Basel Committee
on Banking Supervision

Public disclosures by banks: results of the 1999 disclosure survey

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BANK FOR INTERNATIONAL SETTLEMENTS

Basel Committee on Banking Supervision Transparency Group

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Public Disclosures by Banks: Results of the Survey of 1999 Disclosures

I. Executive Summary

This survey is a component of the Basel Committee on Banking Supervision's (the Committee)[1] ongoing efforts to promote effective market discipline in banking and capital markets through improved public disclosures. In general, the Committee encourages banks to publicly disclose both quantitative and qualitative information that will allow bank counterparties and other financial market participants to make informed decisions regarding banks' risk management practices and financial strength. More specifically, the Committee is proposing that market discipline should be enhanced in the context of the New Basel Capital Accord. The Committee believes that a regime of enhanced disclosure relating to key elements of the New Basel Capital Accord - capital, risk exposure and assessment and capital adequacy - will assist participants in effecting discipline in the capital markets. This framework of disclosure is proposed as the third pillar of the New Basel Capital Accord, along with minimum capital requirements (Pillar 1) and the supervisory review process (Pillar 2). In January 2001, the Committee issued a Second Consultative Package on the New Basel Capital Accord. The consultation period lasts until 31st May 2001.

Over the past several years, the Committee's Transparency Group has conducted surveys of the public disclosure practices of internationally active banks headquartered in its member countries. The Committee's intention with this survey of 1999 disclosure practices is twofold: first, it gives an impression of the current scope of disclosure practice for comparison with the Committee's disclosure proposals in the New Basel Capital Accord. Second, it will serve as a guide to the banking industry and standard setters by indicating the areas in which disclosure is relatively prevalent or lacking.

The areas covered by the survey of 1999 disclosure practices generally coincide with those identified in the proposed third pillar of the New Basel Capital Accord. To achieve this the survey was streamlined in some areas compared to previous years, and expanded in others to give a broader picture of the totality of relevant disclosure. The survey reviewed the disclosure of both quantitative information and the qualitative strategic and methodological disclosures that should enable the market to better evaluate the banking organisation. As in previous years, the survey was conducted by national supervisory authorities that, based on public reports, assessed the extent of disclosure by banks in their jurisdiction.

The Committee will continue monitoring disclosure practices in the light of the requirements and recommendations in the New Basel Capital Accord. This will help encourage their implementation.

The areas surveyed include:

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[1] The Basel Committee on Banking Supervision is a committee of banking supervisory authorities, which was established by the central bank Governors of the Group of Ten countries in 1975. It consists of senior representatives of bank supervisory authorities and central banks from Belgium, Canada, France, Germany, Italy, Japan, Luxembourg, the Netherlands, Sweden, Switzerland, the United Kingdom, and the United States. It usually meets at the Bank for International Settlements in Basel, where its permanent Secretariat is located. Spain joined the Committee on 1 February 2001.

- ***Capital Structure***; disclosures that provide a view of the bank's level and composition of capital and the use of any hybrid capital instruments.
- ***Capital Adequacy***; disclosures that detail the bank's assessment of capital needs relative to its risks and business lines.
- ***Market Risk Internal Modelling***; disclosure of the type of market risk models used (e.g. VAR), the model's parameters, the bank's policies and procedures for back testing and the disclosure of results from stress or scenario shock testing.
- ***Internal and External Ratings***; disclosures that provide insight on the bank's use of internal and external ratings in the bank's internal capital allocation process.
- ***Credit Risk Modelling***; disclosures regarding the type, methodology and validity of credit risk models employed.
- ***Securitisation Activities***; disclosures regarding the types of assets securitised, the bank's strategy and objectives, recourse provisions and accounting treatment.
- ***Credit Risk Allowances***; disclosures that assess the adequacy of allowances and help make informed conclusions on the bank's credit risk exposure.
- ***Credit Derivatives and other Credit Enhancements***; disclosures regarding the use of derivatives and other enhancements to mitigate, buy or sell credit risk.
- ***Derivatives***; disclosures regarding the bank's strategy, business objectives, exposures and hedging uses of derivatives other than specific credit risk derivatives.
- ***Geographic and Business Line Diversification***; disclosures that reveal the nature and extent of any concentration in risk exposures.
- ***Accounting Policies***; a key area of disclosure that spans various activities.
- ***All Other Risks***; disclosures regarding litigation, operational and liquidity risks.

Summary of Results

The survey results show varying disclosure levels in the areas surveyed. In a broad sense, banks commonly disclosed capital related items, credit risk allowances, diversification of credit risk and accounting policies. However, the survey results show that there is a lack of disclosure in areas related to credit risk modelling and the use of internal and external ratings. These disclosure areas are likely to be of increased importance in the future, as disclosure of key information regarding the use of internal ratings will be necessary for banks to qualify for the internal ratings based approach proposed in Pillar 1 of the New Basel Capital Accord. Also, derivative and securitisation activities are areas where disclosure is often lacking. Details of the disclosure performance of banks in each of the areas surveyed are provided in the report.

Key findings are:

- Most banks disclosed the key elements of their capital structure; however, details and provisions of innovative or complex capital instruments should be more thoroughly and uniformly disclosed.
- Most banks disclosed the calculation of their risk-based capital ratios; however, improvement can be made in the disclosure of the institutions' internal process for assessing capital adequacy and setting appropriate levels of capital.
- More than two thirds of banks disclosed information on the portfolios covered by the internal model for market risk, and the policies and procedures for stress testing and back-testing internal models.

- Few banks provided summary information about the internal ratings process and less than one quarter of the banks described how internal ratings are used in the bank's capital allocation process.
- A minority of banks disclosed whether credit risk measurement models are used and provided information on the type of models, portfolios covered and size of portfolios. Less than one quarter of the banks that stress test counterparty credit exposures disclosed the process for stress testing and how testing is incorporated into risk management systems.
- Just over half of banks disclosed the amount and type of assets securitised, but less than one third disclosed objectives for their securitisation activities or information concerning risk retained, recourse and other key details concerning securitisation activities.
- Most banks disclosed certain key quantitative information concerning credit risk exposure and allowances. There is a lower level of disclosure in related areas, including comparing the level of allowances to historical net loss exposure, showing the impact of credit risk mitigants, or discussing techniques used to monitor and manage impaired assets.
- A large majority of banks surveyed use credit derivatives. Overall, disclosures concerning the use of credit derivatives are considerably less than those relating to derivatives used for hedging other risks, in both quantitative and qualitative terms.
- Less than one half of the surveyed banks provided information concerning the potential exposures for derivatives. While most banks that engage in derivative activities provided some disclosure of their derivatives strategies and objectives, the overall level of quantitative disclosure could be improved.
- Most banks disclosed the diversification of their credit exposures; however, less than one half of the surveyed banks disclosed this diversification specifically for their past due assets.

II. 1999 Survey of Public Disclosure Practices

(1) Introduction

Over the past several years, the Committee has conducted surveys of the public disclosure practices of internationally active banks headquartered in its member countries. The Committee has derived the items included in these surveys from the guidance papers issued by the Committee and this year also considered the future shape of disclosures set out in the New Basel Capital Accord.

The survey of 1999 disclosure practices followed a new and more focussed format. The survey included selected items from all of the Committee's existing disclosure guidance papers, but targeted key areas of current interest to the Committee including securitisation and the use of internal and external ratings. The survey items addressed both quantitative and qualitative disclosures. This information will provide insight and support to the Committee's ongoing work to develop Pillar 3 of the New Basel Capital Accord.

The survey presented 104 questions addressing the disclosure practices of these banks across several areas with a focus on:

- capital structure
- capital adequacy
- market risk internal modelling
- internal and external ratings
- credit risk modelling
- securitisation activities
- credit risk allowances
- credit derivatives and other credit enhancements
- derivatives
- diversification of risk geographically and across business lines
- accounting policies
- other risks

This survey of disclosures draws from information found in the 1999 annual reports of 57 banks headquartered in Committee member countries. The survey instruments were distributed to the respective national banking supervisors, who provided answers as indicated within this report. These banks represent a sample of internationally active institutions. A list of the banks reviewed and some basic demographic information is provided in the Appendix.

Overall, banks disclosed 57% of the survey items. Respondents indicated that survey questions were "not applicable" in 9% of the items surveyed.[2]

[2] The survey questions were answered "yes" indicating that a disclosure was made, "no" indicating that a disclosure was not made, or "not applicable" indicating that the disclosure item was not relevant within the context of a bank's activities, or was not material. The question of materiality was left to the judgement of the respective national banking supervisors. For example, if a bank did not use credit derivatives, many of the

(2) Survey Results

(A) Capital Structure

Survey Item	Response Rate
Disclosed the amount of common shareholders' equity	98%
Disclosed the amount of tier one capital	95%
Disclosed the amount of perpetual non-cumulative preference shares	94%
Disclosed deductions from tier one and tier two capital	65%
Disclosed the amount of tier two capital (split between Upper and Lower level tier two) with separate disclosure of material components	47%
Disclosed the amount of tier three capital, where applicable	66%
Disclosed the total capital base	96%
Disclosed the amount of minority interests in the equity of subsidiaries	91%
Disclosed the amount of innovative or complex capital instruments, including the percentage of total tier one capital	74%
Disclosed the maturity, including call features of complex or hybrid capital instruments	71%
Disclosed step-up provisions for capital instruments (where applicable)	43%
Disclosed key "trigger" events	36%
Disclosed provisions of capital instruments permitting interest of dividend deferrals or any other cumulative characteristics, where applicable	69%
Disclosed the issuance of capital through special purpose vehicles (SPVs)	85%

Overall, most surveyed banks disclose quantifiable items within capital structure. Virtually all the banks disclosed the amounts of shareholder equity, preferred shares, and other aspects of their total capital base. Also, most of the banks disclosed the amount of minority interests in subsidiaries. One area that could be improved is the disclosure of deductions from tier one and tier two capital, which were disclosed by only 65% of the banks surveyed.

Only 36% of the banks disclosed information concerning key "trigger" events that might affect the nature or cost of capital instruments, while 43% of banks disclosed step-up provisions for

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responses pertaining to disclosure of credit derivatives would be properly answered “not applicable.” However, if a bank used credit derivatives, but did not disclose the activity, the proper response would be “no.” The distinction between “no” and “not applicable” has an impact when measuring compliance with the items listed in the survey. In this report, “yes” responses are measured against the total number of “yes” and “no” responses as opposed to the total number of responses. By so doing, the percentage of "yes" responses thereby relates only to the universe of banks for which that particular disclosure practice was applicable and isolates the "not applicable" responses of those institutions for which a particular disclosure practice was not relevant.

capital instruments. Innovative or complex capital instruments are disclosed by almost 75% of the banks that use such instruments (only about one half of the banks surveyed.)

(B) Capital Adequacy

Survey Item	Response Rate
Disclosed the risk-based capital ratio calculated in accordance with the methodology prescribed in the Basel Capital Accord	96%
Provided all information relevant to understanding how Basel Capital Accord requirements for market risk under the internal models approach have been calculated	30%
Disclosed all information relevant to understanding how Basel Capital Accord requirements for market risk under the standardised approach have been calculated, including disclosure of capital charges for component risk elements, as appropriate	24%
Disclosed the risk exposure of balance sheet assets (specifying book value and risk weighted amount for each bucket)	21%
Disclosed the risk exposure of each off-balance sheet instrument (specifying nominal amount, credit equivalent amount and risk weighted amount for each risk bucket)	39%
Provided analysis of changes in the bank's capital structure and the impact on key ratios and overall capital position	63%
Disclosed whether the bank has an internal process for assessing capital adequacy and for setting appropriate levels of capital	49%

Most of the banks surveyed disclosed the calculation of their risk-based capital ratio in accordance with the methodology prescribed in the Capital Accord. A majority of the banks provided information on changes in capital structure and the impact of such changes on key ratios. Only about one half of the banks disclosed whether their institutions possessed an internal process for assessing capital adequacy and setting appropriate levels of capital. Less than one third of banks provided information regarding capital requirements for market risk, under either the internal models approach or the standardised approach. Less than one half of the banks disclosed details related to off-balance sheet risk exposures.

(C) Market Risk Internal Modelling

Survey Item	Response Rate
Disclosed the type of internal modelling used (e.g. historical simulation, VAR)	96%
Described the portfolios covered by the bank's internal model	79%
Disclosed the confidence level used for internal modelling	98%
Disclosed the holding period used for internal modelling	89%
Disclosed the observation period used for internal modelling	67%
Provided an overview of policies and procedures for back-testing internal models	53%
Provided summary quantitative information on market risk exposure based on internal methods used for measurement, with information on performance in managing those risks	86%
Discussed the number of times (days) actual portfolio loss exceeded VAR	46%
For those disclosing VAR data, provided average VAR	78%
Provided daily information on profits and losses on trading activities, combined with value at risk (VAR) numbers (i.e. graphics)	37%
Provided summary VAR results on a weekly or monthly basis	51%
For those disclosing VAR data, provided high/low VAR	80%
For non-traded portfolios, provided summary VAR or impact on earnings	45%
Provided an overview of policies and procedures for stress testing internal models	61%
Discussed the results of scenario analysis or impact of shocks for traded portfolios	34%
For non-traded portfolios, provided summary results of scenario analysis of the impact of shocks	21%

Overall, the methodologies and uses of internal modelling to determine market risk, including the type of modelling used, portfolios covered, confidence level and holding period are disclosed by most banks. Banks disclosed more information regarding the methodology used to assess market risk exposure than the quantifiable results of the internal modelling processes, such as the daily information on profits and losses on trading activity and the number of times actual losses exceeded VAR. Results of scenario analysis or the impact of shocks on traded and non-traded portfolios are areas where disclosure could be improved, with only about one third of banks disclosing summary results of scenario analysis for traded portfolios. As compared with last year's survey results,[3] banks improved their disclosure of the methodologies and results of market risk modelling.

[3] *Trading and Derivative Disclosures of Banks and Securities Firms: Results of the survey of public disclosures in 1998 annual reports* Joint report by the Basel Committee on Banking Supervision and the Technical Committee of the International Organization of Securities Commissions (IOSCO), December 1999

(D) Internal and External Ratings

Survey Item	Response Rate
Discussed the process and methods used to assess credit exposures on both an individual counterparty and portfolio basis, including a description of the internal classification system (e.g., what each rating means in terms of default probability, degrees of risk being distinguished, performance over time and ex-post evaluation)	56%
Provided summary information on the quality of on-and off-balance sheet credit exposures, based on the internal rating process or external ratings	11%
Provided summary information about the internal ratings process	42%
Described how internal ratings are used in the bank's internal capital allocation process	21%

The adequacy of disclosures related to the use of internal ratings will be an area of increased importance under the New Basel Capital Accord. Adequate disclosure of key information regarding the use of internal ratings will be necessary for banks to qualify for the internal ratings based approach being considered in Pillar 1 of the New Basel Capital Accord.

One half of the banks discussed their internal credit classification system. Few banks provided summary information about the internal ratings process, and less than one quarter of the banks described how internal ratings are used in the bank’s capital allocation process. Similarly, few banks provided summary information on the quality of on- and off-balance sheet credit exposures, based on the internal rating process or external ratings. This is an important area where disclosure practices could be improved.

(E) Credit Risk Modelling

Survey Item	Response Rate
Disclosed whether credit risk measurement models are used, and if so, provided descriptive information about the types of models, portfolio(s) covered and size of portfolios	42%
Disclosed how the bank has incorporated historical default experience for different asset categories, current conditions, changes in portfolio composition and trends in delinquencies and recoveries	45%
Disclosed the types of credit exposures that are evaluated individually for impairment and the types of exposures that are evaluated as a group	58%
If an institution stress tests its counterparty credit exposures, it should disclose its process for stress testing, and how testing is incorporated into its risk management system	23%
Disclosed quantitative and qualitative information about the credit risk measurement models used, including model parameters (e.g., holding period, observation period, confidence interval, etc.), performance over time, and model validation and stress testing	8%
Disclosed whether credit scoring is used when granting credit, and if so, provided descriptive information about the credit scoring model and how it is used	44%

Where banks use credit risk models, the associated level of disclosure is not generally high. Few banks provided qualitative or quantitative information concerning the credit risk models used, such as the parameters of the models, model validation and stress testing. Less than one quarter of the banks that stress test counterparty credit exposures disclosed the process of stress testing and how testing is incorporated into risk management systems. Less than one half of the banks disclosed whether credit scoring is used. Slightly more than one half of banks disclosed information regarding the types of credit exposures that are individually evaluated for impairment. The New Basel Capital Accord does not envisage that credit risk models (as distinct from an internal ratings based methodology) may be used for the calculation of regulatory capital.

(F) Securitisation Activities

Survey Item	Response Rate
Disclosed the amount and types of assets securitised	53%
Described the bank's strategy and objectives for securitisations	32%
Disclosed the amount of servicing retained on securitised assets	26%
Disclosed the amount of risk on assets retained when assets are securitised	23%
Described general recourse provisions on securitisations	15%
Described details on subordinated interests retained (first loss protection) when assets are securitised	5%
Disclosed the accounting treatment of securitisation transactions and other credit risk mitigation techniques	45%
Disclosed the income effect of securitisation	34%

The use of securitisations by internationally active banks is growing. About one third of banks did not engage in asset securitisations (19 of the 57 surveyed banks reported "not applicable" to the question: "Disclosed the amount and types of assets securitised."). Of those banks engaged in securitisation activity, just over one half of the banks provided quantitative information concerning the type and amount of assets securitised. Disclosure levels for other surveyed items were lower, and the levels of disclosure for risk retained by recourse provisions or as subordinated positions (first loss protection) is considerably lower. The overall level of disclosure relative to securitisation activities could be improved.

(G) Credit Risk Allowances

Survey Item	Response Rate
Provided a reconciliation of activity for any allowances established for credit impairment ("continuity schedule")	91%
Disclosed information on the impact of non-accrual and impaired assets on the financial performance of the bank including information on charge-offs and provisions	86%
Disclosed the amount of any charge-offs and recoveries that have been recorded directly in the income statement	85%
Described how the level of allowances compares with historical net loss experience	40%
Provided information on total credit exposures, including exposures arising from lending, trading, investment, liquidity/funding management and off-balance sheet activities	74%
Disclosed how the allocated and (any) of the unallocated portions of the allowances are determined	65%
Described policies and practices for sovereign risk provisioning	62%
Discussed practices and procedures used for evaluating the adequacy of credit loss provisions and credit loss allowances	58%
Discussed the techniques used to monitor and manage past due or impaired assets/credit relationships	46%
If the institution uses collateral, covenants, guarantees or credit insurance to reduce risk exposure, the impact on credit exposure should be disclosed	30%
Provided information on the amount and nature of derivatives credit risk loss allowances	15%

Overall, most banks disclose the level of quantitative information concerning credit risk exposures, charge-offs, impaired assets and allowances. However, few banks provided information on the amount or nature of derivatives credit risk loss allowances. Disclosures that would compare the level of the allowances with historical net loss exposure could be improved, as could disclosures regarding the impact of collateral, guarantees or credit insurance on credit exposures. Less than one half of banks provided a qualitative discussion on the techniques used to monitor and manage past due or impaired credits. A comparison with last year's survey indicates strong improvement in banks' disclosure of the impact of impaired assets on financial performance.

(H) Credit Derivatives and other Credit Enhancements

Survey Item	Response rate
Discussed how credit derivatives are used, including strategy and objectives	37%
Disclosed information of the effect of credit enhancement on the bank's counterparty exposure from OTC contracts	14%
Listed a breakdown of credit derivatives by type of instrument (e.g., total return swap, credit default swap, or other credit derivatives)	18%
Disclosed the notional amounts and fair value of credit derivatives	33%
Disclosed quantitative information about the effect of credit enhancement on counterparty credit exposures	25%
Disclosed the amount of credit risk bought or sold using credit derivatives	18%

Compared to the survey of 1998 trading and derivative disclosures, there is an increase in the use of credit derivatives among surveyed banks, and there has been a welcome increase in the amount of disclosure made in this area. All banks reported some level of derivative use, and most banks reported the use of credit derivatives. This year's survey results indicate that more banks disclosed information regarding strategies and objectives for credit derivative activity and the amount of credit risk bought or sold using credit derivatives. Despite the increased disclosure practices in comparison to last year's survey, further improvement is warranted. Overall, the level of disclosure for credit risk derivatives is less than the disclosure level for other derivative activity. Less than one half of the banks that use credit derivatives disclose their strategies and objectives for the use of such instruments. Banks' disclosure of the quantifiable information on these instruments, including a breakdown of type of instrument used, notional and fair values, and the amount of credit risk bought or sold, is even more deficient.

(l) Derivatives

Survey Item	Response Rate
Discussed the objectives for use of non-trading derivatives	81%
Discussed the overall business objectives of trading activities and strategies for achieving those objectives	68%
Described how derivatives are used to hedge risks (strategies)	74%
Disclosed the gross positive market value of derivatives	68%
Disclosed the gross negative market value of derivatives	55%
Provided end-of-period and average notional and market values for trading portfolios and non-trading portfolios	46%
Disclosed potential future exposures for derivatives, where appropriate	25%
Provided summary information about the effect of non-trading derivatives on earnings of off-balance sheet (hedging) positions held by the organisation (e.g., to manage interest rate risk, currency risk, and other risks)	54%
Disclosed the quantitative effect of legally enforceable bilateral and multilateral netting agreements	47%
Disclosed the replacement cost of non-performing derivatives	13%

All banks have some involvement with derivatives and the overall level of disclosure could be improved. Most banks disclosed their objectives and strategies in using derivatives to hedge risks, with 81% of banks disclosing their objectives for the use of non-trading derivatives. More than one half of the surveyed banks provided basic quantifiable data on the gross values of their derivatives. Two key areas that could be improved are the disclosure of the potential future exposure for derivatives, and the replacement cost of non-performing derivatives.

(J) Geographic and Business Line Diversification

Survey Item	Response Rate
Provided information on market activity by broad instrument category (e.g., futures, forwards, swaps and options)	84%
Provided information on market activity by broad risk category (e.g., interest rate, exchange rate, precious metals, other commodities and equities)	81%
Provided information on trading revenues by major risk category (foreign exchange, interest rate, commodity, equity), or by major product (bonds, swaps, foreign exchange, equities)	74%
Provided a breakdown of past due assets by asset category	35%
Disclosed information about the composition of on- and off-balance sheet credit exposures by major types of counterparty	70%
Provided a breakdown of past due assets by counterparty type	46%
Disclosed credit exposure information by business line	68%
Disclosed summary information about the geographic distribution of credit exposures, including domestic and international credit exposures	79%
Disclosed sovereign exposures	62%
Provided a breakdown of impaired assets by geographic area	47%

A majority of banks disclosed information regarding the diversification of their credit exposures geographically, by product and across business lines, which indicates an improvement compared with information available on previous years. A majority of banks provided information on market activity by broad instrument category. However, fewer banks provided information on impaired assets by geographic area or a breakdown of past due assets by counterparty type or asset category.

(K) Accounting Policies

Survey Item	Response Rate
Disclosed the basis of measurement for assets at initial recognition and subsequent periods, e.g., fair value or historical cost	98%
Described the accounting policies and method of income recognition used for trading activities (using both cash instruments and derivatives) and non-trading activities	91%
Disclosed income and expense information grouped by nature or function within the bank	89%
Provided summary information about how trading activities affect earnings, based on internal measurement and accounting systems	88%
Described the treatment of hedging relationships affecting the measurement of assets	79%
Disclosed the basis for determining when assets are considered past-due and/or impaired for accounting and disclosure purposes (number of days where appropriate)	77%
Distinguished between trading assets and trading liabilities	50%

Information regarding the accounting techniques for income recognition for trading activities and recognition of impaired assets is well disclosed by most banks. The level of banks' disclosure declined in providing information that would distinguish between trading assets and trading liabilities.

(L) Other Risks

Survey item	Response Rate
Provided qualitative disclosures of interest rate risk in the banking book	72%
Provided quantitative disclosures of interest rate risk in the banking book	61%
Disclosed quantitative and qualitative information and strategies for managing liquidity risk	63%
Disclosed information about the main types of operational risk and identified and discussed any specific issues considered to be significant	63%
Disclosed legal contingencies (including pending legal actions) and discussed possible liabilities	51%

Disclosures regarding operational, interest rate and liquidity risks were found in more than sixty percent of banks. Disclosure relative to legal contingencies is an area that could be strengthened.

Related Papers

Core Principles for Effective Banking Supervision, Basel Committee on Banking Supervision (September 1997).

Enhancing Bank Transparency, Basel Committee on Banking Supervision (September 1998).

Recommendations for Public Disclosure of Trading and Derivatives Activities of Banks and Securities Firms, Basel Committee on Banking Supervision and IOSCO Technical Committee (Joint Report), (February 1999).

Sound Practices for Loan Accounting and Disclosure, Basel Committee on Banking Supervision (July 1999).

Trading and Derivative Disclosures of Banks and Securities Firms: Results of the survey of public disclosures in 1998 annual reports, Basel Committee on Banking Supervision and IOSCO Technical Committee (Joint Report), (December 1999)

Best Practices for Credit Risk Disclosure, Basel Committee on Banking Supervision (September 2000).

The New Basel Capital Accord, Basel Committee on Banking Supervision (January 2001).

Appendix

Banks Included in Survey

	Institution	Total Assets (National Currency, millions of units)	Total Assets [4] (millions US Dollars)
Belgium	BBL	108,081	108,600
	Fortis Bank	340,466	342,100
	KBC Bank	146,534	147,237
Canada[5]	Bank of Montreal	230,615	156,841
	Bank of Nova Scotia	222,691	151,452
	Canadian Imperial Bank of Commerce	250,331	170,250
	National Bank of Canada	69,801	47,472
	Royal Bank of Canada	270,650	184,069
	Toronto Dominion Bank	214,417	145,825
France	BNP Paribas	698,625	701,978
	Crédit Agricole	439,493	441,603
	Crédit Commercial de France	69,292	69,625
	Crédit Lyonnais	172,900	173,730
	Société Générale	406,541	408,492
Germany	Commerzbank	372,040	373,826
	DG Bank	243,217	244,384
	Deutsche Bank	839,865	843,896
	Dresdner Bank	396,846	398,751
	HypoVereinsbank AG	503,255	505,671
	WestLB	393,754	395,644

4 Unless otherwise noted, all conversions are as of December 31, 1999. For countries using the Euro, an exchange rate of 1USD=0.9952 euro was uniformly used to provide consistency.

5 Financial disclosures are dated October 31, 1999.

	Institution	Total Assets (National Currency, millions of units)	Total Assets [4] (millions US Dollars)
Italy	Banca Commerciale Italiana	242,523	125,845
	Banca di Roma	206,076	106,933
	Banca Nazionale del Lavoro	164,481	85,349
	Banco di Napoli	67,779	35,171
	S. Paolo IMI	271,510	140,887
	Unicredito Italiano	327,089	169,726
Japan[6]	Bank of Tokyo – Mitsubishi	66,683,000	632,288
	Fuji Bank	47,009,000	445,739
	Industrial Bank of Japan	38,051,000	360,800
	Mitsubishi Trust and Banking Co.	16,373,000	155,249
	Sanwa Bank	45,185,000	428,444
	Sumitomo Bank	51,089,000	484,426
	Tokai Bank	29,215,000	277,017
Luxembourg	Banque Générale du Luxembourg S.A.	32,754	32,911
	Banque Internationale à Luxembourg S.A.	37,029	37,207
Netherlands	ABN AMRO	457,884	460,080
	ING Bank[7]	349,618	351,296
	Rabobank	281,218	282,568
Sweden	Skandinaviska Enskilda Banken	710,255	83,313
	Svenska Handelsbanken	922,799	108,244
Switzerland	Credit Suisse Group	597,993	374,403
	UBS	981,573	614,563

6 Financial disclosures are dated March 31, 2000.

7 Excludes major insurance activities.

	Institution	Total Assets (National Currency, millions of units)	Total Assets [4] (millions US Dollars)
United Kingdom	Abbey National	180,744	292,805
	Barclays	254,793	412,765
	HSBC	106,468	172,478
	Lloyds TSB	176,091	285,267
	Natwest	185,727	300,878
	Schroders	13,402	21,711
	Standard Chartered	54,132	87,694
United States	Bank of America	632,574	632,574
	Bank of New York	74,756	74,756
	Bank One	269,425	269,425
	Chase Manhattan	406,105	406,105
	Citigroup	716,937	716,937
	First Union	253,024	253,024
	Fleet Boston	190,692	190,692
	J. P. Morgan	260,898	260,898