



BANK FOR INTERNATIONAL SETTLEMENTS



## **Statistical release**

# BIS international banking statistics at end-June 2016

Monetary and Economic Department

October 2016

Tools to access and download the BIS international banking statistics:

- [BIS website](#) – tables in PDF of the BIS's most current data
- [BIS Statistics Explorer](#) – a browsing tool for pre-defined views of the BIS's most current data
- [BIS Statistics Warehouse](#) – a search tool for customised queries of the BIS's most current data

Data behind the charts in this release, including those in Annexes A and B, can be downloaded from the BIS website ([www.bis.org/statistics/rppb1610\\_charts.zip](http://www.bis.org/statistics/rppb1610_charts.zip)).

Questions about the BIS international banking statistics may be addressed to [statistics@bis.org](mailto:statistics@bis.org).

This release is available on the BIS website ([www.bis.org/statistics/provdata.htm](http://www.bis.org/statistics/provdata.htm)).

# BIS international banking statistics at end-June 2016

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Data are subject to change. Revised data will be released concurrently with the forthcoming *BIS Quarterly Review* on 11 December 2016. The international banking statistics at end-September 2016 will be released no later than 23 January 2017.

The term "country" as used in this release also covers territorial entities that are not states as understood by international law and practice but for which data are separately and independently maintained.

## 1. Highlights

Highlights from the latest BIS international banking statistics for Q2 2016:

- International lending to advanced economies stagnated during the second quarter of 2016. While global cross-border claims rose by \$464 billion between end-March and end-June 2016, intragroup activity accounted for most of the increase. On a consolidated basis, after excluding intragroup positions, banks' international claims were virtually unchanged.
- In contrast to the overall trend, claims on emerging market economies increased by \$110 billion in Q2 2016, the first substantial increase in a year. The increase was led by a \$61 billion rise in claims on China. Cross-border lending to the Middle East and Latin America also rose, while lending to emerging Europe continued to decline.

## 2. Recent developments in the international banking market

Cross-border bank credit stagnated during the second quarter of 2016. The BIS locational banking statistics (LBS)<sup>1</sup> reveal that, at end-June 2016, cross-border claims stood at \$27.4 trillion, virtually unchanged from a year earlier (Graph A.1, top panels). Even though cross-border claims rose by \$464 billion during Q2 2016, the majority of the increase was driven by intragroup activity. Cross-border claims on non-banks rose slightly (by \$91 billion), as a \$109 billion drop in debt securities was offset by increases in loans and other instruments.

### Credit to non-banks stagnates in Q2 2016

Against the backdrop of stagnant international banking activity overall, cross-border claims on banks, which in the LBS capture positions with related offices as well as unrelated banks, climbed by \$347 billion.<sup>2</sup> Most of the increase was due to a rise in cross-border claims on related offices (Graph A.1, top panels). The annual growth rate of cross-border interbank claims remained in negative territory, at -3%.

The quarterly increase in cross-border interbank claims was spread across major borrowing countries and lending banking systems. With respect to the borrowing side, cross-border claims on banks in Germany expanded the most, by \$82 billion, mainly reflecting a rise in euro-denominated claims. Cross-border claims on banks in the United Kingdom (+\$58 billion) and the United States (+\$52 billion) also grew, driven by US-dollar denominated positions.

With respect to the lending side, Japanese banks' cross-border interbank claims expanded by \$72 billion. They were followed by German (+\$68 billion), Swiss (+\$47 billion) and French banks (+\$40 billion). US dollar-denominated claims on related offices accounted for more than half of the increase in interbank lending in the case of Swiss banks, and for more than 90% of the increase in the case of the Japanese banks.

<sup>1</sup> The locational banking statistics are based on the location of banking offices and capture the activity of all internationally active banking offices in the reporting country regardless of the parent bank's nationality. Banks record their positions on an unconsolidated basis, including those vis-à-vis affiliates of the banking group in other countries.

<sup>2</sup> Quarterly changes in outstanding amounts are adjusted for the impact of exchange rate movements between the respective quarter-ends and for methodological breaks in the data series.

Cross-border claims on non-banks – mainly non-bank financial institutions, governments and non-financial corporations – rose by \$91 billion between end-March and end-June 2016 (Graph A.1, top panels). This aggregate number masked significant variation across instruments. While banks extended more credit to non-banks in terms of cross-border loans (\$146 billion), their debt securities holdings fell by \$109 billion.

The BIS consolidated banking statistics<sup>3</sup> (CBS) on an immediate counterparty basis provide a finer breakdown of claims on non-bank borrowers. They indicate that the share of international claims on the official sector<sup>4</sup> in advanced economies fell slightly in Q2 2016 (from 24% to 23%). This was the first decline in the global official sector share since Q1 2013. It was mainly driven by claims on the US official sector, whose share dropped from 33% to 31% during Q2 2016.

In terms of currency breakdown, the aggregate rise in cross-border lending reflected in the LBS was primarily driven by a \$337 billion increase in US dollar-denominated claims (Graph A.1, middle panels). This brought the outstanding total of cross-border claims denominated in US dollars to \$13.2 trillion. Cross-border lending in euros also increased (by \$46 billion), albeit more moderately. In addition, BIS reporting banks extended more cross-border credit denominated in sterling (\$40 billion) and Swiss francs (\$31 billion). By contrast, cross-border claims denominated in yen saw a \$17 billion decline.

## Cross-border lending to emerging market economies picks up

The second quarter of 2016 saw the first substantial rise in cross-border lending to emerging market economies (EMEs) in a year. The LBS reveal that cross-border claims on EMEs rose by \$110 billion (Graph A.2; Graph A.3, bottom panels). However, this only partially offset the \$379 billion decline experienced during the previous three quarters, taking the outstanding stock of cross-border claims on EMEs to \$3.3 trillion at end-June 2016 (down 8% from a year earlier). All major EME regions shared the latest quarterly increase, with the exception of emerging Europe.

The \$61 billion increase in cross-border lending to China dominated the \$70 billion expansion in lending to emerging Asia. Despite this recent strength, claims on China and emerging Asia remained well below the levels observed a year ago (by 24% and 15%, respectively). The picture for cross-border bank lending to other countries in emerging Asia varied markedly. Korea (+\$9 billion), Thailand (+\$3 billion) and Mongolia (+\$2 billion) saw cross-border claims on their residents increase. By contrast, lending to India and Chinese Taipei contracted (by \$7 billion and \$2 billion, respectively).

Cross-border lending to Latin America and the Caribbean grew by \$11 billion during Q2 2016. Claims on Mexico and Brazil shaped the overall regional developments, with cross-border lending to residents of these countries growing by \$6 billion and \$4 billion, respectively. The BIS consolidated banking statistics (CBS) on an immediate counterparty basis indicate that Spanish banks accounted for a substantial share of the latest quarterly expansion in lending to Brazil.

Lending to emerging Europe saw a \$5 billion decline after stagnating during the previous quarter. At \$523 billion, cross-border claims were still 6% below the levels observed a year earlier. The aggregate picture, however, hides considerable variation across individual countries. Cross-border lending to Russia dropped by another \$5.3 billion in Q2 2016 to just \$82 billion outstanding, down from a peak of \$189 billion at end-March 2013. This latest quarterly drop took the annual rate of decline to

<sup>3</sup> The CBS are based on the nationality of reporting banks and are reported on a worldwide consolidated basis, ie excluding positions between affiliates of the same banking group. Banks consolidate their inter-office positions and report only their claims on unrelated borrowers without providing a currency breakdown. As a consequence, exchange rate-adjusted changes are not available in the CBS.

<sup>4</sup> The term "official sector" as used in the CBS refers collectively to the general government and central banks.

-23%. By contrast, cross-border claims on Poland and the Czech Republic rose by \$1.7 billion and \$1.5 billion, respectively.

Cross-border claims on Africa and the Middle East went up by \$33 billion. The latest quarterly increase pushed the annual growth rate to 12% and the outstanding total to its highest level on record (\$573 billion). The overall increase was led by rises in cross-border claims on the United Arab Emirates (+\$17 billion), Saudi Arabia (+\$9 billion) and Qatar (+\$4 billion). The CBS on an immediate counterparty basis indicate that banks from the United Kingdom, France, the United States and Japan were the largest providers of international credit to residents of Africa and the Middle East.

# Annexes

## A Locational banking statistics: charts

Cross-border claims, by sector, currency and instrument

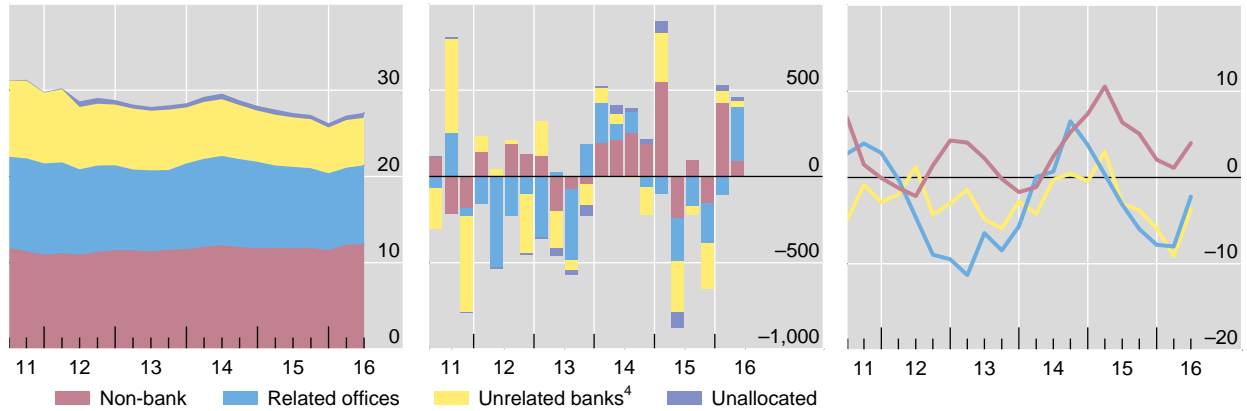
Graph A.1

Amounts outstanding, in USD trn<sup>1</sup>

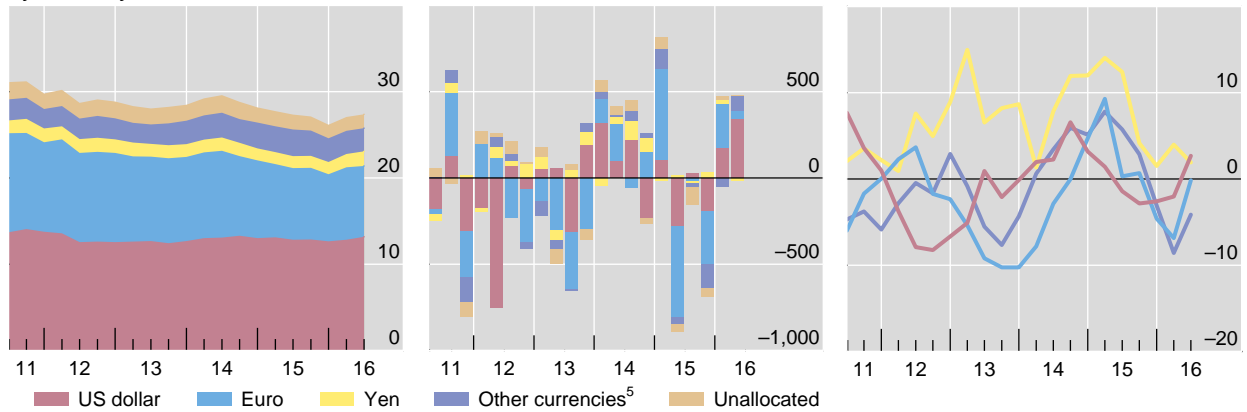
Adjusted changes, in USD bn<sup>2</sup>

Annual change, in per cent<sup>3</sup>

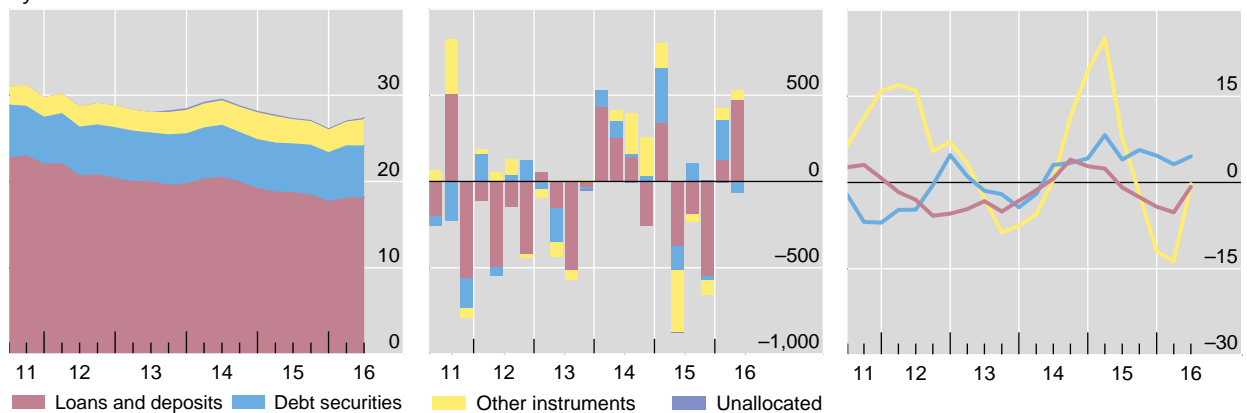
By sector of counterparty



By currency



By instrument



<sup>1</sup> At quarter-end. Amounts denominated in currencies other than the US dollar are converted to US dollars at the exchange rate prevailing on the reference date. <sup>2</sup> Quarterly changes in amounts outstanding, adjusted for exchange rate movements between quarter-ends and methodological breaks. <sup>3</sup> Geometric mean of quarterly percentage changes. <sup>4</sup> Includes central banks and banks unallocated by subsector between intragroup and unrelated banks. <sup>5</sup> Other reported currencies, calculated as all currencies minus US dollar, euro, yen and unallocated currencies. The currency is known but reporting is incomplete.

Source: BIS locational banking statistics. Further information is available at [www.bis.org/statistics/bankstats.htm](http://www.bis.org/statistics/bankstats.htm).

# Cross-border claims, by borrowing region

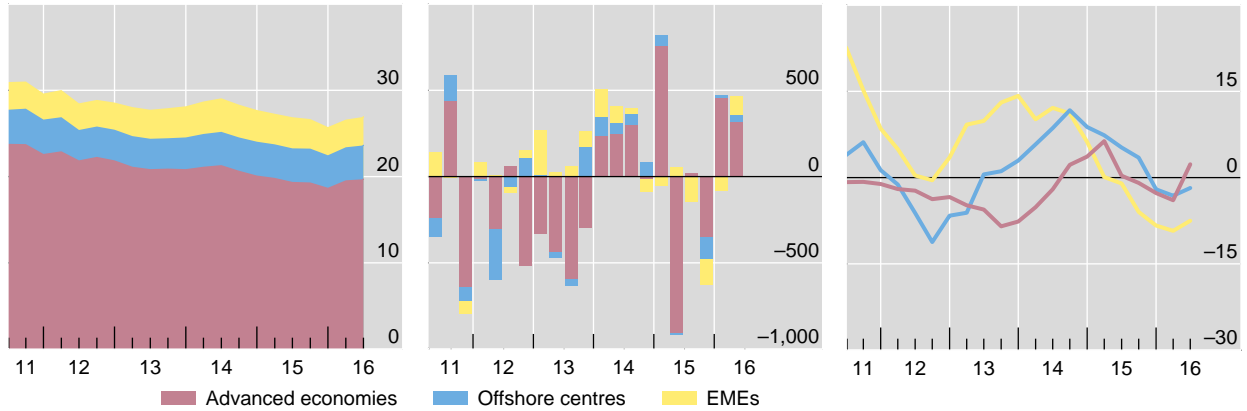
Graph A.2

Amounts outstanding, in USD trn<sup>1</sup>

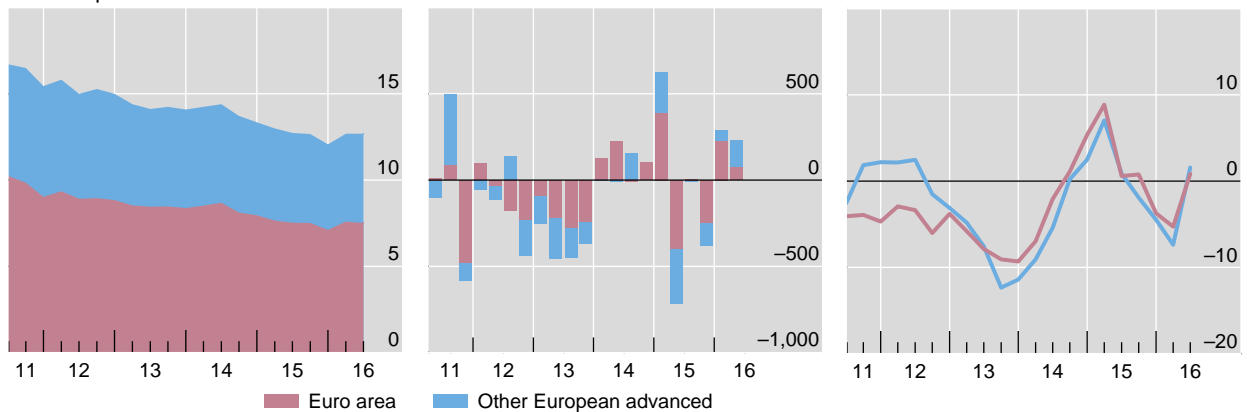
Adjusted changes, in USD bn<sup>2</sup>

Annual change, in per cent<sup>3</sup>

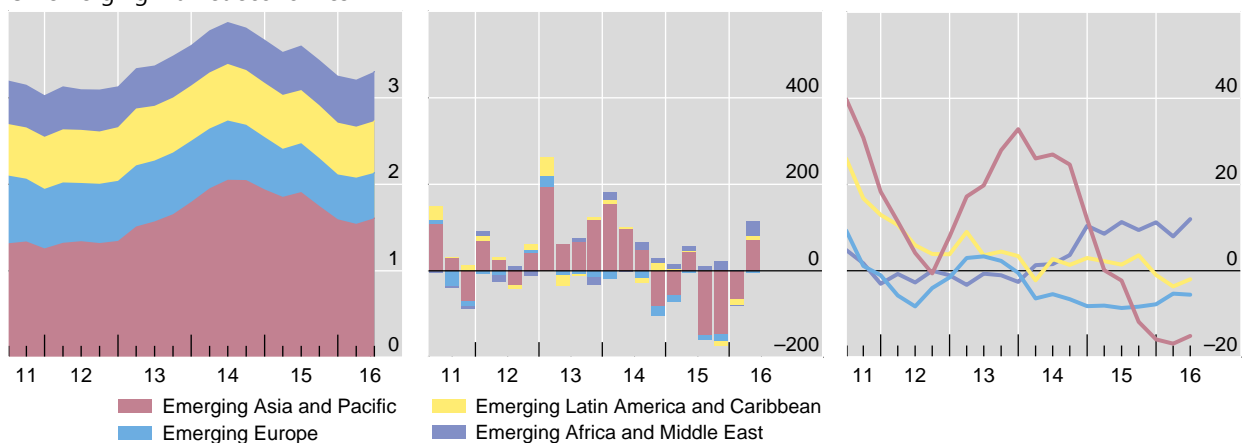
On all countries



On Europe



On emerging market economies



<sup>1</sup> At quarter-end. Amounts denominated in currencies other than the US dollar are converted to US dollars at the exchange rate prevailing on the reference date. <sup>2</sup> Quarterly changes in amounts outstanding, adjusted for the impact of exchange rate movements between quarter-ends and methodological breaks in the data. <sup>3</sup> Geometric mean of quarterly percentage adjusted changes.

Source: BIS locational banking statistics. Further information is available at [www.bis.org/statistics/bankstats.htm](http://www.bis.org/statistics/bankstats.htm).



# Cross-border claims, by borrowing country

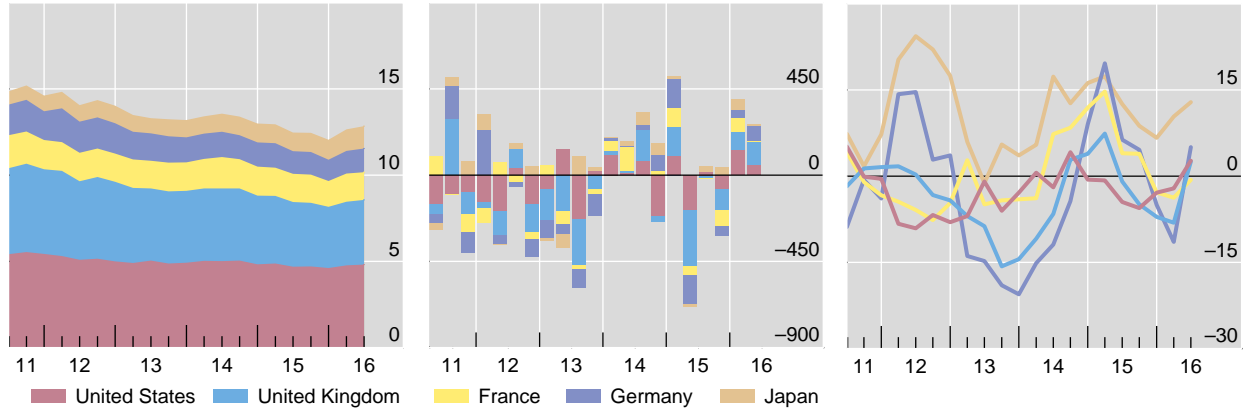
Graph A.3

Amounts outstanding, in USD trn<sup>1</sup>

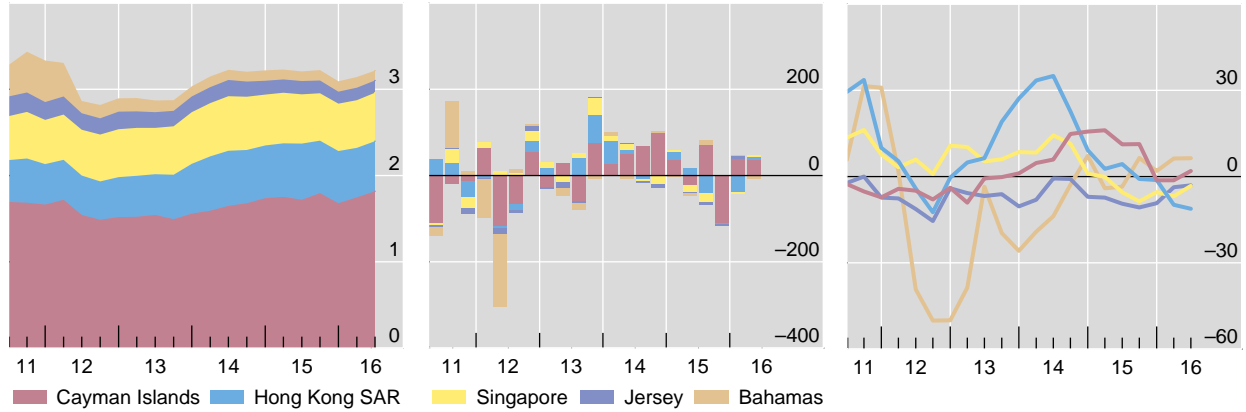
Adjusted changes, in USD bn<sup>2</sup>

Annual change, in per cent<sup>3</sup>

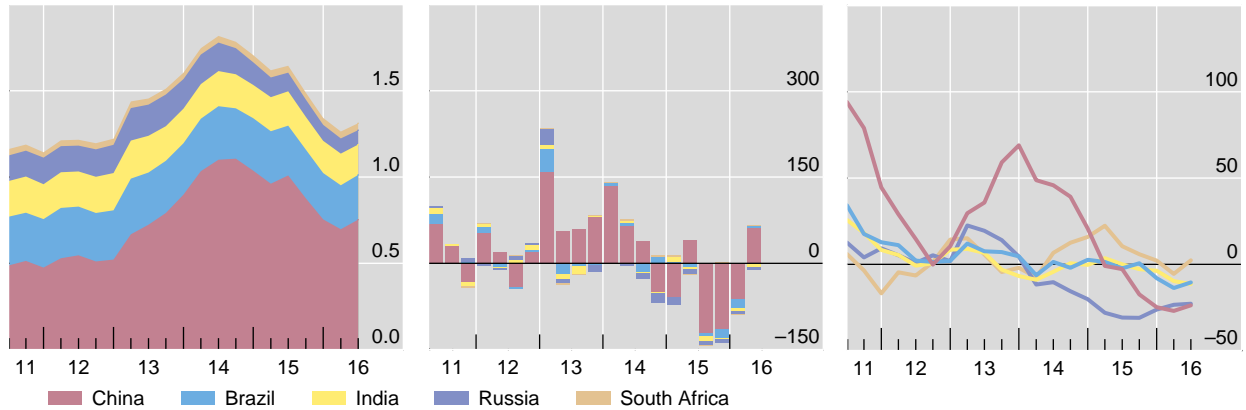
On selected advanced economies



On selected offshore centres



On selected emerging market economies



<sup>1</sup> At quarter-end. Amounts denominated in currencies other than the US dollar are converted to US dollars at the exchange rate prevailing on the reference date. <sup>2</sup> Quarterly changes in amounts outstanding, adjusted for the impact of exchange rate movements between quarter-ends and methodological breaks in the data. <sup>3</sup> Geometric mean of quarterly percentage adjusted changes.

Source: BIS locational banking statistics. Further information is available at [www.bis.org/statistics/bankstats.htm](http://www.bis.org/statistics/bankstats.htm).

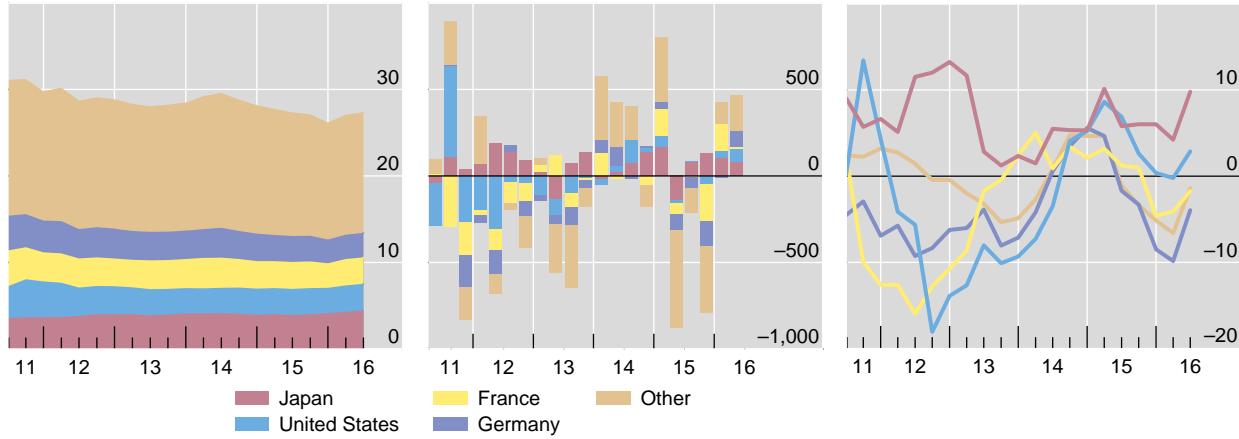
Cross-border claims, by nationality of reporting bank and currency of denomination Graph A.4

Amounts outstanding, in USD trn<sup>1</sup>

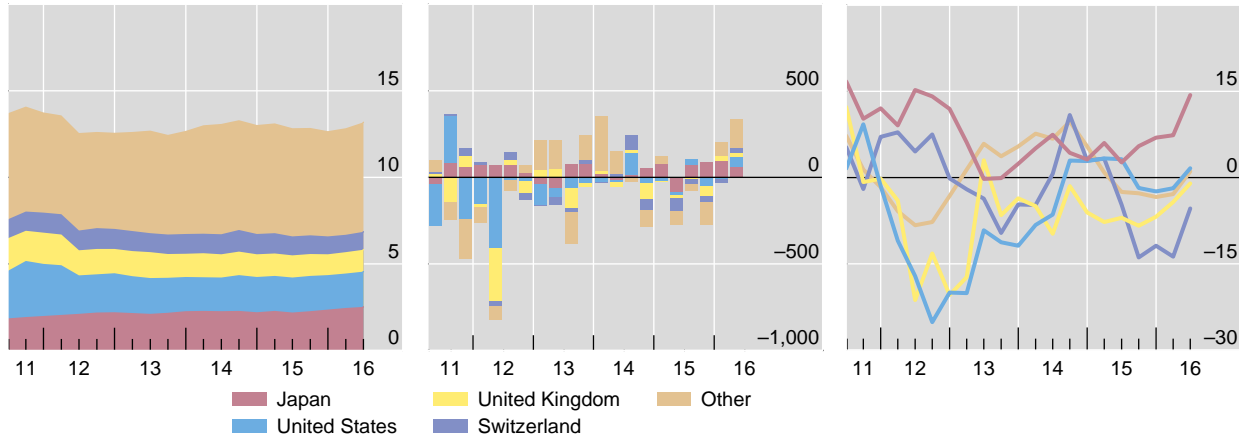
Adjusted changes, in USD bn<sup>2</sup>

Annual change, in per cent<sup>3</sup>

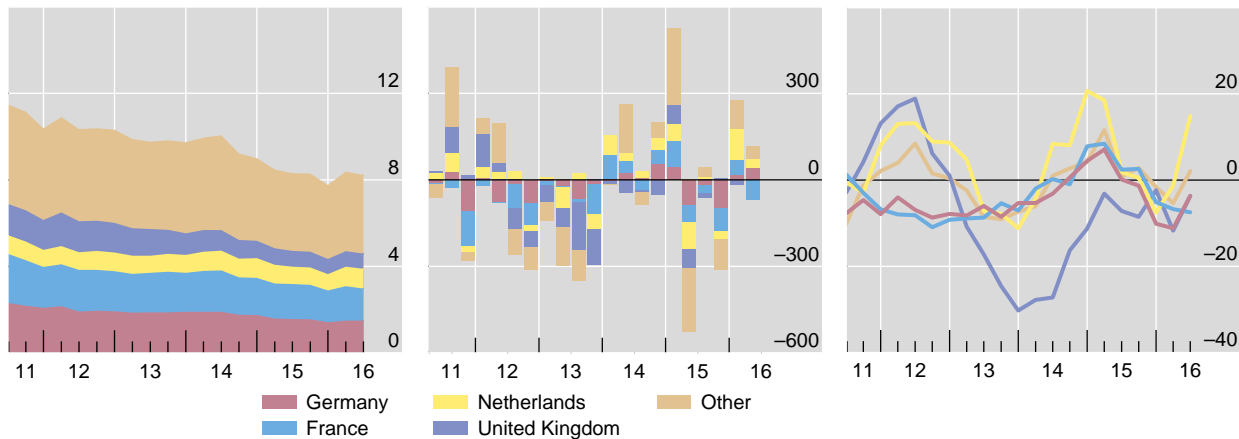
All currencies



US dollar



Euro



<sup>1</sup> At quarter-end. Amounts denominated in currencies other than the US dollar are converted to US dollars at the exchange rate prevailing on the reference date. <sup>2</sup> Quarterly changes in amounts outstanding, adjusted for the impact of exchange rate movements between quarter-ends and methodological breaks in the data. <sup>3</sup> Geometric mean of quarterly percentage adjusted changes.

Source: BIS locational banking statistics. Further information is available at [www.bis.org/statistics/bankstats.htm](http://www.bis.org/statistics/bankstats.htm).

# Cross-border liabilities of reporting banks

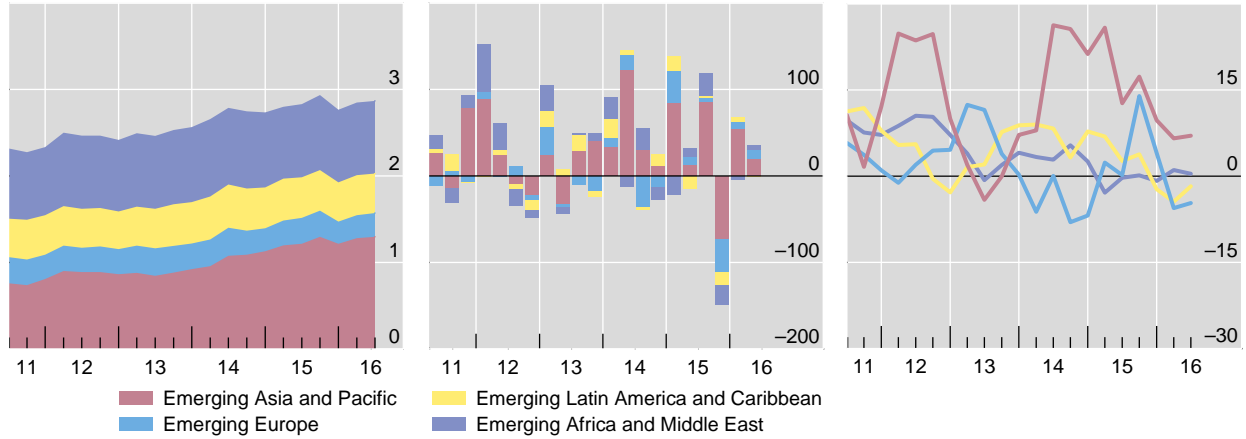
Graph A.5

Amounts outstanding, in USD trn<sup>1</sup>

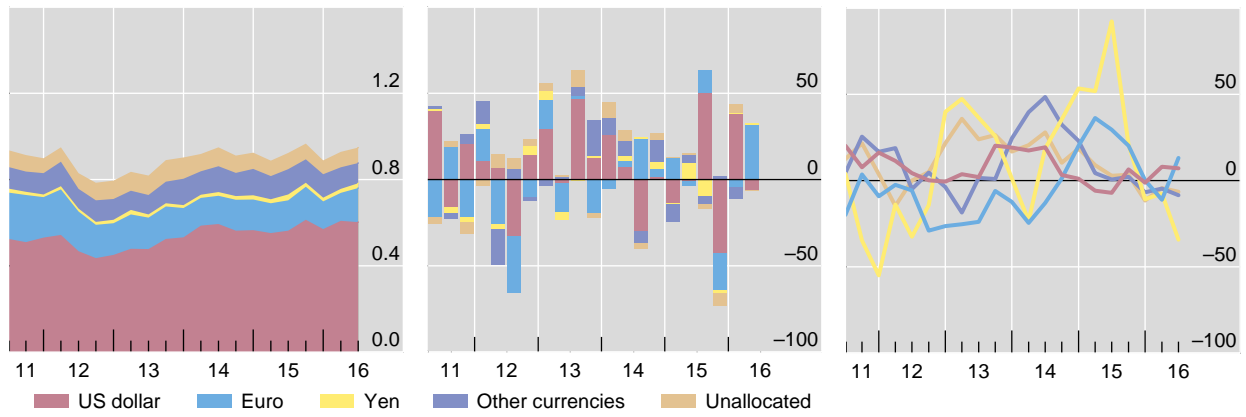
Adjusted changes, in USD bn<sup>2</sup>

Annual change, in per cent<sup>3</sup>

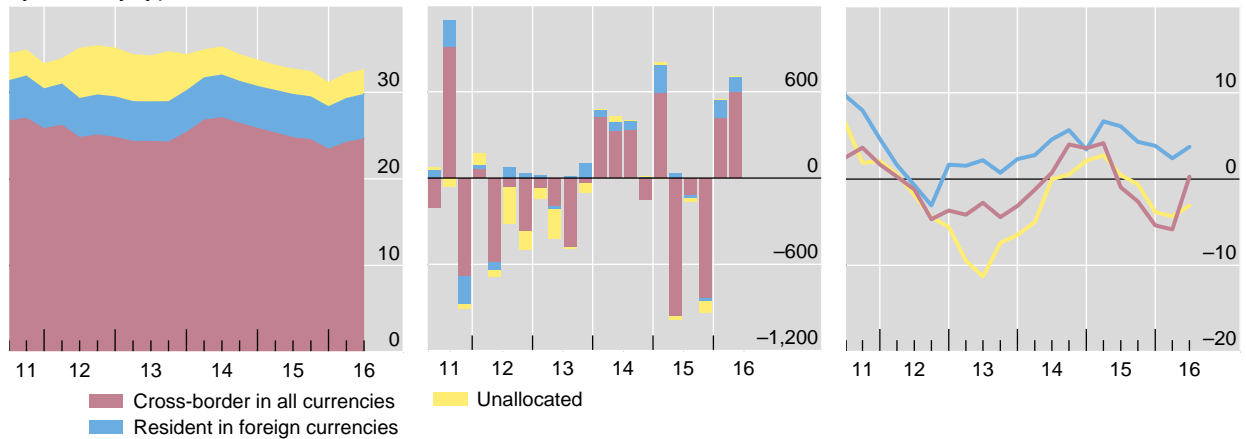
To emerging market economies



To central banks



By currency type and location



<sup>1</sup> At quarter-end. Amounts denominated in currencies other than the US dollar are converted to US dollars at the exchange rate prevailing on the reference date. <sup>2</sup> Quarterly changes in amounts outstanding, adjusted for the impact of exchange rate movements between quarter-ends and methodological breaks in the data. <sup>3</sup> Geometric mean of quarterly percentage adjusted changes.

Source: BIS locational banking statistics. Further information is available at [www.bis.org/statistics/bankstats.htm](http://www.bis.org/statistics/bankstats.htm).

## B Consolidated banking statistics: charts

Consolidated claims of reporting banks on advanced economies

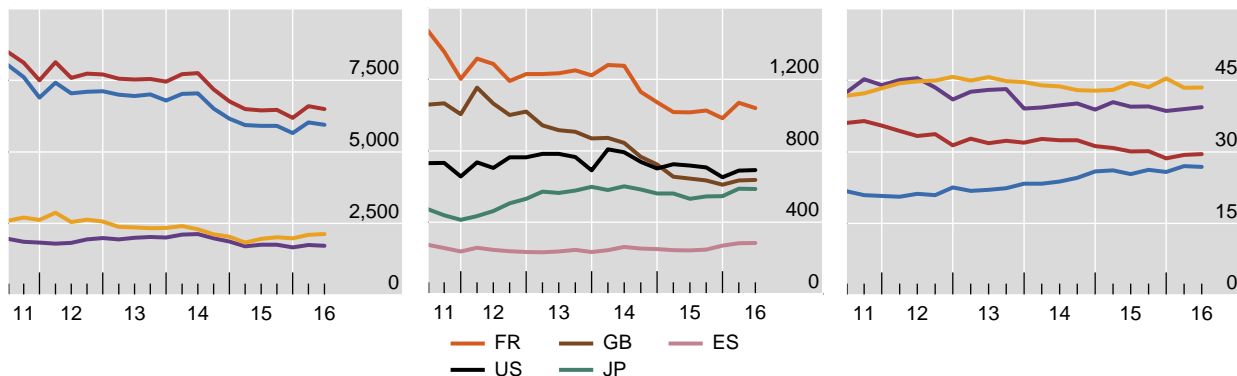
Graph B.1

Foreign claims and local positions, in USD bn<sup>1,2</sup>

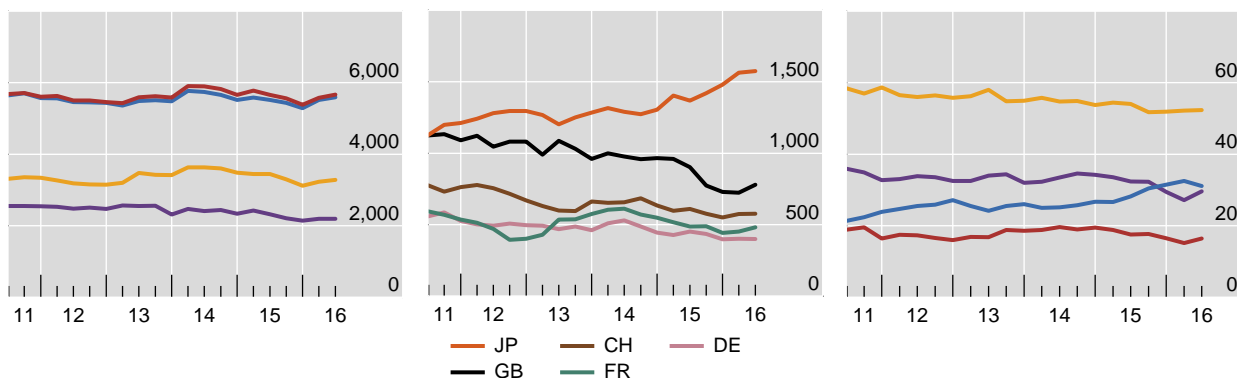
Foreign claims of selected creditors, in USD bn<sup>1,3</sup>

International claims, by sector and maturity, in per cent<sup>4</sup>

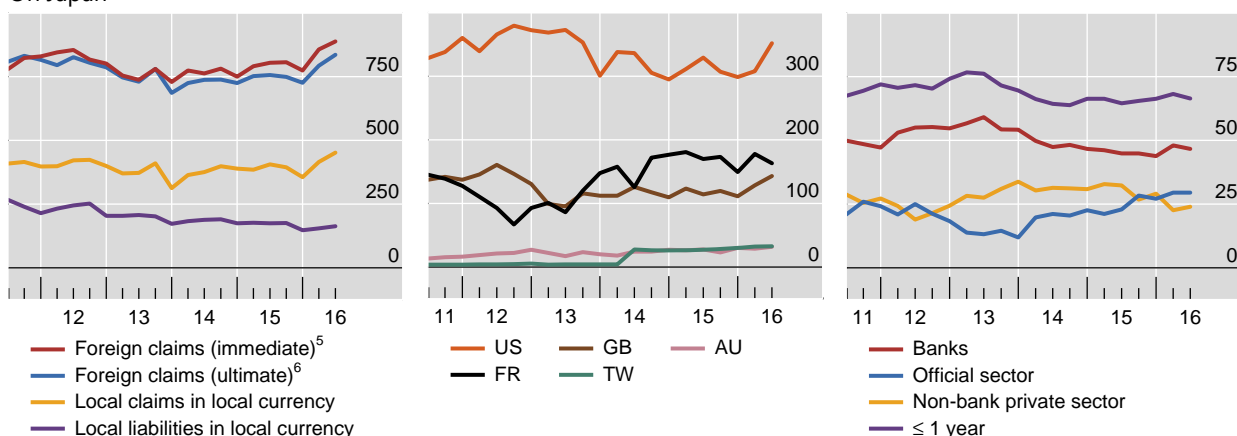
On the euro area



On the United States



On Japan



AU = Australia; CH = Switzerland; DE = Germany; ES = Spain; FR = France; GB = United Kingdom; JP = Japan; TW = Chinese Taipei; US = United States.

<sup>1</sup> Amounts outstanding at quarter-end. Amounts denominated in currencies other than the US dollar are converted to US dollars at the exchange rate prevailing on the reference date. <sup>2</sup> Excludes domestic claims. <sup>3</sup> Foreign claims on an ultimate risk basis, by nationality of reporting bank. The banking systems shown are not necessarily the largest foreign bank creditors on each reference date. <sup>4</sup> As a percentage of international claims outstanding. <sup>5</sup> On an immediate counterparty basis. Includes the unconsolidated claims of banks headquartered outside but located inside CBS-reporting countries. <sup>6</sup> On an ultimate risk basis.

Source: BIS consolidated banking statistics. Further information on is available at [www.bis.org/statistics/bankstats.htm](http://www.bis.org/statistics/bankstats.htm).

Consolidated claims of reporting banks on emerging market economies

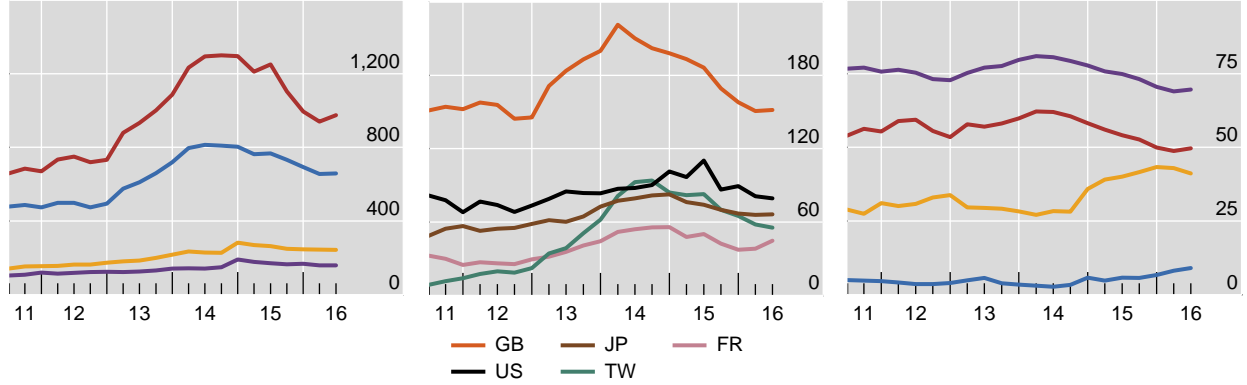
Graph B.2

Foreign claims and local positions, in USD bn<sup>1,2</sup>

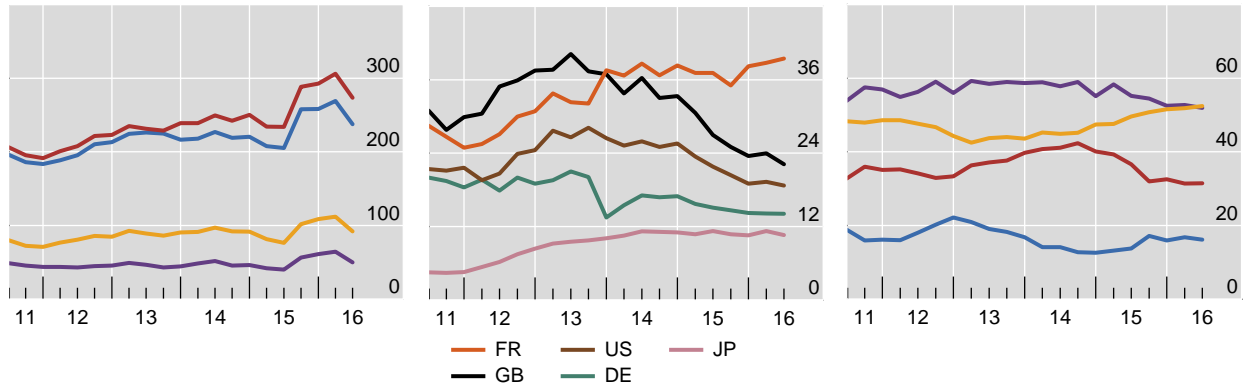
Foreign claims of selected creditors, in USD bn<sup>1,3</sup>

International claims, by sector and maturity, in per cent<sup>4</sup>

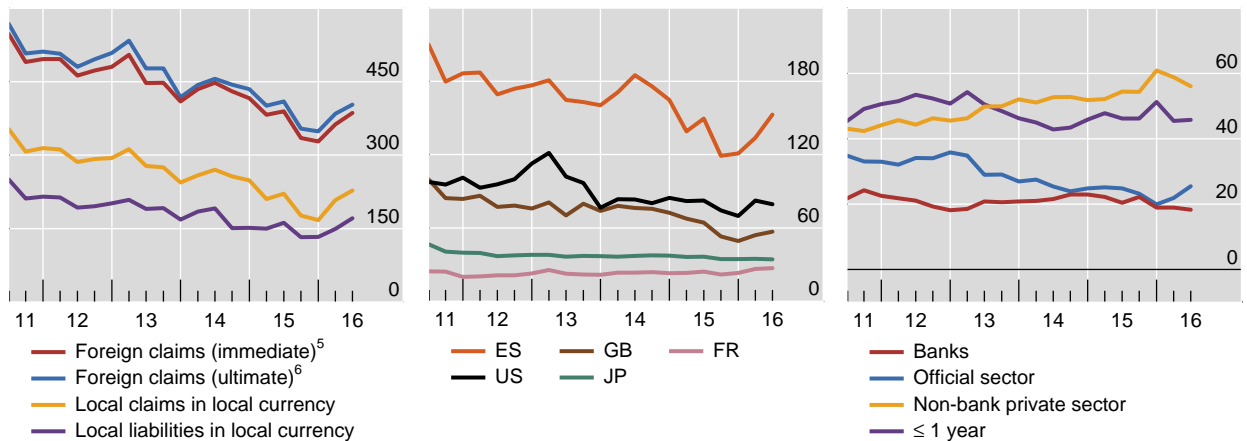
On China



On Turkey



On Brazil



DE = Germany; ES = Spain; FR = France; GB = United Kingdom; JP = Japan; TW = Chinese Taipei; US = United States.

<sup>1</sup> Amounts outstanding at quarter-end. Amounts denominated in currencies other than the US dollar are converted to US dollars at the exchange rate prevailing on the reference date. <sup>2</sup> Excludes domestic claims, ie claims on residents of a bank's home country. <sup>3</sup> Foreign claims on an ultimate risk basis, by nationality of reporting bank. The banking systems shown are not necessarily the largest foreign bank creditors on each reference date. <sup>4</sup> As a percentage of international claims. <sup>5</sup> On an immediate counterparty basis. Includes the unconsolidated claims of banks headquartered outside but located inside CBS-reporting countries. <sup>6</sup> On an ultimate risk basis.

Source: BIS consolidated banking statistics. Further information is available at [www.bis.org/statistics/bankstats.htm](http://www.bis.org/statistics/bankstats.htm).

## C Explanatory notes

### Reporting practices

The [Guidelines for reporting BIS international banking statistics](#) provide definitions and set out requirements for the reporting of the locational and consolidated banking statistics. The consistency of banks' reporting practices with the Guidelines varies across reporting countries. Key differences are explained on the BIS website ([www.bis.org/statistics/count\\_rep\\_practices.htm](http://www.bis.org/statistics/count_rep_practices.htm)) and summarised in the *BIS Statistical Bulletin*.

### Latest data

The latest international banking statistics refer to end-June 2016. For the following reporting countries, the latest data are repeated from previous quarters:

- Locational banking statistics: *The Bahamas* (carried forward from end-June 2015) and *Curaçao* (carried forward from end-March 2016).
- Consolidated banking statistics: no data are carried forward.

In the tables available on the BIS website ([www.bis.org/statistics/bankstats.htm](http://www.bis.org/statistics/bankstats.htm)), data that are not reported to the BIS, and therefore not available for publication, are indicated by "...". Null values may appear as not available where not reported to the BIS. Data that are reported to the BIS but suppressed at the request of the reporting country to safeguard confidentiality are included in totals and indicated by "\".

### Revisions and breaks

Data are subject to revision and are impacted by breaks in series – or changes in compilation – over time. Breaks in series may arise from: changes in the population of reporting institutions, including the addition of new reporting countries; changes in reporting practices; or methodological improvements. A summary of breaks is available on the BIS website for:

- the locational banking statistics by residence, [www.bis.org/statistics/breakstables17.pdf](http://www.bis.org/statistics/breakstables17.pdf);
- the locational banking statistics by nationality, [www.bis.org/statistics/breakstables8.pdf](http://www.bis.org/statistics/breakstables8.pdf); and
- the consolidated banking statistics, [www.bis.org/statistics/breakstablescons.pdf](http://www.bis.org/statistics/breakstablescons.pdf).

Significant revisions and breaks included for the first time with the data for end-June 2016 are also summarised below. At the request of authorities in reporting countries, the size of some breaks or revisions is not shown for confidentiality reasons (indicated in the tables by "\").

#### *Revisions and breaks in the locational banking statistics*

In the locational banking statistics, the **United States** revised its population of reporting institutions, resulting in a significant break that affected all quarters since end-June 2012. Up to end-June 2012, the LBS reported by the United States include the positions of non-bank affiliates of banking holding companies – affiliates that are neither banks, nor securities dealers nor insurance companies – as well as the positions of the Federal Reserve System. From end-June 2012 onwards, the positions of these affiliates and the central bank are excluded. This change aligned the US reporting population with that of other LBS-reporting countries.

The change in reporting population reduced the outstanding claims of banks located in the United States by \$392 billion at end-June 2012 and their outstanding liabilities by \$234 billion. Data in subsequent quarters were revised down by similar amounts. By country, the reductions were concentrated in positions on the Bahamas, Cayman Islands, Japan and the United Kingdom. By sector, they were concentrated in positions on the bank sector, in particular affiliated entities and central banks.

The United States also improved the geographical and sectoral allocation of positions. From end-June 2012 onwards, positions that were previously allocated to regions but not countries were reallocated to countries. For example, the positions of banks in the United States on Saudi Arabia are now separately reported and no longer included in the residual for Africa and the Middle East. As part of the enhancements recommended by the CGFS, from end-December 2013 the positions of banks in the United States on the non-bank sector are further disaggregated into the non-bank financial sector and the non-financial sector.<sup>5</sup> As of end-December 2013, the non-bank financial sector accounted for 58% of the United States' cross-border claims on non-bank counterparties and 60% of liabilities.

Currently, 29 of 44 countries report such additional sectoral details for cross-border positions. These data are published in [Table A5](#). Coverage has steadily improved since end-2013, and as of end-June 2016, 88% of total cross-border claims on the non-bank sector were allocated between the nonbank financial sector and the non-financial sector. For positions against individual counterparty countries, the BIS will start publishing the additional sectoral details in December 2016.

**Ireland** reported revisions that affected all quarters since end-December 2012, including revisions to previously reported breaks. The revisions resulted from improvements in reporting practices, particularly improvements in the reporting of equities and other instruments. The size of the revisions ranged from –\$7 billion to \$6 billion for outstanding cross-border claims, and –\$5 billion to \$4 billion for liabilities.

<sup>5</sup> See Committee on the Global Financial System, "Improving the BIS international banking statistics", CGFS Publications, no 47, November 2012, [www.bis.org/publ/cgfs47.htm](http://www.bis.org/publ/cgfs47.htm).

### Locational banking statistics by residence

Changes in amounts outstanding, in billions of US dollars

#### Breaks in series

| Quarters | Reporting country | Details                | Assets | Liabilities |
|----------|-------------------|------------------------|--------|-------------|
| 2012-Q4  | Ireland           | Cross-border positions | 64.4   | 67.7        |
|          |                   | Local positions        | 5.0    | 28.2        |
| 2014-Q4  | Canada            | Cross-border positions | 36.3   | 84.8        |
|          |                   | Local positions        | -2.8   | -7.1        |
| 2012-Q2  | United States     | Cross-border positions | -387.5 | -221.0      |
| 2013-Q4  | United States     | Cross-border positions | 0.0    | -5.6        |

#### Large data revisions of previous quarters

| Quarters | Reporting country | Details                | Assets | Liabilities |
|----------|-------------------|------------------------|--------|-------------|
| 2016-Q1  | Luxembourg        | Cross-border positions | 4.4    | 1.3         |
|          |                   | Local positions        |        | 1.5         |
| 2015-Q4  | Luxembourg        | Cross-border positions | 1.2    | 1.1         |
| 2016-Q1  | Sweden            | Local positions        | -1.3   |             |
| 2016-Q1  | Cayman Islands    | Cross-border positions | 10.4   | 10.9        |
| 2016-Q1  | Macao SAR         | Cross-border positions |        | -1.0        |
| 2016-Q1  | Mexico            | Cross-border positions | 4.3    | -2.7        |
|          |                   | Local positions        |        | 5.4         |
| 2016-Q1  | United Kingdom    | Cross-border positions |        | 2.0         |
| 2015-Q2  | Canada            | Cross-border positions | -32.0  | -31.5       |

### Locational banking statistics by nationality

Changes in amounts outstanding, in billions of US dollars

#### Breaks in series

| Quarters | Reporting country | Details                | Assets | Liabilities |
|----------|-------------------|------------------------|--------|-------------|
| 2012-Q4  | Ireland           | Cross-border positions | 64.4   | 82.0        |
|          |                   | Local positions        | 5.0    | 28.2        |
| 2015-Q4  | Luxembourg        | Cross-border positions | 1.1    | 1.1         |
| 2014-Q4  | Canada            | Cross-border positions | 36.3   | 84.8        |
|          |                   | Local positions        | -2.8   | -7.1        |
| 2012-Q2  | United States     | Cross-border positions | -387.5 | -221.0      |
| 2013-Q4  | United States     | Cross-border positions | 0.0    | -5.6        |

#### Large data revisions of previous quarters

| Quarters | Reporting country | Details                | Assets | Liabilities |
|----------|-------------------|------------------------|--------|-------------|
| 2016-Q1  | Luxembourg        | Cross-border positions | 4.4    | 1.3         |
|          |                   | Local positions        |        | 1.5         |
| 2015-Q4  | Luxembourg        | Cross-border positions | 1.1    | 1.1         |
| 2016-Q1  | Sweden            | Local positions        | -1.3   |             |
| 2016-Q1  | Cayman Islands    | Cross-border positions | 10.4   | 10.9        |
| 2016-Q1  | Macao SAR         | Cross-border positions |        | -1.0        |
| 2016-Q1  | Mexico            | Cross-border positions |        | -1.3        |
|          |                   | Local positions        |        | 5.4         |
| 2015-Q2  | Canada            | Cross-border positions | -32.0  | -31.5       |



### Revisions and breaks in the consolidated banking statistics

In the consolidated banking statistics, a significant break was reported by **Greece** for positions on Turkey. A Greek bank sold its Turkish affiliate and consequently stopped consolidating the assets and liabilities of this affiliate. The Turkish affiliate was purchased by a bank based in a country that does not report the BIS consolidated banking statistics, and as a result the claims of the affiliate are no longer captured in the BIS consolidated banking statistics. This break accounts for most of the \$32 billion decline in CBS-reporting banks' foreign claims on Turkey in Q2 2016.

#### Consolidated banking statistics on an immediate counterparty basis

Changes, in billions of US dollars

##### Breaks in series

| Quarter | Reporting country | Details                                       | Change |
|---------|-------------------|---|--------|
| 2016-Q2 | Greece            | International claims                          | -10.9  |
|         |                   | Local currency claims on local residents      | -19.9  |
|         |                   | Local currency liabilities on local residents | -12.0  |
| 2015-Q4 | Turkey            | International claims                          | 1.6    |
|         | Australia         | International claims                          | -5.0   |

##### Large data revisions from reporting banks of previous quarters (exclusive of breaks in series)

| Quarter | Reporting country | Details                                  | Change |
|---------|-------------------|--|--------|
| 2016-Q1 | Netherlands       | Local currency claims on local residents | -6.7   |
|         |                   | Net risk transfers                       | 7.3    |
| 2015-Q4 | Canada            | Local currency claims on local residents | -5.0   |
|         | Netherlands       | Net risk transfers                       | 7.0    |
| 2015-Q3 | Canada            | Local currency claims on local residents | -5.2   |
|         | Japan             | International claims                     | -35.0  |
|         |                   | Local currency claims on local residents | 35.0   |
| 2015-Q2 | Netherlands       | Net risk transfers                       | 6.8    |
|         | Japan             | International claims                     | -28.7  |
|         |                   | Local currency claims on local residents | 28.7   |
| 2015-Q1 | Netherlands       | Net risk transfers                       | 6.3    |
|         | Canada            | Net risk transfers                       | 5.3    |
| 2014-Q4 | Netherlands       | Net risk transfers                       | 5.6    |
|         | Netherlands       | Net risk transfers                       | 6.0    |
| 2014-Q3 | Netherlands       | Net risk transfers                       | 5.9    |
| 2014-Q2 | Netherlands       | Net risk transfers                       | 5.3    |
| 2014-Q1 | Netherlands       | Local currency claims on local residents | -5.4   |
|         |                   | Net risk transfers                       | 7.5    |
| 2013-Q4 | Netherlands       | Net risk transfers                       | 5.6    |

**Consolidated banking statistics on an ultimate risk basis**

Changes, in billions of US dollars

**Breaks in series**

| <b>Quarter</b> | <b>Reporting country</b> | <b>Details</b>                                    | <b>Change</b>  |
|----------------|--------------------------|---|----------------|
| 2016-Q2        | Germany                  | Guarantees extended                               | -6.9           |
|                |                          | Greece  | Foreign claims |
|                |                          | Cross-border claims                               | -1.8           |
|                |                          | Local claims of foreign offices in all currencies | -29.0          |
| 2015-Q4        | Australia                | Guarantees extended                               | -5.0           |
|                |                          | Foreign claims                                    | -5.0           |
|                |                          | Local claims of foreign offices in all currencies | -5.0           |

**Large data revisions from reporting banks of previous quarters (exclusive of breaks in series)**

| <b>Quarter</b> | <b>Reporting country</b> | <b>Details</b>                                    | <b>Change</b>      |
|----------------|--------------------------|---|--------------------|
| 2016-Q1        | Canada                   | Cross-border claims                               | 4.3                |
|                |                          | Local claims of foreign offices in all currencies | -4.5               |
| 2015-Q4        | United Kingdom           | Derivatives contracts                             | 4.6                |
|                |                          | Canada  | Credit commitments |
| 2015-Q1        | Canada                   | Foreign claims                                    | 4.6                |
|                |                          | Cross-border claims                               | -4.4               |
|                |                          | Local claims of foreign offices in all currencies | 9.0                |
| 2014-Q4        | Canada                   | Cross-border claims                               | -10.2              |
|                |                          | Local claims of foreign offices in all currencies | 9.4                |

## D Glossary of terms

|                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <a href="#">A</a> | <a href="#">B</a> | <a href="#">C</a> | <a href="#">D</a> | <a href="#">E</a> | <a href="#">F</a> | <a href="#">G</a> | <a href="#">H</a> | <a href="#">I</a> | <a href="#">J</a> | <a href="#">K</a> | <a href="#">L</a> | <a href="#">M</a> | <a href="#">N</a> | <a href="#">O</a> | <a href="#">P</a> | <a href="#">Q</a> | <a href="#">R</a> | <a href="#">S</a> | <a href="#">T</a> | <a href="#">U</a> | <a href="#">V</a> | <a href="#">W</a> | <a href="#">X</a> | <a href="#">Y</a> | <a href="#">Z</a> |
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|                           |  |
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| <b>adjusted change</b>    | Change in amount outstanding between two points in time after the impact of methodological changes and exchange rate movements has been eliminated. The adjusted change approximates the flow between two points in time. In the LBS, the adjusted change is calculated by first converting US dollar-equivalent amounts outstanding into their original currency using end-of-period exchange rates, then calculating the difference in amounts outstanding in the original currency, and finally converting the difference into a US dollar-equivalent change using average period exchange rates. |
| <b>amount outstanding</b> | Value of an asset or liability at a point in time.   |

### B [back to index](#)

|   |   |
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| <b>bank</b>                                     | Entity whose business is to receive deposits, or close substitutes for deposits, from the public and to grant credits for its own account. Banks include the following entities: commercial banks, universal banks, savings banks, post banks, giro institutions, agricultural credit banks, cooperative credit banks and credit unions. In the System of National Accounts, a bank is referred to as a deposit-taking corporation except the central bank. |
| <b>banking office</b>                           | Head office, branch or subsidiary of a bank.  |
| <b>BIS reporting area</b>                       | All countries that are BIS reporting countries. The BIS reporting area varies by data set. See also " <a href="#">BIS reporting country</a> ".  |
| <b>BIS reporting country</b>                    | Country with an authority that participates in a BIS-organised data collection. Countries with authorities that report the LBS and CBS are listed on the BIS website: <a href="http://www.bis.org/statistics/rep_countries.htm">www.bis.org/statistics/rep_countries.htm</a> . The number of BIS reporting countries varies by data set.  |
| <b>BIS reporting institution</b>                | Financial institution that participates in a BIS-organised data collection. See also " <a href="#">reporting bank</a> ".  |
| <b>branch</b>                                   | Unincorporated entity wholly owned by another entity.   |
| <b>break- and exchange rate-adjusted change</b> | See " <a href="#">adjusted change</a> ".  |

### C [back to index](#)

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| <b>CBS-reporting country</b>                 | See " <a href="#">BIS reporting country</a> ".   |
| <b>central bank</b>                          | Financial institution that exercises control over key aspects of the financial system. Central banks include the following entities: national central banks, central banks of a currency union, currency boards and government-affiliated agencies that are a separate institutional unit and primarily perform central bank activities. In the LBS, the BIS is classified as a central bank. See also " <a href="#">official monetary authority</a> ".  |
| <b>claim</b>                                 | A financial asset that has a counterpart liability. In the CBS, claims exclude financial derivatives. See also " <a href="#">financial asset</a> ".  |
| <b>consolidated banking statistics (CBS)</b> | A BIS-organised data collection that measures banks' country risk exposures. They capture the worldwide consolidated positions of banks headquartered in BIS reporting countries, including positions of their foreign affiliates but excluding intragroup positions. Central banks or other national authorities collect data from internationally active banks headquartered in their jurisdiction, compile national aggregates and then report these to the BIS to calculate global aggregates. |

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| <b>consortium bank</b>           | A bank owned by two or more entities, in which no single entity has a controlling interest.  |
| <b>controlling parent</b>        | Entity that owns or otherwise controls other entities within a corporate group and is not controlled by another entity. For most entities, the controlling parent is synonymous with the ultimate parent at the top of the corporate group. In the LBS and CBS, if the ultimate parent is not subject to prudential supervision – for example, where the ultimate parent is a shell company or a non-financial company – then the controlling parent may be defined as the highest intermediate parent that is subject to prudential supervision. See also “parent bank” and “home country”. |
| <b>counterparty</b>              | Entity that takes the opposite side of a financial contract or transaction – for example, the borrower in a loan contract, or the buyer in a sales transaction.  |
| <b>counterparty country</b>      | Country where the counterparty resides.  |
| <b>country</b>                   | Territorial entity for which data are separately and independently maintained, including but not limited to national states as understood by international law and practice.   |
| <b>credit commitment</b>         | Promise by a creditor to lend up to a specified amount to a borrower on demand. In the CBS, credit commitments refer to commitments that are irrevocable unilaterally by the creditor, ie revocable only with the consent of the borrower.   |
| <b>credit default swap (CDS)</b> | Contract whereby the seller commits to repay an obligation (eg bond) underlying the contract at par in the event of a default. To produce this guarantee, a regular premium is paid by the buyer during a specified period.  |
| <b>credit derivative</b>         | Derivative whose redemption value is linked to specified credit-related events, such as bankruptcy, credit downgrade, non-payment or default of a borrower. For example, a lender might use a credit derivative to hedge the risk that a borrower might default. Common credit derivatives include credit default swaps (CDS), total return swaps and credit spread options.   |
| <b>cross-border position</b>     | Position on a non-resident – for example, claim on or liability to a counterparty located in a country other than the country where the banking office that books the position is located.   |

## D

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|                         |  |
|-------------------------|--|
| <b>debt instrument</b>  | Instrument that requires the payment of principal and/or interest at some point(s) in the future. Debt instruments may refer to liabilities or claims, and include the following: currency and deposits, debt securities, loans, provision for calls under standardised guarantees, and other accounts receivable/payable. |
| <b>debt security</b>    | Negotiable instrument serving as evidence of a debt. Debt securities include the following instruments: bills, bonds, notes, negotiable certificates of deposit, commercial paper, debentures, asset-backed securities, money market instruments and similar instruments normally traded in financial markets.             |
| <b>derivative</b>       | Instrument whose value depends on some underlying financial asset, commodity or predefined variable.   |
| <b>derivative claim</b> | Derivative contract with a positive market value.  |
| <b>domestic bank</b>    | Bank whose controlling parent is located in the respective BIS reporting country – for example, a bank with a controlling parent located in the United States is a US domestic bank.   |
| <b>domestic claim</b>   | Claim of a domestic bank on residents of the bank’s home country. Domestic claims comprise local claims of the bank’s offices in the country as well as cross-border claims of the bank’s offices abroad.  |

## E

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|               |   |
|---------------|---|
| <b>entity</b> | Corporation, organisation or person that exists as a separately identifiable unit. “Separately identifiable” may be demonstrated by legal existence or the existence of a complete set of financial accounts, or by the ability to compile a meaningful and |
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|   | complete set of accounts if they were to be required.   |
| <b>external position</b>                    | See " <a href="#">cross-border position</a> ".  |
| <b>F</b> <a href="#">back to index</a>      |   |
| <b>financial asset</b>                      | A loan, debt security or other debt instrument; equity or investment fund share; financial derivative; employee stock option; or monetary gold. See also " <a href="#">claim</a> ".   |
| <b>financial corporation</b>                | Entity that is principally engaged in providing financial services, such as financial intermediation, financial risk management or liquidity transformation. Financial corporations include the following entities: central banks, banks and non-bank financial corporations.   |
| <b>financial institution</b>                | See " <a href="#">financial corporation</a> ".  |
| <b>foreign bank</b>                         | Bank whose controlling parent is located in a country other than that where the borrower resides, ie bank whose controlling parent is a non-resident financial institution.   |
| <b>foreign claim</b>                        | Claim on residents of countries other than the country where the controlling parent is located, ie a claim of a domestic bank on non-residents of the reporting country. Foreign claims comprise local claims of the bank's offices abroad as well as cross-border claims of the bank's offices worldwide.  |
| <b>G</b> <a href="#">back to index</a>      |   |
| <b>general government</b>                   | Sectoral classification that refers collectively to the central government, state government, local government and social security funds. General government excludes the central bank and publicly owned corporations.   |
| <b>guarantees extended</b>                  | Contingent liabilities that arise from an irrevocable obligation to pay a third-party beneficiary when a client fails to perform certain contractual obligations. Guarantees extended include the notional value of credit protection sold.   |
| <b>H</b> <a href="#">back to index</a>      |   |
| <b>head office</b>                          | Entity that exercises managerial control over its affiliates. See also " <a href="#">controlling parent</a> ".  |
| <b>home country</b>                         | See " <a href="#">parent country</a> ".   |
| <b>host country</b>                         | Country where the foreign affiliate of a banking group is located.  |
| <b>household</b>                            | Group of persons who share the same living accommodation, who pool some or all of their income and wealth, and who consume certain types of goods and services collectively, mainly housing and food. In the LBS and CBS, the household sector refers collectively to households and non-profit institutions serving households.                    |
| <b>I</b> <a href="#">back to index</a>      |   |
| <b>immediate counterparty basis</b>         | Methodology whereby positions are allocated to the primary party to a contract. In the CBS, claims on an immediate counterparty basis are allocated to the country and sector of the entity to which the funds were lent.   |
| <b>interbank</b>                            | Business between banks. In the LBS, "interbank" typically refers to business between banking offices and thus includes inter-office business.   |
| <b>international banking facility (IBF)</b> | Banking office in the United States that engages primarily in cross-border banking business and is exempted from many of the rules and regulations that apply to banking offices engaged in local business. Similar entities exist in other countries. IBFs and similar entities are considered residents of the country in which they are located. |
| <b>international claim</b>                  | Claim on a non-resident or denominated in a foreign currency. International claims comprise cross-border claims in any currency plus local claims of foreign affiliates denominated in non-local currencies.  |

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| <b>international organisation</b>           | Entity whose members are either national states or other international organisations whose members are national states, and which is established by formal political agreements between its members that have the status of international treaties.   |
| <b>inter-office</b>                         | See "intragroup".   |
| <b>intragroup</b>                           | Business between affiliates of the same corporate group. See also "own office".   |
| <b>J</b> <a href="#">back to index</a>      |   |
| <b>Japan Offshore Market</b>                | See "international banking facility".   |
| <b>L</b> <a href="#">back to index</a>      |   |
| <b>LBS by nationality (LBSN)</b>            | LBS aggregated by nationality of the reporting bank. See also "locational banking statistics".  |
| <b>LBS by residence (LBSR)</b>              | LBS aggregated by the residence of the counterparty. See also "locational banking statistics".  |
| <b>LBS-reporting country</b>                | See "BIS reporting country".  |
| <b>loans and deposits</b>                   | Non-negotiable debt instruments that are created when a creditor lends funds directly to a debtor. In the LBS, no distinction is made between loans and deposits; they are treated as economically equivalent. Loans and deposits include the cash leg of securities repurchase agreements, working capital and inter-office business.  |
| <b>local currency</b>                       | Currency of the country where the borrower or issuer resides.   |
| <b>local position</b>                       | Claim on or liability to a counterparty located in the same country as the banking office that books the position. Opposite of a "cross-border position".   |
| <b>locational banking statistics (LBS )</b> | A BIS-organised data collection that details the currency and geographical composition of banks' balance sheets. They capture outstanding claims and liabilities of banking offices located in BIS reporting countries, including intragroup positions. Central banks or other national authorities collect data from internationally active banks located in their jurisdiction, compile national aggregates and then report these to the BIS to calculate global aggregates. See also "LBS by nationality" and "LBS by residence".  |
| <b>long-term</b>                            | Having a maturity greater than one year.  |
| <b>M</b> <a href="#">back to index</a>      |   |
| <b>monetary financial institutions</b>      | Sectoral classification that refers collectively to banks, central banks and money market funds.  |
| <b>N</b> <a href="#">back to index</a>      |   |
| <b>nationality</b>                          | Refers to the country where the controlling parent is located.  |
| <b>net risk transfer</b>                    | Inward minus outward risk transfers.  |
| <b>non-bank</b>                             | Entity that is not a bank. Sectoral classification that refers collectively to non-bank financial corporations and the non-financial sector.  |
| <b>non-bank financial corporation</b>       | Financial institution, other than a bank, engaged primarily in the provision of financial services and activities auxiliary to financial intermediation, such as fund management. Non-bank financial corporations include the following entities: special purpose vehicles, hedge funds, securities brokers, money market funds, pension funds, insurance companies, financial leasing corporations, CCPs, unit trusts, other financial auxiliaries and other captive financial institutions. They also include any public financial institutions such as development banks and export credit agencies. |
| <b>non-bank financial institution</b>       | See "non-bank financial corporation".   |
| <b>non-bank private sector</b>              | Sectoral classification used in CBS that refers collectively to non-bank financial corporations, non-financial corporations and households, ie the non-bank sector excluding general government.  |

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| <b>non-financial corporation</b>                         | Entity whose principal activity is the production of market goods or non-financial services. Non-financial corporations include the following entities: legally constituted corporations, branches of non-resident enterprises, quasi-corporations, notional resident units owning land, and resident non-profit institutions that are market producers of goods or non-financial services. |
| <b>non-financial private sector</b>                      | Sectoral classification that refers collectively to non-financial corporations and households, ie the non-financial sector excluding general government.  |
| <b>non-financial sector</b>                              | Sectoral classification that refers collectively to non-financial corporations, general government and households.  |
| <b>non-local currency</b>                                | Foreign currency. Opposite of local currency.   |
| <b>non-profit institution serving households (NPISH)</b> | Entity engaged mainly in providing goods and services to households or the community at large free of charge or at prices that are not economically significant. See also "household".  |
| <b>O</b> <a href="#">back to index</a>                   |   |
| <b>official monetary authority</b>                       | See "central bank".   |
| <b>official sector</b>                                   | Sectoral classification used in the CBS that refers collectively to general government, central banks and international organisations.  |
| <b>original maturity</b>                                 | Period from issue until the final contractually scheduled payment.  |
| <b>own office</b>  | Entity owned or otherwise controlled by a banking group, including head office, branch office or subsidiary.  |
| <b>P</b> <a href="#">back to index</a>                   |   |
| <b>parent country</b>                                    | Country where the controlling parent is located. Also referred to as the "home country".  |
| <b>parent bank</b>                                       | See "controlling parent".   |
| <b>position</b>  | Asset or liability.   |
| <b>private non-financial sector</b>                      | See "non-financial private sector".   |
| <b>R</b> <a href="#">back to index</a>                   |   |
| <b>remaining maturity</b>                                | Period from the reference date until the final contractually scheduled payment.   |
| <b>reporting bank</b>                                    | Financial institution that participates in the compilation of the LBS or CBS. See also "BIS reporting institution".   |
| <b>reporting country</b>                                 | See "BIS reporting country".  |
| <b>repurchase agreement (repo)</b>                       | Financial instrument involving the sale of (financial) assets at a specified price with a commitment to repurchase the same or similar assets at a fixed price on a specified future date (usually at short term) or on a date subject to the discretion of the purchaser.  |
| <b>residence</b>   | Country with which an entity has the strongest connection, expressed as the location from which it engages in economic activities and transactions on a significant scale. Each entity is a resident of one and only one country.   |
| <b>risk transfer</b>                                     | Technique for transferring credit risk from the immediate counterparty to an ultimate counterparty. Outward risk transfers reallocate claims out of the country of the immediate counterparty. Inward risk transfers reallocate claims into the country of the ultimate counterparty.   |
| <b>S</b> <a href="#">back to index</a>                   |   |
| <b>short-term</b>  | Having a maturity up to and including one year or on demand.  |
| <b>special purpose entity (SPE)</b>                      | Entity established for the sole purpose of carrying out a single transaction, such as in the context of asset securitisation through the issuance of asset-backed and mortgage-backed securities. Also referred to as a special purpose corporation (SPC) or  |

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|  | special purpose vehicle (SPV).  |
| <b>stock</b>                           | See " <a href="#">amount outstanding</a> ".   |
| <b>subsidiary</b>                      | A separately incorporated entity in which another entity has a majority or full participation.  |
| <b>T</b> <a href="#">back to index</a> |   |
| <b>total assets</b>                    | Sum of financial assets and non-financial assets.   |
| <b>trustee business</b>                | Funds received or invested on a trust basis in a bank's own name but on behalf of a third party.  |
| <b>U</b> <a href="#">back to index</a> |   |
| <b>ultimate issuer</b>                 | See " <a href="#">controlling parent</a> ".   |
| <b>ultimate risk basis</b>             | Methodology whereby positions are allocated to a third party that has contracted to assume the debts or obligations of the primary party if that party fails to perform. In the CBS, claims on an ultimate risk basis are allocated to the country and sector of the entity that guarantees the claims (or, in the case of claims on branches, the country of the parent bank). |
| <b>V</b> <a href="#">back to index</a> |   |
| <b>vis-à-vis country</b>               | See " <a href="#">counterparty country</a> ".   |