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PRESS RELEASE

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State of the Banking System as of end of March 2026¹

In the first quarter of 2026, the banking system's assets increased by EUR 3.4 billion (3.0%) to EUR 119.5 billion at the end of March. During the period, net *loans and advances* increased (by EUR 5.1 billion, 7.0%), with their share in the balance sheet assets rising to 64.8% (from 62.3% as of 31 December 2025). Debt securities also increased (by EUR 2.5 billion, 13.1%), thus their share in the assets rose from 16.5% to 18.2%. The amount of the most liquid balance sheet item *cash, cash balances at central banks and other demand deposits* decreased by EUR 4.2 billion (20.4%) during the quarter, mainly in *cash balances at central banks*, with its share in the assets structure going down from 17.6% to 13.6%.

At the end of March 2026, the liquidity coverage ratio was 278.6% (280.6% at end-December 2025). The *liquidity buffer* was EUR 35.9 billion, while *net liquidity outflows* amounted to EUR 12.9 billion (EUR 35.1 billion and EUR 12.5 billion, respectively, as of 31 December).

Gross loans and advances increased by EUR 5.2 billion (7.0%) on a quarterly basis, reaching EUR 79.3 billion at the end of March. Claims on *credit institutions* grew by EUR 2.6 billion (29.2%) to EUR 11.7 billion. During the quarter, the gross loan portfolio² rose by EUR 2.6 billion (4.0%) to EUR 67.6 billion. Loans to *non-financial corporations* increased by EUR 1.0 billion (3.5%) and to *households* – by EUR 1.2 billion, or 4.2% (of which by EUR 964 million for loans collateralised by residential immovable property). Loans to the *general governments* sector also grew – by EUR 254 million (32.4%), and those to *other financial corporations* – by EUR 60 million (1.2%).

Deposits in the banking system continued to grow in the first quarter of 2026, with an increase of EUR 2.4 billion (2.5%) and amounted to EUR 99.8 billion at the end of March. The main contribution to the increase was from deposits of *households* – by EUR 1.0 billion, 1.8%) and of *credit institutions* – by EUR 950 million (10.7%). Deposits of *non-financial corporations* also grew (by EUR 330 million, 1.2%), as did those of the *general governments* sector (by EUR 494 million, 26.7%). A decrease was reported in the deposits of *other financial corporations* – by EUR 390 million (15.5%).

At the end of March 2026, gross non-performing loans and advances amounted to EUR 2.2 billion, increasing by EUR 223 million (11.1%) compared to the end of December 2025. Their share in the total gross loans and advances comprised 2.82% (2.72% at end-December 2025). The net value of non-performing loans and advances (after deducting their inherent impairment) was EUR 1.1 billion at the end of the first quarter of 2026, by EUR 114 million (12.0%) more compared to the end of December. Its share in the total net value of loans and advances was 1.37% at the end of the period (1.31% three months earlier).

¹ Based on individual (non-consolidated) data from the monthly reports of banks and foreign bank branches. The above changes are based on a comparison to the monthly reports for the previous period.

² The scope of the loan portfolio comprises the following sectors: *non-financial corporations, households, other financial corporations and general governments*.

The total equity in the balance sheet of the banking system as of 31 March 2026 was EUR 15.1 billion, by EUR 82 million (0.5%) less compared to the end of December 2025.

As of 31 March 2026, the profit of the banking system amounted to EUR 490 million, by EUR 35 million (7.7%) more than the profit realised for the same period of 2025. The *impairment costs of financial assets not measured at fair value through profit or loss*, accrued for the first three months of 2026, were EUR 149 million (EUR 64 million for the same period of 2025).