

**Table 1.18**  
**Credit quality indices, by principle industry, the five banking groups, 2014 and 2015**

|                                      | Impaired loans to total balance-sheet credit to the industry |             | Loan loss provisions to total balance-sheet credit to the industry |             | Net write-offs to total balance-sheet credit to the industry |             | Allowance for credit losses to total balance-sheet credit to the industry |             | Coverage ratio: Allowance for credit losses to impaired loans to the industry |             |
|--------------------------------------|--|-------------|--|-------------|--|-------------|---|-------------|---|-------------|
|                                      | 2014   | 2015        | 2014   | 2015        | 2014   | 2015        | 2014  | 2015        | 2014  | 2015        |
|                                      | (Percent)  |             |  |             |  |             |   |             |   |             |
| <b>Borrowers' activity in Israel</b> | <b>1.83</b>  | <b>1.63</b> | <b>0.14</b>  | <b>0.13</b> | <b>0.06</b>  | <b>0.12</b> | <b>1.59</b>   | <b>1.53</b> | <b>87.0</b>   | <b>94.2</b> |
| <b>Business</b>                      | <b>3.46</b>  | <b>3.17</b> | <b>0.02</b>  | <b>0.10</b> | <b>0.00</b>  | <b>0.04</b> | <b>2.15</b>   | <b>2.18</b> | <b>62.1</b>   | <b>68.7</b> |
| Agriculture                          | 1.86   | 1.68        | -0.19  | 0.33        | 0.12   | -0.19       | 1.16  | 1.66        | 62.4  | 99.0        |
| Manufacturing                        | 3.76   | 3.46        | 2.51   | 2.71        | -0.02  | -0.26       | 2.51  | 2.71        | 66.6  | 78.4        |
| Mining and quarrying                 | 0.06   | 0.00        | 0.56   | 0.37        | -0.11  | 0.00        | 0.56  | 0.37        |   |             |
| Construction and real estate         | 4.38   | 3.64        | -0.28  | -0.24       | -0.23  | -0.22       | 2.51  | 2.34        | 57.37   | 69.99       |
| <i>Of which:</i> Construction        | 3.71   | 3.09        | -1.51  | -0.19       | -0.88  | -0.27       | 2.44  | 2.44        | 65.9  | 78.8        |
| Real estate                          | 5.00   | 3.57        | 0.88   | -0.30       | 0.38   | -0.18       | 2.57  | 2.25        | 51.4  | 63.0        |
| Electricity and water                | 0.12   | 0.09        | 0.42   | -0.01       | 0.01   | -0.01       | 0.67  | 0.81        | 540.0   | 909.1       |
| Commerce                             | 2.74   | 3.59        | 0.78   | 1.07        | 0.28   | 0.55        | 2.34  | 2.85        | 85.5  | 79.4        |
| Tourism                              | 5.57   | 3.96        | -0.25  | 0.27        | -0.24  | 0.26        | 1.06  | 1.02        | 19.0  | 25.8        |
| Transportation and storage           | 3.79   | 3.06        | -0.19  | -0.10       | 0.28   | -0.08       | 1.04  | 0.91        | 27.4  | 29.7        |
| Communications and computer services | 10.60  | 14.35       | -0.27  | 1.50        | 1.06   | 0.37        | 3.44  | 4.45        | 32.4  | 31.0        |
| Financial services                   | 2.19   | 1.71        | 0.38   | -0.67       | -0.19  | -0.01       | 2.21  | 1.71        | 100.7   | 100.4       |
| Other business services              | 1.29   | 0.88        | 0.22   | 0.41        | 0.38   | 0.36        | 1.43  | 1.41        | 111.4   | 160.4       |
| Public and community services        | 0.83   | 0.58        | -0.37  | -0.17       | -0.51  | 0.04        | 0.93  | 0.72        | 111.3   | 124.7       |
| <b>Private individuals</b>           | <b>0.26</b>  | <b>0.24</b> | <b>0.25</b>  | <b>0.16</b> | <b>0.12</b>  | <b>0.18</b> | <b>1.06</b>   | <b>0.95</b> |   |             |
| <i>Of which:</i> Housing loans       | 0.01   | 0.01        | 0.00   | 0.01        | 0.02   | 0.05        | 0.72  | 0.62        |   |             |
| Nonhousing loans                     | 0.77   | 0.66        | 0.73   | 0.45        | 0.31   | 0.46        | 1.75  | 1.61        |   |             |
| <b>Borrowers' activity abroad</b>    | <b>2.97</b>  | <b>1.96</b> | <b>0.31</b>  | <b>0.00</b> | <b>0.56</b>  | <b>0.25</b> | <b>0.56</b>   | <b>0.25</b> |   |             |

SOURCE: Banking Supervision Department based on published financial statements.