FitchRatings

Supranational
United States

Inter-American Investment Corporation (IDB Invest)

This report does not constitute a new rating action for this issuer. It provides more detailed credit analysis than the previously published Rating Action Commentary, which can be found on www.fitchratings.com.

Foreign Currency

Long-Term IDR	AAA
Short-Term IDR	F1+

Outlooks

Long-Term Foreign-Currency IDR	Stable

	Sep 2023	Sep 2024
Total assets (USD Mil.)	11.3	13.6
Equity to assets (%)	29.7	25.6
Fitch's usable capital to risk-weighted assets (FRA, %)	42.0	44.3
Average rating of loans and guarantees	BB	BB+
Impaired loans (% of total loans)	2.3	1.9
Five largest exposures to total exposure (%)	11.4	10.8
Share of non-sovereign exposure (%)	100.0	100.0
Net income/equity (%)	6.1	5.5
Average rating of key shareholders	BBB-	BBB-

Source: Fitch Ratings, IDB Invest

Key Rating Drivers

SCP Drives Rating: Inter-American Investment Corporation's (IDB Invest) 'AAA' Long-Term Issuer Default Rating (IDR) reflects its Standalone Credit Profile (SCP) of 'aaa', underpinned by its solvency and liquidity assessments of 'aaa' and a 'Medium' risk business environment. The Stable Outlook reflects Fitch Ratings' view that IDB Invest's SCP will remain consistent with a 'AAA' rating in the medium term. Strong growth in banking exposures and new capital payments from its shareholders will support the bank's 'Excellent' capitalization assessment.

Capital Increase, New Business Model: In March 2024, IDB Invest secured approval for a USD3.5 billion capital increase to facilitate its transition to a new business model, with member countries having until March 2026 to subscribe. The capital increase involves seven equal annual payments starting in November 2025 and concluding in 2031. The new business model will be gradually implemented in line with the received capital and is focussed on 'originate-to-share' projects, broadening product offerings and capacity to support riskier assets.

Excellent Capitalization, Reduced Buffers: IDB Invest's 'Excellent' capitalization reflects both its 'Excellent' Fitch's usable capital to risk-weighted assets (FRA) ratio (44% at end-September 2024) and equity/assets (E/A) ratio (25.6%). Fitch expects the FRA ratio, which has greater weight under its Supranationals Rating Criteria, to decline over the medium term due to the increase in riskier activities, which will be partly offset by additional paid-in capital. We expect both ratios to remain above the 'Excellent' thresholds of 35% and 25%, respectively.

'Low' Risks: Fitch assesses IDB Invest's overall risk profile as 'Low'. This is supported by the bank's 'Very Low' equity participation (3.8% of total banking exposure; TBE) and 'Moderate' credit risk, as well as its 'Excellent' risk management policies. Comprehensive limits on countries, sectors, and obligors are conservative and well managed. As of end-September 2024, the five largest banking exposures accounted for 10.8% of TBE, consistent with a 'Very Low' concentration risk assessment.

NPLs Forecast to Increase: Non-performing loans (NPLs) decreased to 1.9% as of end-September 2024 (versus 2.3% at end-September 2023). IDB Invest's NPL rate is 'Low' compared with other private-sector-focused peers. Given the new business model plans to increase activities in riskier projects, Fitch expects NPLs to increase slightly in the medium term but for the overall level to remain within the 'Low' threshold (defined as 1%-3% of total loans).

Risk Transfers Support Credit Risk: The use of unfunded credit protection (19% of loans) and synthetic securitisation (in September 2024 for the first time the bank securitised about USD1 billion of its loan portfolio and benefitted from credit protection on a mezzanine tranche of USD96 million) have supported the improvement in its weighted average rating of loans and guarantees (WARLG) to 'BB+' as of end-September 2024 (from 'BB' at end-September 2023).

Medium Risk Business Environment: We assess IDB Invest's overall business environment as 'Medium' risk, which does not translate into an adjustment from our solvency or liquidity assessments of 'aaa'. IDB Invest's 'Medium' risk business profile is affected by its 'High' risk strategy and private-sector focus. In addition, our assessment captures the increased importance of the bank's policy mandate and its 'Medium' risk operating environment.

Mexican National Scale Rating: IDB Invest's Long-Term IDR is materially above Mexico's sovereign rating (BBB-/Stable), therefore the bank's rating on the Mexican National Rating scale is 'AAA(mex)'.

Applicable Criteria

Metodología de Calificaciones en Escala Nacional (December 2020)

National Scale Rating Criteria (December 2020)

Supranationals Rating Criteria (October 2024)

Metodología de Calificación de Supranacionales (May 2023)

Related Research

Fitch Affirms IDB Invest at 'AAA'; Outlook Stable (January 2025)

Click here for more Fitch Ratings content on Inter-American Investment Corporation (IDB Invest)

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Rating Derivation Summary

	Standalone Credit Profile (SCP)					Support			
	Solvency	Liquidity	Lower of solvency and liquidity	Business environment (+3/-3 notches)	Final SCP	Capacity	Propensity (+1/-3 notches)	Support adjustment (up to 3 notches)	Final rating
IDB Invest	aaa	aaa	aaa	0	aaa	BBB-	0	0	AAA

Source: Fitch Ratings

Rating Sensitivities

Factors that Could, Individually or Collectively, Lead to Negative Rating Action/Downgrade

- **Solvency (Credit Risk):** Increased credit risk, potentially driven by sustained higher levels of NPLs (above 3%) and/or a decline in the average rating of loans and guarantees below the 'BB' category.
- **Solvency (Capitalization):** Decline in capitalization metrics beyond Fitch's current expectations; with an FRA ratio close to or below 35% and/or an equity to assets and guarantees ratio sustained at a level close to or below 15%. This could be driven by losses, rapid growth in banking operations, delays in capital payments and/or a significant increase in risk-weighted assets.
- **Solvency (Capitalization/Business Profile):** In the unlikely event that a major shareholder withdrew from IDB Invest in a way that significantly affects its capitalization or business profile.

Factors that Could, Individually or Collectively, Lead to Positive Rating Action/Upgrade

- The ratings are at the highest level on Fitch's scale and cannot be upgraded.

Business Environment

We assess IDB Invest's business environment as 'Medium' risk, reflecting a combination of its 'Medium' risk operating environment and 'Medium' risk business profile. This translates into no notching adjustment to the SCP assessment.

Brief Issuer Profile

The Inter-American Investment Corporation (IIC) was established in 1986 as an international organization in Washington D.C. to promote the economic development of its 26 regional developing member countries (RDMC) from Latin America and the Caribbean. Endowed with an initial capital of USD200 million, IIC started lending and investing in the region in 1989, targeting small and medium-sized companies in the private sector. In November 2017, the IIC adopted a new brand and now refers to itself as IDB Invest. This rebranding did not entail a change in the legal name.

IDB Invest provides financing to private companies through loans, investments in debt securities, guarantees, and equity investments. The purpose of IDB Invest is to promote the economic development of its RDMCs by encouraging the establishment, expansion, and modernization of private enterprises in such a way as to supplement the activities of the Inter-American Development Bank (IADB; AAA/Stable). IDB Invest is an autonomous organization and a member of the Inter-American Development Bank Group (the IADB Group), which also includes the IADB and the Multilateral Investment Fund (MIF; now commercially known as IDB Lab).

IDB Invest's original authorized share capital was increased to USD705.9 million, equivalent to 70,590 shares, through a USD500 million general capital increase approved in 1999 (GCI-I), and several special increases. In 2015, the boards of governors of the IADB and IIC passed a resolution to consolidate the IADB Group's private-sector activities under IIC. From 2023 onwards, all private-sector operations of the IADB Group were booked to IDB Invest. The merge-out shifted IDB Invest's focus toward infrastructure, agriculture and energy projects. In Fitch's view, the merge-out has been neutral for IDB Invest's financial profile as it also incorporates a comprehensive capitalization plan and has strengthened its mandate in private-sector development and its importance to shareholders.

The second general capital increase (GCI-II) was announced in 2015 with a capitalization plan designed to preserve the financial strength of the IADB group. It included a USD2.03 billion capital increase for IDB Invest, of which USD1.305 billion consisted of new contributions by IDB Invest member countries payable over a seven-year period beginning in 2016 (Annex A) and the remaining USD725million in capital has come from annual transfers from IADB (on behalf of its members) to IDB Invest from the ordinary income of the bank (Annex B), subject to annual approval by the IADB board of governors. As of September 2024, all contributions from Annex B have been transferred and USD57.4 million from Annex A is still going to be received by end-2025. In March 2024, IDB Invest received approval from its boards of governors for a third capital increase (GCI-III) of USD3.5 billion to support the bank's transition to its new business model. Member countries have until March 10, 2026, and the payment period is expected to be from 2025 until 2031 with seven equal annual payments starting in November 2025.

The New Business Model will be implemented gradually, in line with the capital that will be received. It consists of the inclusion of 'originate to-share' projects, expansion of product offering and risk-transfer activities and capacity to originate and book riskier assets. To facilitate the execution of the new financial tools, new departments have already been created to enhance regional activities and support the new financial solutions.

Business Profile

Fitch assesses IDB Invest's business profile as 'Medium' risk.

Fitch assesses the size of the banking portfolio as 'Medium' risk. As of end-September 2024, IDB Invest's TBE was USD8.3 billion, which Fitch projects to increase to nearly USD13.4 billion by end-2027, driven by the increase in operations in line with its new business model plans.

We assess its quality of governance as 'Low' risk, driven by its transparent organisational structure and a comprehensive set of internal policies.

Fitch assesses IDB Invest strategy as 'High' risk, primarily reflecting its high growth trajectory and focus on sub-investment-grade non-sovereign borrowers and the high weight of non-borrowing shareholders in the board.

Fitch assesses the size of IDB Invest's non-sovereign sector financing as 'High' risk. At end-September 2024, IDB Invest's TBE is exclusively to non-sovereign entities, as per Fitch's definition, and consistent with its private-sector mandate.

We assess the importance of its public mandate as 'Medium' risk considering IDB Invest's large and growing financing operations, though these are still relatively small size compared to multilateral development bank (MDB) peers.

Operating Environment

Fitch assesses IDB Invest's operating environment as 'Medium' risk. The assessment reflects the credit quality, income per capita and political risk based on World Bank Worldwide Governance Indicators (WBGI) in IDB Invest's countries of operations.

We assess the average credit quality of IDB Invest's countries of operations as 'High' risk given its large exposure in countries rated lower than 'B'.

Fitch assesses IDB Invest's average income per capita in its countries of operations as 'Medium' risk. The bank has operations with 'lower middle income' countries, such as Haiti, as well as with 'high income' countries, such as The Bahamas. The bank's average GDP per capital is lower than its regional peers.

We assess the political risk in IDB Invest's countries of operations as 'Medium', based on WBGI. The political risk and business climate in IDB Invest's country of head office is assessed as 'Low', based on the average score of the US' WBGIs.

Solvency

Solvency is assessed at 'aaa', driven the bank's 'Excellent' capitalization and 'Low' risk profile.

Capitalization

We expect the capitalization profile to weaken slightly from end-September 2024 levels but for it to remain within the 'Excellent' threshold. This reflects continued loan expansion, driven by the new business model expectations with an increase in risk-weighted exposures, partly balanced with the latest capital increase.

The E/A ratio was above the 'Excellent' threshold of 25% as of end-September 2024 (end-9M24) at 25.6% (end-September 2023 at 29.7%), and it is expected to remain consistent with the 'Excellent' threshold. Leverage (debt/equity) is capped at 3x by the bank's own policy.

Fitch's FRA ratio improved to 44.3% as of end-9M24 (42.0% at end-September 2023), well above the 'Excellent' threshold of 35%. We expect the FRA ratio to decrease slightly until 2027 because of the increase in riskier projects, while the ratio will be supported by capital payments from shareholders.

Peer Comparison: Capital Ratios and Profitability

	IDB Invest (AAA)		APICORP (AA+)	EBRD (AAA)	IADB (AAA)
	Sep 2024	Projection[a]	End-2023	Jun 2024	Jun 2024
Equity/adjusted assets (%)	25.6	25-30	32.0	29	26
Usable capital/risk-weighted assets (FRA, %)	44.3	35-40	51.0	43	51
Net income/average equity	5.5	1.5-2.5	7.4	11.1	3.4

[a] Medium-term projections, forecast range
Source: Fitch Ratings, MDBs

Risks

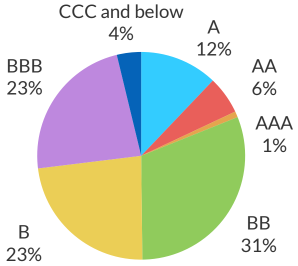
Risks Assessment

Indicative value	Risk level
Credit risk	Moderate
Concentration	Very Low
Equity risks	Very Low
Risk management policies	Excellent

Source: Fitch Ratings

Loans, Debt Securities and Guarantees,

Breakdown by credit quality



Note : After accounting for credit risk mitigants
Source: Fitch Ratings, IDB Invest

Risks are assessed as 'Low', based on below the parameters.

Fitch estimates the bank's weighted average rating of loans & guarantees (WARLG) at 'BB+' as of end-9M24 ('BB' at end-September 2023) based on Fitch's ratings where available and IDB Invest's ratings on remaining exposures. This is also partly affected by the use of UCPs (19% of loans & guarantees). We expect the WARLG to deteriorate, but within the 'BB' category, in line with riskier projects to be financed with the new business model. IDB Invest does not benefit from a preferred creditor status (PCS) credit uplift given its pure private-sector focus (100% of TBE).

The bank's non-performing loan ratio decreased to 1.9% at end-9M24 from 2.3% at end-September 2023, without concentration in specific sectors or countries. We expect an increase in the absolute level of NPLs compared to the current ratio and the last projection, in line with outlook for riskier loans driven by the new business model, but for the NPL ratio to remain within the 'Low' risk range (1%-3%).

Concentration is a 'Very Low' risk, as measured by obligor metrics. The top five and single largest exposure accounted for 11% and 3%, respectively, of TBE at end-September 2024. However, sectorial concentration is high with about 51% of banking exposure to FIs.

Equity risk is 'Very Low' given the bank's intention to limit equity investments to less than 5% of TBE (3.8% of TBE as of end-September 2024). Equity exposures primarily relate to a minority stake and exposure to investment funds (two-thirds of total).

We assess risk management policies as 'Excellent' The risk management function is independent, and policies are assessed as 'Excellent'. IDB Invest's operations are consistently well within its capital adequacy, lending, borrowing and liquidity policy limits. However, growth targets have been somewhat higher and were further increased as the bank's policy response entailed accelerated lending growth.

Peer Comparison: Risks

	IDB Invest (AAA)		APICORP (AA+)	EBRD (AAA)	IADB (AAA)
	Sep 2024	Projection[a]	End-2023	Jun 2024	Jun 2024
Estimated average rating of loans & guarantees	BB+	BB	A-	B+	B+
Impaired loans/gross loans (%)	1.9	2.5-3.0	0.8	4.5	1.9
Five largest exposures/total banking exposure (%)	10.8	10-15	23.2	12	50
Equity stakes/total banking exposure (%)	3.8	3-4	22.0	14	0

[a] Medium-term projections, forecast range
Source: Fitch Ratings, MDBs

Liquidity Analysis

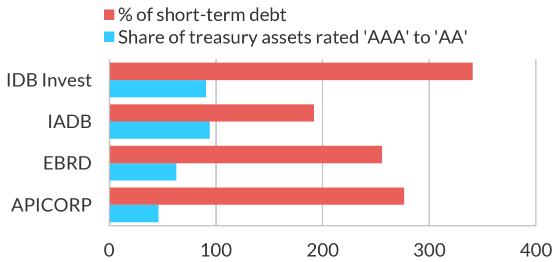
Liquidity Assessment

Indicative value	Risk level
Liquidity buffer	Excellent
Quality of Treasury Assets	Excellent
Access to capital markets & alternative sources of liquidity	Strong

Source: Fitch Ratings

Liquidity Buffers

As of September 2024[a]



[a] EBRD and IADB: July 2024; APICORP End-2023
Source: Fitch Ratings, MDBs

Fitch assesses IDB Invest's liquidity at 'aaa' driven by its 'Excellent' liquidity buffers and 'Excellent' credit quality of liquid assets.

Liquid Assets to Short-Term Debt

IDB Invest's liquidity buffers compare favourably with its peers.

Liquid assets / short-term debt is maintained as 'Excellent', with expected short-term debt coverage by liquid assets of 2.8x in 2027 and coverage well above 1.5x through the rating horizon. Liquidity buffers are expected to remain 'Excellent' but lower than in previous years.

Quality of Treasury Assets

IDB Invest's quality of treasury assets compares favourably with its peers.

Fitch assesses the share of 'AAA'-'AA' rated treasury assets as 'Excellent' with a share of 'AAA'-'AA' assets greater than 70% projected and in line with the bank's very conservative investment management guidelines.

Access to Capital Market, Alternative Source of Liquidity

We assess access to capital markets and alternative sources of liquidity as 'Strong'.

The assessment reflects IDB Invest's regular market presence and borrowing facility from IADB. IDB Invest raised USD2.4billion in medium- and long-term debt in 2024, in different currencies such as US dollar, Colombian peso, Mexican peso, Australian dollar, Brazilian real and Paraguayan guarani.

Peer Comparison: Liquidity

	IDB Invest (AAA)		APICORP (AA+)	EBRD (AAA)	IADB (AAA)
	Sep 2024	Projection[a]	End-2023	Jun 2024	Jun 2024
Liquid assets/short-term debt (%)	340.5	250-300	276.6	256	192
Share of treasury assets rated 'AA-' and above (%)	90.7	70-90	46.3	63	94

[a] Medium-term projections, forecast range
Source: Fitch Ratings, MDBs

Shareholder Support

IDB Invest's rating does not benefit from credit uplift from shareholders' support. Fitch assesses extraordinary support from the shareholders at 'bbb-', reflecting the average rating of key shareholders and their 'Strong' propensity to support the bank.

Capacity to Provide Extraordinary Support

IDB Invest's shareholders support capacity is based on the weighted average rating of key shareholders as the entity does not benefit from callable capital. The key shareholders are defined as the largest shareholders owning at least 50% of the bank's shares. These are USA (AA+/Stable; 14.0% of capital), Argentina (CCC; 11.6%), Brazil (BB/Stable, 12.7%), Mexico (BBB-/Stable, 7.4%) and China (A+/Negative, 5.5%). The weighted average rating of key shareholders (WARKS) as of end-9M24 was at 'BBB-'.

Propensity to Provide Extraordinary Support

Fitch views IDB Invest member states' propensity to provide support as 'Strong', given the ongoing and new capital increase coupled with the growing lending mandate. A 'Strong' support propensity means that support capacity and overall support rating are equalised (no notching up nor down).

Peer Comparison: Shareholder Support

	IDB Invest (AAA)		APICORP (AA+)	EBRD (AAA)	IADB (AAA)
	Sep 2024	Projection[a]	End-2023	Jun 2024	Jun 2024
Coverage of net debt by callable capital	NC	NC	AA-	BBB	A
Average rating of key shareholders	BBB-	BBB-	AA-	AA-	BBB+
Propensity to support	0	0	0	0	0

[a] Medium-term projections.

NC – Not covered
Source: Fitch Ratings, MDBs

ESG Relevance Scores

FitchRatings

Inter-American Investment Corporation (IDB Invest)

Supranational ESG Navigator
Supranational

Credit-Relevant ESG Derivation

Inter-American Investment Corporation (IDB Invest) has 2 ESG rating drivers and 5 ESG potential rating drivers

- Inter-American Investment Corporation (IDB Invest) has exposure to social pressure to provide support at times of crisis which, in combination with other factors, impacts the rating.
- Inter-American Investment Corporation (IDB Invest) has exposure to lack of supervision by an external authority and is not subject to banking regulation which, in combination with other factors, impacts the rating.
- Inter-American Investment Corporation (IDB Invest) has exposure to borrowers with limited access to external funding sources and/or extend concessional loans but this has very low impact on the rating.
- Inter-American Investment Corporation (IDB Invest) has exposure to risk around the execution/predictability of its strategy but this has very low impact on the rating.
- Inter-American Investment Corporation (IDB Invest) has exposure to board independence and effectiveness, ownership composition but this has very low impact on the rating.
- Inter-American Investment Corporation (IDB Invest) has exposure to quality of financial reporting and medium-term financial forecasts but this has very low impact on the rating.

Showing top 6 issues

			ESG Relevance to Credit Rating
key driver	0	issues	5
driver	2	issues	4
potential driver	5	issues	3
not a rating driver	2	issues	2
	6	issues	1

Environmental (E) Relevance Scores

General Issues	E Score	Sector-Specific Issues	Reference	E Relevance
GHG Emissions & Air Quality	1	n.a.	n.a.	5
Energy Management	1	n.a.	n.a.	4
Water & Wastewater Management	1	n.a.	n.a.	3
Waste & Hazardous Materials Management; Ecological Impacts	1	n.a.	n.a.	2
Exposure to Environmental Impacts	2	Impact of extreme weather events and climate change on assets and corresponding risk appetite and management	Asset Quality; Risk Management	1

Social (S) Relevance Scores

General Issues	S Score	Sector-Specific Issues	Reference	S Relevance
Human Rights, Community Relations, Access & Affordability	3	Lending to borrowers with limited or no access to other external sources of finance; extension of concessional loans or grants; credit protection schemes	Importance of the Public Mandate; Credit Risk; Propensity to Support	5
Privacy & Data Security	1	n.a.	n.a.	4
Labour Relations & Practices	2	Restriction on recruitment based on nationality and quotas	Governance	3
Employee Well-being	1	n.a.	n.a.	2
Exposure to Social Impacts	4	Counter-cyclical mandate and development role; social pressure to provide support at times of crisis	Credit Risk; NPLs; Capitalisation; Strategy	1

Governance (G) Relevance Scores

General Issues	G Score	Sector-Specific Issues	Reference	G Relevance
Management Strategy (Operational Execution)	3	Lack of predictability and/or risk around the execution of strategy	Business Profile; Strategy; Governance	5
Governance Structure	3	Board independence and effectiveness, ownership composition, degree of political or external influence, control of one member state over the management of the institution	Business Profile; Strategy; Governance	4
Rule of Law, Institutional & Regulatory Quality	4	Supranationals are neither subject to bank regulation nor supervised by an external authority; all supranationals attract a score of '4'	Risk Management Policies; Governance	3
Financial Transparency	3	Quality and frequency of financial reporting and auditing processes, detail and scope of information, medium-term financial forecasts	Minimum Data Requirement	2
Policy Status and Mandate Effectiveness	3	Inherent obligor risk concentration; effectiveness of preferred creditor status; access to liquidity support from central bank	Concentration; Credit Risk; Access to Central Bank Refinancing	1

How to Read This Page
ESG relevance scores range from 1 to 5 based on a 15-level color gradation. Red (5) is most relevant to the credit rating and green (1) is least relevant.
The Environmental (E), Social (S) and Governance (G) tables break out the ESG general issues and the sector-specific issues that are most relevant to each industry group. Relevance scores are assigned to each sector-specific issue, signaling the credit-relevance of the sector-specific issues to the issuer's overall credit rating. The Criteria Reference column highlights the factor(s) within which the corresponding ESG issues are captured in Fitch's credit analysis. The vertical color bars are visualizations of the frequency of occurrence of the highest constituent relevance scores. They do not represent an aggregate of the relevance scores or aggregate ESG credit relevance.
The Credit-Relevant ESG Derivation table's far right column is a visualization of the frequency of occurrence of the highest ESG relevance scores across the combined E, S and G categories. The three columns to the left of ESG Relevance to Credit Rating summarize rating relevance and impact to credit from ESG issues. The box on the far left identifies any ESG Relevance Sub-factor issues that are drivers or potential drivers of the issuer's credit rating (corresponding with scores of 3, 4 or 5) and provides a brief explanation for the relevance score. All scores of '4' and '5' are assumed to reflect a negative impact unless indicated with a '+' sign for positive impact.
Classification of ESG issues has been developed from Fitch's sector ratings criteria. The General Issues and Sector-Specific Issues draw on the classification standards published by the United Nations Principles for Responsible Investing (PRI), the Sustainability Accounting Standards Board (SASB), and the World Bank.

CREDIT-RELEVANT ESG SCALE

How relevant are E, S and G issues to the overall credit rating?

5	Highly relevant, a key rating driver that has a significant impact on the rating on an individual basis.
4	Relevant to rating, not a key rating driver but has an impact on the rating in combination with other factors.
3	Minimally relevant to rating, either very low impact or actively managed in a way that results in no impact on the entity rating.
2	Irrelevant to the entity rating but relevant to the sector.
1	Irrelevant to the entity rating and irrelevant to the sector.

Data Tables

Inter-American Investment Corporation (IDB Invest)

Balance Sheet

	September 30, 2024 9 months - 3rd quarter (USD Mil.) Original	September 30, 2023 9 months - 3rd quarter (USD Mil.) Original	September 30, 2022 9 months - 3rd quarter (USD Mil.) Original
A. Loans			
1. To/guaranteed by sovereigns	0.0	0.0	0.0
2. To/guaranteed by public institutions	0.0	0.0	0.0
3. To/guaranteed by private sector	7,434.7	7,269.5	5,969.9
4. Trade financing loans (memo)	1,086.5	554.4	651.9
5. Other loans	n.a.	n.a.	n.a.
6. Loan loss reserves (deducted)	201.5	274.5	214.7
A. Loans, total	**7,233.2**	**6,995.0**	**5,755.2**
B. Other earning assets			
1. Deposits with banks	n.a.	n.a.	n.a.
2. Securities held for sale & trading	n.a.	n.a.	n.a.
3. Investment debt securities (including other investments)	5,300.4	2,838.1	1,882.7
4. Equity investments	310.7	297.6	295.3
5. Derivatives (including fair-value of guarantees)	306.1	201.0	138.3
B. Other earning assets, total	**5,917.2**	**3,336.7**	**2,316.3**
C. Total earning assets (A+B)	**13,150.4**	**10,331.7**	**8,071.5**
D. Fixed assets	**28.8**	**10.1**	**12.6**
E. Non-earning assets			
1. Cash and due from banks	77.0	73.8	47.1
2. Other	378.4	538.9	394.0
F. Total assets	**13,634.6**	**10,954.5**	**8,525.2**
G. Short-term funding			
1. Bank borrowings (< 1 year)	n.a.	n.a.	n.a.
2. Securities issues (< 1 year)	n.a.	n.a.	n.a.
3. Other (including deposits)	1,770.6	664.4	1,094.6
G. Short-term funding, total	**1,770.6**	**664.4**	**1,094.6**
H. Other funding			
1. Bank borrowings (> 1 year)	n.a.	n.a.	n.a.
2. Other borrowings (including securities issues)	7,404.9	6,217.8	3,894.5
3. Subordinated debt	n.a.	n.a.	n.a.
4. Hybrid capital	n.a.	n.a.	n.a.
H. Other funding, total	**7,404.9**	**6,217.8**	**3,894.5**
I. Other (non-interest bearing)			
1. Derivatives (including fair value of guarantees)	305.6	452.4	383.7
2. Fair value portion of debt	n.a.	n.a.	n.a.
3. Other (non-interest bearing)	604.1	375.3	386.4
I. Other (non-interest bearing), total	**909.7**	**827.7**	**770.1**
J. General provisions & reserves	**n.a.**	**n.a.**	**n.a.**
L. Equity			
1. Preference shares	n.a.	n.a.	n.a.
2. Subscribed capital	2,921.7	2,501.0	2,542.6
3. Callable capital	0.0	0.0	0.0

Inter-American Investment Corporation (IDB Invest)
Balance Sheet

	September 30, 2024 9 months - 3rd quarter (USD Mil.) Original	September 30, 2023 9 months - 3rd quarter (USD Mil.) Original	September 30, 2022 9 months - 3rd quarter (USD Mil.) Original
4. Arrears/advances on capital	-212.7	0.0	-158.0
5. Paid in capital (memo)	2,709.0	2,501.0	2,384.6
6. Reserves (including net income for the year)	840.4	743.6	381.4
7. Fair-value revaluation reserve	n.a.	n.a.	n.a.
K. Equity, total	**3,549.4**	**3,244.6**	**2,766.0**
M. Total liabilities & equity	**13,634.6**	**10,954.5**	**8,525.2**
Exchange rate	USD1 = USD1	USD1 = USD1	USD1 = USD1

Source: Fitch Ratings, Fitch Solutions

Inter-American Investment Corporation (IDB Invest)
Income Statement

	September 30, 2024 9 months - 3rd quarter (USD Mil.) Original	September 30, 2023 9 months - 3rd quarter (USD Mil.) Original	September 30, 2022 9 months - 3rd quarter (USD Mil.) Original
1. Interest received	610.1	501.5	220.2
2. Interest paid	226.2	167.1	75.3
3. Net interest revenue (1. - 2.)	**383.9**	**334.4**	**144.9**
4. Other operating income	72.5	95.2	226.4
5. Other income	-19.2	12.4	23.7
6. Personnel expenses	-9.9	-13.2	2.4
7. Other non-interest expenses	138.1	127.6	123.1
8. Impairment charge	-7.5	-21.9	-9.2
9. Other provisions	n.a.	n.a.	n.a.
10. Pre-derivative operating profit (3. + 4. + 5.) - (6. + 7. + 8. + 9.)	**316.5**	**349.5**	**278.7**
11. Net gains/(losses) on non-trading derivative instruments	-131.2	-159.6	-172.0
12. Post-derivative operating profit (10. + 11.)	**185.3**	**189.9**	**106.7**
13. Other income and expenses	n.a.	n.a.	n.a.
14. Net income (12. + 13.)	**185.3**	**189.9**	**106.7**
15. Fair value revaluations recognized in equity	0.0	13.0	28.2
16. Fitch's comprehensive net income (14. + 15.)	**185.3**	**202.9**	**134.9**

Source: Fitch Ratings, Fitch Solutions

Inter-American Investment Corporation (IDB Invest)

Ratio Analysis

(%)	September 30, 2024 9 months - 3rd quarter Original	September 30, 2023 9 months - 3rd quarter Original	September 30, 2022 9 months - 3rd quarter Original
I. Profitability level			
1. Internal capital generation	5.5	6.1	5.4
2. Cost/income ratio	28.1	26.6	33.8
II. Capital adequacy			
1. Usable capital/risk-weighted assets (FRA ratio)	44.3	42.0	43.2
2. Equity/adjusted total assets + guarantees	25.6	29.7	33.2
3. Paid-in capital/subscribed capital	92.7	100.0	93.8
III. Liquidity			
1. Liquid assets/short-term debt	340.5	488.3	212.0
2. Share of treasury assets rated 'AAA'-'AA'	90.7	87.1	85.8
3. Treasury assets/total assets	39.4	26.6	22.6
4. Treasury assets investment grade + eligible non-investment grade/total assets	39.4	26.6	22.6
5. Liquid assets/total assets	44.2	29.6	27.2
IV. Asset quality			
1. Impaired loans/gross loans	1.9	2.3	0.5
2. Loan loss reserves/gross loans	2.7	3.8	3.6
3. Loan loss reserves/Impaired loans	140.2	166.6	756.0
V. Leverage			
1. Debt/equity	259.7	212.1	180.4
2. Debt/callable capital	n.a.	n.a.	n.a.

Source: Fitch Ratings, Fitch Solutions

Inter-American Investment Corporation (IDB Invest)
Annex

	September 30, 2024 (USD Mil.) Original	September 30, 2023 (USD Mil.) Original	September 30, 2022 (USD Mil.) Original
1. Lending operations			
1. Loans outstanding	7,434.7	7,269.5	5,969.9
2. Disbursed loans	3,151.0	3,741.2	2,822.3
3. Loan repayments	3,506.4	3,118.9	2,433.0
4. Net disbursements	777.3	622.3	389.3
Memo: Loans to sovereigns	n.a.	0.0	0.0
Memo: Loans to non-sovereigns	7,434.7	7,269.5	5,969.9
2. Other banking operations			
1. Equity participations	310.7	297.6	295.3
2. Guarantees (off balance sheet)	508.8	432.7	200.9
Memo: Guarantees to sovereigns	0.0	0.0	0.0
Memo: Guarantees to non-sovereigns	508.8	432.7	200.9
3. Total banking exposure (balance sheet and off-balance sheet)			
1. Total banking exposure (loans + equity participations + guarantees (off balance sheet))	8,217.8	7,999.8	6,466.1
Memo: Non-sovereign exposure	8,217.8	7,999.8	6,466.1
4. Support			
1. Share of 'AAA'/'AA' shareholders in callable capital	n.a.	n.a.	n.a.
2. Rating of callable capital ensuring full coverage of net debt	n.a.	0.0	0.0
3. Weighted average rating of key shareholders	BBB-	BBB-	BBB
5. Breakdown of banking portfolio			
1. Loans to sovereigns/total banking exposure	0.0	0.0	0.0
2. Loans to non-sovereigns total banking exposure	90.1	90.9	92.3
3. Equity participation/total banking exposure	3.8	3.7	4.6
4. Guarantees covering sovereign risks/total banking exposure	0.0	0.0	0.0
5. Guarantees covering non-sovereign risks/total banking exposure	6.2	5.4	3.1
Memo: Non sovereign exposure (2. + 3. + 5.)/total banking exposure	100.0	100.0	100.0
6. Concentration measures			
1. Largest exposure/equity (%)	7.4	7.8	6.8
2. Five largest exposures/equity (%)	25.2	28.1	25.3
3. Largest exposure/total banking exposure (%)	3.2	3.2	2.9
4. Five largest exposures/total banking exposure (%)	10.8	11.4	10.8
7. Credit risk			
1. Average rating of loans & guarantees	BB+	BB	BB
2. Loans to investment-grade borrowers/gross loans	47.9	32.5	32.7
3. Loans to sub-investment grade borrowers/gross loans	59.3	66.3	70.7
8. Liquidity			
1. Treasury assets	5,377.4	2,911.9	1,929.8
2. Treasury assets of which investment grade + eligible non-investment grade	5,377.4	2,911.9	1,929.8
3. Unimpaired short-term trade financing loans	1,086.5	554.4	651.9
4. Unimpaired short-term trade financing loans - discounted 40%	651.9	332.6	391.1
5. Liquid assets (2. + 4.)	6,029.3	3,244.5	2,320.9

Source: Fitch Ratings, Fitch Solutions

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