

Brazilian Banks Remain Profitable Despite Continuing Crisis



Rio de Janeiro, August 5 (RHC-Xinhua) -- Despite the crisis in Brazil, some of the country's most prominent banks registered good results in the second quarter and even announced the acquisition of other banking institutions.

Itau Unibanco, the largest private bank in Brazil, announced on Tuesday net profits of 5.98 billion reais (1.72 billion U.S. dollars) in the second quarter of 2015, up 4.4 percent from the first quarter of the year and 22 percent year-on-year.

In the first half of 2015, the bank's accumulated profit reached 11.7 billion reais (3.36 billion U.S. dollars), up 25.6 percent from the same period last year. The bank's loan portfolio totaled 224.5 billion reais (64.7 billion U.S. dollars) by the end of June. Default rates rose 0.3 points in the second quarter compared to the first.

Bradesco also announced record-high profits of 4.47 billion reais (1.28 billion U.S. dollars) in the second quarter of 2015, up 5.4 percent from the first quarter and 18.4 percent year-on-year. In addition, Bradesco announced on Monday the acquisition of HSBC's banking and insurance operations in Brazil for

5.2 billion U.S. dollars.

"We remain optimistic about the country's future," Bradesco's President Luiz Carlos Trabuco Cappi told local agency Agencia Estado. According to him, the acquisition will see Bradesco grow in a year as much as it previously would have in a decade.

This optimism and growth have come despite public and private banks alike being affected of late by the growing crisis. On July 29, credit rating agency Standard & Poor's lowered the outlook for 11 Brazilian banks, including Itau Unibanco and Bradesco, from "stable" to "negative".

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