FOREIGN TRADE BANK OF LATIN AMERICA, INC.
Form 6-K
February 19, 2010

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

Long form of Press Release

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)

Calle 50 y Aquilino de la Guardia
P.O. Box 0819-08730
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 x Form 40-F ¨

(Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing information to the Commission pursuant to Rule 12g-3-2(b) under the Securities Exchange Act of 1934.)

Yes ¨ No x

(If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b). 82__.)

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, thereto duly authorized.

February 17, 2010

FOREIGN TRADE BANK OF LATIN AMERICA, INC.

By: /s/ Pedro Toll

Name: Pedro Toll
Title: General Manager

BLADEX REPORTS FULL YEAR NET INCOME OF $54.9 MILLION; $1.50 PER SHARE
FOURTH QUARTER NET INCOME OF $11.9 MILLION; $0.33 PER SHARE

PANAMA CITY, February 17, 2010 – Banco Latinoamericano de Comercio Exterior, S.A. (NYSE: BLX, "Bladex", or "the Bank") announced today its results for the fourth quarter ended December 31, 2009.

Annual Business Highlights

- Net income for 2009 amounted to $54.9 million compared to $55.1 million in 2008. Net interest margin increased to 1.62% in 2009, from 1.55% in 2008. The efficiency ratio improved from 42% in 2008 to 35% in 2009, while 2009 operating expenses remained 4% below 2008 levels.

- The Commercial Division's net income for 2009 amounted to $34.8 million compared to $59.1 million in 2008. Net operating income for 2009 amounted to $49.7 million compared to $58.4 million in 2008. The decreases during the year were due to lower average loan portfolio balances and lower market interest rates, partially offset by higher average lending spreads. The commercial portfolio stood at $3.1 billion, an increase of 2% from December 31, 2008, and a 17% increase from its lowest level at month-end May 2009. Disbursements during the fourth quarter 2009 reached $1,217 million, a 16% increase over the previous quarter, and a 78% increase from the fourth quarter 2008.

- The Treasury Division reported net income for 2009 totaled $6.1 million, compared to a net loss of $16.3 million in 2008, the result of higher margins and trading gains.

- The Asset Management Division's net income for 2009 was $14.1 million, compared to $12.3 million in 2008. The $1.8 million increase during the year was due to higher trading gains in the Investment Fund, partially offset by a greater participation of minority interests.

- Liquidity as of December 31, 2009 was $402 million, compared to $826 million as of December 31, 2008, as the Bank gradually returns to historical liquidity levels.

- The ratio of the allowance for credit losses in the commercial portfolio stood at 3.2%, compared to 3.5% reported in the third quarter 2009, and 2.8% as of December 31, 2008. The quarterly decrease was primarily the net result of a shift in the portfolio composition towards better quality risk.

- During 2009, the book value per common share increased 17% to $18.49. The Bank's Tier 1 capital ratio as of December 31, 2009 was 25.8%, compared to 24.6% as of September 30, 2009, and 20.4% as of December 31, 2008, while the leverage ratio as of these dates was 5.7x, 5.6x and 7.6x, respectively. The Bank's equity consists entirely of common shares.

CEO's Comments

"Bladex made it through one of the most difficult years in recent financial history in very good shape. The Bank's net income at $54.9 million for 2009 was practically the same as for 2008. Bladex's capitalization, reflected in a Tier 1 ratio of 25.8% and leverage of 5.7 times, is stronger than the 20.4% and 7.6 times of a year ago, while efficiency improved from 42% to 35%, and the Bank's commercial portfolio grew by a full 17% after hitting its low point month-end in May. Bladex's liquidity position is ample, supported by a much more diversified universe of funding sources, while reserve coverage is at historically high levels, protecting a portfolio of solid and improving quality. The only financial indicator lagging the Bank's objectives is the 8.6% ROE, itself a natural result of Bladex's strong capitalization.

Bladex's performance is particularly noteworthy when considered against the backdrop of a Region whose economies had been growing at average annual rates of over 5% and during 2009, suffered a 1.8% contraction. The impact of the economic crisis on the Region's trade flows was even more dramatic: commerce during the year contracted 24%, a figure without parallel since the late 1930s.

Bladex managed the crisis without the need for any type of external support by calling on its traditional strengths: a disciplined focus on a Region and a business it knows well, excellence in credit and liquidity risk management, and a fiercely competitive, skilled and cohesive team.

With regards to the fourth quarter, Bladex was pleased to see portfolio growth becoming more firmly established, credit quality continuing to improve, and sustained levels of profitability despite a below average performance by the Bank's asset management division.

With the worst of the crisis now apparently over, Bladex is excited to find itself with the right combination of capital, liquidity, clients and skills to leverage the opportunities of a significantly changed competitive and business landscape.

A number of Bladex's competitors are still in the process of reorganizing their approach to Latin America, or have exited the market altogether. Much more importantly, however, the crisis has brought about a surge in intraregional trade, Latin American companies selling to Latin American markets, which is ideally suited to Bladex's unique ability to provide clients with trade finance support on a regional basis. Combined with the incipient recovery in international trade flows and the internationalization many of the Region's companies, Bladex believes these trends will result in significant growth opportunities for the Bank and is allocating resources accordingly. As a first step, the Board of Directors has approved the establishment of two new Representative Offices in Porto Alegre, Brazil, and in Monterrey, Mexico, as part of a plan designed to capture as much of this new business as possible. As Bladex re-leverages the balance sheet, the Bank's ROE levels will rise accordingly.

Over the short term, the road forward is not likely to be smooth, as there are simply too many financial, economic and political risks at play globally, all of which impact Latin America and Bladex's business, even if only in an indirect manner. Nevertheless, Bladex is confident that 2010 marks the start of a transformation in Bladex every bit as significant as when the Bank evolved from being solely a bank–to-banks to the best trade finance platform in Latin America."

3

RESULTS BY BUSINESS SEGMENT

COMMERCIAL DIVISION

The Commercial Division incorporates the Bank's core business from financial intermediation and fee generation activities. Net income includes net interest income from loans, fee income, net allocated operating expenses, the reversal (provision) for loan and off-balance sheet credit losses, and any impairment on assets.

(US$ million)	2009	2008	4Q09	3Q09	4Q08
Commercial Division:					
Net interest income	$ 66.2	$ 78.1	$ 15.5	$ 16.7	$ 18.6
Non-interest operating income (1)	6.9	7.8	2.1	1.6	1.4
Net operating revenues (2)	73.1	85.9	17.6	18.3	20.0
Operating expenses	(23.4)	(27.5)	(6.3)	(5.3)	(6.2)
Net operating income (3)	49.7	58.4	11.2	13.0	13.8
Reversal (provision) for loan and off-balance sheet credit losses, net	(14.8)	1.5	0.6	(1.2)	0.7
Impairment of assets, net of recoveries	(0.1)	(0.8)	(0.0)	0.0	(0.4)
NET INCOME ATTRIBUTABLE TO BLADEX	$ 34.8	$ 59.1	$ 11.8	$ 11.8	$ 14.0

4Q09 vs. 3Q09

The Commercial Division accelerated portfolio growth in the fourth quarter 2009 as market demand improved, reaching $3.1 billion, an 8% increase over the previous quarter. The Division's net income in the fourth quarter 2009 amounted to $11.8 million, nearly unchanged from the previous quarter. Net operating income in the fourth quarter 2009 amounted to $11.2 million compared to $13.0 million in the third quarter 2009. The $1.7 million decrease in operating income was the result of the combined effects of: (i) a $1.2 million decrease in net interest income due to lower weighted average lending spreads on average loan portfolio (-18 bps), partially offset by increased average loan portfolio balances (+7%), mainly driven by demand from financial institutions; (ii) a $1.0 million increase in operating expenses primarily due to seasonal effects; and (iii) a $0.5 million increase in non-interest operating income attributable mostly to increased commission income from the letter of credit business.

4Q09 vs. 4Q08

Net income from the Commercial Division decreased $2.2 million versus the fourth quarter 2008 as a result of: (i) a $3.1 million decrease in net interest income attributable mostly due to decreased average loan balances (-16%) as the Bank readjusted its portfolio risk profile and boosted liquidity during the financial crisis and decreased market interest rates, partially offset by an increase in the average lending margins during the year (+63 bps); (ii) a $0.1 million increase in operating expenses, and (iii) a $0.7 million increase in commissions and fees.

The following graph illustrates the trend in quarterly weighted average lending spreads:

4Q09 vs. 3Q09
During the quarter, the Bank disbursed credits totaling $1,217 million compared to $1,050 million in the third quarter 2009, and $685 million in the fourth quarter 2008. The accelerated increase in demand primarily impacted the letter of credit activities and the financial institutions portfolio. The weighted average lending spreads on new loan disbursements decreased from 2.91% in the third quarter 2009 to 2.02% in the fourth quarter 2009, mostly due to a shift in the portfolio's composition towards financial institutions, with an overall favorable impact on portfolio quality. As of December 31, 2009, 43% of the loan portfolio consisted of loans to banks, compared to 35% as of September 30, 2009, and 35% as of December 31, 2008.

2009 vs. 2008
During 2009, the Commercial Division's net income amounted to $34.8 million, compared to $59.1 million in 2008. The $24.3 million decrease is attributable to the combined effects of: (i) a $11.9 million decrease in net interest income due to lower average loan balances (-31%) and lower market interest rates, partially offset by increased weighted average lending spreads (+88 bps); (ii) a $0.9 million decrease in non-interest operating income as a result of decreased commission income from the letter of credit business; (iii) $16.4 million in provisions for loan and off-balance sheet credit losses, and (iv) $4.1 million in lower operating expenses following cost control measures taken in early 2009.

The following graph illustrates the trend in yearly weighted average lending spreads:

The commercial portfolio includes loans, letters of credit, country risk guarantees and loan commitments pertaining to the Bank's client-oriented intermediation activities. The Bank's commercial portfolio balance reached $3.1 billion as of December 31, 2009, an 8% increase over the balance as of September 30, 2009, and 2% over the balance as of December 31, 2008. Similarly, on an average basis, the commercial portfolio increased 7% in the fourth quarter 2009 compared to the previous quarter, and decreased 17% from the fourth quarter 2008. From its pre-crisis peak of $4.5 billion during the third quarter of 2008, the average commercial portfolio declined 40% to $2.7 billion in the second quarter of 2009 as the bank adjusted its portfolio composition to mitigate risks, and boosted liquidity and capitalization levels. Since then, average portfolio balances have grown 9% to $2.9 billion in the fourth quarter 2009 as credit demand accelerates.

The commercial portfolio continues to be short-term and trade-related in nature. $2.2 billion, or 69%, of the commercial portfolio mature within one year. Trade financing operations represent 62% of the portfolio. Refer to Exhibit X for information relating to the Bank's commercial portfolio distribution by country and Exhibit XII for the Bank's distribution of credit disbursements by country.

TREASURY DIVISION

The Treasury Division incorporates the Bank's liquidity management and investment securities activities. Net income is presented net of allocated operating expenses, and includes net interest income on treasury activities and net other income (expense) relating to treasury activities (12).

(US$ million)		2009		2008		4Q09		3Q09		4Q08
Treasury Division:										
Net interest income	$	2.0	$	3.0	$	0.5	$	1.3	$	(3.0)
Non-interest operating income (loss) (1)		12.0		(12.4)		0.7		1.6		(14.4)
Net operating revenues (2)		14.0		(9.4)		1.2		2.9		(17.5)
Operating expenses		(7.9)		(6.9)		(1.7)		(1.8)		(2.1)
Net operating income (loss) (3, 12)		6.1		(16.3)		(0.5)		1.2		(19.6)
NET INCOME (LOSS) ATTRIBUTABLE TO BLADEX	$	6.1	$	(16.3)	$	(0.5)	$	1.2	$	(19.6)

4Q09 vs. 3Q09

In the fourth quarter 2009, the Treasury Division posted a net loss of $0.5 million compared to $1.2 million in net income during the third quarter 2009. The $1.7 million decrease is attributable mostly to: (i) a $0.9 million decrease in net interest income mainly from lower average balances in the investment securities portfolio after sales were made in the third quarter 2009 to lock in gains; and (ii) a $0.9 million decrease in non-interest operating income, mainly reflecting lower trading gains from available for sale and trading securities, partially offset by increased gains from foreign currency exchange.

2009 vs. 2008

The Treasury Division reported net income of $6.1 million in 2009, compared to a net loss of $16.3 million in 2008. The 2009 results were driven primarily by a $24.4 million increase in non-interest operating income mostly attributable to gains from trading securities. The 2008 results were impacted by a $25.0 million accounting charge relating to securities sold under repurchase agreements, accounted for as sales, partially offset by a $12.2 million gain related to the application of FASB Statement No. 157 to value the Bank's cross currency swap portfolio.

The trading portfolio as of December 31, 2009 amounted to $50 million, the same amount as of September 30, 2009, and compared to $45 million as of December 31, 2008. The securities available for sale portfolio as of December 31, 2009 totaled $457 million, representing a 1% decrease from September 30, 2009 and a 25% decrease from December 31, 2008. The year-on-year decrease reflects the sale of $147 million in book value of the securities portfolio, which generated net gains of $0.5 million during 2009.

The available for sale portfolio as of December 31, 2009 consisted entirely of readily quoted Latin American securities, 79.8% of which were sovereign and state-owned risk in nature (refer to Exhibit XI for a per country distribution of the treasury portfolio).

The available for sale portfolio is marked to market, with the impact recorded in stockholders' equity through the Other Comprehensive Income Account ("OCI") which, for the fourth quarter 2009, recorded a $3 million improvement in value to -$6 million, reflecting mostly the increased market valuation of the securities portfolio (refer to Exhibit I.)

Liquid assets (11) decreased to $402 million as of December 31, 2009 compared to $431 million as of September 30, 2009, and $826 million as of December 31, 2008. The Bank is gradually reducing liquidity balances to historically prevalent levels as funding markets improve.

The Bank continues reducing its repurchase agreement obligations, while selectively replacing bank borrowings to adjust liquidity levels and to improve funding costs. Weighted average funding costs for the fourth quarter 2009 amounted to 1.75%, a decrease of 42 bps, or 19%, compared to the third quarter 2009, and a decrease of 183 bps, or 51%, compared to the fourth quarter 2008. Weighted average funding costs for 2009 stood at 2.38% compared to 3.80% in 2008.

ASSET MANAGEMENT DIVISION

The Asset Management Division incorporates the Bank's asset management activities. The Division's Investment Fund follows primarily a Latin America macro strategy, utilizing a combination of products (foreign exchange, equity indices, interest rate swaps, and credit derivative products) to establish long and short positions in the markets.

The Division's net income includes net interest income on the Investment Fund, as well as net gains (losses) from Investment Fund trading, other related income (loss), allocated operating expenses, and the participation of minority interest in gains of the Investment Fund.

(US$ million)	2009	2008	4Q09	3Q09	4Q08
Asset Management Division:					
Net interest income (loss)	$ (3.4)	$ (3.2)	$ (0.8)	$ (0.7)	$ (0.9)
Non-interest operating income (loss) (1)	25.4	21.3	3.5	5.5	3.6
Net operating revenues (2)	22.1	18.1	2.7	4.7	2.7
Operating expenses	(6.8)	(5.6)	(1.9)	(1.5)	(1.4)
Net operating income (loss) (3)	15.2	12.5	0.8	3.3	1.3
Net income attributable to the redeemable noncontrolling interest	(1.1)	(0.2)	(0.2)	(0.5)	(0.1)
NET INCOME ATTRIBUTABLE TO BLADEX	$ 14.1	$ 12.3	$ 0.6	$ 2.8	$ 1.2

4Q09 vs. 3Q09
Net income in the fourth quarter 2009 totaled $0.6 million, compared to net income of $2.8 million in the prior quarter and net income of $1.2 million in the fourth quarter 2008. The $2.2 million decrease in net income for the quarter was mainly due to a $2.0 million decrease in non-interest operating income attributable to lower gains from Investment Fund trading.

2009 vs. 2008
Net income for 2009 amounted to $14.1 million compared to $12.3 million in 2008. The $1.8 million increase in net income during the year was due to the combined effect of: a (i) $4.2 million increase in non-interest operating income attributable to increased gains from Investment Fund trading, a (ii) $1.2 million increase in operating expenses, and a (iii) $0.9 million increase in net income attributable to redeemable non-controlling interest..

As of December 31, 2009, the Investment Fund's asset value totaled $198 million, compared to $189 million as of September 30, 2009 and $151 million as of December 31, 2008. For the same dates, Bladex´s ownership of the Bladex Offshore Feeder Fund was 82.34%, 85.53% and 96.89%, respectively, with remaining balances owned by third party investors.

CONSOLIDATED RESULTS OF OPERATIONS

KEY FINANCIAL FIGURES AND RATIOS

The following table illustrates the consolidated results of operations of the Bank for the periods indicated below:

(US$ million, except percentages and per share amounts)	2009	2008	4Q09	3Q09	4Q08
Net Interest Income	$ 64.8	$ 77.9	$ 15.2	$ 17.4	$ 14.7
Net Operating Income (Loss) by Business Segment:					
Commercial Division	$ 49.7	$ 58.4	$ 11.2	$ 13.0	$ 13.8
Treasury Division	$ 6.1	$ (16.3)	$ (0.5)	$ 1.2	$ (19.6)
Asset Management Division	$ 15.2	$ 12.5	$ 0.8	$ 3.3	$ 1.3
Net Operating Income	$ 70.9	$ 54.6	$ 11.6	$ 17.4	$ (4.5)
Net Income	$ 54.9	$ 55.1	$ 11.9	$ 15.8	$ (4.3)
Net Income per Share(5)	$ 1.50	$ 1.51	$ 0.33	$ 0.43	$ (0.12)
Book Value per common share (period end)	$ 18.49	$ 15.77	$ 18.49	$ 18.23	$ 15.77
Return on Average Equity ("ROE")	8.6%	9.0%	7.1%	9.5%	-3.0%
Operating Return on Average Equity ("Operating ROE") (6)	11.1%	8.9%	6.9%	10.6%	-3.1%
Return on Average Assets ("ROA")	1.4%	1.1%	1.3%	1.6%	-0.4%
Net Interest Margin	1.62%	1.55%	1.60%	1.76%	1.24%
Efficiency Ratio (7)	35%	42%	46%	33%	185%
Tier 1 Capital(8)	$ 679	$ 640	$ 679	$ 671	$ 640
Total Capital(9)	$ 712	$ 680	$ 712	$ 706	$ 680
Risk-Weighted Assets	$ 2,633	$ 3,144	$ 2,633	$ 2,732	$ 3,144
Tier 1 Capital Ratio(8)	25.8%	20.4%	25.8%	24.6%	20.4%
Total Capital Ratio (9)	27.0%	21.6%	27.0%	25.8	