

Banorte: flexible loan guarantees for Pymes

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Monterrey, N.L., September 9, 2004. Grupo Financiero Banorte (Banorte), the Department of the Economy and Nacional Financiera signed an agreement intended to design plans in order to give Small and Medium Companies (Pymes) increased access to loans.

With this agreement, signed during the Northeast Pyme Regional Conference held in this city, Banorte offers greater flexibility in its loan policies, with financing terms of up to three years, without a mortgage collateral, whereas in the 5year term loans the mortgage collateral ratio could be of up to 1.25 to 1, depending on the loan. These benefits will be available in all our branches by the end of September.

Banorte currently places 57 percent of the Pymes banking loans and will continue to increase its share in financing this important sector. At present, the loan portfolio, through Crediactivo, is Ps 4,735 million, of which Ps 1,150 million have been granted this year, financing over 7,650 Pymes throughout the country. In the northeast of the country, the loan portfolio is Ps 1,287 million, that is, 27 percent of the national total.

Banorte knows that factors such as the modernization of policies and criteria by the authorities, as well as enhanced awareness and care in credit history by the clients individuals and companies translate into substantial advances in opening credits and the financial system's development. Other positive indicators are the macroeconomic stability and good loan portfolio performance.

During the Northeast Pyme Regional Conference, Banorte participated in the Financial Pavilion pre-authorizing loans to micro and small businesspersons, offering considerable additional benefits. Banorte sustains that, by supporting small-scale business, it confirms its commitment and leadership to Mexican business, especially to those companies that make up this essential part of the domestic economic growth.