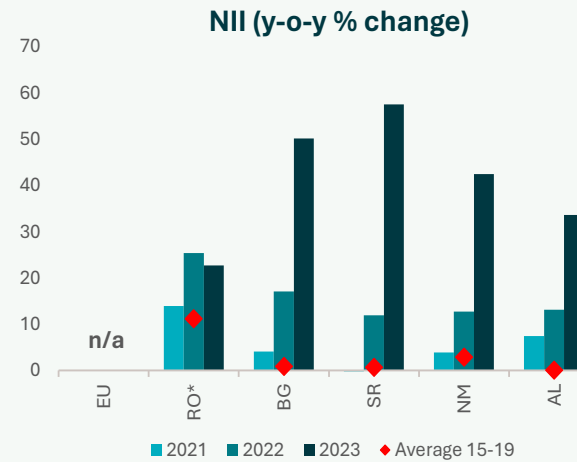
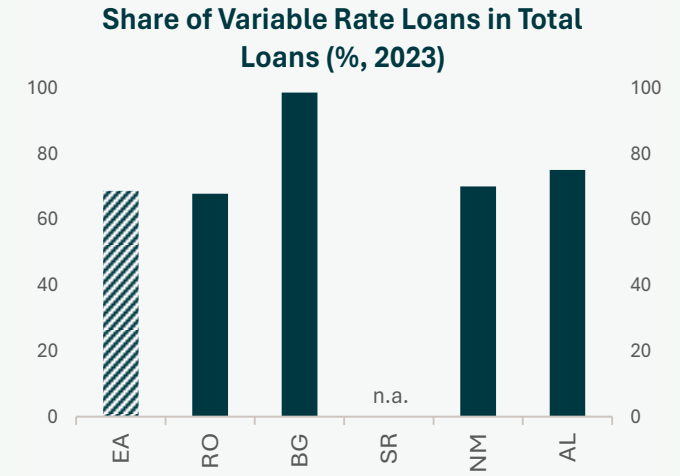
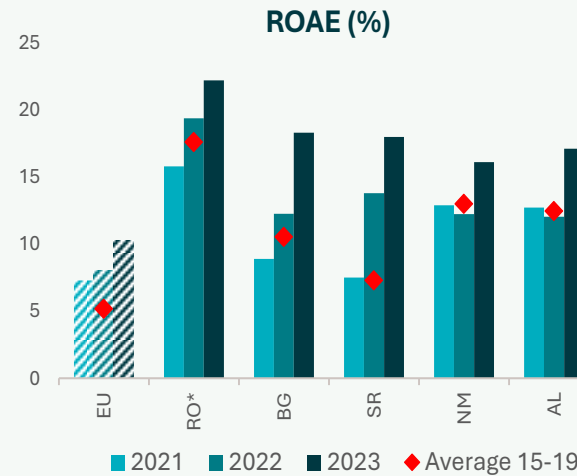


Sources: EBA, National Central Banks & NBG estimates

Banking Sector Profitability - 2023 Overview

Profitability rose to record-high levels in 2023, driven by rising NII, on the back of higher interest rates

- Against the backdrop of the most aggressive interest rate hiking cycle in recent history and yet positive GDP growth, bank profitability rose to record-high levels in SEE-5, with Return On Average Equity (ROAE) continuing to outperform EU standards
- The main driver was the surge in net interest income (NII). The latter accounts for the bulk of pre-provision income in all the banking systems under review (with respective shares ranging from c. 65% in Romania to slightly less than 80% in Albania, well above the EU average of 60%)
- SEE-5 banks' net interest margin (NIM) strengthened markedly in 2023, in line with fast repricing not only of their (floating-rate dominated) loan portfolio but also of their large cash balances held with central banks. At the same time, funding costs were adjusted slowly reflecting banks' traditional deposit-based funding business model and strong liquidity position
- Serbian banks enjoyed the largest NIM (c. 415 bps), while Bulgarian banks the lowest (c. 305 bps), with the latter being nearly double that of EU banks. In Serbia, NIM could have been even wider without NBS's measures alleviating borrowers from the burden of high interest rates
- Albeit moderating, (positive) credit expansion added to robust NII growth
- Net non-interest income (NNII, mainly fees & commissions) also picked-up in 2023, in line with economic growth



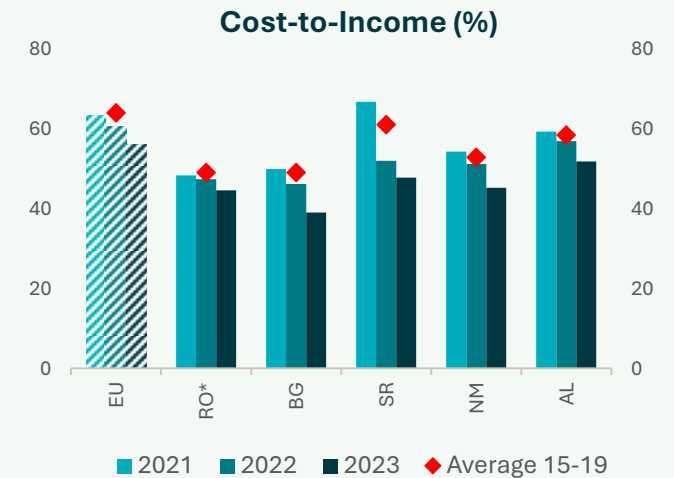
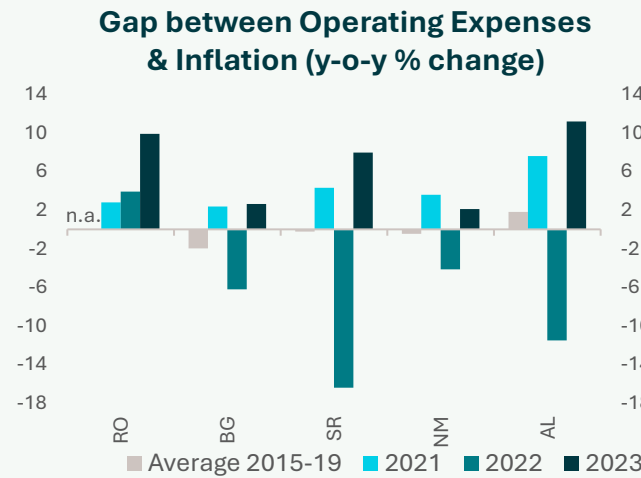
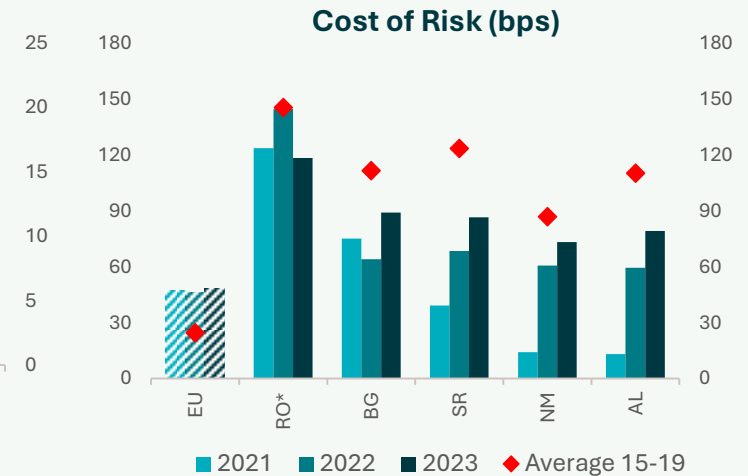
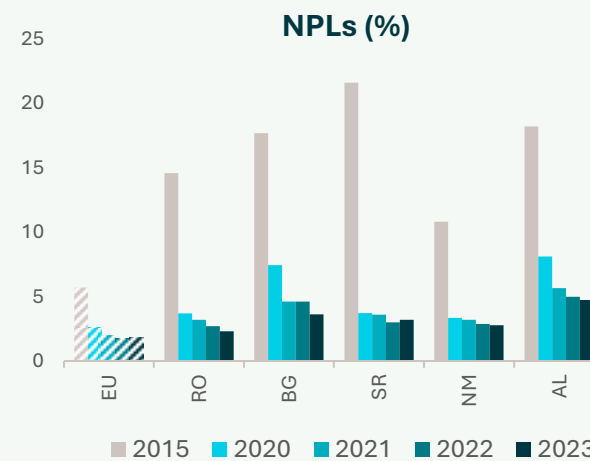
* 3 largest banks, together accounting for c. 43% of the banking system's assets

Sources: EBA, National Central Banks & NBG estimates

Banking Sector Profitability - 2023 Overview

Amid uncertain macroeconomic conditions, banks accelerated provisioning in 2023, despite the decline in NPL ratio

- In view of challenges posed by a prolonged period of high interest rates and elevated inflation to households' and corporates' debt repayment capacity, SEE-5 banks continued to raise provisioning charges in 2023, despite low default rates. Still, the cost-of-risk remained lower than in pre-pandemic times, reflecting, *inter alia*, past clean-up of banks' balance sheets and structural reforms (improving the operating framework for credit servicers and insolvency procedures)
- Pressure on SEE-5 banks' asset quality was limited in 2023, with non-performing loan (NPL) ratios hitting multi-year lows. That said, they remain above the EU average (of 1.9%), with Albania (4.7%) topping the list
- Profitability would have been stronger had operating expenses not increased markedly in 2023, mainly reflecting backward-looking wage-setting behaviour, to offset inflation-related income losses, and, to a lesser extent, increased digitalization-related expenses
- Despite their large holdings of financial securities, especially government bonds (highlighting the deep sovereign-bank nexus [i.e. exposure to public debt], with Albanian banks the most exposed by far, holding securities equivalent to c. 40% of their assets, a share broadly equal to that of loans), SEE-5 banks recorded limited unrealized gains from the downward shift and flattening of sovereign yield curves, as a significant share of their security portfolios (with respective shares ranging from 40% in Romania to more than 65% in Bulgaria and N. Macedonia) is measured at amortized cost.
- Overall, SEE-5 banks' efficiency improved sharply in 2023, with their Cost-to-Income (C/I) ratios continuing to outperform the EU average (56.0%)



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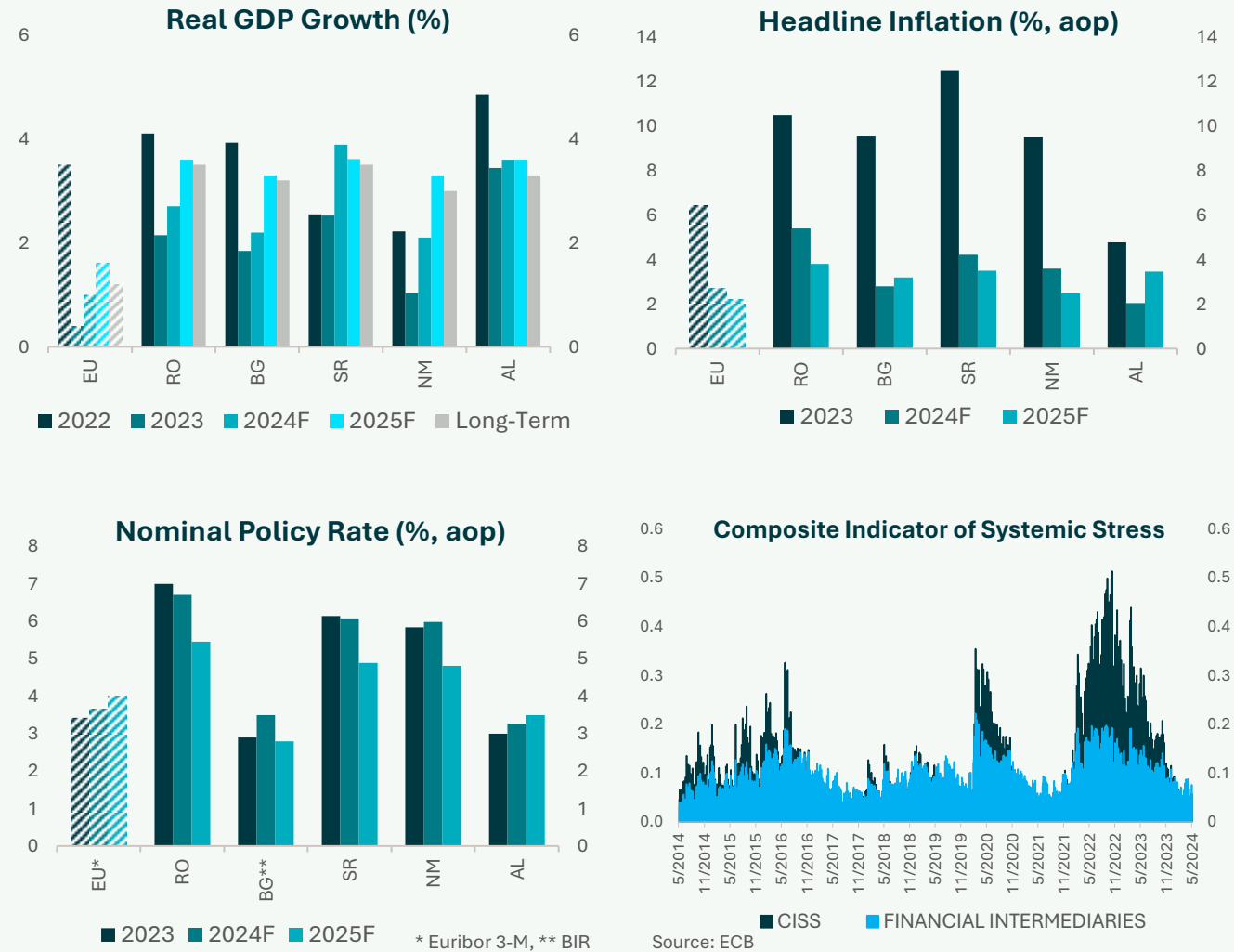
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Macroeconomic Environment - Outlook

- Against the backdrop of easing inflationary pressures and improving sentiment, GDP growth is set to firm in 2024 in SEE-5 (remaining, however, below its long-term potential), despite sluggish growth in the EU, the region's main trade partner. Private consumption, the economies' major growth driver, should continue to grow at above-average rates, underpinned by strong real *ex-post* wage growth. Public investment should provide a critical contribution to overall growth, especially in Romania and Bulgaria, which will continue to benefit from sizeable EU financing
- Albeit moderating, inflation is set to remain above historical average levels, leading central banks to ease cautiously their stance, especially in view of strong upside risks (mainly stemming from the prospect of a price-wage spiral and potential repercussions from ongoing geopolitical tensions). In the SEE-5 sphere the Serbian central bank was the first to follow the ECB with a policy rate cut. The other central banks are due to follow, barring that of Albania, which should stay tight-for-longer, considering the unfavourable base effect due to kick-in following the envisaged completion of the Lek's appreciation cycle. We underline, however, that interest rates and respective differentials vis-à-vis the euro area should remain above pre-pandemic levels over the forecast horizon
- Progress with fiscal consolidation should be minimal this year, despite the gradual phasing-out of measures cushioning the inflation shock
- Risks to economic outlook are tilted to the downside, reflecting stickier-than-projected inflation and stagnation in the EU. On the other hand, a faster de-escalation of interest rates could lend support to domestic demand
- Markets have been also eyeing a more favourable operating environment, with the ECB's Composite Indicator of Systemic Stress having eased significantly compared with a year ago, when some US and Swiss banks failed, amid aggressive global monetary policy tightening

Easing inflation should allow central banks to ease cautiously their stance this year, fostering GDP growth

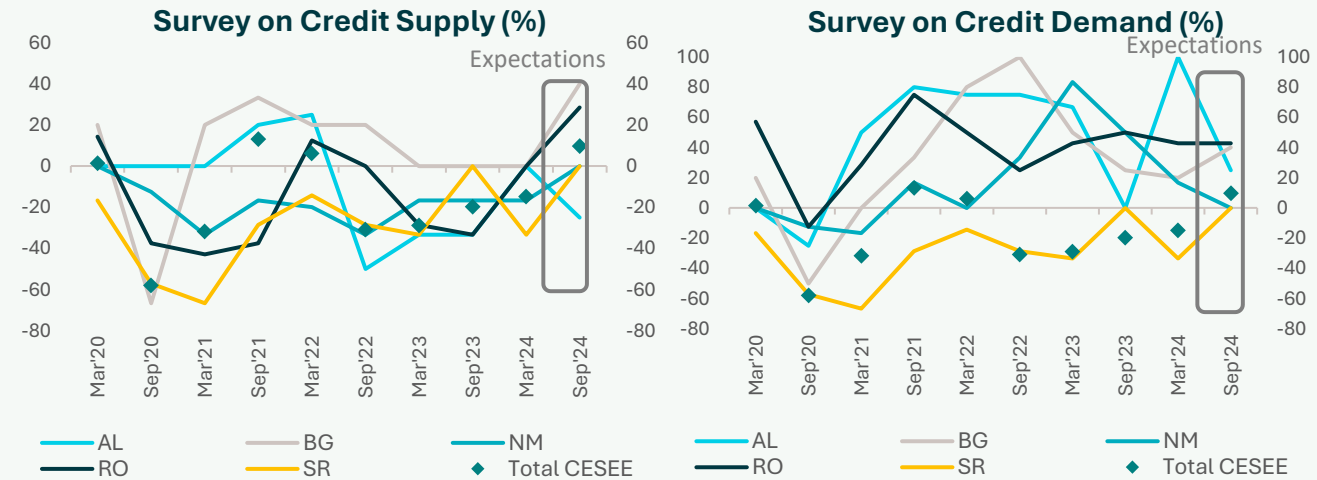


Sources: EBA, National Central Banks & NBG estimates

Banking Sector Profitability - Outlook

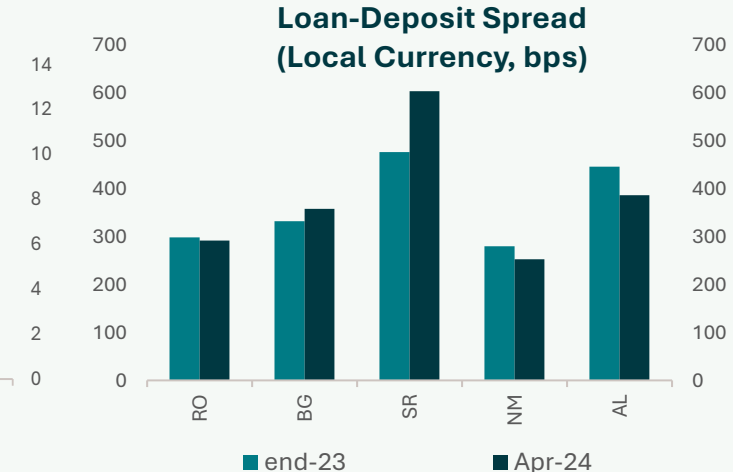
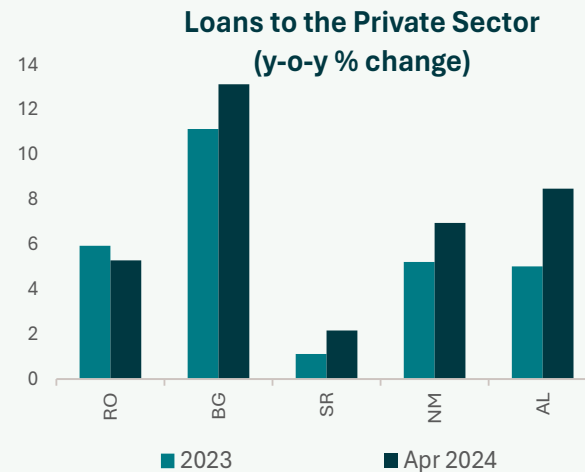
- The upcoming initiation of central banks' easing monetary policy cycle suggests that NIM has most likely exhausted its upside potential and is set to start moderating
- Indeed, with new lending due to come progressively with lower interest rates and the favourable “base” effect from refinancing of existing loans at higher rates gradually fading out, the average lending rate is expected to start easing off recent highs over the coming months. At the same time, banks would be earning a lower interest rate from their placements with central banks
- Nonetheless, the compression in NIM is expected to be slow, reflecting not only central banks' cautious pace of easing, but also SEE-5 banks' strong liquidity position, which could foster a faster pass-through of policy rate cuts to deposit rates. In fact, year-to-date data suggest that loan-to-deposit spreads continue to hover around record-high levels
- An acceleration in interest-earning assets growth should partly compensate for compressing NIM. Amid improved economic growth prospects, credit expansion is set to gain momentum, albeit gradually, benefitting, *inter alia*, from lower interest rates and easing credit standards. Signs of revival in credit activity are already evident in most of the economies under review, with lending surveys pointing towards further (mostly supply-driven) improvement in the short-term

Slowly adjusting NIMs and gradually reviving credit growth...



Source: EIB — CESEE Bank Lending Survey
 Note: All values are net percentages.
 Positive values denote increasing (easing) demand (supply)

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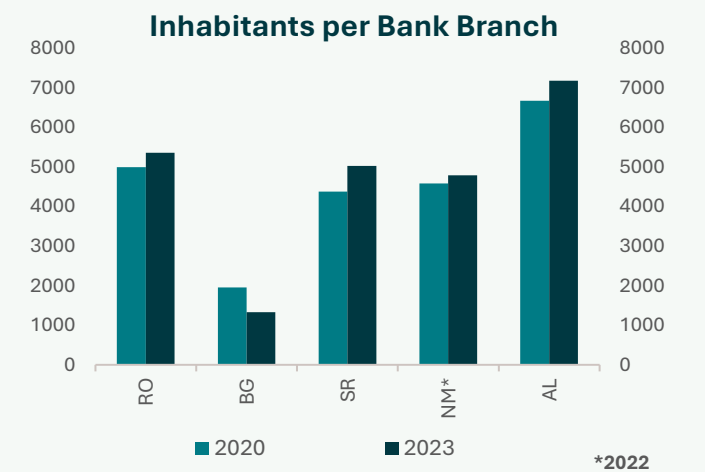
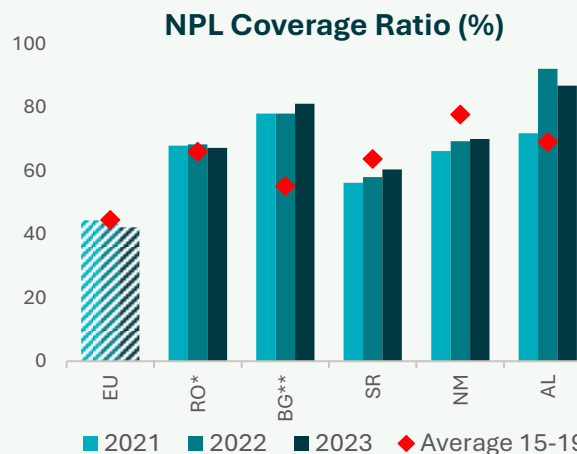
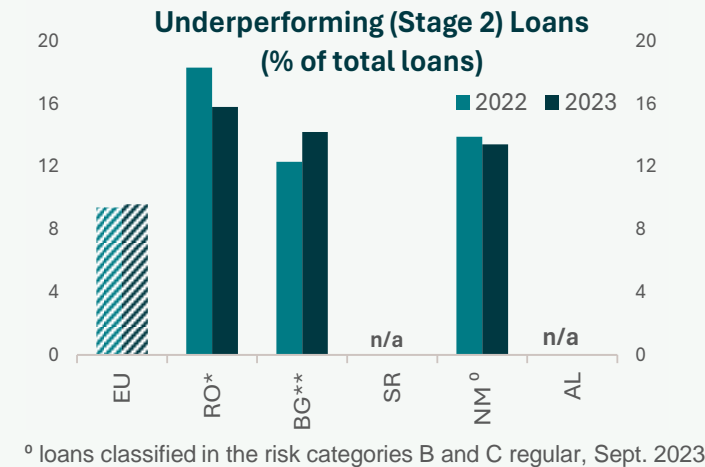
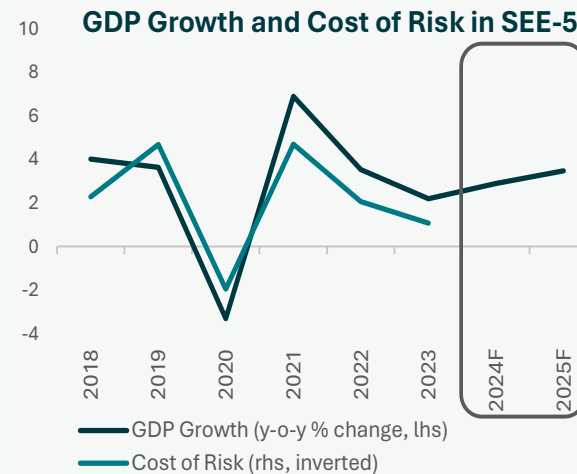


Sources: EBA, National Central Banks & NBG estimates

Banking Sector Profitability - Outlook

...together with modest cost of risk

- Credit risks are unlikely to ease materially, at least in the short-term, given that the impact of prolonged elevated interest rates and higher cost-of-living needs time to materialize. As a result, and in view of the already quite large share of underperforming (i.e. stage 2) loans (with underlying dynamics even deteriorating in Bulgaria), NPL ratios could see some timid increase from current (low) levels. Against this backdrop, banks are expected to continue building up provisions, albeit at a modest pace, in view of firming economic growth
- On a positive note, experience suggests that probabilities of default (PDs) are moderately affected when considering only higher interest rates. PDs are much more affected when higher interest rates are accompanied with a pick-up in unemployment and lower disposable incomes. For the time being, such a scenario appears to be only a tail risk. Importantly, challenges to the SEE-5 private sector's debt repayment capacity are also mitigated by its relatively low indebtedness -- ranging from 40% of GDP (Romania) to c. 100% (North Macedonia), below the EU average of c. 135%
- SEE-5 banks' solid NPL coverage ratios -- ranging from 61% (Serbia) to more 87% (Albania), well above the EU average of 42% -- provide a credible buffer against a deterioration in asset quality
- Amid tight labour market conditions and continuing digital transformation of the industry, growth in operating expenses is due to remain elevated in the short-term, yet weaker than in 2023. The ongoing streamlining of branches and staff optimization should help banks contain operating expenses in the long-term



*3 largest banks, together accounting for c. 43% of the banking system's assets

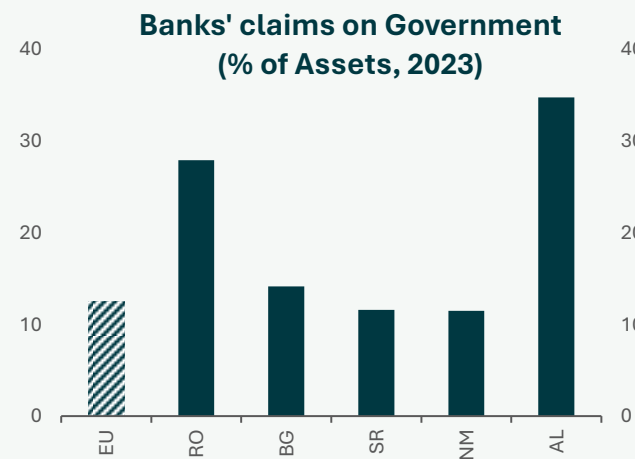
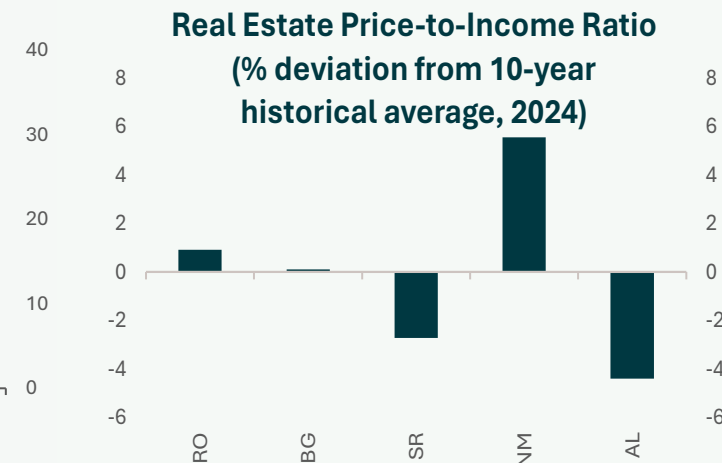
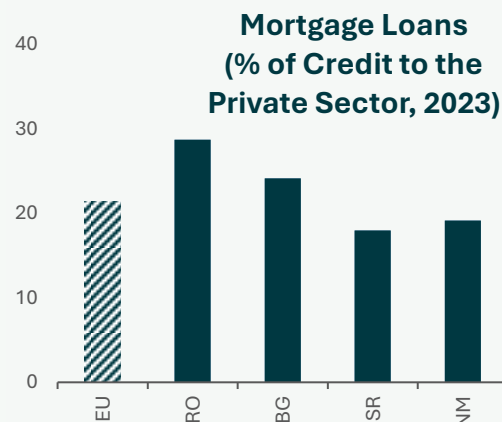
**3 largest banks, together accounting for c. 48% of the banking system's assets

Sources: EBA, National Central Banks & NBG estimates

Banking Sector Profitability - Outlook

....should keep profitability at record-high levels in 2024. A moderation (to still above historical average levels) is expected from 2025 onwards

- Provisioning needs could rise significantly in the event of a disorderly property (collateral) price correction. However, this risk appears to be limited, as SEE-5 residential real estate markets appear to be broadly fairly valued, despite their recent overperformance (especially in N. Macedonia and Bulgaria). Romanian banks remain the most exposed to the real estate sector
- Similarly, provisioning (and/or capital) requirements could rise in the event of abrupt FX movements. Albanian banks are particularly susceptible to this risk, with c. 33% of FX loans being unhedged
- Albeit being preferentially treated in regulatory terms, sovereign exposure is a source of credit and market risk. With public debt remaining in check the former appears to be contained. As regards the latter, with the bulk of their securities portfolios measured at amortized cost, SEE-5 banks are to a significant extent immune to shifts in market sentiment
- All said, SEE-5 banks' profitability in terms of ROAE should hover around record-high levels in 2024, as well. A moderation (to still above average levels) is expected from 2025 onwards
- Considering the outlook for bank profitability, we acknowledge that the risk of extraordinary taxation being levied remains material, especially in countries with high budget deficit. In this context, Romanian banks will be faced with turnover tax in 2024-26 (equivalent to c. 1.5% of total own funds in 2024)

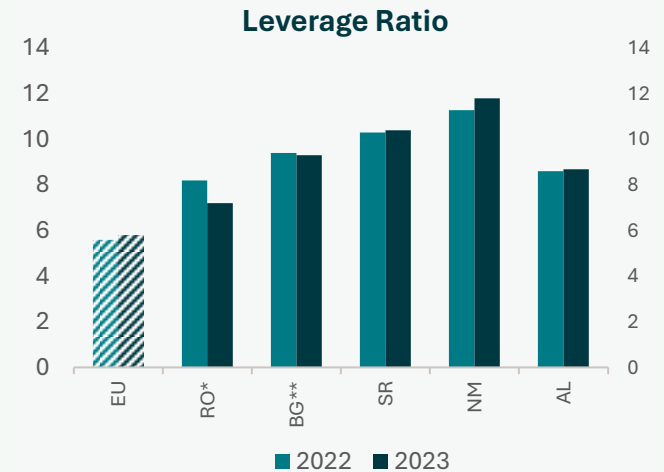
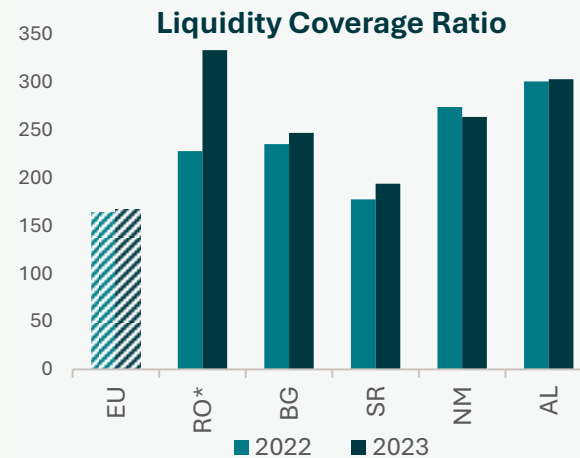
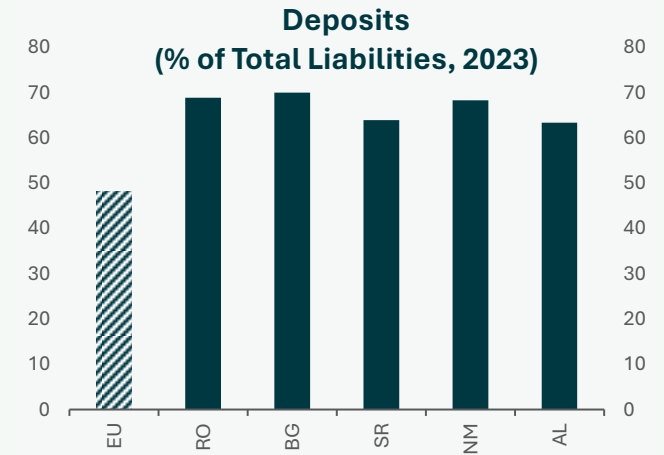
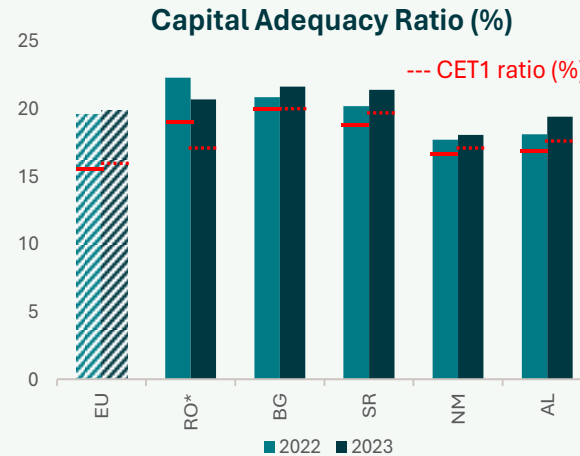


Sources: EBA, National Central Banks & NBG estimates

Banking Sector Profitability - Outlook

SEE-5 banks' strong fundamentals limit downside risks

- SEE-5 banks appear to be better placed than their EU peers to deal with potential stress events
- All banking systems under review are well-capitalised, with CET1 accounting for c. 90% of their total capital, suggesting that there is significant headroom to absorb potential losses. Solid profitability should continue to feed through to capital building, despite the envisaged increase in dividend payout ratios
- On a positive note, easing interest rates should mitigate banks' cost of conforming with Minimum Requirements for Own Funds and Eligible Liabilities (MREL). The small size of non-internationally affiliated domestic banks would continue to constrain their funding capacity, nonetheless
- SEE-5 banks' liquidity positions remain strong, reflecting large cash balances and holdings of Government paper. Their liquidity coverage ratios stand well above EU standards, ensuring SEE-5 banks' ability to withstand a period of stressed conditions without resorting to disorderly asset liquidation
- The large deposit base limits funding risks for SEE-5 banks. Albeit stable, deposits are highly concentrated, however, in shorter maturities, implying a maturity mismatch between them and loans. Importantly, the overwhelming majority of deposits fall below the respective insurance thresholds, reducing banks' vulnerability to a confidence crisis
- The implications of climate change and digitalization of the financial industry on banks' business models and risk-management frameworks are set to emerge as key focus areas in the period ahead



*3 largest banks, together accounting for c. 43% of the banking system's assets

**3 largest banks, together accounting for c. 48% of the banking system's assets

Sources: EBA, National Central Banks & NBG estimates

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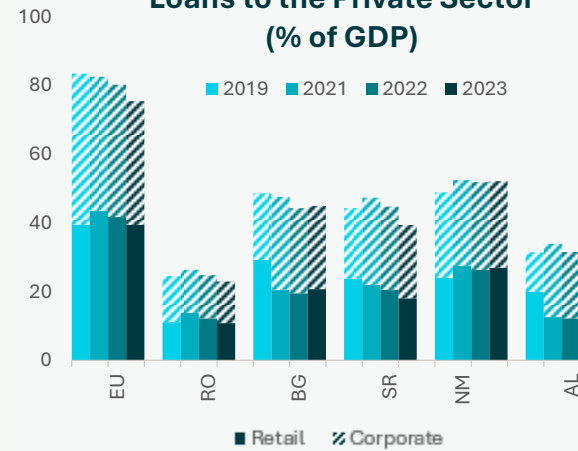
14 Banking Sector Indicators (2023)

Banking (Under)Penetration in SEE-5 - Overview

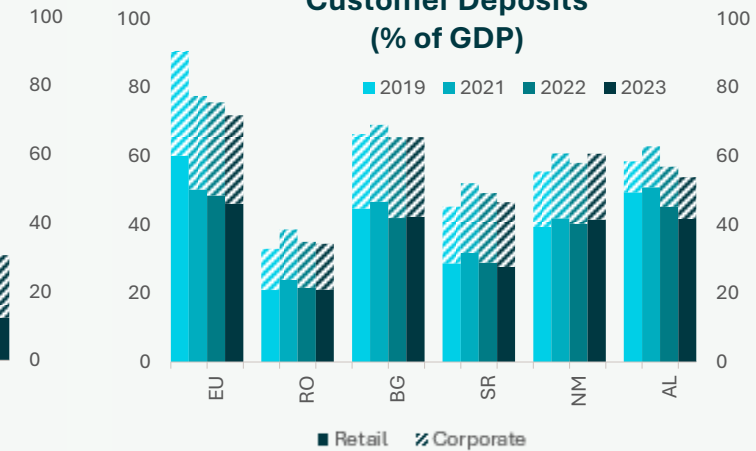
- The outstanding stock of bank lending to the private sector remains at relatively low levels in SEE-5, especially Romania and Albania, with no advance since prior to the pandemic. The recent downward trend has been compounded by the impact high inflation
- The retail segment is the most underpenetrated. On the other hand, penetration in the corporate segment is understated as it excludes a non-negligible amount of lending coming from foreign banks and parent companies
- Regional deposit-to-GDP ratios also remain low compared with the EU. In 2023, they continued their downward trend, broadly returning to pre-pandemic levels except in Albania, where fiscal consolidation and the impact of rapidly growing FX deposits and Lek appreciation have compressed it even further
- The highest deposit levels as percent of GDP were seen in Bulgaria (66%, still below the EU average of 72%), while the lowest in Romania, which is the less penetrated market not only in the region but also in the EU
- In view of shallow domestic capital markets and lack of alternative savings products, banks absorb the bulk of private sector's savings. A notable exception is Albania, where treasury bills traditionally attract a non-negligible share of household (c. 10%) and (to a lesser extent) corporate savings
- Unsurprisingly, euroization remains high in SEE-5, in view of the region's integration with the euro area (via trade, migration etc). Nonetheless, it is much higher in regional EU candidate countries (in particularly Serbia and, to a lesser extent, Albania and North Macedonia) than in EU members (Romania, Bulgaria), due, *inter alia*, to relatively lower confidence in their domestic currencies
- Partly reflecting their loan and deposit-based business models, SEE-5 banks remain liquid, with their loan-to-deposit ratios standing below the critical 100% threshold, especially in Albania (57%)

Financial intermediation remains low in SEE-5, ...

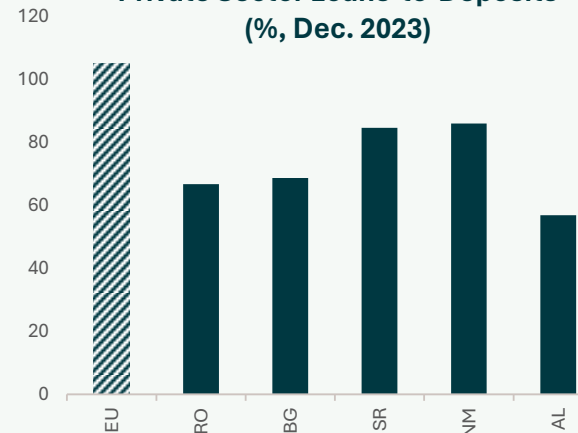
Loans to the Private Sector (% of GDP)



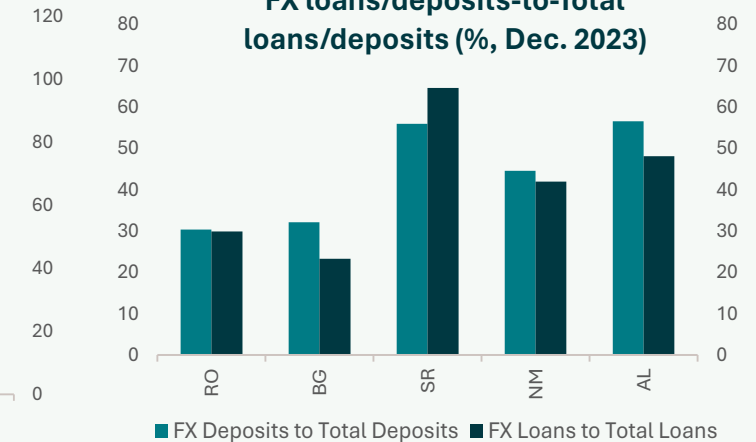
Customer Deposits (% of GDP)



Private Sector Loans-to-Deposits (% , Dec. 2023)



FX loans/deposits-to-Total loans/deposits (% , Dec. 2023)



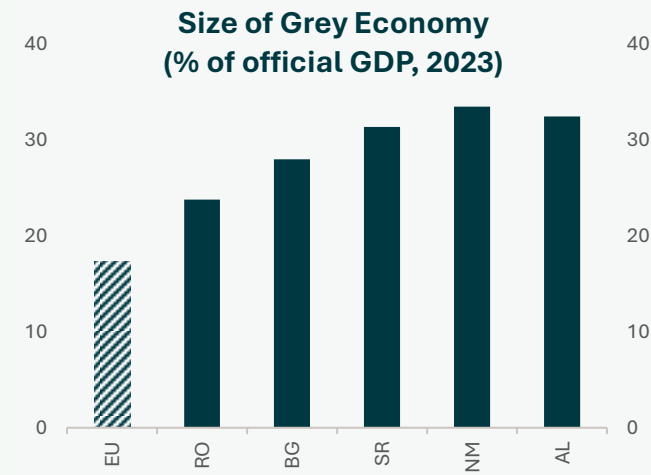
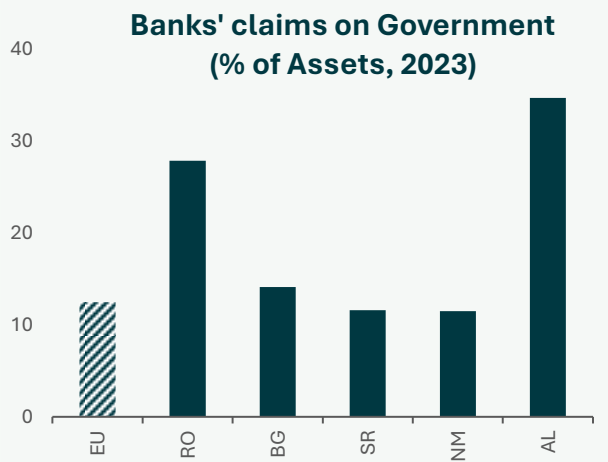
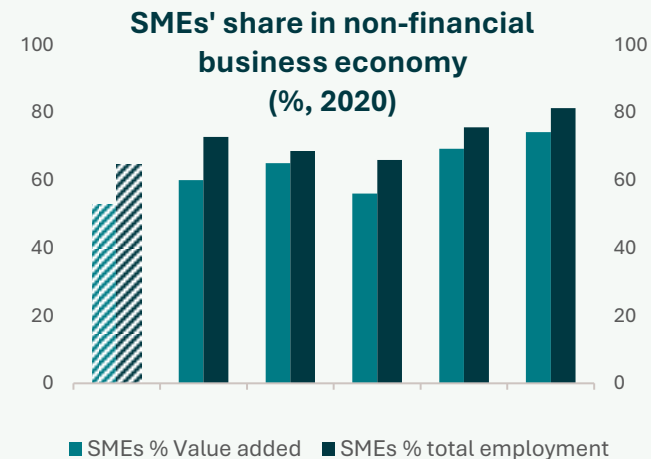
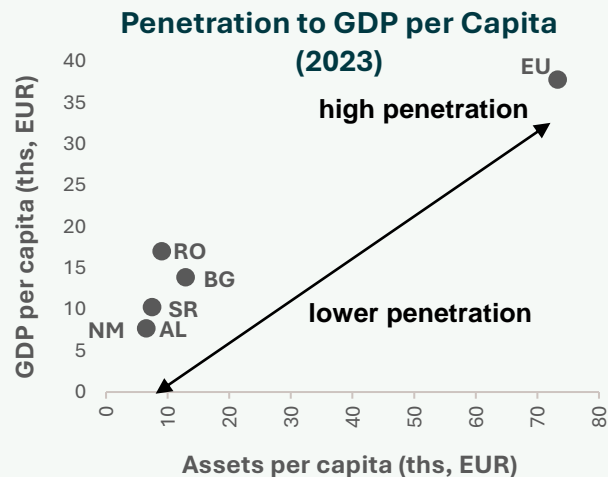
Banking (Under)Penetration in SEE-5 - Causes

Several factors explain the stylized fact of positive correlation between the degree of financial intermediation and economies' income in the SEE-5 region:

- i. Banks' increased exposure to the sovereign crowds out the private sector. In Romania and Albania, loans to the public sector and banks' holdings of government securities account for a significant share of the systems' assets;
- ii. The presence of many micro-businesses & SMEs, which are non-bankable, either due to weak fundamentals (e.g. in Romania, c. 1/3rd of businesses had negative capital prior to the pandemic -- EBRD, Jan. 2020) or lack of credit history and information asymmetries;
- iii. Banks' cautious lending practices, such as their requirement to secure collateralized loans with land rather than receivables, which limit young and asset-light firms' access to financing
- iv. The large size of grey economy, which keeps market liquidity out of banks. The share of such activities in SEE-5 ranges from c. 25% of official GDP (Romania) to 35% (North Macedonia), well above the EU average of below 20%;
- v. The relatively high concentration of the banking sector, which may enable banks to curtail credit supply, while reaping excess profits
- vi. The sector's still significant stock of legacy NPLs. Despite having been drastically reduced, the NPL ratio in SEE-5 exceeds the EU average, burdening banks' balance sheets, while making them more cautious as to new lending;
- vii. The relatively poor quality and soundness of legal & regulatory frameworks, including bankruptcy and insolvency regimes
- viii. Low levels of trust in banks & low financial literacy rates, especially in countries that suffered in the past by banking crises and Ponzi schemes (e.g. Albania)

Note that the gap in terms of assets per capita between SEE-5 and EU banks is amplified by the formers' limited non-lending activities (mainly confined in holding cash and Government securities)

... in line with the region's lagging income levels in relative terms



Sources: EBA, EBRD National Central Banks, World Economics & NBG estimates

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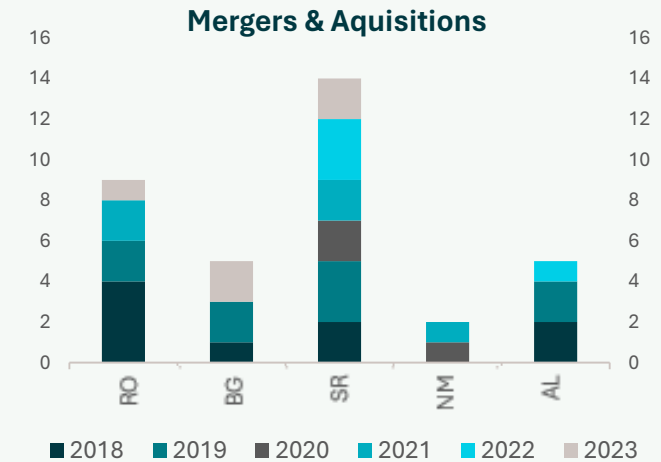
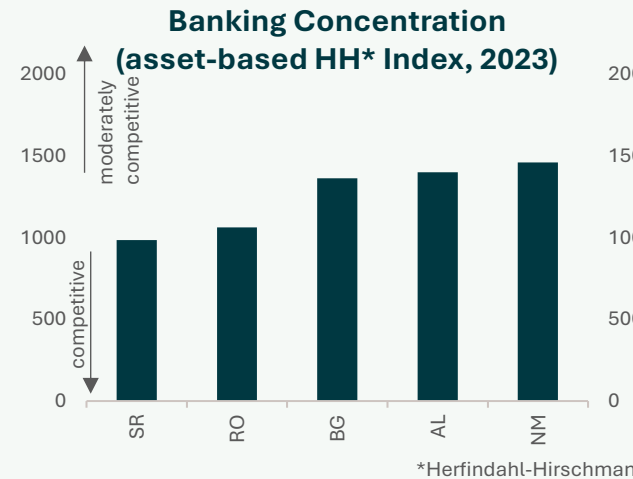
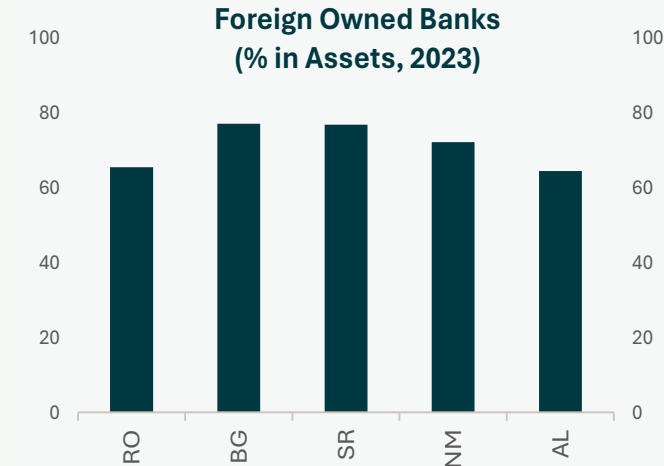
Appendix

14 Banking Sector Indicators (2023)

Banking Concentration and M&A Activity - Overview

M&A activity continued in 2023, with banking concentration still remaining low

- Presence of foreign (mostly EU) banks in SEE-5 has been broadly stable since the mid of the previous decade, when their deleveraging and restructuring of activities (commenced in the aftermath of the Global Financial Crisis) was completed. The only exception is Albania, where there has been a steady decline in the share of foreign-owned banks in favour of domestically-owned ones. Importantly, strong foreign presence in SEE-5 enhances regional banks' access to credit, while contributing to migration of modern banking practices
- Still, regional banking systems (especially those of Serbia and Romania) appear to have a low-to-moderate degree of concentration, suggesting that there is scope for further consolidation, with smaller and less-efficient banks being potential acquisition targets. This bodes well for future profitability, given the established relation between the degree of banking system concentration and ROAE
- Merger & Acquisition (M&A) activity continued in 2023, with bank acquisitions in Romania (1), Bulgaria (1) and Serbia (2) and (1) merger in Bulgaria. In Romania, 3 more deals are due to be completed in 2024
- Local players appear to be engaged more actively during this consolidation phase, aiming at seeking synergies and growing their market shares



a: excluding cooperative banks (40), b: 2020, c: 3 largest banks, together accounting for c. 43% of the banking system's assets
Sources: EBA, National Central Banks & NBG estimates

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14 Banking Sector Indicators (2023)

Banking Sector Indicators (2023)

Macro & Banking Sector Indicators (2023)					
	Romania 	Bulgaria 	Serbia 	North Macedonia 	Albania 
Macro Indicators					
Population (2023, mn)	19.0	6.8	6.7	1.8	2.8
GDP (2023, EUR, bn)	324.8	93.9	69.6	13.7	21.3
GDP per Capita (2023, EUR)	17,066	13,904	10,312	7,501	7,717
S&P / Moody's / Fitch	BBB- / Baa3 / BBB-	BBB / Baa1 / BBB	BB+ / Ba2 / BB+	BB- / NR / BB+	BB- / B1 / NR
Ownership: Number of Banks					
Number of Banks	32 ^a	23	20*	13	11
Foreign Owned	25	15	15*	9	6
State Owned	3	2	2	1	0
Ownership: Share in Assets (%)					
Foreign Owned	65.6%	77.2%	76.9%	72.3%	64.5%
State Owned	13.7%	3.0%	8.6%	2.1%	0.0%

a: excluding cooperative banks (40), b: 3 largest banks, together accounting for c. 43% of the banking system's assets, c: 2022, * excludes foreign banks' branches
Sources: EBA, National Central Banks & NBG estimates

Banking Sector Indicators (2023)

Banking Sector Indicators (2023)					
	Romania	Bulgaria	Serbia	North Macedonia	Albania
Concentration: 5 Largest Banks' Market Share (%)					
Assets	63.0%	77.0%	61.4%	81.1%	75.8%
Branch Network & Number of Employees					
Branches	3,549	5,088	1,341	382 ^c	385
Number of Employees	51,493	25,734	21,899	5,830 ^c	7,024
Intermediation (% of GDP)					
Assets	50.0	93.6	72.9	88.8	85.0
o/w Credit to Private Sector	23.0	44.9	39.1	51.4	31.0
Deposits	34.5	65.5	53.5	61.4	69.3
Liquidity					
Liquidity Coverage Ratio (%)	333.3 ^b	246.7	193.7	263.5	302.7

a: excluding cooperative banks (40), b: 3 largest banks, together accounting for c. 43% of the banking system's assets, c: 2022
Sources: EBA, National Central Banks & NBG estimates

Banking Sector Indicators (2023)

Banking Sector Indicators (2023)					
	Romania	Bulgaria	Serbia	North Macedonia	Albania
Asset Quality					
NPLs (%)	2.4	3.6	3.2	2.8	4.7
NPL Coverage (%)	67.3 ^b	81.1	60.5	70.1	86.9
Efficiency					
Cost / Income (%)	44.6 ^b	39.0	47.8	45.3	51.8
Leverage & Capital Adequacy					
Leverage Ratio (Tier 1)	8.2 ^b	9.3	10.4	11.8	8.7
Tier 1 Capital Ratio (%)	17.2 ^b	20.1	19.7	17.2	17.7
CAD (%)	23.6 ^b	21.6	21.4	18.1	19.4
Profitability					
NIM (bps)	349 ^b	294	416	364	386
ROAE (%)	20.1 ^b	18.3	18.1	16.1	17.3
ROAA (%)	1.8 ^b	2.1	2.5	2.0	2.0

a: excluding cooperative banks (40), b: 3 largest banks, together accounting for c. 43% of the banking system's assets, c: 2022
Sources: EBA, National Central Banks & NBG estimates

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