

The Four Major State-owned Commercial banks County Business Problems and Countermeasures: In Heilongjiang Province as an Example

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Abstract—Based on the heilongjiang province as an example, through to the county economic development status and the four major state-owned commercial banks county business condition analysis, This paper points out four banks of county business development in the existing problems, and how to ascend to the county level of business development countermeasures were proposed.

Keywords-Commercial Banks ; Underdeveloped areas; County

1. Introduction

The 16th CPC congress proposed the concept of "county economy", send out "development processing of agricultural products, strengthen county economies" respectively. 2010 central first file to accelerate the county development put forward more clear and specific direction, "developing county economy, seize the industrial transfer favorable opportunity to promote characteristic industrial, advantage projects to county and key town gathered and increase the urban comprehensive carrying capacity, absorbing rural population speed up to small towns." centralized In the 17th, the fifth session of the national "pushing agricultural modernization, the coordination of urban and rural development" into "twelfth five-year plan" planning development target. The central the policy guidance of China, according to the county economy booming and unceasing prosperity of age has is the trend of The Times. County financial as county economy is one of the core elements in thrusting county economic development plays a very important role. 2010 central first file further defined "improve rural financial service quality and level", propose to strengthen finance-taxation policies and rural financial policy effective connection, lead more credit fund in the "SAN nong".

2. Heilongjiang County Economic Development and State-owned Commercial banks Operating Situation

2.1 Heilongjiang County Economic Development

Heilongjiang province is located in China's northeast frontier, regional vast, fertile land, has the advantageous resources superiority, as the important composition of China's "strategic granary," and is known as "Pku storehouse". Existing 64 counties, county land area is 36.7 million square kilometers, accounting for the land area of 80.6%, and population is 2482 million, accounts for the population 65% of the total population. 2009, the province county in GDP reached 3485 billion yuan, accounting for the province of GDP 42% and growth averaging nearly three years to 16.45%, higher than the entire province average growth 6.11 percentage points. The county fiscal revenue 223 billion yuan, nearly three years growth averaging 22.5%, higher than the entire province average growth 4.52 percentage points. From the above economic data can see, heilongjiang province county economy is steadily rapid growth and containing the great economic and financial resources, county economy of the whole province economic growth in ascension, the contribution to the development of county economy has become the economic development of important driving growth.

In recent years, the central and local multiple benefit policy comes on stage in succession, that encouraging the "SAN nong" economic development and at the same time, also making the heilongjiang county town residents' income has quickly stable growth momentum. 2009, the province county worker year

of average wage mean 19621 yuan, nearly two years on average growth of 17%, slightly above the city worker wage growth, The county town residents' per capita disposable income for the past two years, mean 9781 yuan for 17% growth averaging. The county per capita net income of farmers means 5254 yuan, nearly two years growth averaging 19%. Urban and rural historic changes have taken place, county residents increasingly share the achievements of development of county economy. County residents opulence and improvement of savings ability, will be in life consumption demand and investment demand and financial service demand appreciation on gestates larger room for growth and rising potential.

2.2 Heilongjiang Four Major State-owned Commercial Banks Operating Situation

In the first half of 2009 deadline, ICBC, ABC, BOC and CCB, the total of four banks county (city) branches is 587, accounting for the outlets of proportion and 30.1%. Among them, the ABC branches of is greatest and County (city) 95.31% administrative divisions coverage up, accounting for 45% of the province number of institutions. IN four banks county institutions deposit proportion for 20.14%, loan balances proportion only for 9.11%, intermediary business income proportion for 17%. With county in GDP province nearly one-third of the proportion of than compared to the contribution is relatively low. From four banks of county of the province of the whole province proportion and credit business management contribution, ABC is highest and Balance and XinZengE accounted for the proportion 41.29% and 38.77% achieved respectively (see table I). Four banks of county institutions deposit balance 1217.26 billion yuan, 188.69 billion yuan loan balances, deposit-loan ratio was 16%, far below the province 49% of level. Loan interest income less than deposit interest expenditures, credit-loan investment needs to be increased (see table II) .

TABLE I. IN THE FIRST HALF OF 2009 FOUR BANKS COUNTY (CITY) THE LOAN TABLE

BANK PROJECT	CCB	ICBC	ABC	BOC
Balance(Billion yuan)	53.81	34.35	79.29	21.24
Balance ratio(%)	28.52	18.20	42.02	11.26
Balance proportion in province (%)	8.91	4.05	41.29	4.96
This year increased(Billion yuan)	14.60	10.91	32.75	7.31
Xinzeng ratio(%)	22.27	16.64	49.94	11.15
Xinzeng proportion in province (%)	12.94	10.44	38.77	6.60
This year growth (%)	37.25	46.58	70.37	52.51
branches average balance(Billion yuan)	0.49	0.24	0.29	0.36

Source: Banks 2009 reports

TABLE II. IN THE FIRST HALF OF 2009 FOUR BANKS OF COUNTY DEPOSIT-LOAN RATIO TABLE (%)

BANK PROJECT		CCB	ICBC	ABC	BOC
Balance deposit-loan ratio	County	19.90	10.94	16.67	13.51
	Province	37.68	38.89	34.02	19.16

Xinze deposit-loan ratio	County	40.18	23.00	53.25	32.25
	Province	45.89	34.76	55.01	64.86

Source: Banks 2009 reports

3. the existing problems of Four major state-owned commercial Banks operating in the development of the county

Heilongjiang as a traditional agricultural province, the agriculture is the province's backbone industries. In 2008 the first industry realized in GDP 1089 billion yuan , an increase of 17.3 billion yuan, increasing rate reaches 19%. The four major state-owned commercial Banks operating situation with county economy county development status of serious mismatch, mainly exist in the following questions:

3.1 Four Banks of County Business Index and the Large Deviation, Economic Development and Business Share Contrast .

By 30 June 2009, four banks county institutions deposit 20.14% province proportion, loans is only 9.11%, intermediary business income for 17%, with county in GDP province nearly two-fifths of the proportion of than compared to the contribution is relatively low.

In the operation of the whole province, ABC contribution county institutions ahead, basically with county economy total matching. CCB for the contributions of the county institutions in the last two years have not changed much county agency general deposit the contribution, only 16.9% ranked second, each loan, four banks 8.91% contribution to the province ranked second; ICBC and BOC compared with ABC bank are a large gap.

3.2 Balance Deposit-loan is Lower, Credit-loan Interest Income does not Cover Deposits Dpenditure.

In the first half of 2009 deadline, four banks county institutions deposit balance 1217.26 billion yuan, loan balances 188.69 billion yuan, deposit-loan ratio was 16%, far below the province 49% of level. Trade four banks, CCB county balance deposit-loan ratio is highest, but compared with the province is still low 17.78 percentage points. ICBC deviation degree have reach - 27.95 percentage points. Loan interest income less than deposit interest expenditures, capital transfer income become four banks county business profit of the major source of income. By CCB, for example, in the first half of 2009 deadline, county organization accomplish loan interest income 140.62 million yuan, deposit interest expenses 198.54 million yuan, net income of deposit and loan interest for -57.92 million yuan. In its 46 county (city) branches, only six loan interest income than deposit interest payments.

3.3 Four Banks County Institutions Handling Intensive Degree, Low Value Creation Ability Weak Outlets

In the first half of 2009 deadline, four banks county institutions below the province average level in the average deposit balance, loan balance and Intermediary business income three indexes of outlets.

TABLE III. IN THE FIRST HALF OF 2009 FOUR BANKS COUNTY INSTITUTIONS HANDLING INTENSIVE DEGREE TABLE (BILLION YUAN,%)

BANK	PROJ -ECT	General deposit		Deposits		Intermediary business income
		AB	AX	AB	AX	AB
CCB	B/X	2.48	0.33	0.49	0.13	51
	FBR	2	3	1	1	1
ICBC	B/X	2.23	0.34	0.24	0.08	48

	FBR	3	2	4	4	2
ABC	B/X	1.71	0.22	0.29	0.12	23
	FBR	4	4	3	3	4
BOC	B/X	2.67	0.38	0.36	0.12	30
	FBR	1	1	2	2	3

Explain: Banlance/Xinzeng: B/X
Four bank ranking: FBR
Average balance: AB
Average xinzeng: AX

4. The four major state-owned commercial Banks county business development countermeasures

According to international experience, our country has entered a new stage of industry regurgitation feeding agriculture. Currently county agriculture industrialization development is rapid, Regional industry leading enterprises great impetus to the planting and husbandry expanded reproduction enthusiasm , agricultural small and medium-sized enterprises and individual industrial and commercial households and farmers' specialized cooperative organizations that more than county institutions for the further development of various business provides abundant of potential customers market and broad financial markets.

4.1 Improving Cognitive Constituted, Firmly Grasping the Pulse County Economic Development, Grasping the County Economy Growth and the Banking, Financial Services of Combining Site, to Achieve Mutual Benefit and Win-win Results.

From the development of space, the county economy often by county for center, township as the link, rural as a hinterland, is in the county administrative districts region and, overall arrangement and optimizing economic social resources, in the form of a fully functioning, with local characteristics of regional economy and its remarkable characteristics is regional limit obviously, relatively independent development space. From the aspect of content, the development of county economy is distinctive economic, the characteristic is the most prominent mark of county economy. Characteristics is the advantage, advantage in general including resources advantage, location advantages and traditional advantage etc, one of the most basic is the resource advantage. County economy which exists of itself in this characteristic objectively requires officials at all levels must first from the reality, deepening of economic and social conditions for county of the cognitive and grasp, conduct extensive investigation, alignment in county economy development, advantage and disadvantage, earnestly analyze the advantages and disadvantages of county economy development factors, on the basis of overall arrangement in bank various business coordinated development, targeted pinpoint the breakthrough, determine the practical development goals and concrete measures.

4.2 For County Customer Comb and Classification, Adjust Measures to Local Conditions to Pinpoint the Target Customer Groups.

Currently Financial institutions in the city's competition is fierce, extremely competitive market has become increasingly saturation, but through the investigation found that heilongjiang county financial needs of the very intense, the existing financial supply, even the basic production of planting farmers requirements are hard to meet production needs and breeding of large and small and medium-sized enterprise needs and individual and industrial and commercial door needs, special economic crop production needs and rural urbanization construction needs only a few financial institutions can provide special service. Rural agricultural enterprises, exist, farmers' specialized cooperative organizations and husbandry etc. Various customer group, and their economic scale, financial demand characteristics and turnover cycle characteristics of urban enterprises and individual customers with different, which requires the Banks county organizations must be timely change ideas, do big or small, according to local conditions, intensify the target customer base, establish the comb county area target customer base, completes the customer market subdivision and identification of groundwork, regard this as the premise, and strive to improve customer marketing purpose, efficiency and profitability, solidify bank in all kinds of business sustainable development foundation.

4.3 Break Through the Traditional Thinking Bondage, Optimization of Rural Financial Service Process, Deepening Rural Financial Product Innovation.

Rural financial demand and city there exist obvious differences in loan structure, farmers as one of the basic production, operation and life unit already, need productive loans, and the need to sexual life, the same subject of the credit loan demand has diversity. In the size of the loan, farmers and rural enterprise one transaction amount is less than city credit demand universal customers. In loan time limit, because farming production has natural periodic objectively requires loan time limit. At risk, farmers only own land ownership right and not, its housing could not have secured with property effectiveness of house property card, generally unable to provide the asset-backed and guarantee. The objective situation requires commercial banks must be based on the actual demand of rural financial service industries in the past, the breakthrough, big customers traditional thinking of bondage, utmost close to the countryside actual situation, act according to actual circumstances to provide financial services, in view of rural credit demand characteristic service process reengineering, and closely combining the local economic development and characteristics of product innovation, looking for deepening the commercial bank new profit growth point.

4.4 To Invest, Strengthening Propaganda, Working on Developing Leading County Clients to Accept Commercial Bank's Financial Products.

By economic development backwardness and ideas behind the influence of factors, county customers for the emerging financial products and financial investment mode receptive process longer than urban customers, this needs bank county institutions floriferous idea, much energy, finding out the right Angle, by radio, television, and flyer and so on many kinds of medium, seize all opportunities, intensify the financial product propaganda, improve customer to commercial Banks county financial service awareness degree of potential customer groups, cultivate, and strive to lead county financial life consumption patterns.

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