

## **Management Discussion and Analysis For the Third Quarter ended September 30, 2009**

(This report discusses principal changes in the unreviewed consolidated financial statement)

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### **Major Events**

After TISCO Bank Public Company Limited, a subsidiary of TISCO Financial Group Public Company Limited, has signed an auto hire purchase portfolio sale agreement in the last quarter, amounting 1,750 million baht, with GMAC (Thailand) Limited. In this quarter, TISCO Bank Public Company Limited has further signed wholesale cooperation agreement with Chevrolet Sales (Thailand) Limited to provide wholesale floor-plan financing worth 2,000 million baht to more than 100 Chevrolet dealers nationwide. The agreement was in accordance with the group's loan growth strategy.

TISCO Group has continuously opened new branches since the beginning of this year. During the third quarter of 2009, TISCO Group has opened 4 new branches, totaling 41 branches nationwide, which was part of the group's strategy to strongly expand customer base, increase business volume for both saving and loan product, and to facilitate and serve growing customer's needs.

### **Movement of Money Market and Capital Market**

The SET index improved from the last quarter ending at 717.07 points, increased by 119.59 points. In terms of the trading activity, average daily turnover slightly increased from 21,317.51 million baht to 21,444.97 million baht (QoQ) following the improvement of domestic and international capital market and ongoing depreciation of US Dollars.

In the third quarter of 2009, the domestic economy has started to recover due to the government spending project during the year. The Bank of Thailand (BOT) stabilized the policy rate at 1.25%, while the average 3-Month fixed deposit rates and the average minimum lending rate of Top 5 commercial banks were stable at 0.7% and 5.9% (QoQ) respectively.

## Operating Results

**The Management Discussion and Analysis on operating results compares operating performance for the third quarter of 2009, TISCO Financial Group Public Company Limited as the parent company, with those of the third quarter of 2008, with TISCO Bank Public Company Limited as the parent company.**

TISCO Financial Group Public Company Limited had net profit from operations totaling 124.41 million baht. As a holding company, TISCO Financial Group Public Company Limited operates as shareholder in other company and no other major business. Therefore, the analysis was based on the Company's consolidated operating performance and financial position which comprised of 2 main businesses: commercial banking business and securities business.

During the third quarter of 2009, TISCO Group had the net profit before minority interest at 516.31 million baht, increased by 118.39 million baht (29.8% YoY) contributed by an increase in net interest and dividend income of 52.5% following strong expansion in corporate and retail lending businesses of 14.3% together with an improvement in loan spread from 3.7% to 5.2%. Non-interest income was reported at 732.25 million baht, increased by 142.30 million baht (24.1%YoY), following growth in brokerage income of 46.7% (YoY) and growth in asset management fee from asset management business of 43.3% (YoY), which was mainly contributed by significant increase in variable performance and incentive fee following an improvement in capital market condition. Non-interest income of banking business increased 18.8% (YoY) following strong loan growth. Net profit after minority interest for the third quarter of 2009 totaled 512.68 million baht.

As for performance of the first nine months of 2009, TISCO Group reported a net profit of 1,468.79 million baht increased by 140.50 million baht or 10.6% compared with the net profit for the first nine months of 2008 amounting 1,328.29 million baht. Net interest and dividend income increased 36.4% YoY following strong expansion in corporate and retail lending businesses together with an improvement in loan spread from 3.9% to 4.8%. In addition, non-interest income increased by 92.96 million baht (4.9% YoY) as contributed by an increase in non interest income from banking business of 159.36 million baht (17.3% YoY), following the hire purchase loan growth. In addition, the fee income from asset management business increased by 116.52 million baht (30.9% YoY), mainly contributed by the significant increase in variable performance and incentive fee following an improvement in capital market condition. However, the gain from investment decreased by 140.06 million baht (107.9% YoY) and the brokerage fee income decreased by 19.85 million baht (4.9% YoY) following sluggish investment environment comparing to the same period in the prior year.

Diluted earnings per share for the third quarter and the nine months of 2009 were 0.71 baht and 1.90 baht respectively compared with those in the same period in 2008 of 0.48 baht and 1.63 baht respectively. The average return on equity (ROAE) for the third quarter and the nine months of 2009 were 17.5% and 16.6% respectively comparing with those in the same period in 2008 of 14.0% and 14.9% respectively.

### **Net Interest and Dividend Income**

Net interest and dividend income in this quarter was 1,598.42 million baht, increased by 550.15 million baht (52.5% YoY), interest and dividend income was 2,127.88 million baht, increased by 189.59 million baht (9.8% YoY), following strong expansion in loan portfolio. Meanwhile, interest expense decreased by 360.56 million baht (40.5% YoY), to 529.46 million baht, following the downward interest rate environment since the beginning of this year and the increase in portion of saving accounts and current accounts from 6.7% to 23.6% in this quarter (YoY).

TISCO Group was able to increase loan spread to 5.2%, compared to 3.7% (YoY) through its ability to manage asset and liabilities mix, as TISCO Group has pursued the strategy to penetrate in high-yield loan segments under prudent risk management. Meanwhile, cost of fund significantly lowered following downward interest rate environment and strong growth in retail deposit base.

TISCO Group reported net interest and dividend income after bad debts and doubtful account of 1,280.82 million baht, increased by 563.52 million baht (78.6% YoY). Bad debts and doubtful account was 317.60 million baht, which is considered as normal level in supporting future loan growth, compared to 330.97 million baht YoY.

### **Non-interest Income**

Non-interest income for the third quarter of 2009 was 732.25 million baht, increased by 142.30 million baht (24.1% YoY), following an increase in fee income from asset management business of 56.09 million baht (43.3% YoY), mainly contributed by significant increase asset under management and variable performance and incentive fee of 52.79 million baht. In addition, Brokerage income increased by 49.96 million baht (46.7% YoY) due to capital market improvement, comparing to the same period in 2008 and Non-interest income of banking business increased by 63.00 million baht (18.8% YoY), to 397.42 million baht as contributed by strong loan growth. Meanwhile, the gain from investment decreased by 13.05 million baht (207.8% YoY)

### **Non-interest Expenses**

Non-interest expenses for this quarter were 1,263.59 million baht, increased by 508.47 million baht (67.3% YoY). The increase was due to additional reserve setup of foreclosed assets amounting 243.62 million baht. The group had outstanding foreclosed assets totaling 779.80 million baht mainly comprised of land and building. With current economic situation, the immediate force sale of these assets may cause the selling price to be undervalued. The Company therefore decided to postpone the sale of these assets and

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intended to hold these asset for 10 years. Consequently, the Company was required to set up additional reserve to be 50% of total assets within year 2011 in compliance with BOT regulation. As of September 30, 2009, the Company had total reserve for foreclosed assets amounting 406.43 million baht under prudent and conservative provisioning policy.

In addition, the increase in non-interest expenses was due to higher premises and equipment expenses from the investment in information technology and infrastructure in supporting increased business volume and service coverage.

### **Corporate Income Tax**

In the third quarter of 2009, the corporate income tax was 233.17 million baht, equivalent to the effective tax rate of 31.1%, compared to 27.9% YoY.

## **Financial Status**

### **The Management Discussion and Analysis on operating results on financial status is a comparison between the financial positions as of September 30, 2009 and June 30, 2009.**

#### **Assets**

TISCO Group's total assets as of September 30, 2009 were 132,827.21 million baht, increased from the previous quarter by 2,503.36 million baht (1.9% QoQ) following strong loan growth from 110,688.00 million baht to 111,845.69 million baht (1.0% QoQ). In addition, the investment increased by 1,084.29 million baht (13.3% YoY), following the transfer of hire purchase portfolio from GMAC (Thailand) Limited which was recorded as investment according to the accounting standard.

#### **Liabilities**

Total liabilities as of September 30, 2009 were 120,771.15 million baht, increased by 1,795.05 million baht (1.5% QoQ) following an increase in deposit portfolio for 1,366.55 million baht (1.3% QoQ). The liabilities mix comprised of 86.5% total deposit including short-term borrowing, 5.1% interbank and money market items, 4.9% long-term borrowings, and 3.4% other liabilities.

#### **Shareholders' Equity**

Shareholder's equity as of September 30, 2009 was 12,056.07 million baht, increased by 708.32 million baht (6.2% QoQ). Book value per share (BVPS) as of September 30, 2009 was 16.64 baht, up from 15.66 baht (QoQ). In addition, the Company paid interim dividends at 1.00 baht per preferred share and 0.50 baht per common share in July 2009. Total dividend payment was 453.86 million baht with dividend payout ratio of 47.5. Moreover, the company had preferred share conversion to common share due to the

expiry of preferential rights at the end of the second quarter of 2009. As at September 30, 2009, TISCO Group had paid-up shares amounting 724.61 million shares, comprising 723.51 million common shares and 1.10 million preference shares.

## Business Segment Performance

### (1) Banking Business

#### Loans

Total consolidated loans and receivables were 111,845.69 million baht, up by 1,157.70 million baht (1.0% QoQ), following growth in corporate and retail loan. The composition of loan portfolio was 75.5% of retail loans, 19.9% of corporate loans, and 4.6% of other loans.

**Retail lending** portfolio consisted of 98.2% car, motorcycle, and other hire purchase and 1.8% mortgage loans. The outstanding hire purchase loans equaled 82,949.52 million baht, rose by 1,569.86 million baht (1.9% QoQ). Car hire purchase new business volume amounted 9,877.53 million baht, increased by 578.53 million baht (6.2% YoY), while the domestic car sales in the first 8 months of 2009 reported at 317,836 units decreased from 412,186 units (22.9% YoY), resulting in high car penetration rate of 12.9%, comparing with average penetration rate of 9.9% in 2008.

**Corporate lending** portfolio totaled 22,268.67 million baht, up by 434.62 million baht (2.0% QoQ), mainly due to a decrease in loans to real estate and construction.

#### Deposit

Total deposit totaled 104,520.04 million baht, increased by 1,366.55 million baht (1.3% QoQ) due to the strong expansion in saving accounts and current accounts which was resulted from the Bank's success in launching deposit products corresponded to client's needs. The portion of saving accounts and current accounts was maintained at 23.6% of total deposits.

#### Non-Performing Loans (NPLs) and Loan Loss Provision

TISCO Group has prudently managed non-performing loans (NPLs) and decreased the percentage of NPLs to total loans ratio with effective risk management tools and stringent practice of loan collection, debt restructuring and write-off process. In which, the percentage of total NPLs to total loans ratio was reported at 2.6% as of September 30, 2009, comparing to 2.9% as of June 30, 2009. Additionally, the percentage of NPLs of retail loan and corporate loan was 2.1% and 3.1%, respectively with total NPLs of 2,903.36 million

baht which decreased by 9.2% or 292.82 million baht during the period. (NPLs of the Bank was 2,549.83 million baht and there was NPLs of 353.53 million baht from other subsidiaries)

TISCO Group has applied Collective Approach for loan loss provisioning to the car hire-purchase portfolio following the Basel II framework. The loan loss reserve was derived from the best estimate of expected credit losses from the portfolio over the next 12 months, based historical loss data incorporating with adjustment for the recent market situation. As of September 30, 2009, loan loss reserve of TISCO Group was 2,052.20 million baht or 70.7% of NPLs. In which, total loan loss reserve of the Bank was 1,698.81 million baht with specific reserve for classified loan of 1,390.07 million baht and general reserve of 308.73 million baht. Total reserve was higher than the minimum loan loss reserve required by the Bank of Thailand at 1,336.26 million baht, reflecting the prudent provisioning policy to mitigate potential risk.

## **(2) Securities Business**

At the end of the third quarter, the SET index ended at 717.07 points, increased from 653.25 points at the end of the second quarter, with average daily turnover of 21,444.97 million baht, increased from 12,211.95 million baht (75.6% YoY) due to more active investment climate as supported by retail investors and local institutional investors, following the improvement in economic condition.

Average daily turnover of TISCO Securities Co., Ltd. was 1,023.76 million baht, increased by 53.0% (YoY) resulting in a significant growth in brokerage fee by 49.96 million baht, ending at 156.90 million baht (46.7% YoY)

Comparing to the second quarter of 2009, the brokerage commission income decreased by 2.22 million baht (1.4% QoQ) due to the decrease in TISCO Securities' average market share from 2.6% to 2.4%, mainly contributed by the decrease in market share of local and foreign institutional sectors, following the bullish capital market that was in favor of short-term investment while the majority of TISCO's client emphasized on long-term investment and seldom traded on regular basis. Meanwhile, TISCO brokerage volume in the third quarter of 2009 comprised of 22.1% of foreign institutions, 28.1% of local institutions, and 49.8% of retail customers. Fee income from investment banking business for the first nine months of 2009 was 29.06 million baht, comparing to 52.06 million baht (YoY).

## **(3) Asset Management Business**

In the third quarter of 2009, asset management industry improved by 28,904.48 million baht (1.3% QoQ) since the investment in funds provided an alternative investment during the low market interest rate period while the capital market has continuously improved from the last quarter. The assets under management at the end of September 2009 were 114,447.09 million baht, increased by 7,231.83 million baht (6.7% QoQ). Total market share of TISCO Asset Management Co., Ltd. as of August 31, 2009 was 5.0%, ranking 7th in the market. The market share of provident fund and private fund was 13.1% and 15.3%, ranking 3rd and 2nd in the market respectively. For mutual fund, the market share was 1.1%, ranking 14th in the market.

Fee income from asset management totaled 185.63 million baht, increased by 56.09 million baht (43.3% YoY) with the significant increase in variable performance and incentive fee. In the third quarter of 2009, performance and incentive fee totaled 52.79 million baht due to an increase in asset under management and improvement of fund performance.

TISCO Asset Management has been continuously well-known for exceptional fund performance, particularly equity funds i.e. TISCO Equity Growth Fund, TISCO Equity Dividend Fund and TCM Equity Fund, which had year-to-date fund performance ranked Top 3 among Top 10 Equity fund performance as of 18 September, 2009, respectively.

The composition of total asset under management was 58.3% of provident fund, 28.9% of private fund, and 12.9% of mutual fund. In addition, mutual fund business successfully launched variety of funds that corresponded to investor's needs in respond to the improvement of asset management industry such as TISCO Korea Fixed Income Fund # 2-4, TISCO Special Bonus Fund, TISCO US Equity Fund, and TISCO AUD Fixed Income Fund.

## **Risk Management**

As of September 30, 2009, TISCO Group's IRB capital stood at 14,153.78 million Baht comprising of Tier-I, Tier-II capital and adjustment from reserve. The integrated risk capital decreased by 45.85 million Baht from the previous quarter to 5,880.73 million Baht due mainly to a decrease of market risk. In addition, the capital surplus was remarkably strong at 8,273.05 million Baht or 58.45%, reflecting a continuously robust capital position to support future business expansion.

Comparing to the second quarter of 2009, the integrated risk capital comprised of market risk capital of 1,452.13 million Baht and credit risk capital of 3,714.10 million Baht. The market risk capital significantly decreased by 162.30 million Baht from 1,614.44 million Baht, resulting from a decrease of listed-equity risk capital as recovery of investment position in listed equity corresponding to a rebound in stock market, together with a lower risk of properties foreclosed caused by an increasing in net provision and also partial liquidation of the foreclosed asset. Meanwhile, the credit risk capital increased by 54.03 million Baht following the loan portfolio expansion. Nevertheless, retail lending business, the core business of TISCO Group, expanded continuously during the quarter by 1,523.69 or 1.8% while the retail credit risk increased only by 10.39 million Baht or 0.4% to 3,004.58 million Baht, indicating an improving loan portfolio quality. Moreover, the non-performing loan of retail lending portfolio decreased from 2.4% to 2.1%.

The interest rate risk in banking book slightly increased as a result of widen interest rate gap (BPV) from the previous quarter, the duration gap of assets and liabilities increased in range of approximately 10 months. However, the gap is still in the manageable level under the current interest rate environment.

In terms of regulatory capital requirement of the Bank and Securities Company, the positions are still in strong and sufficient levels to cushion for the expansion of asset in the future. The projected regulatory capital adequacy ratio (BIS ratio) based on Basel II SA stood at 15.47% remaining higher than

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the 8.50% required by the Bank of Thailand. While Tier-I and Tier-II projected capital adequacy ratio stood at 10.99% and 4.48%, respectively, Tier-I capital adequacy ratio also remained higher than the minimum requirement at 4.25%. Meanwhile, the net capital rule (NCR) of TISCO Securities Co., Ltd. remained strong at 115.16%, greatly higher than the minimum required ratio by the SEC of 7.0%.

**Table 1: Consolidated Revenue Structure****Table 1: Consolidated Revenue Structure**

Type of Revenue	3Q08		3Q09		Change
	Amount (Bt. million)	%	Amount (Bt. Million)	%	% YoY
Interest and dividend income					
Interest on loans	331.00	20.2	300.67	12.9	(9.2)
Interest on interbank and money market items.	83.80	5.1	22.52	1.0	(73.1)
Hire purchase and financial lease income	1,423.24	86.9	1,632.96	70.1	14.7
Investments	100.25	6.1	171.73	7.4	71.3
<b>Total interest and dividend income</b>	<b>1,938.30</b>	<b>118.3</b>	<b>2,127.88</b>	<b>91.3</b>	<b>9.8</b>
Interest expenses	(890.0)	(54.3)	(529.5)	(22.7)	(40.5)
<b>Net interest and dividend income</b>	<b>1,048.27</b>	<b>64.0</b>	<b>1,598.42</b>	<b>68.6</b>	<b>52.5</b>
Non-interest income					
Brokerage Fees	106.94	6.5	156.90	6.7	46.7
Gain on securities	6.28	0.4	(6.8)	(0.3)	(207.8)
Fees and services income	372.66	22.7	409.09	17.6	9.8
Others	104.08	6.4	173.02	7.4	66.2
<b>Total non-interest income</b>	<b>589.95</b>	<b>36.0</b>	<b>732.25</b>	<b>31.4</b>	<b>24.1</b>
<b>Total income before bad debts and doubtful accounts</b>	<b>1,638.22</b>	<b>100.0</b>	<b>2,330.67</b>	<b>100.0</b>	<b>42.3</b>
Bad debt and doubtful accounts	(330.97)		(317.60)		
Bad debt written back revenue	-		-		
<b>Total income – net of bad debts and doubtful accounts</b>	<b>1,307.25</b>		<b>2,013.07</b>		
Non-interest expenses	(755.12)		(1,263.59)		
<b>Profit before income tax and minority interest</b>	<b>552.13</b>		<b>749.48</b>		
Corporate income tax	(154.21)		(233.17)		
<b>Profit before minority interest</b>	<b>397.92</b>		<b>516.31</b>		
Minority interest in net earnings in subsidiary company	0.00		(3.64)		
<b>Net Profit</b>	<b>397.92</b>		<b>512.68</b>		

**Table2: Interest Spread**

%	3Q08	2Q09	3Q09	9M08	9M09
Yield on Loans	7.3	7.0	7.0	7.4	7.0
Cost of fund	3.6	2.1	1.8	3.5	2.3
<b>Loan spread</b>	<b>3.7</b>	<b>4.9</b>	<b>5.2</b>	<b>3.9</b>	<b>4.8</b>

**Table 3: Assets Breakdown**

Assets	June 30, 2009		September 30, 2009		% Change
	Amount (Bt. million)	%	Amount (Bt. million)	%	
Cash	595.71	0.5	644.27	0.5	8.2
Interbank and Money Market Items	7,188.94	5.5	7,518.53	5.7	4.6
Securities purchased under resale agreements	0.00	0.0	0.00	0.0	0.0
Fixed income	1,698.23	1.3	2,269.05	1.7	33.6
Equity	6,463.34	5.0	6,976.80	5.3	7.9
Corporate Loans	22,706.96	17.4	22,268.67	16.8	(1.9)
Retail Loans	82,909.95	63.6	84,433.64	63.6	1.8
Other Loans	5,071.09	3.9	5,143.38	3.9	1.4
Allowance for doubtful accounts and for loss on debt restructuring	(1,936.66)	(1.5)	(2,052.20)	(1.5)	6.0
Other Assets	5,626.30	4.3	5,625.07	4.2	(0.0)
<b>Total – The Company and Subsidiaries</b>	<b>130,323.85</b>	<b>100.0</b>	<b>132,827.21</b>	<b>100.0</b>	<b>1.9</b>

**Table 4: Liabilities Breakdown by Area**

Type of Borrowings	June 30, 2009		September 30, 2009		Change %
	Amount (Bt. million)	%	Amount (Bt. million)	%	
Total deposits	103,153.49	86.7	104,520.04	86.5	1.3
Interbank and money market items	5,625.25	4.7	6,192.21	5.1	10.1
Long-term borrowings	5,876.35	4.9	5,940.95	4.9	1.1
Others	4,321.01	3.6	4,117.94	3.4	(4.7)
<b>Total – The Company and Subsidiaries</b>	<b>118,976.10</b>	<b>100.0</b>	<b>120,771.15</b>	<b>100.0</b>	<b>1.5</b>

**Table 5: Loans and Receivables Breakdown**

Type of Business	June 30, 2009		September 30, 2009		% Change
	Amount (Bt. million)	%	Amount (Bt. million)	%	
Manufacturing and commerce	11,256.31	10.2	11,666.30	10.4	3.6
Real estate and construction	8,520.18	7.7	7,708.28	6.9	(9.5)
Public utilities and services	2,806.81	2.5	2,770.36	2.5	(1.3)
Agriculture and mining	123.66	0.1	123.73	0.1	0.1
<b>Commercial Lending</b>	<b>22,706.96</b>	<b>20.5</b>	<b>22,268.67</b>	<b>19.9</b>	<b>(1.9)</b>
Hire purchase	81,379.65	73.5	82,949.52	74.2	1.9
Housing	1,530.29	1.4	1,484.12	1.3	(3.0)
<b>Retail Lending</b>	<b>82,909.95</b>	<b>74.9</b>	<b>84,433.64</b>	<b>75.5</b>	<b>1.8</b>
<b>Others</b>	<b>5,071.09</b>	<b>4.6</b>	<b>5,143.38</b>	<b>4.6</b>	<b>1.4</b>
<b>Total – The Company and Subsidiaries</b>	<b>110,688.00</b>	<b>100.0</b>	<b>111,845.69</b>	<b>100.0</b>	<b>1.0</b>

**Table 6: Deposits Structure**

Type of Deposits	June 30, 2009		September 30, 2009		% Change
	Amount (Bt. million)	%	Amount (Bt. million)	%	
Current accounts	9,718.75	9.4	8,570.92	8.2	(11.8)
Saving accounts	14,672.38	14.2	16,050.27	15.4	9.4
Fixed accounts	2,811.31	2.7	2,003.22	1.9	(28.7)
Negotiate certificate deposit	34,752.57	33.7	30,903.94	29.6	(11.1)
Promissory notes and Bill of exchange	2.38	0.0	2.38	0.0	0.0
Short-term borrowings	41,196.11	39.9	46,989.31	45.0	14.1
<b>Total deposits</b>	<b>103,153.49</b>	<b>100.0</b>	<b>104,520.04</b>	<b>100.0</b>	<b>1.3</b>

**Table 7: NPL Breakdown by Area**

Type of Business	June 30, 2009			September 30, 2009		
	% NPL	Amount (Bt. million)	%	% NPL	Amount (Bt. million)	%
Manufacturing and commerce	1.3	151.39	4.7	1.2	145.67	5.0
Real estate and construction	5.3	453.40	14.2	5.8	443.78	15.3
Public utilities and services	3.0	83.31	2.6	3.2	88.21	3.0
Agriculture and mining	1.7	2.10	0.1	1.7	2.16	0.1
<b>Total NPL - Commercial Lending</b>	<b>3.0</b>	<b>690.20</b>	<b>21.6</b>	<b>3.1</b>	<b>679.83</b>	<b>23.4</b>
Hire purchase	2.2	1,822.68	57.0	1.9	1,556.12	53.6
Housing	12.9	197.02	6.2	13.0	193.58	6.7
<b>Total NPL - Retail Lending</b>	<b>2.4</b>	<b>2,019.71</b>	<b>63.2</b>	<b>2.1</b>	<b>1,749.71</b>	<b>60.3</b>
<b>Others</b>	<b>8.1</b>	<b>486.28</b>	<b>15.2</b>	<b>8.0</b>	<b>473.82</b>	<b>16.3</b>
<b>Total NPL - The Company and Subsidiaries</b>	<b>2.9</b>	<b>3,196.18</b>	<b>100.0</b>	<b>2.6</b>	<b>2,903.36</b>	<b>100.0</b>

**Table 8: Assets under Management Breakdown by Type of Fund**

Type of Fund	June 30, 2009		September 30, 2009		% Change
	Amount (Bt. million)	%	Amount (Bt. million)	%	
Provident Fund	62,389.25	58.2	66,696.99	58.3	6.9
Private Fund	29,081.00	27.1	33,032.69	28.9	13.6
Mutual Fund	15,745.02	14.7	14,717.41	12.9	(6.5)
<b>Total</b>	<b>107,215.26</b>	<b>100.0</b>	<b>114,447.09</b>	<b>100.0</b>	<b>6.7</b>

**Table 9: Average Duration Mismatch of Assets and Liabilities and Its Impact**

Type of Fund	Duration (years)		1-Y Net interest change to 1%	
	2Q09	3Q09	2Q09	3Q09
Assets	1.50	1.51	411.53	420.67
Liabilities	0.74	0.67	(642.99)	(685.03)
Net Gap	0.76	0.84	(231.46)	(264.36)

Note : \* Exclude saving and current account