

FOREIGN TRADE BANK OF LATIN AMERICA, INC.
Form 6-K
May 09, 2018

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16 UNDER THE
SECURITIES EXCHANGE ACT OF 1934

For the month of May, 2018

Commission File Number 1-11414

BANCO LATINOAMERICANO DE COMERCIO EXTERIOR, S.A.

(Exact name of Registrant as specified in its Charter)

FOREIGN TRADE BANK OF LATIN AMERICA, INC.

(Translation of Registrant's name into English)

Business Park Torre V, Ave. La Rotonda, Costa del Este

P.O. Box 0819-08730

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Panama City, Republic of Panama

(Address of Registrant's Principal Executive Offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Yes No

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Yes No

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: May 7, 2018

FOREIGN TRADE BANK OF LATIN AMERICA, INC.
(Registrant)

By: /s/ Ana Graciela de Méndez

Name: Ana Graciela de Méndez

Title: CFO

**Banco Latinoamericano
de Comercio Exterior, S.A.
and Subsidiaries**

Unaudited condensed consolidated interim statement of financial position as of March 31, 2018 and December 31, 2017, and related unaudited condensed consolidated interim statements of profit or loss, unaudited condensed consolidated interim statements of profit or loss and other comprehensive income, unaudited condensed consolidated interim statements of changes in equity and unaudited condensed consolidated interim statements of cash flows for the three months ended March 31, 2018, 2017 and 2016

Banco Latinoamericano de Comercio Exterior, S.A.

and Subsidiaries

Unaudited condensed consolidated interim financial statements

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Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries**Unaudited condensed consolidated interim statement of financial position****March 31, 2018 and December 31, 2017**

(In US\$ thousand)

	Notes	March 31, 2018 (Unaudited)	December 31, 2017 (Audited)
Assets			
Cash and cash equivalents	3,16	560,276	672,048
Financial Instruments:	4,16		
At fair value through OCI	4,16	24,313	25,135
Securities at amortized cost, net	4,16	68,112	68,934
Loans	4	5,225,324	5,505,658
Less:			
Allowance for expected credit losses	4	82,670	81,294
Unearned interest and deferred fees	4	5,927	4,985
Loans, net		5,136,727	5,419,379
Derivative financial instruments used for hedging – receivable	4,14,16	14,682	13,338
Property and equipment, net		7,120	7,420
Intangibles, net		5,115	5,425
Other assets:			
Customers' liabilities under acceptances	16	4,940	6,369
Accrued interest receivable	16	34,725	30,872
Other assets	6	19,035	18,827
Total of other assets		58,700	56,068
Total assets		5,875,045	6,267,747
Liabilities and stockholders' equity			
Deposits:	7,15		
Noninterest-bearing - Demand		407	420
Interest-bearing - Demand		41,594	81,644
Time		2,772,214	2,846,780
Total deposits		2,814,215	2,928,844

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Derivative financial instruments used for hedging – payable	4,14,16	12,469	34,943
Financial liabilities through profit or loss	4,16	-	-
Securities sold under repurchase agreement	4,8,16	49,316	-
Short-term borrowings and debt	9,16	776,967	1,072,723
Long-term borrowings and debt, net	9,16	1,123,908	1,138,844
Other liabilities:			
Acceptances outstanding	16	4,940	6,369
Accrued interest payable	16	17,005	15,816
Allowance for expected credit losses on loan commitments and financial guarantees contracts	5	7,423	6,845
Other liabilities	10	22,066	20,551
Total other liabilities		51,434	49,581
Total liabilities		4,828,309	5,224,935
Stockholders' equity:			
Common stock	12	279,980	279,980
Treasury stock	13	(60,671)	(63,248)
Additional paid-in capital in excess of assigned value of common stock	12	120,319	119,941
Capital reserves		95,210	95,210
Dymanic provision	20	108,756	108,756
Regulatory credit reserve	20	18,748	20,498
Retained earnings	20	480,778	479,712
Accumulated other comprehensive income (loss)	4,14	3,616	1,963
Total stockholders' equity		1,046,736	1,042,812
Total liabilities and stockholders' equity		5,875,045	6,267,747

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries**Unaudited condensed consolidated interim statements of profit or loss****For the three months ended March 31, 2018, 2017 and 2016**

(In US\$ thousand, except per share amounts)

	Notes	2018	2017	2016
Interest income:				
Deposits		2,939	2,001	1,171
At fair value through OCI		123	170	950
Securities at amortized cost		485	533	784
Loans		53,890	56,427	58,253
Total interest income		57,437	59,131	61,158
Interest expense:				
Deposits		14,004	6,207	4,552
Short and long-term borrowings and debt		16,843	18,492	17,088
Total interest expense		30,847	24,699	21,640
Net interest income		26,590	34,432	39,518
Other income:				
Fees and commissions, net		3,059	3,269	2,373
Loss on derivative financial instruments and foreign currency exchange, net	4	1,666	131	(839)
(Loss) gain per financial instrument at fair value through profit or loss		(62)	(60)	(4,183)
Gain (loss) on sale of securities at fair value through OCI	4	-	114	(285)
Gain on sale of loans	4	(625)	86	100
Other income		115	354	351
Net other income		4,153	3,894	(2,483)
Total income		30,743	38,326	37,035
Expenses:				
Impairment loss from expected credit losses on loans at amortized cost	4	1,377	3,953	2,143
(Recovery) impairment loss from expected credit losses on investment securities	4	(25)	(454)	7
Impairment loss (recovery) from expected credit losses on loan commitments and financial guarantee contracts	5	579	163	(913)
Salaries and other employee expenses		10,094	6,696	7,880
Depreciation of equipment and leasehold improvements		323	431	329

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Amortization of intangible assets		338	201	113
Other expenses		3,559	3,878	4,038
Total expenses		16,245	14,868	13,597
Profit for the period		14,498	23,458	23,438
Earnings per share:				
Basic	11	0.37	0.60	0.60
Diluted	11	0.37	0.60	0.60
Weighted average basic shares	11	39,466	39,188	38,997
Weighted average diluted shares	11	39,492	39,296	39,121

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries**Unaudited condensed consolidated interim statements of profit or loss and other comprehensive income****For the three months ended March 31, 2018, 2017 and 2016**

(In US\$ thousand)

	Notes	2018	2017	2016
Profit for the period		14,498	23,458	23,438
Other comprehensive income (loss):				
Items that will not reclassified subsequently to profit and loss:				
Change in fair value for revaluation by equity instrument to FVOCI, net of hedging	14	(623)	-	-
Items that are or may be reclassified subsequently to profit and loss:				
Change in fair value for revaluation y debt instrument, net of hedging	14	1,291	937	1,801
Reclassification adjustment for gains (losses) included in the profit	14	1,160	(2,485)	207
Exchange difference in conversion of foreign operating currency		(175)	-	-
Other comprehensive income (loss)	14	1,653	(1,548)	2,008
Total comprehensive income for the period		16,151	21,910	25,446

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Banco Latinoamericano de Comercio Exterior, S. A. and Subsidiaries**Unaudited condensed consolidated interim statements of changes in stockholders's equity****For the three months ended March 31, 2018, 2017 and 2016**

(In US\$ thousand)

	Common stock	Treasury stock	Additional paid- in capital in excess of assigned value of common stock	Capital reserves	Dymanic provision	Regulatory credit reserve	Retained earnings	Accumulated other comprehensive income (loss)	Total
Balances at January 1, 2016	279,980	(73,397)	120,177	95,210	30,788	7,920	521,934	(10,681)	971,931
Profit for the period	-	-	-	-	-	-	23,438	-	23,438
Other comprehensive income	-	-	-	-	-	-	-	2,008	2,008
Issuance of restricted stock	-	-	-	-	-	-	-	-	-
Compensation cost - stock options and stock units plans	-	-	659	-	-	-	-	-	659
Exercised options and stock units vested	-	1,433	(1,433)	-	-	-	-	-	-
Repurchase of "Class B" and "Class E" common stock	-	-	-	-	-	-	-	-	-
Regulatory reserve	-	-	-	-	-	6,381	(6,381)	-	-
	-	-	-	-	830	-	(830)	-	-

Dymanic
provision