BANK FOR INTERNATIONAL SETTLEMENTS

Guidelines for reporting the BIS international banking statistics

Version incorporating Stage 1 and Stage 2 enhancements recommended by the CGFS

Monetary and Economic Department

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The Guidelines were prepared by the International Banking and Financial Statistics unit of the BIS with the assistance of the central banks and other official authorities that contribute to the international banking statistics. The BIS is grateful to all of these authorities for their cooperation and valuable advice.

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List of abbreviations

BIS	Bank for International Settlements
BPM	Balance of Payments Manual
CBS	consolidated banking statistics
CBS/IR	CBS on an immediate risk basis
CBS/UR	CBS on an ultimate risk basis
CD	certificate of deposit
CGFS	Committee on the Global Financial System
CRM	credit risk mitigant
E	total equity
FA	financial assets
FL	financial liabilities
FX	foreign currency
IBS	international banking statistics
IMF	International Monetary Fund
LBS	locational banking statistics
LBS/R	LBS by residence
LBS/N	LBS by nationality
LC	local currency
NFA	non-financial assets
NPISHs	non-profit institutions serving households
OECD	Organisation for Economic Co-operation and Development
SAR	Special Administrative Region
SNA	System of National Accounts
TA	total assets (= FA + NFA)

Conventions used in this publication

. not applicable

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

A. Introduction

A.1. BIS international banking statistics

Under the guidance of the Committee on the Global Financial System (CGFS) and in cooperation with central banks worldwide, the BIS compiles statistics on international banking activity.[1] The international banking statistics (IBS) comprise the following two data sets:

- *Locational banking statistics (LBS)*, which measure claims and liabilities, including inter-office positions, of banking offices resident in reporting countries. These statistics are reported using principles that are consistent with balance of payments methodology.
- *Consolidated banking statistics (CBS)*, which measure worldwide consolidated claims of banks headquartered in reporting countries, including claims of their own foreign affiliates but excluding inter-office positions. These statistics build on measures used by banks in their internal risk management systems.

Both sets of statistics are reported at a country rather than individual bank level; hence they are best suited for macro analysis of economic and financial stability issues. The LBS are a key source of information on the currency and geographical composition of resident banks' balance sheets. The CBS provide information about banking systems' risk exposures, in particular country risk.

In addition to their contrasting reporting bases, the LBS and the CBS differ in a number of other important respects. The CBS include data on off-balance sheet exposures, such as risk transfers, guarantees and credit commitments (Table A1). They also capture the maturity structure of some claims, but provide very limited currency information. In contrast, the LBS cover on-balance sheet positions, albeit for liabilities as well as claims. The LBS are reported on an immediate risk basis (disregarding risk transfers) and have a more detailed breakdown of positions by currency and instrument.

While the CBS are reported by a smaller number of countries than the LBS, they cover the worldwide banking offices of institutions whose controlling parent is located in those countries. The number of countries participating in the LBS increased from 15 in the mid-1970s to 44 in 2012 (Table A2). The number of countries participating in the CBS increased from 15 in the early 1980s to 31 in 2012.

The LBS and CBS each comprise two subsets, which capture different aspects of international banking activity. The locational banking statistics by residence (LBS/R) combine the breakdown by residence of the reporting bank with a full country breakdown of counterparties, whereas the locational banking statistics by nationality (LBS/N) combine it with a breakdown by nationality of the reporting bank. The consolidated banking statistics on an immediate risk basis (CBS/IR) are based on the country where the immediate counterparty exposure or risk lies, whereas the consolidated banking statistics on an ultimate risk basis (CBS/UR) are based on the country where the ultimate risk or obligor resides, after taking into account risk transfers. The four data sets, and the breakdowns therein, are summarised in Table A1.

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[1] The CGFS was established in 1971 by the central banking community to analyse the macroeconomic and financial consequences of the growth of international deposit markets – hence the Committee's original name, the Euro-currency Standing Committee. The CGFS is located at the BIS (www.bis.org/cgfs).

Table A1

Simplified overview of the BIS international banking statistics

Data reported from Q2 2012 are shown in **blue (Stage 1)** and from Q4 2013 in **red (Stage 2)**

	Locational banking statistics		**Consolidated banking statistics**	
	By residence (LBS/R)	**By nationality (LBS/N)**	**Immediate risk basis (CBS/IR)**	**Ultimate risk basis (CBS/UR)**
Reporting countries	44	43	31	24
Business reported	Financial assets and liabilities (incl derivatives)		Financial assets (excl derivatives), total assets and liabilities (incl derivatives), capital, risk transfers	Financial assets (excl derivatives), other potential exposures (incl derivatives)
Breakdowns reported				
Bank type	All reporting banks, domestic banks, foreign subsidiaries, foreign branches, consortium banks	not available	All reporting banks, domestic banks, inside-area foreign banks[1], outside-area foreign banks[2]	Domestic banks
Bank nationality	not available	≥43	≥31	≥24
Type of position	Cross-border, local		Total, international (cross-border plus local in FX), local in LC	Total, cross-border, local in all currencies
Currency	Local, USD, EUR, JPY, GBP, CHF, others (optional)		*For local in LC positions*: >160	not available
Maturity	*For liabilities*: debt securities (of which: ≤1 year)		*For international claims*: ≤1 year, 1–2 years, >2 years	not available
Instrument	Loans and deposits, debt securities, other instruments	*For liabilities*: debt securities	*For assets*: claims, total assets, risk-weighted assets *For liabilities*: deposits, debt securities (of which: ≤1 year), derivatives, other liabilities *For capital:* total equity, Tier 1 capital	*For other potential exposures*: derivatives, credit commitments, guarantees extended
Counterparty country	>200 (incl reporting country)	≥76 (incl reporting country)	>200 (incl reporting country)	
Counterparty sector	Banks[3] (of which: related offices, central banks), non-banks[4], non-bank financial institutions, non-financial sector (general government, non-financial corporations, households)		Official sector (incl central banks), banks (excl central banks), non-bank private sector, non-bank financial institutions, non-financial private sector (non-financial corporations, households)	

[1] Inside-area foreign banks not consolidated by their parent are encouraged to report the same breakdowns as domestic banks. [2] Report international claims only. [3] Prior to Q4 2013, reported for LBS/N only. [4] Prior to Q4 2013, reported for LBS/R only.

Table A2

Reporting area for the international banking statistics and first year of data availability

	LBS	CBS		LBS	CBS
Australia	1997	2003	Ireland	1977	1983
Austria	1977	1983	Isle of Man	2001	.
Bahamas	1983[1]	.	Italy	1977	1983
Bahrain	1983	.	Japan	1977	1983
Belgium	1977	1983	Jersey	2001	.
Bermuda	2002	.	[South] Korea	2005	2011[2]
Brazil	2002	2002[2]	Luxembourg	1977	1983[2]
Canada	1977	1983	Macao SAR	2003	.
Cayman Islands	1983	.	Malaysia	2007	.
Chile	2002	2002	Mexico	2003	2003[2]
Chinese Taipei	2000	2000	Netherlands	1977	1983
Curaçao	1983[3]	.	Norway	1983	1994
Cyprus	2008	.	Panama	2002	2002[2]
Denmark	1977	1983[2]	Portugal	1997	1999
Finland	1983	1985	Singapore	1983	2000
France	1977	1983	South Africa	2009	.
Germany	1977	1983	Spain	1983	1985
Greece	2003	2003	Sweden	1977	1983
Guernsey	2001	.	Switzerland	1977	1983
Hong Kong SAR	1983	1997[2]	Turkey	2000	2000
India	2001	2001	United Kingdom	1977	1983
Indonesia	2010	.	United States	1977	1983

The latest list of reporting countries is available on the BIS website (www.bis.org/statistics/rep_countries.htm).

[1] Semiannual reporting. [2] CBS/UR not reported. [3] From Q4 1983 to Q3 2010, reporting by the Netherlands Antilles; from Q4 2010, Curaçao. LBS/N not reported.

A.2. Enhancements over the decades

The BIS international banking statistics have been enhanced over time in response to developments in international banking markets. Indeed, past crises often spurred major efforts to improve coverage, quality and timeliness.

1960s and 1970s

The LBS were introduced in 1964 to monitor the development of international deposit ("euro-currency") markets. The early statistics focussed on banks' international asset and liability positions decomposed by major currencies and were used to extend domestic monetary aggregates. In the 1970s policy concerns shifted to the recycling of oil-related surpluses ("petrodollars") and the accompanying rise in international indebtedness. Consequently in 1977 the LBS were expanded to include a full counterparty country breakdown.

The CBS had their origins in the expansion of international banking activity in the Caribbean and other offshore centres in the 1970s. At the time, very little information was available about such activity. Therefore, those central banks that contributed to the LBS asked their banks to consolidate any positions booked at their offshore offices with positions booked at their head offices. Banks provided information about the county breakdown and maturity of their (partially consolidated) claims, although only for positions vis-à-vis counterparties in developing countries.

1980s and 1990s

The onset of debt crises in Mexico and other developing countries in the early 1980s stimulated further enhancements to the international banking statistics. In 1983 many Caribbean and other offshore banking centres joined the reporting area for the LBS. Also in 1983 the CBS were expanded to better capture the exposures of national banking systems to developing countries, particularly their transfer risk exposures, ie the risk associated with policy measures that have a territorial jurisdiction, such as capital controls and payments moratoriums. Banks were asked to fully consolidate their on-balance sheet claims and the sector breakdown was refined.

The debt crises also led to the joint publication in 1984 by the BIS and OECD of external debt estimates based on the international banking statistics and other sources of creditor data. National statistical offices subsequently started making use of the LBS to improve the coverage and accuracy of national balance of payments data. An instrument breakdown was introduced in 1995 to facilitate such use. The joint estimates of external indebtedness were expanded in 1999 with additional data from the IMF and World Bank, and today the international banking statistics remain a core part of the Joint External Debt Hub that brings together data from creditor, market and national sources (www.jedh.org).

The Asian financial crisis of 1997–98 motivated the next set of enhancements. A lack of transparency was frequently cited as a factor contributing to the crisis. Therefore, a concerted effort was made to improve the timeliness, frequency and coverage of the CBS. They began to be published quarterly instead of semiannually; the reporting lag was shortened; additional banking systems, including those of Hong Kong SAR and Singapore, joined the reporting population; and the counterparty-country breakdown was expanded to include all countries instead of only developing countries.

Moreover, in the 1990s attention gradually shifted from transfer risk exposures to country risk exposures, or the risk associated with the economic, business, political and social environment in which the debtor operates. The CBS were expanded to capture guarantees received and other credit enhancements that result in the reallocation of banks' risk exposures from the immediate counterparty to another (ultimate) obligor. The CGFS also recommended in 2000 that the CBS be revamped to incorporate risk reallocations, derivatives exposures, guarantees extended and credit commitments.[2] This led to the introduction in 2005 of the CBS on an ultimate risk basis.

2000s and beyond

The global financial crisis that started in 2007 highlighted the need for better data on major banking systems' funding and lending patterns. In 2011–12 the CGFS approved enhancements to both the LBS and CBS designed to meet this need.[3] Issues on which the enhanced statistics will provide more insights include: the credit exposures of national

[2] CGFS, "Report of the Working Group on the BIS International Banking Statistics", *CGFS Papers*, no 15, BIS, September 2000. Available at: www.bis.org/publ/cgfs15.htm.

[3] CGFS, "Improving the BIS international banking statistics", *CGFS Papers*, no 47, BIS, November 2012. Available at: www.bis.org/publ/cgfs47.htm.

banking systems to particular countries and sectors; trends in the supply of bank credit (both cross-border and locally sourced) and banks' funding patterns; and banks' funding risk, including currency and, to a lesser extent, maturity mismatches in the assets and liabilities of major banking systems.

The enhancements are being implemented in two stages. Stage 1 focuses on data that are already collected by many central banks and hence do not require additional reporting by individual financial institutions. Stage 2 involves data that require additional reporting by financial institutions. Reporting of the Stage 1 enhancements started with the submission of Q2 2012 data, and Stage 2 is scheduled to start with Q4 2013 data. Consistent with the existing voluntary reporting framework, the enhancements will be implemented by central banks as soon and as fully as possible.

The Stage 1 enhancements relate exclusively to the LBS and involve the following changes:

- *Full financial balance sheet*. The LBS will be broadened to cover reporting banks' total financial assets and liabilities, not just their international positions. This involves the addition of banks' local currency positions against residents of the reporting country; a further refinement of the foreign currency breakdown in the LBS/N; and an improvement in the completeness and consistency of the reported data across reporting jurisdictions.
- *Counterparty-country information*. A counterparty-country dimension will be added to the LBS/N. This will make it possible to see simultaneously: (a) the nationality of the reporting institutions; (b) the location of the reporting institutions; and (c) the location of the counterparties (eg the liabilities of German banks in the United Kingdom to counterparties in Japan). Currently, the LBS/N only cover cross-border claims and liabilities vis-à-vis counterparties in all other countries combined.

The Stage 2 enhancements affect both the LBS and the CBS and are intended to support better measures of the following international banking activities:

- *Country credit risk*. In the CBS, exposures to residents of the country where the reporting bank is headquartered, and consistent measures of the size of banks' total balance sheet, will be added.
- *International bank credit*. A more granular counterparty-sector breakdown will be introduced in both the CBS and the LBS. This will facilitate more nuanced analysis of banks' reliance on and exposure to the non-bank financial sector. It will also help in monitoring cross-border credit flows and the dynamics of credit booms in particular countries, as these are often fuelled by international credit. In addition, in the LBS/R the data will distinguish between domestic banks, foreign branches and foreign subsidiaries, allowing analysts to see how the balance sheet positions of these bank types differ.
- *Banks' funding patterns*. A breakdown of banks' funding by broad instrument type – deposits, short- and long-term debt securities, derivatives, other liabilities, and total equity – will be added to the CBS/IR. In addition, a basic maturity split – short- and long-term by remaining maturity – will be added for banks' debt securities liabilities in the LBS/N. These data will be useful in gauging which bank nationalities are reliant on less stable funding sources, such as short-term debt.

As part of the enhancements, central banks were encouraged to close gaps in reporting and to disseminate more data. Central banks will endeavour to improve the completeness and accessibility of their national contributions to the international banking statistics. Several central banks have agreed to close key gaps in their data reporting so as to meet all of the current reporting guidelines.[4] Furthermore, reporting central banks will revisit the confidentiality settings on their data, with a view to making the data more widely available, particularly to other central banks but also to the general public.

Finally, efforts continue to expand the number of reporting countries. Banks in major emerging economies are becoming increasingly important in the global financial system. All G20 countries and offshore centres with significant regional banking activities have been invited to report their international banking activity to the BIS.

The CGFS identified several additional enhancements to the IBS that it thought were potentially worthwhile to pursue over the medium to longer term. These include harmonising the definition of bank consolidation and aligning the international banking statistics more closely with supervisory data. These potential extensions will be revisited once implementation of the current round of enhancements is fully completed.

A.3. Guidelines

The Guidelines provide compilers in reporting countries with definitions and requirements for the reporting of data. Reporting banks do not supply data directly to the BIS but rather to an official authority in their respective country, usually the central bank, which then aggregates the data and submits them to the BIS for further aggregation, analysis and publication. The technical requirements (eg code structure and reporting templates) for the submission of data to the BIS are provided in separate documents.

The Guidelines facilitate the compilation of national data in a consistent and comparable way. Nevertheless, some reporting practices vary across countries. Summaries of reporting practices by country for the LBS and CBS are available on the BIS website (www.bis.org/statistics/count_rep_practices.htm).

The current version of the Guidelines incorporates the decisions of the CGFS to expand the scope of the statistics in two stages over the 2012–14 period. Section B of the Guidelines covers reporting requirements for the LBS, while Section C covers them for the CBS. Reporting conventions that apply to both the LBS and CBS are discussed in Section D. A list of frequently asked questions and examples for reporting specific transactions are provided in Section E. Section F is a glossary of terms used in both the LBS and the CBS. To aid in the counterparty-sector classification of certain institutions, Sections G and H contain, respectively, lists of international organisations and central banks.

4 Key gaps include incomplete reporting of the counterparty-country, counterparty-sector, currency or instrument dimensions, which can distort the aggregate picture afforded by the statistics and make interpretation of the data difficult. For instance, banks in a reporting country could have positions in a particular market segment, or exposures to a specific counterparty country or sector, that are large enough to render the corresponding aggregate figures meaningless if data for these banks are not reported.

B. Reporting requirements for the locational banking statistics

B.1. General

The locational banking statistics (LBS) were designed to provide comprehensive and consistent quarterly data on international banking business conducted in the countries and other financial centres making up the LBS reporting area. The basic organising principle underlying the reporting requirements is the residence of the reporting banking office. This conforms to balance of payments and external debt methodology. These offices report their own (unconsolidated) international banking business, including international transactions with any of their own affiliates (branches, subsidiaries or joint ventures).

International banking business comprises claims and liabilities vis-à-vis non-residents in any currency plus claims and liabilities vis-à-vis residents of the reporting country in foreign currencies. From the Q2 2012 reporting quarter, banks' local currency claims and liabilities vis-à-vis residents of the reporting country are collected as well. Thus, the LBS cover all financial asset and liability positions of reporting banks located in the LBS reporting area.

The asset and liability positions of banking offices located in the LBS reporting countries are reported to the BIS with a full breakdown by either the residence of the counterparty (*locational banking statistics by residence (LBS/R)*) or the nationality of the reporting institution (*locational banking statistics by nationality (LBS/N)*). Conceptually, the LBS/N are a regrouping of the LBS/R according to the nationality of the controlling parent institution. From the Q2 2012 reporting quarter, the LBS/N incorporate elements of the LBS/R in that a (limited) breakdown by counterparty country is requested for several key bank nationalities (see Section B.4.2).

The reporting area and institutions for both the LBS/R and LBS/N are described in Section B.2 below. Sections B.3 and B.4 describe the specific reporting requirements for the LBS/R and the LBS/N, respectively. Other reporting conventions which apply to both the LBS and CBS are discussed in Section D. A list of frequently asked questions and examples of the reporting of specific transactions are provided in Section E.

B.2. Reporting area and institutions

B.2.1. Reporting area

To adequately cover all international banking activity, data should ideally be collected from internationally active banks in each and every country. However, data reported by a smaller number of countries capture at least one side of most international banking relationships, and thus provide some coverage of cross-border banking outside the LBS reporting area. Countries are asked to contribute to the LBS when their international banking business becomes substantial. The countries currently making up the LBS reporting area are listed in Table A2.

B.2.2. Reporting institutions

Reporting institutions cover mainly internationally active banks.[5] In particular, they cover institutions located in each reporting country whose business it is to receive deposits (and/or

5 At present, no precise criteria are used to determine the set of internationally active banks. It is expected that all banking offices with substantial international business, ie cross-border positions and/or local positions in non-domestic currencies, would be included in the reporting population. In addition, all foreign-owned banking offices in a reporting country are also expected to be included in the reporting population, even if these

close substitutes for deposits) and to grant credits or invest in securities on their own account ("banks" or "banking offices" in these Guidelines).[6] Thus, the reporting institutions include not only commercial banks but also savings banks, savings and loan associations, credit unions or cooperative credit banks, building societies, and post office giro institutions, other government-controlled savings banks and other financial institutions if they take deposits or issue close substitutes for deposits.[7]

B.3. The locational banking statistics by residence

The locational banking statistics by residence (LBS/R) provide quarterly information on all balance sheet positions (and some off-balance sheet positions in the area of trustee business) which represent financial claims or liabilities. As summarised in Table B1, banks' positions should be fully broken down by instrument, counterparty country, counterparty sector, and currency. In addition, positions should be reported separately for each bank type.

B.3.1. Instrument breakdown

Banks' assets, or claims, should be broken down into: (a) "loans and deposits", which comprise interbank deposits and loans and advances (to banks or non-banks); (b) "holdings of securities"; and (c) "other claims". Similarly, banks' liabilities should be broken down into: (a) "loans and deposits", which comprise interbank loans received and deposits (from banks or non-banks); (b) "own issues of debt securities"; and (c) "other liabilities". Arrears and accrued interest as well as principal in arrears should be included in the claims and liabilities under the respective instruments, whenever possible (see Section D.3).

B.3.1.1. Loans and deposits

Loans comprise those financial claims which are created through the lending of funds by a creditor (lender) to a debtor (borrower) and which are not represented by negotiable securities.[8]

On the claims side, banks should report as "loans and deposits" all loans granted, working capital to branches/subsidiaries and deposits with other banks, including those with their own affiliates (inter-office positions).[9] On the liabilities side, "loans and deposits" should comprise

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banking offices do not have substantial international positions. This will help to ensure that those banking offices that are part of a consolidated group in the CBS are also covered in the LBS.

6 This definition of "banks" conforms to other widely used definitions, such as "Deposit-taking corporations, except the central bank" in the System of National Accounts (SNA) and in the Balance of Payments Manual (BPM6); "other (than central bank) depository institutions" in the IMF money and banking statistics; and "monetary financial institutions (other than central banks)" as defined by the ECB and used in the European System of Accounts (ESA 1995).

7 Reporting institutions should not include money market funds. If money market funds are included in the reporting population, they should treat liabilities on account of shares and units as close substitutes for deposits and thus classify them as deposits. This is consistent with their treatment in monetary and financial statistics but not with that in BPM6.

8 Loans which have become negotiable de facto should be classified under debt securities (provided there is evidence of trading on a secondary market).

9 Overnight loans, repurchase agreements and other lending or deposits with agreed maturity between the controlling parent institution and/or head office vis-à-vis affiliates should be reported as instrument "loans and deposits". Working capital received from the controlling parent institution or head office is not considered permanent capital and thus should be included in "loans and deposits", and not in "other instruments" (BPM6: 6.28).

Table B1

Summary of reporting requirements for the locational banking statistics

Requirements effective from Q2 2012 shown in **blue (Stage 1)** and from Q4 2013 in **red (Stage 2)**

Positions	Breakdowns to be reported and fully crossed						
	Bank nationality	**Bank type**	**Counter-party country**[1]	**Counter-party sector**	**Instru-ment**	**Matur-ity**	**Currency**
Members	>16	4	>200	5–9	3	2	>6
LBS by residence							
Claims	No	Yes	Yes	Yes	Yes	No	Yes
Liabilities	No	Yes	Yes	Yes	Yes	No	Yes
Debt securities	No	Yes	No	No	.	Yes	Yes
LBS by nationality							
Claims	Yes	No	Yes	Yes	No	No	Yes
Liabilities	Yes	No	Yes	Yes	No	No	Yes
Debt securities	Yes	No	No	No	.	Yes	Yes

[1] Including positions vis-à-vis residents of the reporting country denominated in local currency.

all claims on the reporting bank that reflect evidence of deposit, and borrowing (loans) from others. This includes borrowing from the bank's own affiliates, head office or controlling parent institution, and working capital received from the head office or controlling parent institution (see Section B.3.4).

Several additional financial instruments should also be classified as "loans and deposits". These include: repurchase transactions (repos) involving the sale of assets (eg securities or gold) with a commitment to repurchase the same or similar claims; financial leases; promissory notes; non-negotiable debt securities (eg non-negotiable CDs); endorsement liabilities arising from bills rediscounted abroad and subordinated loans (including subordinated non-negotiable debt securities); loans received and granted on a trust basis, or deposits received and placed on a trust basis (see below); and trade-related credits (see below).

Borrowing and lending of securities and gold *without* cash collateral should *not* be reported as on-balance sheet banking business (see question 13 in Section E.1).

Banks' holdings of notes and coins that are in circulation and commonly used to make payments should be recorded as claims in the form of loans and deposits (see question 3 in Section E.1).

Trustee business

It is recommended that trustee business be reported – be it on or off balance sheet – in the books of the reporting banks. The goal is consistency and completeness of reporting of banks' positions, both directly and indirectly via trustee business. Funds received by banks on a trust basis should be classified as "loans and deposits" liabilities. Similarly, funds lent or deposited on a trust basis in the reporting bank's own name, but on behalf of third parties, should be classified as "loans and deposits" claims. Securities issued by banks in their own name but on behalf of third parties, or funds invested on a trust basis in securities and held in the banks' own name but on behalf of third parties, should be classified as "debt securities" claims and liabilities (or "other" claims and liabilities, as the case may be).

Foreign and domestic trade-related credit

Trade-related credits mainly take the form of buyer's credit which is granted directly by a reporting bank to a foreign importer on the basis of a letter of credit issued by the importer's bank. In contrast, a supplier's credit is, in most cases, a contract by which an exporter is extending a credit to the buyer on the basis of a trade bill drawn on the latter. It may subsequently be acquired by the reporting bank.

These credits should be included in the LBS as a cross-border or local claim, depending on whether the residence of the drawee (who is the final debtor) or that of the presenter of the bill (who has guaranteed payment by endorsing the bill) is used as the criterion for geographical allocation. For the purposes of the locational banking statistics, it is recommended that suppliers' credits be allocated according to the residence of the drawee of the relevant trade bills, as the drawee is the final recipient of the credit extended.

Banks may acquire external trade bills "à forfait" and "en pension". An "à forfait" purchase is an outright purchase which absolves the seller/presenter of the bills from any obligation should the drawee fail to honour the bill when it matures. When the drawee is a non-resident, such bills should similarly be considered to be external claims, irrespective of the residence of the presenter.

An "en pension" acquisition involves a bank purchasing a foreign trade bill under a sale and repurchase agreement with the domestic exporter whereby the bank must or may return the bill to the exporter on, or prior to, the maturity date. If the return of the bill is optional, the bill is recorded in the balance sheet of the purchaser as a claim on the drawee. If the bill must be returned, the instrument remains on the balance sheet of the seller and the transaction can be regarded as an advance to the domestic exporter which should be included in the locational statistics as a domestic asset.

When a bank refinances an exporter's open account without any collateral or trade bill, the facility extended cannot be identified as a foreign trade-related credit. The facility should be reported as a local claim if the exporting company is a resident or as a cross-border claim if the company is a non-resident.

B.3.1.2. Debt securities

Holdings of debt securities

Banks' holdings of debt securities comprise claims in all negotiable debt instruments, including negotiable CDs but excluding equity securities, investment fund units and warrants.[10] Banks' holdings of debt securities should include those held in their own name and those held on behalf of third parties as part of their trustee business (see Section B.3.1.1). It is recommended that holdings of debt securities are allocated to a counterparty country according to the *residence* (as opposed to nationality) of the issuer.

Debt securities held on a purely custodial basis for customers (that is, positions not in the banks' own name), and debt securities acquired in the context of securities lending

[10] Negotiable securities are those where legal ownership is readily capable of being transferred from one entity to another by delivery or endorsement (BPM6, paragraph 5.15). The instrument need not be traded on an exchange to be negotiable but it should be designed to be traded.

transactions without cash collateral, should not be included in holdings of debt securities. It is recognised that the borrowing of securities that are subsequently lent or sold to third parties (eg “short sales”) may result in a negative stock of holdings of securities.[11]

Own issues of debt securities

Banks’ own issues of debt securities comprise liabilities in all negotiable debt securities, including negotiable CDs, subordinated issues and issues in their own name but on behalf of third parties. From the Q4 2013 reporting period, separate data covering own issues of debt securities with a remaining maturity of up to and including 12 months should be reported as an “of which” item under debt securities liabilities.

It is often difficult to determine the current holder of a negotiable instrument. Thus, at a minimum, banks should report own issues of debt securities vis-à-vis the categories “unallocated by sector” and “unallocated by country”, with a currency breakdown. If the sector and residence of the current holders of own issues of debt securities are known to the reporting bank, then debt securities liabilities should be allocated to the appropriate counterparty sector and country.

B.3.1.3. Other instruments

Banks’ residual claims (ie those not included under “loans and deposits” and “debt securities”) mainly comprise equity securities (including mutual and investment fund units and holdings of shares in a bank’s own name but on behalf of third parties[12]), participations, derivatives instruments with positive market value and any other residual on-balance sheet financial claims. Banks’ residual liabilities comprise mainly equity issuance, derivatives instruments with negative market value and any other residual on-balance sheet liabilities.

Claims and liabilities arising from derivatives contracts, which in the past were mostly recorded off balance sheet, are increasingly reflected on the balance sheet as a result of the implementation of new national and international accounting standards. For the LBS, it is recommended that derivatives recorded on the balance sheet be included under “other instruments” for claims and liabilities, as appropriate (for more on the valuation of derivatives instruments, see Section D).

Retained earnings (positive amount) should be reported as other liabilities if they are reported by the banking subsidiary of a foreign bank in the reporting country and should be allocated to the country where the controlling parent institution is located. Negative retained earnings should be treated as claims vis-à-vis the controlling parent institution.

B.3.2. Bank type breakdown

From the Q4 2013 reporting period, the LBS/R should by disaggregated by four types of institutions depending on the nationality of the controlling parent institution. The bank type breakdown does not require additional information from reporting institutions; reporting countries need only aggregate reported data by bank type. The four types of institutions are summarised in Table B2.

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[11] Under BPM6, short selling of debt securities is treated as a negative asset and thus can result in the reporting of negative stock amounts when multiple data dimensions are crossed. See question 8 in Section E.1.

[12] “Off-balance sheet and non-trustee” related shares/funds that are held purely on a custodial basis should not be reported.

Table B2

Types of reporting institutions in the locational banking statistics

Bank type	Definition
All reporting banks	Sum of all bank types
Domestic banks	Banks whose controlling parent institution is located in the reporting country, regardless of whether the controlling parent is a banking or non-banking entity. For guidance on identifying the controlling parent, see section B.4.1.
Foreign subsidiaries	Banks incorporated in the reporting country but with a controlling parent institution incorporated outside the reporting country
Foreign branches	Unincorporated entities wholly owned by a controlling parent institution incorporated outside the reporting country
Consortium banks	Banks that cannot be classified according to a single controlling parent institution and therefore that have no well defined "parent country" (ie nationality)

B.3.3. Currency breakdown

Reporting countries are requested to provide a breakdown of positions into local (domestic) currency and individual foreign currencies. The minimum recommended currency breakdown covers the local (domestic) currency of the reporting country, US dollar, euro, yen, Swiss franc and pound sterling, plus a residual category. Reporting countries are encouraged to report a complete currency breakdown.[13]

B.3.4. Counterparty-sector breakdown

From the Q4 2013 reporting period, the LBS will include a more detailed breakdown by sector of the counterparty. The members in the recommended breakdown are defined in Table B3, and are summarised below, with encouraged items in italics:

1. All sectors (= 2 + 3 + 4 + 5)
2. Banks

   Of which:

   a. Related offices (inter-office)

   b. Central banks
3. Non-bank financial institutions
4. Non-financial sectors (= 4a + 4b + 4c)

   a. General government

   b. Non-financial corporations

   c. Households including NPISHs
5. Unallocated by sector

[13] The currency dimension is useful in assessing banks' use of individual currencies and their associated funding risks, and is used by the BIS to calculate quarterly changes in stocks net of exchange rate effects.

Table B3

Counterparty sector breakdown in the locational banking statistics

Counterparty sector	Definition
All sectors	Sum of banks, non-banks and unallocated by counterparty sector
Banks	Financial institutions whose business it is to receive deposits or close substitutes for deposits and to grant credits or invest in securities on their own account. Money market funds, investment funds and pension funds are excluded from this category. Related offices and central banks are included in this sector.
Related offices	Entities that are part of the same banking group (ie have the same controlling parent intuition). Includes the controlling parent institution, the head office of the bank (if different), and branches or subsidiaries that are part of the consolidated reporting entity. To be reported as an of which item under counterparty sector "banks".
Central banks	Central banks (including the BIS and the ECB) and other official monetary authorities. See list in Section H. To be reported as an of-which item under counterparty sector "banks".
Non-banks	Sum of non-bank financial institutions and non-financial sectors
Non-bank financial institutions	Private or public financial institutions, other than banks, engaged primarily in the provision of financial services and activities auxiliary to financial intermediation such as fund management. Include special purpose vehicles, hedge funds, securities brokers, money market funds, pension funds, insurance companies, financial leasing corporations, central clearing counterparties, unit trusts, other financial auxiliaries and other captive financial institutions. It also includes any public financial institutions such as development banks and export credit agencies.
Non-financial sectors	Sum of the general government sector, non-financial corporations and households including NPISHs
General government	Includes the central government, state government, local government and social security funds. In addition, it includes non-profit institutions engaged in non-market production that are controlled and mainly financed by government units and social security funds. Central banks, other official monetary authorities and public corporations are not part of the general government sector.[1]
Non-financial corporations	Privately and publicly owned corporations as well as unincorporated enterprises that function as if they were corporations, such as partnerships and the branches of foreign corporations.
Households including NPISHs	Individuals, families, unincorporated enterprises owned by households, and non-profit institutions serving households (NPISHs) such as charities, religious institutions, trade unions and consumer associations.
Unallocated by sector	Any positions for which the sector of the counterparty is unknown.

[1] In the CBS (discussed in Section C), central banks are combined with the general government to form the "official sector". This is in contrast to the LBS, where central banks are included in the "banks" sector and broken out explicitly on an encouraged basis.

B.3.4.1. *Positions vis-à-vis banks*

The counterparty sector "banks", which prior to Q4 2013 was derived from all sectors and non-banks, should be reported separately, with "of which" positions for related offices and, on an encouraged basis, central banks.

The allocation of positions by counterparty sector can be complicated for at least two reasons. First, the exact location (country) and sector of a bank's counterparty may not always be known, particularly for own issues of debt securities. Second, the distinction between bank and non-bank counterparties is not the same in all reporting countries. As a result, what is reported by a bank in country A as a claim on a bank in another reporting country B may not be classified as an interbank liability by the reporting institution in country B. Such differences in definitions may give rise to bilateral discrepancies in data on claims and liabilities vis-à-vis banks.

A number of different criteria can be used to determine whether a counterparty is a bank: (a) the definition used in the country where the counterparty is located; (b) the definition implied by international standards (such as the ECB's definition of monetary financial institutions or that in the Balance of Payments Manual); or (c) the definition in the country of location of the reporting bank. In order to avoid bilateral asymmetries, the application of (a) is favoured as it reduces the likelihood of discrepancies in bilateral interbank data compiled from debtor and creditor sources.[14] Furthermore, it is recommended that central banks (or supervisory authorities) publish the list of banks in their jurisdiction. This should be updated at least annually (see the box "Banking list exercise" below).

Banking list exercise

To improve the quality of the IBS, the BIS monitors the population of reporting banks and their classification by nationality. In an annual exercise, the BIS and reporting authorities identify the complete population of banks reporting in the locational banking statistics by residence (LBS/R), and then for each bank verify the nationality classification that is used in the locational by nationality statistics (LBS/N). This exercise helps to identify potential bilateral discrepancies in reported positions and cases of double- or under-counting.

Overview of the process

1. Central banks provide the BIS with the list of banking offices resident in their country that report the LBS (the "locational list"), including information on the nationality of the banks' controlling parent institution, and their classification by bank type in the CBS (see Section C.2.2). From these reports, the BIS produces a global list of the full reporting population of banking offices.

2. Using this global list, the BIS prepares lists of foreign offices resident in each (host) reporting country. The list of reporting institutions is verified and updated by authorities in the home reporting countries to produce an inventory of banks and their foreign affiliates that report the CBS.

3. The BIS performs consistency checks on both lists to identify misreporting, ensure proper classification by nationality in the LBS/N, and identify potential double- or under-reporting in the CBS.

4. The BIS publishes the list of banking offices that contribute to the LBS, providing that any confidentiality restrictions are respected (www.bis.org/statistics/count_rep_practices.htm).

[14] For example, if criterion (a) is used, a claim on a bank in country B reported by a bank in country A will be reported as a liability to a bank in country A by the bank in country B even if the bank in country A is regarded as a non-bank according to the definition of country B. The position would be identified as an interbank claim or liability only if the two countries define both institutions as banks.

All positions vis-à-vis related offices of the same banking group, ie inter-office positions, should be reported as an "of which" in the counterparty sector "banks". Inter-office positions vis-à-vis resident offices should not include inter-*branch* positions, eg positions between the Tokyo and Osaka branches of a reporting bank in Japan, but should include positions vis-à-vis resident *subsidiaries*. Cross-border positions between a banking office in the reporting country and foreign affiliates (ie *both* branches and subsidiaries) should be reported with a counterparty-country breakdown.

It is recommended that positions vis-à-vis central banks and other official monetary authorities be reported as "central banks" as an "of which" item under the counterparty sector "banks", even when the particular counterparty is a non-bank (eg a ministry of finance; see Section H).[15,16]

B.3.4.2. Positions vis-à-vis non-banks

Prior to the Q4 2013 reporting period, positions vis-à-vis the non-bank sector should be reported separately. From the Q4 2013 reporting period, such positions should be broken down into "non-bank financial institutions" and "non-financial sectors". In addition, reporting countries are encouraged to report three subsectors within the non-financial sector: general government, non-financial corporations, and households including non-profit institutions serving households (NPISHs).

For all counterparty sectors other than banks, the allocation of positions in the locational banking statistics (both LBS/R and LBS/N, discussed below) should follow the BPM and SNA classifications.

The counterparty-sector breakdown also includes an "unallocated by sector" category to capture own issues of debt securities and any other positions (assets or liabilities) for which the counterparty sector is unknown.

B.3.5. Counterparty-country breakdown

Reporters are requested to provide a full counterparty-country breakdown of banks' financial claims and liabilities. The balance of payments concept of residence of both the reporting bank and its counterparty should be applied for this purpose. If for any reason identification of the counterparty country of residence is incomplete, data should be allocated to the regional residuals of: developed countries, offshore centres, Africa and the Middle East, Asia-Pacific, Europe, and Latin America and the Caribbean. If this is not feasible (eg in the case of debt securities liabilities), the data should be assigned to the category "unallocated by country".

International organisations are considered to be resident in an economic territory of their own, and not of the economy in which they are physically located. This treatment applies to both international organisations located in only one territory and those located in two or more territories. Banks' positions vis-à-vis international organisations should not be assigned to the country of residence of the institution, but rather should be reported as a distinct entry "international organisations" (with code 1C) in the counterparty-country dimension. Those international organisations which are designated as non-bank financial entities (see list in

[15] From the Q4 2013 reporting period, reporting countries are encouraged to report positions vis-à-vis central banks with a counterparty-country breakdown. At a minimum, positions vis-à-vis central banks should be broken down into positions vis-à-vis resident and non-resident central banks (with an appropriate confidentiality flag). Prior to the Q4 2013 reporting period, positions vis-à-vis central banks should be reported in the LBS/R as a memo item in the counterparty-country dimension.

[16] Note that, for the purposes of the IBS, the BIS and the ECB are classified as central banks rather than as international organisations (see Section G).

Section G) should be allocated to the counterparty sector "non-bank financial institutions". [17] All other international organisations should be allocated to "non-financial sectors".[18]

In addition, reporting countries should continue to report positions vis-à-vis central banks as a memo item in the counterparty-country dimension until they are able to implement the more detailed counterparty-sector breakdown applicable from the Q4 2013 reporting period.

B.4. The locational banking statistics by nationality

The locational by nationality statistics (LBS/N) provide information on banking activity by residence of the reporting bank as well as by nationality of the bank. The LBS/N are generated by regrouping the LBS/R according to the nationality of the reporting bank's controlling parent institution, which is defined in Section B.4.1 below.

The reporting population of banking entities for the LBS/N should be the same as for the LBS/R. Furthermore, the same balance sheet items that are reported in the LBS/R should be reported in the LBS/N. Thus, for each reporting country, total claims and liabilities (and their breakdowns) for all banks reported in the LBS/R should equal the total claims and liabilities of all banks reported in the LBS/N.

The data reported in the LBS/N should be a full crossing of the following dimensions: (a) bank nationality, (b) currency and (c) counterparty sector. In addition, reporting authorities should provide a counterparty-country breakdown for a minimum set of bank nationalities. While no instrument breakdown for claims is requested, own issues of debt securities should be reported separately.

B.4.1. Bank nationality breakdown

Classifying banks according to their nationality is not a simple matter because it depends on the identification of a single controlling parent institution. While local branches of foreign banks always have an identifiable controlling parent located abroad, the treatment of other affiliates of foreign banks may at times be ambiguous. Subsidiaries are invariably incorporated under the laws of the host country, may be listed separately from their parent institution, and in principle (although not necessarily in practice) are fully autonomous. In some cases, notably consortium banks, there may be no clearly identifiable controlling parent.

For the purpose of identifying the controlling parent in the international banking statistics, the nationality of a reporting bank may be defined as the country where the bank's group-level supervisor (or "home" supervisor) is located, regardless of whether the group itself is a banking or non-banking entity.[19] What is relevant for the identification of the controlling parent is the highest level entity over which consolidated supervision is exercised by prudential authorities. The controlling parent institution may thus be the ultimate parent, or may be the

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[17] Note that, for the purposes of the IBS, the BIS and the ECB should be not be included in the counterparty sector "international organisations", but rather in "central banks" located in Switzerland and Germany, respectively. See Sections G and H.

[18] Prior to 2013 Q4 reporting period, those international organisations that are designated as non-bank financial entities (see list in Section G) should be reported in the counterparty sector "banks", and all others in "non-banks".

[19] The group-level supervisor is responsible for all areas of group-wide supervision not covered by sectoral supervision (ie insurance, banking or securities supervision). The group-level supervisor is also responsible for coordination among the sectoral supervisors of a financial group, and typically carries out supervision of the largest part of the group. The details of the process for determining the group-level supervisor is likely to be jurisdiction specific. See Joint Forum, *Principles for the supervision of financial conglomerates: final report*, BIS, September 2012. Available at: www.bis.org/publ/joint29.htm.

head of a financial group that is a subset of a diversified conglomerate.[20] Where control is unclear, a controlling interest may be assumed to exist if participation exceeds 50% of the subscribed capital of a bank. Complicated cases can be resolved by discussions among central banks, facilitated by the BIS (see the box "Banking list exercise").

Banking entities located in each of the reporting (host) countries should be classified by nationality of the controlling parent institution according to the following rules:

- *Reporting countries*. Each BIS reporting country should be listed as a separate nationality, together with a residual item "unallocated BIS reporting countries".
- *Non-reporting countries*. Banks with a controlling parent institution located in countries outside the reporting area should be grouped into the categories "non-reporting developed countries", "non-reporting offshore centres", "non-reporting Europe", "non-reporting Latin America and Caribbean area", "non-reporting Africa and Middle East" and "non-reporting Asia and Pacific".
- *Special cases*. Two additional groupings have been defined for special cases, namely "consortium banks" and "unallocated non-BIS reporting countries".

The "unallocated BIS reporting countries" and "unallocated non-BIS reporting countries" groupings are used to cope with confidentiality restrictions arising in individual reporting countries. Data for "consortium banks" are requested separately because these institutions cannot generally be classified as having a well defined nationality.

B.4.2. Counterparty-country breakdown

A granular counterparty-country breakdown for the claims and liabilities of the major bank nationalities operating in the reporting country is requested in the LBS/N. From the Q2 2012 reporting period, a counterparty-country breakdown should be reported for a minimum of 16 bank nationalities and preferably for all bank nationalities hosted in the reporting country.[21] The minimum 16 nationalities that should be reported comprise:

- banks with the nationality of the reporting country;
- an agreed set of 12 globally important bank nationalities, specifically Belgium, Canada, France, Germany, Italy, Japan, the Netherlands, Spain, Sweden, Switzerland, the United Kingdom and the United States; and
- the next three largest bank nationalities in the reporting country, based on the size of total claims and liabilties.

For all other bank nationalities, claims and liabilities should, at a minimum, be separated into those vis-à-vis residents of the reporting country and non-residents. Positions that cannot be allocated by residence (eg debt securities liabilities) should be reported under "unallocated by country".

For each bank nationality, reporting authorities can choose to report a full counterparty-country breakdown covering 200+ territories. The requested counterparty-country breakdown comprises 76 countries, consisting of the following:

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[20] The head is the entity that controls or exerts dominant influence over the financial group. For a bank that is part of a wider corporate conglomerate, the home country from a prudential perspective could differ from the country where the ultimate parent is located. For the purpose of the international banking statistics, the terms home country and parent country are used synonymously.

[21] The list of bank nationalities for which a counterparty-country breakdown is requested will be reviewed every few years. Up to Q2 2012, the counterparty-country breakdown was limited to residents of the reporting (host) country and a total for all non-resident counterparties.

- all countries reporting in the LBS, of which there are currently 44 (Table A2);
- non-reporting European Union member countries (Bulgaria, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Romania, Slovakia and Slovenia);
- other regionally important countries (Argentina, China, Iran, Israel, Kuwait, Nigeria, Qatar, Peru, the Philippines, Russia, Saudi Arabia, Thailand and the United Arab Emirates);
- six other regional groupings (other developed, other offshore, other Europe, other Latin America and Carribbean, other Africa and Middle East, other Asia and Pacific); and
- one position for international organisations and one for "unallocated by country of residence".

B.4.3. Currency breakdown

All reporting countries are asked to provide the same currency breakdown as in the LBS/R. That is, the minimum recommended currency breakdown of positions covers the local (domestic) currency of the reporting country, US dollar, euro, yen, Swiss franc and pound sterling, plus a residual category. Reporting countries are encouraged to report a complete currency breakdown if possible. Prior to the Q2 2012 reporting period, Swiss franc- and sterling-denominated positions were not reported separately.

B.4.4. Counterparty-sector breakdown

Prior to the Q4 2013 reporting period, the counterparty breakdown was limited to banks, with "of which" items for related offices and central banks. From the Q4 2013 reporting period, reporting countries should provide the same counterparty-sector breakdown of financial claims and liabilities as reported in the LBS/R. Definitions and coverage of counterparty sectors are provided in Section B.3.4.

B.4.5. Instrument breakdown

In contrast to the LBS/R, the LBS/N do not contain a full breakdown of positions by instrument type. Prior to the Q4 2013 reporting period, LBS/N contained an instrument breakdown only for debt securities liabilities. From the Q4 2013 reporting period, banks are also asked to report a breakdown by remaining maturity "up to and including 12 months" for their debt securities liabilities. This should be crossed with bank nationality and currency, but without the counterparty-country or counterparty-sector breakdowns. That is, own issues of debt securities should be reported for each currency in the "unallocated by sector" and "unallocated by country" buckets.

C. Reporting requirements for the consolidated banking statistics

C.1. General

The consolidated banking statistics (CBS) capture the consolidated positions of banks' worldwide offices, including the positions of banks' foreign subsidiaries and branches but excluding inter-office activity. Central banks and other official authorities collect the data from individual consolidated banks headquartered in their jurisdiction, and then provide to the BIS aggregated data for their national banking system.

The statistics comprise two subsets, compiled on different bases:

- *Immediate risk basis (CBS/IR)*. Claims are allocated to the country of residence of the immediate counterparty. The data cover financial claims, risk transfers and certain liabilities reported by banks headquartered in the reporting country as well as selected affiliates of foreign banks.
- *Ultimate risk basis (CBS/UR)*. Claims are allocated to the country where the final risk lies. The data cover on-balance sheet claims as well as some off-balance sheet exposures of banks headquartered in the reporting country and provide a measure of country credit risk exposures consonant with banks' own risk management systems.

In principle, the two subsets should sum to the same total for domestic banks from each reporting country; risk transfer information can be used to derive claims on an ultimate risk basis from those on an immediate risk basis. In practice, differences in the reporting area and, prior to the Q4 2013 reporting period, the exclusion of claims on residents of the reporting country will result in discrepancies.

Table C1 summarises the data to be reported for the CBS and highlights the new reporting requirements that take effect from the Q4 2013 reporting period. Section C.2 describes the reporting area and reporting institutions. Section C.3 explains the different types of positions to be reported. Sections C.4 to C.6 set out the guidelines for the reporting of positions on an immediate risk basis, risk transfers and positions on an ultimate risk basis, respectively. Other reporting conventions which apply to both the LBS and CBS are discussed in Section D. A list of frequently asked questions and examples of reporting of specific transaction types are provided in Section E.

C.2. Reporting area and institutions

C.2.1. Reporting area

The number of countries providing consolidated banking statistics to the BIS has increased from 15 in 1983 to 31 currently (Table A2). The expression "CBS reporting area" refers to this set of reporting countries collectively. Since the statistics capture banks' worldwide consolidated positions, the CBS reporting area is not synonymous with the *location* of the banking offices participating in the data collection. That is, a reporting country should consolidate the positions of all banking entities owned or controlled by a parent institution located in the reporting country, and thus will include banking entities which are actually domiciled elsewhere.

Table C1

Summary of reporting requirements for the consolidated banking statistics

Requirements effective from Q4 2013 are shown in **red (Stage 2)**

Breakdowns to be reported					
Positions	**Counterparty country**[1]	**Counterparty sector**	**Instrument**	**Maturity**	**Currency**
Members	>200	**5–7**	4	4	>160
Immediate risk basis[2]					
Claims					
International claims	Yes	Yes[3]	No	Yes[4]	No
Local claims in FX[5]	Yes	No	No	No	No
Local claims in LC[5]	Yes	No[6]	No	No	Yes
Total liabilities	No	No	Yes	Yes[7]	No
Local liabilities in LC[5]	Yes	No	No	No	Yes
Total equity	No	No	No	No	No
Other items					
Total assets	No	No	No	No	No
Risk-weighted assets	No	No	No	No	No
Tier 1 capital	No	No	No	No	No
Risk transfers[2]					
Net	Yes	No	No	No	No
Inward	Yes	No	No	No	No
Outward	Yes	No	No	No	No
Ultimate risk basis[8]					
Total claims	Yes	Yes	No	No	No
Local claims	Yes	No	No	No	No
Cross-border claims	Yes	No	No	No	No
Derivatives claims	Yes	No	No	No	No
Contingent positions					
Guarantees extended	Yes	No	No	No	No
Credit commitments	Yes	No	No	No	No

[1] Including positions vis-à-vis the reporting country. [2] Breakdowns are required from domestic banks (bank type B) and encouraged from inside-area foreign banks not consolidated by their controlling parent institution (bank type E). Other bank types are required to report international claims only. [3] Separately from the maturity breakdown. [4] Separately from the counterparty-sector breakdown. [5] FX = foreign currencies; LC = local currencies. [6] Counterparty-sector breakdown for local claims in local currencies is optional. [7] Required for debt securities liabilities only. [8] Breakdowns are required from domestic banks (bank type B).

C.2.2. Reporting institutions

Reporting institutions are financial institutions whose business it is to receive deposits, or close substitutes for deposits, and to grant credits or invest in securities on their own account. Thus, the community of reporting institutions should include not only commercial banks but also savings banks, credit unions or cooperative credit banks, and other financial credit institutions. In these Guidelines, head offices, subsidiaries and branches of such institutions are collectively referred to as either "banks" or "banking offices". [22]

In the CBS, four types of reporting institutions are to be distinguished depending on the nationality of the reporting bank's controlling parent institution. These are summarised in Table C2. For the purpose of identifying the controlling parent in the international banking statistics, the nationality of a reporting bank may be defined as the country where the bank's group-level supervisor (or "home" supervisor) is located, regardless of whether the group itself is a banking or non-banking entity.[23] What is relevant for the identification of the controlling parent is the highest level entity over which consolidated supervision is exercised by prudential authorities. The controlling parent institution may thus be the ultimate parent, or may be the head of a financial group that is a subset of a diversified conglomerate.[24] Where control is unclear, a controlling interest may be assumed to exist if participation exceeds 50% of the subscribed capital of a bank. Complicated cases can be resolved by discussions among central banks, facilitated by the BIS (see the box on page 14).

All four bank types should report the CBS on an immediate risk (IR) basis; only domestic banks (bank type B) are required to report the statistics on an ultimate risk (UR) basis.

A reporting institution whose activities are not consolidated by its parent should be reported by the host country as either an inside-area foreign bank (if the controlling parent institution is in another reporting country) or an outside-area foreign bank (if the controlling parent institution is in a non-reporting country).

In the specific case where the reporting country that hosts a type E banking office does not reach an agreement with the reporting home country to include the affiliate's claims in the consolidated data of the parent country's domestic banks (and the institution is not consolidated by another reporting institution), the host country should report the consolidated positions of the bank under bank type E. Given the limited number of cases falling under this bank type, the BIS does not currently publish breakdowns for these banks separately, and only includes the positions of these offices in the global aggregates (ie in positions of "all reporting banks") on an immediate risk basis. If the positions of these banks grow, the BIS will consult with reporting central banks about the feasibility of separately reporting these data according to the nationality of the controlling parent institution.

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22 This definition of "banks" conforms to other widely used definitions, such as "deposit-taking corporations, except the central bank" in the System of National Accounts (SNA) and the Balance of Payments Manual (BPM6), and "other (than central bank) depository institutions" in the IMF money and banking statistics.

23 The group-level supervisor is responsible for all areas of group-wide supervision not covered by sectoral supervision (ie insurance, banking or securities supervision). The group-level supervisor is also responsible for coordination among the sectoral supervisors of a financial group, and typically carries out supervision of the largest part of the group. The details of the process for determining the group-level supervisor is likely to be jurisdiction specific. See Joint Forum, *Principles for the supervision of financial conglomerates: final report*, BIS, September 2012. Available at: www.bis.org/publ/joint29.htm.

24 The head is the entity that controls or exerts dominant influence over the financial group. For a bank that is part of a wider corporate conglomerate, the home country from a prudential perspective could differ from the country where the ultimate parent is located. For the purpose of the international banking statistics, the terms home country and parent country are used synonymously.

Table C2

Types of reporting institutions in the consolidated banking statistics

Type	Reporting institutions	Definition
A	All reporting banks	Sum of bank types B, C, D and E
B	Domestic banks	Banks whose controlling parent institution is located in the reporting country, regardless of whether the controlling parent is a banking or non-banking entity.
C	Inside-area foreign banks consolidated by their parent	Branches or subsidiaries located in the reporting country whose activities are consolidated by a controlling parent institution in another reporting country. Data reported for these banks will not be included in global aggregates calculated by the BIS but will be used in analyses that require a comprehensive view of reporting banks' international activity.
D	Outside-area foreign banks[1]	Banking offices located in the reporting country whose controlling parent institution resides in a non-reporting country. This type also includes consortium banks with parents of unidentified or mixed nationality.
E	Inside-area foreign banks not consolidated by their parent[2]	Branches or subsidiaries located in the reporting country whose activities are *not* consolidated by a controlling parent institution in another reporting country. This type mainly comprises banking offices with a non-bank controlling parent institution (eg the banking subsidiary of an insurance group).

[1] Data for outside-area foreign banks (bank type D) should be reported separately from those for inside-area foreign banks not consolidated by their parent (bank type E). Prior to the Q4 2010 reporting period, bank types D and E were reported together. [2] From the Q4 2010 reporting period.

C.3. Types of positions

The consolidated banking statistics combine features of a worldwide-consolidated reporting system with elements of a locational reporting system. In particular, the CBS distinguish between types of claims based on the location of the banking office that books or records the position.

- *Cross-border*. Positions where the country in which the counterparty is located is different from that where the banking office that grants or extends the claim is located.
- *Local*. Positions vis-à-vis residents of the country where the banking office that books the claim is located.

The above definitions are valid for positions on an immediate risk as well as ultimate risk basis. Total positions on counterparties residing in a given country are defined as the sum of cross-border and local positions (Table C3).

Prior to the Q4 2013 reporting period, the CBS exclude positions vis-à-vis residents of the reporting country and focus exclusively on positions vis-à-vis non-residents.

- *Foreign*. Positions vis-à-vis counterparties located outside of the reporting (parent) country.

Table C3

Types of claims in the consolidated banking statistics

Claims on residents of the reporting country		Claims on non-residents of the reporting country		
Cross-border claims booked by banking offices outside the reporting country (A)	Local claims booked by banking offices inside the reporting country (B)	Cross-border claims booked by banking offices outside the counterparty country (C)	Local claims booked by banking offices inside the counterparty country in foreign currency (D)	Local claims booked by banking offices inside the counterparty country in local currency (E)
Total domestic claims (A+B)		Total foreign claims (C+D+E)		
		Total international claims (C+D)		

- *Domestic*. Positions vis-à-vis residents of the reporting (parent) country, regardless of whether the claim is booked by a banking office in the reporting country (local claim) or by an office abroad (cross-border claim).

From the Q4 2013 reporting period, banks should report total positions vis-à-vis residents of the reporting country, ie total domestic claims.

A partial currency breakdown is requested for the CBS/IR. Specifically, on the asset side, local claims in foreign currencies and local claims in individual local currency should be reported separately. Local claims in foreign currencies are added to cross-border claims in all currencies and reported together as *international claims* with a counterparty-sector and maturity breakdown. Total claims on an immediate risk basis can then be calculated as the sum of international claims and local claims in local currency. On the liability side, local liabilities in local currency should be reported separately.

C.4. Positions on an immediate risk basis

The reporting population for the CBS/IR includes all four types of reporting institutions (see Section C.2.2). However, items other than international claims need not be reported by institutions other than domestic banks (bank type B).[25]

C.4.1. Claims

Claims on an immediate risk basis should comprise all items that represent an on-balance sheet financial asset. The only exception is that any on-balance sheet derivatives instruments with a positive market value should be excluded. Derivatives contracts are excluded from claims on an immediate risk basis to be consistent with claims on an ultimate risk basis, where derivatives contracts with a positive market value, ie “derivatives claims” in Table C1, are reported separately (see Section C.6.1.2).

As in the locational banking statistics, claims should include the following financial assets: deposits and balances placed with banks; loans and advances; trade-related credits;

[25] Inside-area banks not consolidated by their parent (bank type E) are encouraged to report the same items as domestic banks (bank type B).

holdings of securities, including certificates of deposit, promissory notes, collateralised debt obligations and asset-backed securities; holdings of notes and coins; loan or other claim positions funded with claims under sale and repurchase agreements;[26] and participations, including equity holdings in non-bank subsidiaries. Lending of securities, gold and other precious metals without cash collateral should not be reported.

C.4.1.1. Types of claims to be reported

Domestic banks (bank type B) are expected to report international claims in all currencies and local claims in local currency. They are encouraged to report local claims in foreign currencies separately from international claims. From the Q4 2013 reporting period, domestic banks should include positions vis-à-vis residents of the reporting country; for prior periods, such positions are excluded from consolidated claims. Inter-office balances should be excluded.

Inside-area foreign banks consolidated by their parent (bank type C) should report, on an unconsolidated basis, only their cross-border claims on residents of their home country, including inter-office positions.[27] From the Q4 2013 reporting period – following the addition of domestic banks' positions vis-à-vis residents of the reporting country – consolidated claims of foreign affiliates on the home country will become a memorandum item; otherwise their continued inclusion in counterparty-country aggregates would result in double-counting.

Inside-area foreign banks not consolidated by their parent (bank type E) are encouraged to report on the same basis as domestic banks. Specifically, they should report on a consolidated basis, separating international and local claims in local currency.

Finally, outside-area foreign banks (bank type D) should report, on an unconsolidated basis, only international claims. These claims should include inter-office positions.[28]

C.4.1.2. Counterparty-country breakdown

Reporting institutions are requested to provide a full counterparty-country breakdown for all types of claims that they report, whether international, cross-border or local. Claims should be allocated to the country of residence of the immediate risk. From the Q4 2013 reporting period, claims should include positions on residents of the reporting country booked by banking offices in the reporting country as well as by those abroad.

The balance of payments concept of residence should be applied for the purpose of identifying the residence of the immediate risk. If identification of the country of residence is incomplete, counterparties should be allocated to the relevant residuals: developed countries, offshore centres, Africa and the Middle East, Asia-Pacific, Europe, Latin America and the Caribbean, or, if the region is unknown, unallocated.

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[26] A bank that funds a position with a securities repurchase agreement in most circumstances retains economic ownership of the security, and thus should not de-recognise the securities position in its balance sheet. Rather, the bank should report the cash borrowing as a liability and the claim position it funds. See question 18 in Section E.2.1. Following this logic, a bank that lends securities or gold or other precious metals without receiving cash collateral should not recognise the position in the consolidated banking statistics.

[27] Claims of type C banks provide information about the maturity structure of reporting countries' external debt not available from the locational banking statistics.

[28] Claims of type D banks provide indicative information about the growth and international market share of outside-area banks and supplementary information about the external indebtedness of borrowing countries.

C.4.1.3. Counterparty-sector breakdown

In conjunction with the counterparty-country breakdown, reporting banks are requested to provide a counterparty-sector breakdown of their claims, as summarised in Table C2. A sector breakdown is required for international claims, or for cross-border claims if international claims are not reported (eg for bank types C and D). Central banks also have the option to report a counterparty sector breakdown for the local positions of their reporting banks' home offices and of their foreign affiliates.

Table C4

Counterparty sector dimension in the consolidated banking statistics

Counterparty sector	**Definition**
All sectors	Sum of banks, official sector, non-bank private sector and unallocated by sector.
Banks	Financial institutions whose business it is to receive deposits or close substitutes for deposits and to grant credits or invest in securities on their own account. For the purposes of the CBS, the bank sector excludes central banks and multilateral development banks.
Official sector	The general government sector, central bank sector and international organisations (including multilateral development banks). Public non-bank financial institutions and public corporations should not be classified as "official sector", but rather should be classified as non-bank financial institutions or non-financial private sector, respectively. Claims on official institutions should be allocated to the respective countries of their residence. The only exception is for claims on international organisations, which are to be reported as a separate item in the counterparty-country breakdown. International organisations and central banks are listed in Sections G and H of these Guidelines.
Non-bank private sector	Sum of non-bank financial institutions and non-financial private sector
Non-bank financial institutions	Private or public financial institutions, other than banks, engaged primarily in the provision of financial services and activities auxiliary to financial intermediation such as fund management. Includes special purpose vehicles, hedge funds, securities brokers, money market funds, pension funds, insurance companies, financial leasing corporations, central clearing counterparties, unit trusts, other financial auxiliaries and other captive financial institutions. It also includes any public financial institutions such as development banks and export credit agencies.
Non-financial private sector	Sum of non-financial corporations and households including NPISHs.
Non-financial corporations	Privately and publicly owned corporations as well as unincorporated enterprises that function as if they were corporations, such as partnerships and the branches of foreign corporations.
Households including NPISHs	Individuals, families, unincorporated enterprises owned by households, and non-profit institutions serving households (NPISHs) such as charities, religious institutions, trade unions and consumer associations.
Unallocated by sector	Any positions for which the sector of the counterparty is unknown.

From the Q4 2013 reporting period, the following sectors should be separately identified, with those sectors indicated in italics reported on an encouraged basis:

1. All sectors (= 2 + 3 + 4 + 5 + 6)
2. Banks
3. Official sector (general government and central bank)
4. Non-bank financial institutions
5. Non-financial private sector (= 5a + 5b)
    a. Non-financial corporations
    b. Households including NPISHs
6. Unallocated by sector

For periods prior to Q4 2013, non-bank financial institutions and the non-financial private sector are grouped together as the non-bank private sector.

For the purposes of the CBS, claims on central banks and multilateral development banks should be allocated to the official sector. This is in contrast to the LBS, where these claims are allocated to the counterparty sector "banks" and reported separately (see Section B.3.4). For sectors other than banks and the official sector, the allocation of claims should follow balance of payments or national account classifications. In case of doubt, the sector definition applied where the counterparty is resident may be used.

C.4.1.4. Maturity breakdown

A maturity breakdown is required for international claims, or for cross-border claims if international claims are not reported (eg for bank type C). No maturity breakdown is required for local claims. The maturity breakdown crossed with the counterparty-sector breakdown is not requested. That is, the maturity breakdown should be reported for positions vis-à-vis all counterparty sectors, and the counterparty-sector breakdown should be reported for positions of all maturities.

The maturity breakdown captures remaining maturity as opposed to original maturity. Positions should be allocated to the maturity buckets listed in Table C5 based on the time remaining from the end of the reporting period until the final payment of the claim.

Table C5

Maturity breakdown in the consolidated banking statistics (immediate risk basis)

Maturity breakdown	Definition
All maturities	Sum of all maturity buckets listed below
≤1 year	Claims with a remaining maturity of up to and including one year, ie claims with an original maturity of up to one year plus those with an original maturity of more than one year but falling due within the next 12 months. Claims that are receivable on demand should be allocated to the ≤1 year maturity bracket.
1–2 years	Claims with a remaining maturity of over one year and up to and including two years.
>2 years	Claims with a remaining maturity of over two years.
Unallocated by maturity	Claims for which the remaining maturity is unknown, or claims that cannot be classified by maturity (eg equities and participations).

C.4.2. Other items

From the Q4 2013 reporting period, banks are requested to report information on their total balance sheet size, liability structure and capital levels. This additional information will make it easier to assess the importance of banks' exposures to particular countries and sectors.

Initially, the definitions of total assets, risk-weighted assets, total liabilities and Tier 1 capital in Table C6 can be based on national supervisory definitions. Over time, the definitions should converge to those used by the Basel Committee on Banking Supervision for the calculation of leverage and capital ratios under Basel III.

C.4.2.1. Assets

From the Q4 2013 reporting period, domestic banks (bank type B) are encouraged to report, as part of their CBS/IR, figures for total assets (including (a) derivatives instruments with a positive market value and (b) non-financial assets) and for risk-weighted assets.[29] The figures for total assets should be consistent with the consolidation perimeter chosen for the reporting banking entity. For these assets positions, no additional breakdowns are requested. That is, the data should refer to positions vis-à-vis all counterparty countries and sectors, all currencies and all maturity buckets.

Reporting banks are encouraged to report these data at a quarterly frequency; otherwise semiannually.

C.4.2.2. Liabilities

From the Q4 2013 reporting period, domestic banks (bank type B) should report basic information about their total liabilities (TL). Separate data on the instruments listed under liabilities items in Table C6 are required.[30]

The instrument breakdown for total liabilities need not be crossed with other breakdowns. That is, the instrument breakdown above is requested for positions vis-à-vis all countries and all sectors, and in all currencies and all maturity buckets (with the exception noted in Table C6 concerning the maturity structure of debt securities liabilities).

Data on some liability instruments, particularly those classified in "other and unallocated liabilities", may not be available with the same frequency or under the same reporting conditions as for other items. In such cases, reporting banks are encouraged to provide estimated data or the same figures as those of the previous period.

C.4.2.3. Equity capital

In addition to the above items, banks are required to report their total equity (E). Total equity should ideally be calculated according to accounting principles.[31] But, it may also be reported as a residual of total assets minus total liabilities. In addition to total equity, banks are encouraged to report their Tier 1 capital.[32]

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[29] As noted in Sections C.4.1 and C.6.1.2, derivatives instruments with a positive market value should be excluded from claims in the CBS/IB and reported separately in the CBS/UR.

[30] Inside-area foreign banks not consolidated by their parent (bank type E) should report this information on an encouraged basis.

[31] See eg IAS 32.11 and 32.16.

[32] Such data have been collected by the BIS under the auspices of the CGFS since 1999 for a number of national banking systems. The existing collection includes data for Tier 2 capital; domestic banks (bank type B) currently reporting Tier 2 capital data should continue to do so.

Table C6

Other items in the consolidated banking statistics (immediate risk basis)

Assets	**Definition**
Total assets	Total assets (TA) are the total banking assets for the reporting entity based on the consolidation perimeter used for the reporting bank. TA is comprised of non-financial assets (NFA) plus financial assets (FA). That is, $TA = NFA + FA$ FA is comprised of total claims plus derivatives instruments with a positive market value.
Risk-weighted total assets	Supervisory definition.
Liabilities	**Definition**
Total liabilities	Sum of the liability instruments listed below
Deposit liabilities	Deposits including non-negotiable securities (eg non-negotiable CDs), and borrowings (ie loans) from banks. Inter-office positions should be excluded.
Debt securities liabilities with remaining maturity of one year or less	Negotiable securities (including negotiable CDs) with a remaining maturity of up to and including one year.
Debt securities liabilities with remaining maturity of more than one year	Negotiable securities (including negotiable CDs) with a remaining maturity of more than one year.
Derivatives liabilities	Derivatives instruments with a negative market value.
Other and unallocated liabilities	Retained earnings (with positive value) and debt liabilities not included under the funding instruments listed above.
Memo: *local liabilities in local currency*	Liabilities booked in the domestic currency of, and with a counterparty located in, the host country
Capital and equity	**Definition**
Tier 1 capital	Supervisory definition.
Total equity	Total equity (E) is the residual claims on the reporting bank after subtraction of its total liabilities from its total assets.[1] Ideally, the values reported for E should be consistent with the consolidation perimeter used to determine the reporting bank's total assets and liabilities. That is, $TA = TL + E$

[1] The definition of total equity can be based on International Financial Reporting Standards or on national accounting standards as applicable.

C.4.2.4. Local liabilities

Domestic banks (bank type B) should report their local liabilities in local currency with a full counterparty-country breakdown. Specifically, banks' foreign affiliates should report their local currency financial liabilities to residents of the country where the affiliate is located. From the Q4 2013 reporting period, affiliates *in* the reporting country should begin reporting their local currency financial liabilities to residents of the reporting country. Neither banks' foreign affiliates nor those in the reporting country are required to report separately their locally booked non-local currency liabilities to residents of the host country. Moreover, no sector, instrument or maturity breakdown of local liabilities is requested.

C.5. Risk transfers

A bank can offset its total exposure to a particular country using a variety of credit risk mitigants (CRMs), which include guarantees, collateral and credit derivatives. Use of these CRMs reduces a bank's exposure to a particular country by effectively transferring the risk to a different counterparty, possibly in a different country or sector.

Reporting banks are required to provide information about risk transfers associated with their claims on an immediate risk basis. In particular, they should report the amount of claims for which the residence of the immediate risk is different from the residence of the ultimate obligor.

C.5.1. Country of ultimate risk

The country where the ultimate risk lies is defined as the country of residence of the ultimate obligor. Specifically, it is the country where the guarantor of a financial claim resides or the parent of a legally dependent branch or affiliate is located.[33]

Claims on unaffiliated subsidiaries can only be considered as being guaranteed by the parent if it has provided an explicit guarantee. In contrast, claims on branches should, for the purposes of the CBS, always be considered as being guaranteed by the respective parent, even if there is no legal guarantee.

Collateral may be considered as an indicator of where the final risk lies to the extent that it is recognised as a risk mitigant according to the supervisory instructions in the reporting country. A list of recognised collateral under various approaches of credit risk mitigation is available in the Basel Capital Accord document.[34]

If credit derivatives are used to mitigate the counterparty risk associated with claims in the banking book, the country of ultimate risk of these positions is defined as the country in which the counterparty to the credit derivatives contract resides. The notional value (ie face value) of these positions (rather than the market value) should be reported (see Sections C.6.1.2 and D.2).

Similarly, in the case of holdings of credit-linked notes, other collateralised debt obligations and asset-backed securities, a "look-through" approach should be adopted and the country of ultimate risk is defined as the country where the debtor of the underlying credit, security or derivatives contract resides. This look-through approach might not always be possible in practice. Accordingly, reporting institutions might only be able to provide estimates for the allocation of claims to the country where the debtor of the underlying resides or to allocate the claims to the country of the immediate risk, which is the country where the issuer of the securities resides.

C.5.2. Inward and outward risk transfers

Information on the reallocation of claims should ideally be reported separately for outward and inward risk transfers. In other words, outward reallocations that reduce exposure to a given counterparty country should be reported separately from inward reallocations that increase

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33 Banks extending claims to such a branch should reallocate the positions to the country of the branch's head office.

34 See paragraphs 145 and 146 of Basel Committee on Banking Supervision, *International convergence of capital measurement and capital standards*, BIS, June 2006. Available at: www.bis.org/publ/bcbs128.htm.

exposure. Net risk transfers, calculated as the difference between inward and outward risk transfers, can be reported. If risk remains in the country of the immediate risk – for example, when risk is reallocated between different sectors but not outside the country – then a risk transfer should not be reported. Examples for the reporting of risk transfers are provided in Section E.

From the Q4 2013 reporting period, outward and inward risk transfers should in principle add up to the same total. For prior periods, the omission of risk transfers to residents of the reporting country potentially creates a discrepancy in these totals.

C.6. Positions on an ultimate risk basis

The consolidated banking statistics on an ultimate risk basis (CBS/UR) are to be reported by domestic banks (bank type B). All banking business should be reported on a consolidated basis with a counterparty-country breakdown based on the residence of the ultimate obligor. In other words, inter-office activity should be excluded and positions should be allocated to the country where the final risk lies.

C.6.1. Business to be reported

C.6.1.1. Cross-border and local claims

Domestic banks should provide data on their on-balance sheet financial claims, for their offices worldwide, including all claims vis-à-vis residents of the countries where the offices are located. The data on claims should comprise the same balance sheet items as in the immediate risk statistics (see Section C.4.1.1). Derivatives should be excluded and reported separately (see Section C.6.1.2).

Domestic banks should provide a breakdown of total claims by type, distinguishing between cross-border and local claims. In contrast to the types of claims reported on an immediate risk basis, the types requested on an ultimate risk basis do not take into account the currency in which the claim is denominated – that is, a breakdown into international claims and local claims in local currencies is not requested. If reporting institutions face difficulties distinguishing between cross-border and local claims, these may be estimated on a best efforts basis.

C.6.1.2. Derivatives claims

All derivatives instruments with a positive market value should be reported separately as "derivatives claims" (Table C1).[35] Domestic banks are requested to provide consolidated data on the financial claims resulting from derivatives instruments of all their offices worldwide. For the valuation of derivatives instruments, see Section D.2.

The data should in principle cover all derivatives instruments that are reported in the context of the BIS's regular semiannual OTC derivatives statistics.[36] The data thus mainly comprise forwards, swaps and options relating to foreign exchange, and interest rate, equity, commodity and credit derivatives instruments.

Credit derivatives, such as credit default swaps and total return swaps, should only be reported under the item "derivatives claims" (and at market value) if they are held for trading

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[35] Derivatives instruments with a negative market value represent financial liabilities and are therefore to be excluded from the reporting of financial claims. These positions will be collected (without a country breakdown) from the Q4 2013 reporting period as part of the instrument breakdown of banks' liabilities (see Section C.4.2.2).

[36] Over 60 financial institutions from 13 countries participate in this survey. Data and methodological notes are available on the BIS website (www.bis.org/statistics/derstats.htm).

by a protection-buying reporting bank. From the Q4 2013 reporting period, derivatives instruments with a negative market value should be reported as part of the instrument breakdown of total liabilities (see Section C.4.2.2).

Credit derivatives that are *not* held for trading, eg those held in the banking book, should be reported as "risk transfers" (and at notional value) by a protection-buying reporting bank. For a protection selling reporting bank, all credit derivatives (ie CDS sold) should be reported as "guarantees" (see Sections C.6.1.3 and D.2). Note that CDS sold should be reported at gross notional values (but net of cash collateral) and vis-à-vis the country of the underlying reference entity where the ultimate (final) risk lies.

C.6.1.3. Contingent positions: guarantees extended and credit commitments

Reporting domestic banks are required to provide consolidated data on guarantees outstanding of all their offices worldwide. Similar data should also be provided separately for credit commitments outstanding. For the valuation of guarantees extended and credit commitments, see Section D.2.

Guarantees and credit commitments should be reported to the extent that they represent the unutilised portions of binding contractual obligations and any other irrevocable commitments. They should only cover those obligations which, if utilised, would be reported in total cross-border claims and local claims in any currency. Performance bonds and other forms of guarantees should only be reported if, in the event of the contingency occurring, the resulting claim would have an impact on total cross-border claims and local claims in any currency.

A more detailed definition of guarantees and credit commitments and a non-exhaustive list of typical instruments that qualify as guarantees and credit commitments are provided in Table C7.

Table C7

Contingent positions in the consolidated banking statistics (ultimate risk basis)

Contingent liabilities	Definition
Guarantees extended	Contingent liabilities arising from an irrevocable obligation to pay a third-party beneficiary when a client fails to perform certain contractual obligations. They include secured, bid and performance bonds, warranties and indemnities, confirmed documentary credits, irrevocable and standby letters of credit, acceptances and endorsements. Guarantees extended also include the contingent liabilities of the protection seller of credit derivatives instruments.
Credit commitments	Arrangements that irrevocably obligate an institution, at a client's request, to extend credit in the form of loans, participation in loans, lease financing receivables, mortgages, overdrafts or other loan substitutes or commitments to extend credit in the form of the purchase of loans, securities or other assets, such as backup facilities including those under note issuance facilities and revolving underwriting facilities.

C.6.2. *Counterparty-sector breakdown*

Claims should be reported with a counterparty-sector breakdown based on the sector of the ultimate obligor. The sector breakdown is required only for total claims; no sector breakdown is requested for cross-border or local claims separately or for other reported business. Furthermore, no instrument, maturity or currency breakdown is required for claims reported on an ultimate risk basis.

The counterparty-sector breakdown is the same as that for international claims on an immediate risk basis (see Section C.4.1.3).

D. Other reporting conventions: locational and consolidated statistics

D.1. Currency conversion

The BIS uses the US dollar as the numeraire in its international banking statistics. All positions in other currencies must therefore be converted into US dollars by the banks themselves, or by the reporting central bank. For the sake of consistency and comparability, positions should be converted into US dollars at the exchange rate prevailing at the end of the relevant quarter.

D.2. Valuation principles

For the purpose of measuring banking business in a consistent and comparable way across reporting countries, assets and liabilities reported to the BIS should be valued as far as possible according to uniform valuation principles. In most cases, claims should be valued at market prices. The exception to this is the case of loans, which should be valued in accordance with the reporting country's accounting standards and in principle at nominal (or contractual) values. For liabilities, nominal (or contractual) values rather than market values are generally considered more appropriate. It is recognised that national accounting rules may require different valuation methods for particular positions.

Positions should in principle be reported on a gross basis, and not net of liabilities. In other words, claims and liabilities vis-à-vis the same counterparty should be reported separately and not netted against each other. An exception is made for some types of derivatives instruments.

Reporting of financial claims and liabilities resulting from derivatives instruments should in principle be consistent with the "replacement value", when compliant with accounting standards used to produce the balance sheet.[37] All derivatives instruments with a positive market value should be treated as claims and those with a negative market value as liabilities. The currency denomination should be the currency in which the derivatives are to be redeemed or settled (see the box "Reporting of derivatives by currency"). Reporting of "net positions" is allowed only if the national accounting practice allows netting of multiple matching swaps (by currency and maturity) with the same counterparty that are covered under a legally enforceable netting agreement.

For swaps, the *net* market/fair value of each contract, where here the "net" refers to the net present value of the "two legs" of a swap, should be reported. Financial derivatives other than swaps should be reported at *gross* market value.

The notional value of future commitments (eg contingent liabilities in the form of protection sold or guarantees extended) arising from derivatives instruments should not be reported in the LBS, but should be reported separately in the CBS/UR, at notional value (ie the maximum possible exposure).

In the specific case of short sales of securities, the reporting of financial assets can be made after netting with short selling positions, in accordance with the BPM6 methodology (see question 8 in Section E.1 and question 5 in Section in E.2.1). For some positions, this reporting practice can lead to negative outstanding assets.

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[37] "Replacement value" is also referred as net mark-to-market value. It can be either a gross positive, meaning the reporting bank expects to receive payment, or a gross negative, meaning the bank expects to make a payment.

Reporting of derivatives by currency

For derivatives instruments, the currency of denomination should be the one in which the net payment is to be settled. For example, consider an FX swap transaction in which USD 140 million is exchanged for EUR 100 million and the exchange rate is USD/EUR 1.5 on the reporting date. This gives a gross market value (net of "two legs") of USD –10 million (ie a liability of USD 10 million). How should the swap be reported with a currency breakdown in the locational banking statistics?

Method A (*not* recommended): Report –140 as a USD-denominated liability and +150 as a EUR-denominated liability.

Method B (*not* recommended): Report 140 as a USD-denominated claim and 150 as a EUR-denominated liability.

Method C (recommended): Report 10 as a EUR-denominated liability (net of the "two legs").

D.3. Arrears, provisions and write-offs

In order to obtain an accurate measure of bank lending, the following reporting procedures are recommended:

- *Arrears of interest and principal*. Until they are written off, arrears should be included in the claims and liabilities under the respective instruments, whenever it is possible.
- *Provisions*. Financial claims against which provisions have been made are normally reported as claims at their gross value. That is, provisions should not be netted from the claim positions.
- *Write-offs of claims and debt forgiveness*. Although an asset which has been written off may still be a legally enforceable claim, it is recommended that items which have been written off be excluded from the reported data. This is because the writing-off process can be seen as reflecting the judgment that the current or prospective value of the claim is zero.

D.4. Breaks-in-series

A break-in-series refers to a change in reporting methodology or reporting population in a given period. Pre- and post-break values (based on the previous and the new reporting methodology) are provided for this period. The value for an observation may change from one quarter to the next because of a change in the reporting methodology or a change in the reporting population. For example, a change in the country, sector or maturity breakdown, a change in the number of reporting institutions, or a change in accounting methodology, will have an impact on positions. In such cases, relevant observations should be transmitted for the same reporting date with two values, one for pre-break data (ie prior to the change in methodology) and one for post-break data (ie after the change in methodology). This is crucial for the correct calculation of changes in stocks (see Graph D1).

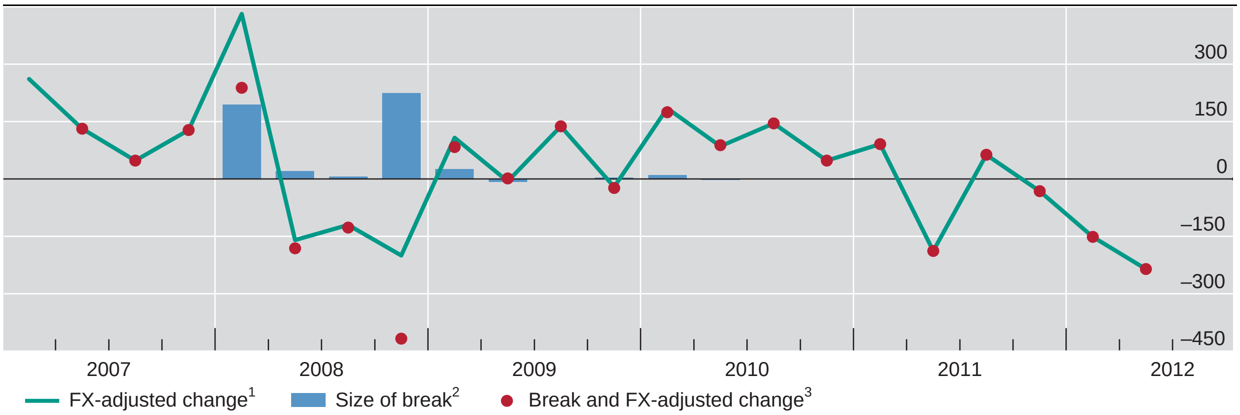
Pre- and post-break values become a permanent feature of the data for the relevant quarter. Therefore, if there is a need to revise the data of the affected quarter, even many periods later, the revised data must be reported with pre- and post-break values for each break-in-series observation being revised. Details on historical breaks by quarter and reporting country are available on the BIS website (www.bis.org/statistics/bankstats.htm).

D.5. Confidentiality

Observation-level confidentiality is reported for all BIS international banking statistics. The reporting countries provide, for each observation, one of the three confidentiality attributes: "Free", for publication; "Restricted", not for publication, for internal use of reporting central banks only; or "Confidential", for internal use at the BIS only.

Break-in-series and exchange rate adjustments

Claims of banks resident in the United States, in billions of US dollars



[1] Calculated by converting the relevant stocks on total cross-border claims into their original currency using end-of-period exchange rates and subsequently converting the changes in stocks into US dollar amounts using period average rates. [2] The break is the difference in amount outstanding (reported in USD dollar terms) between the observation collected under the previous-period methodology and the same observation under current (post-break) methodology. [3] Adjusted changes in stocks are calculated using the stocks of the current quarter in "previous-period methodology" and the stocks of the preceding quarter in "current-period (post-break) methodology". If no break occurs in a given period, the value stored under "previous-period methodology" is the same as that stored under "current-period methodology".

Source: Locational banking statistics by residence

If no confidentiality attribute is reported for a given observation, the BIS will set the default value as "Restricted". The attribute for observations not reported but estimated, aggregated or otherwise derived by the BIS is defined by the BIS, based on agreements with central banks and on business rules. The detailed technical guidelines/instructions are made available to reporting countries by the BIS.

E. Frequently asked questions and reporting examples

E.1. Locational banking statistics

Q1: If a bank is taken over by a non-bank entity, should it discontinue reporting? What are the implications for its nationality?

A: The bank concerned should continue to report its banking business to the host reporting country. It is recommended that the nationality of a reporting institution should be classified according to that of its controlling parent institution. The controlling parent institution could be the ultimate owner, or could be a unit inside a larger corporate group. The nationality of the reporting bank will change if the takeover involves a change in the country considered to be the group-level supervisor of the controlling parent institution. See section B.4.1.

Q2: How should positions vis-à-vis brass plate companies be reported?

A: The country of immediate exposure is the country where the company is registered.

Q3: How should euro banknotes and coins be reported?

A: Banks' holdings of notes and coins that are in circulation and commonly used to make payments should be recorded as claims in the form of loans and deposits. Due to the impossibility of allocating euro notes to the specific issuing euro area country, it is recommended to the non-euro area reporting countries to allocate these banknotes and coins as claims on the ECB, which is included under Germany in the country classification. Banks in euro area reporting countries should report positions vis-à-vis the central bank in the reporting country.

Q4: How should (cross-border) deposits from the head office or controlling parent institution (if different) be treated by a reporting branch or subsidiary?

A: Banks are requested to report *cross-border* inter-office positions booked by all entities (ie including cross-border positions reported by branches and subsidiaries). For inter-office positions between entities in the same country, only positions vis-à-vis subsidiaries should be reported.

Cross-border deposits from head office (other than working capital) are reported as inter-office liabilities by the reporting branch or subsidiary, and as inter-office claims by the reporting head office.

Q5: What are gaps in reporting?

A:_Gaps refer to omissions in a central bank's reporting, with respect to providing data in each of the dimensions of the LBS, as summarised in the reporting requirements above. *Key gaps* include incomplete reporting of the counterparty-country, currency, sector or instrument dimensions that makes interpretation of the overall data difficult, or distorts the macroeconomic picture afforded by the statistics.

Q6: What are some of the most common causes of breaks-in-series?

A: Possible reasons for reporting breaks-in-series with complete pre- and post-break value reporting include: change of nationality of a commercial bank (in locational by nationality reporting); change in the reporting sample of commercial banks; introduction of a new breakdown in a dimension; and a change in reporting or accounting methodology.

Q7: How should loans to movable assets (eg to shipping companies) be reported?

A: On the country of residence of the owner of the movable assets.

Q8: Under what conditions is it acceptable to report negative stock amounts?

A: Under balance of payments reporting methodology, which serves as the guiding principle for the LBS, short sales of securities are treated as "negative" assets. Thus, reporting of negative stock amounts in the LBS may be acceptable in exceptional cases of short positions on portfolio investments and depending on accounting rules. It is expected that these amounts would be reported on the assets side in the “other claims” or “debt securities” instrument categories, depending on whether the short position is in derivatives, equity or debt securities.

To maintain consistency between the LBS and the CBS, it has been recommended that banks report short sales of securities as negative assets in ***both*** the LBS and the CBS (see Sections B.3.1.2 and D.2). This approach differs from the treatment of short sales of securities under international accounting standards, where they are generally treated as liabilities.

Q9: How and in what situations should a bank’s retained earnings be reported?

A: Retained earnings should be included in claims if they are reported by a banking subsidiary of a foreign bank in the reporting country and should be allocated to a counterparty country based on the nationality of the controlling parent institution. Positive retained earnings should be reported as “other liabilities” and negative retained earnings should be reported as “other claims”.

Q10: What is the sector classification for general government and public corporations?

A: Non-bank sector up to the Q3 2013 reporting period, and non-financial sector thereafter, with separate reporting of positions vis-à-vis general government on an encouraged basis.

Q11: How are cross-currency swaps reported as locational claims and liabilities?

A: Only foreign exchange currency swaps entail a switch in the on-balance sheet currency composition. The currency of denomination should be the one in which the derivatives instruments are to be settled/redeemed, ie the currency in which the net payment is made or received. See Section D.2.

Q12: How should holdings of bonds issued by the European Financial Stability Facility (EFSF) and European Financial Stability Mechanism (EFSM) be allocated by counterparty country and sector? How should the European Stability Mechanism (ESM), which will replace both the EFSF and the EFSM from 2013, be classified?

A: In the LBS, holdings of debt securities issued by the EFSF and EFSM should, in the counterparty country allocation, be reported vis-à-vis Luxembourg and allocated to the non-bank sector up to June 2013. Thereafter, they should be treated as positions vis-à-vis international organisations and thus reported under counterparty country “international organisations” and allocated to the appropriate counterparty sector listed in Section G. See section E2.1 Q12 for treatment in the CBS.

Q13: Should the on-balance sheet positions for borrowing and lending of precious metals (eg gold) be reported?

A: Borrowing and lending of securities and gold without cash collateral should not be reported as financial claims/liabilities. However, the cash leg of sale and repurchase transactions (repos) involving the sales of assets (eg securities and gold) with a commitment to repurchase the same or similar claims should be reported as loans and deposits. See Section B.3.1.1.

E.2. Consolidated banking statistics

E.2.1. Questions about consolidation and reporting practices

Q1: Are there any rules concerning the consolidation perimeter of the reporting institutions? For example, should reporting banks consolidate non-bank entities (eg other financial intermediaries) or their affiliates’ affiliates in third countries?

A: The BIS has not issued any specific guidelines for consolidation in the context of the consolidated banking statistics. These rules are left to national discretion. For the purposes of the CBS, reporting institutions may therefore follow their national supervisory practices.

As recommended by the CGFS, the BIS and interested central banks are working towards a "best practice" definition of consolidation for reporting countries to converge to over time. National practices are summarised on the BIS website (www.bis.org/statistics/count_rep_practices.htm).

Q2: How should the business among different branches worldwide of a bank be consolidated?

A: A reporting bank may have branches and subsidiaries located in multiple countries. "Inter-office" is the general term used to denote positions between any combination of the parent bank and its branches and subsidiaries. In the LBS, a bank's cross-border inter-office positions are reported under "positions vis-à-vis related offices". Inter-*branch* transactions between different offices of a bank in the same (reporting) country should not be reported, although positions vis-à-vis *subsidiaries* in the same (reporting) country should be reported. In the consolidated statistics, inter-office positions, and also positions between affiliates of the same bank in the same or different countries, should not be reported for domestic banks (bank type B) or for inside-area banks not consolidated by their parent (bank type E). See Section C.2.2.

Q3: Does "inside-area" in the consolidated banking statistics refer to countries that provide either locational or consolidated banking statistics?

A: No, "inside-area" only refers to countries that report CBS. Countries that report only LBS should be treated as outside-area for the purposes of the CBS. In short, "inside-area" refers to countries that are listed as reporters in the CBS in Table A2.

Q4: If a bank is taken over by a non-bank entity, should it discontinue reporting? ***What are the implications for its nationality?***

A: The bank concerned should continue to report its banking business. The nationality of a reporting institution should be classified according to the location of its controlling parent institution. The nationality of the reporting bank will change if the takeover involves a change in the country where the controlling parent institution is located. The controlling parent institution may be identified as the highest level entity over which consolidated supervision is exercised by prudential authorities, regardless of whether the entity is a bank or a non-bank. See section C.2.2.

Q5: Can claims outstanding be negative and be reported as such?

A: Consistent with balance of payments methodology, reporting of negative stock amounts may be acceptable in exceptional cases such as short sales and portfolio investment. To maintain consistency between the LBS and the CBS, the BIS has recommended that short sales be treated as negative assets in both the LBS and the CBS (see Sections B.3.1.2 and D.2). This approach differs from the treatment of short sales of securities under international accounting standards, where they are generally treated as liabilities.

Q6: How should the balances in dormant accounts be treated/reported?

A. The reporting bank should report dormant liabilities and claims to the country of the last-known address.

Q7: How should loans related to movable assets (like loans to shipping companies) be reported?

A: The country of residence of the owner of the movable assets should be treated as the immediate country exposure and the guarantor's country as the ultimate risk exposure.

Q8: How should euro banknotes and coins be reported?

A: Banks' holdings of international notes and coins that are in circulation and commonly used to make payments should be recorded as claims. Due to the impossibility of allocating euro notes to the specific issuing euro area country, it is recommended to the non-euro area reporting countries to allocate these banknotes and coins as claims on the ECB, which is included under Germany in the country classification. From the Q4 2013 reporting period, the banks in euro area reporting countries should report positions vis-à-vis the central bank in their home country.

Q9: Should local positions in local currency of a subsidiary's subsidiary in the same country be reported?

A: For the purpose of reporting consolidated banking data, a subsidiary of a bank's subsidiary should be treated the same as branches/offices of reporting institutions.

Q10: How should letters of credit confirmed by another bank be treated?

A: Letters of credit are to be treated as a guarantee; confirmation should be disregarded on an immediate risk basis.

Q11: How should the value of a guarantee extended (ie a contingent liability) be reported when it exceeds that of the related underlying security or asset?

A: The full notional value (ie face value) of the guarantee should be reported as a "guarantee extended" with the same ultimate risk allocation as the claims to which it refers.

Q12: How should holdings of bonds issued by the European Financial Stability Facility (EFSF) and European Financial Stability Mechanism (EFSM) be allocated by counterparty country and sector? How should the European Stability Mechanism (ESM), which will replace both the EFSF and the EFSM from 2013, be classified?

A: In the CBS/IR, holdings of debt securities issued by the EFSF and EFSM should, in the counterparty country allocation, be reported vis-à-vis counterparty country Luxembourg and allocated to the counterparty sector "non-bank sector" up to June 2013. Thereafter, they should be treated as positions vis-à-vis international organisations and thus reported under counterparty country "international organisations" and allocated to the counterparty sector "official sector". In the CBS/UR, practical issues arise in reporting positions on a pro rata basis (ie vis-à-vis authorities located in the different euro area member states). It is therefore recommended to report positions vis-à-vis counterparty country "residual developed countries" and allocated to counterparty sector "public sector" up to 2013, and vis-à-vis counterparty country "international organisations" and counterparty sector "official sector" thereafter. See Section E.1 for treatment in the LBS.

Q13: How should credit default swaps be reported?

In the CBS/UR, CDS with a positive market value, like other credit derivatives such as total return swaps, should be reported under the item "derivatives claims" (at market value) if they are held for trading by a protection-buying reporting bank. From the Q4 2013 reporting period, derivatives instruments with a negative market value should be reported as part of the instrument breakdown of total liabilities (see Table C6). CDS that are not held for trading should be reported as risk transfers (and at notional value) by a protection buying bank. All CDS should be reported as "guarantees extended" by a protection selling bank. CDS sold should be reported at gross notional values (but net of cash collateral) and vis-à-vis the country of the underlying reference entity where the ultimate (final) risk lies.

E.2.2. Questions about counterparty-country and sector classification

Q14: In the consolidated banking statistics, how are the immediate/ultimate country and sector decided for mortgage-based loans?

A: As mentioned in Section C.5.1, collateral may be considered as an indicator of where the final risk lies to the extent that it is recognised as a risk mitigant according to the supervisory instructions in the reporting country. The lists of recognised collateral under various approaches of credit risk mitigation are available in the Basel Capital Accord.[38]

For mortgage-backed loans, the location of the mortgage determines the choice of counterparty country. For example, suppose that a reporting bank makes a loan to a non-financial company in Germany that is secured by real estate in the United States. Throughout this example, it is assumed that mortgage-backed securities are accepted as collateral, and thus recognised as a credit risk mitigant, by the central bank in the reporting banks' home country.

For reporting in the CBS, the non-financial corporate sector in Germany should be considered as the immediate risk and the unallocated sector for the United States as the ultimate exposure.

In the case of the same loan being secured by asset-backed securities issued by a US bank, which in turn are based on mortgage-backed loans to the non-financial private sector, the question arises as to whether these loans were extended to US borrowers, and whether they are in turn backed by real estate *in* the United States. If both conditions are met, the treatment is the same as above, based on the look-through approach, whereby the immediate risk is the non-financial corporate sector in Germany and the ultimate exposure lies in the US unallocated sector.

Q15: If a Japanese bank purchases emissions credits issued by the Brazilian government, in which sector should the bank report this position?

A: Emissions credits should be allocated to the government sector (LBS) or official sector (CBS) of the country where the credit was issued – in this example, Brazil.

Q16: What counterparty sector should be used for fixed assets?

A: Fixed assets are generally not included in financial claims. However, when fixed assets are pledged as collateral by a borrowing entity for a loan or other position, the reporting bank should report a risk transfer to the counterparty sector "unallocated by counterparty sector".

Q17: What should be the sector for quasi-government organisations, such as Ginnie Mae, Fannie Mae and Freddie Mac?

A: On an immediate risk basis, quasi-government organisations should be classified as "private non-financial sector". This is consistent with the SNA/BPM framework (ref: External Debt Statistics Guide 2003, Section 3.6, p 25, and Section 5.5, p 39). On an ultimate risk basis, if claims on these institutions are covered by an explicit government guarantee, they should be reallocated to the public sector. For example, the US mortgage agencies, Fannie Mae and Freddie Mac, have an explicit government guarantee up to end-2012.

Q18: What should be the sector for the balances arising from repo transactions?

A1: A repo transaction should be treated as a collateralised loan. That is, suppose a reporting bank engages in a repo transaction, whereby it receives cash in exchange for a security. If the cash received is in the form of a deposit or similar claim on a bank, the immediate risk exposure is the country where this bank is located. If this cash is lent out or otherwise deployed in the purchase of another asset, the immediate risk exposure is vis-à-vis the country where the obligor resides. (The bank would also report on the liabilities side of its balance sheet a corresponding loan from the repo counterparty.) Since the reporting bank

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[38] See paragraphs 145 and 146 of Basel Committee on Banking Supervision, *International convergence of capital measurement and capital standards*, BIS, June 2006. Available at: www.bis.org/publ/bcbs128.htm.

retains economic ownership of the underlying security provided as collateral, it does not de-recognise this security from its balance sheet. Thus, if the bank initially had 100 in US Treasury securities, and 50 of these were used in a repo transaction, the bank would maintain a claim of 100 on the US public sector.

A2: In a reverse repo agreement, whereby a reporting bank lends cash and receives a security, the counterparty country/sector on an immediate risk basis (and in the LBS) is that where the borrower of the cash leg is located. As above, it does not depend on the country were the issuer of the underlying collateral security is located. If the contract/transaction is with a bank, then the counterparty sector is "bank"; and if with a central bank, then the "official sector". On an ultimate risk basis, the country/sector of ultimate exposure is that of the issuer of the underlying collateral security. For example, if the underlying asset/instrument is a bond/security issued by a US non-financial corporation, then the country of ultimate risk would be the United States (inward risk transfer) and the sector the non-financial corporate sector.

E.2.3. Questions about immediate risk and ultimate risk reporting

Q19: What should be the country of immediate risk of claims on brass plate companies?

A: The country of immediate exposure is the country where the company is registered.

Q20: How should risk transfers be reported when gold is used as collateral?

A: If the country in which the collateral is held differs from the country of the immediate risk, then the collateral will result in an outward risk transfer from the country of the immediate risk (and an inward risk transfer to the country in which the collateral is physically held). The same reporting methodology applies to other precious metals when used as collateral. As in the case of locational banking, borrowing and lending of securities and gold without cash collateral should not be reported.

Q21: What should be the country/sector of ultimate risk for a cash balance?

A: A cash balance should be classified as a claim on the currency-issuing authority. For example, for cash balances in US dollars, the country of immediate and ultimate risk is the United States. Similarly, the sector of immediate and ultimate risk is "official sector" (claim on the US Federal Reserve).

Q22: What should be the country/sector of ultimate risk for cheques purchased?

A: This depends on the type of cheque (eg customer/private cheque, banker's cheque). Private cheques drawn on a bank should not be reported because they are off-balance sheet items (as these are sent on collection). Even if a bank purchases cheques (banker's cheques or other types of cheques), these should be classified according to where the final risk lies (ie the counterparty country and sector should be based on the nationality of the issuer's controlling parent institution). This may differ from the classification on an immediate risk basis.

Q23: What is the country of ultimate risk for cash collateral (or deposits) received?

A: If deposits or cash are used as collateral, the cash collateral holder is the bank itself and, as a result, an inward risk transfer to the home country (bank sector) should be reported (as from the Q4 2013 reporting period).

E.3. Examples of reporting of nationality classification and consolidation perimeter

Institution	Case 1 [Parent A is a type B reporting bank headquarter, resident in GB]	Case 2 [Parent A is a non-bank resident in GB]	Case 3 [Parent A is a bank resident in non-reporting county X]
A	Bank headquartered in reporting country GB (bank type B)	Non-bank resident in reporting country GB	Bank resident in non-reporting country X
B	B is a bank subsidiary of A resident in reporting country US	B is a bank subsidiary of A resident in reporting country US	B is a bank subsidiary of A resident in reporting country US
C	C is a subsidiary of B resident in reporting country NL	C is a subsidiary of B resident in reporting country NL	C is a subsidiary of B resident in reporting country NL
Questions	**Case 1**	**Case 2**	**Case 3**
What is A?	Domestic bank in GB (bank type B)	Non-bank in GB	Bank in non-reporting country X
What type of bank is B in the United States? What counterparty-country breakdown for claims should be reported for B?	(a) If B is consolidated by A in GB: for US reporting, B is "inside-area foreign bank consolidated by parent" (bank type C in CBS/IR, "foreign subsidiary" in LBS/R, and nationality GB in LBS/N); US should report unconsolidated claims vis-à-vis GB only (CBS/IR). (b) If B is not consolidated by A in GB: for US reporting, B is an "inside-area foreign bank not consolidated by parent" (bank type E in CBS/IR, a "foreign subsidiary" in LBS/R, and with nationality GB in LBS/N); US should report consolidated claims vis-à-vis all countries including GB (CBS/IR).	As a non-bank, A does not report the BIS banking statistics. For US reporting, B is an "inside-area foreign bank not consolidated by parent" (bank type E in CBS/IR, a "foreign subsidiary" in LBS/R, and of nationality GB in LBS/N); US should report consolidated claims vis-à-vis all countries including GB (CBS/IR).	A does not report the BIS banking statistics because it is resident in a non-reporting county. For US reporting, B is an "outside-area foreign bank" (bank type D in CBS/IR, a "foreign subsidiary" in LBS/R, and of nationality X in LBS/N); US should report unconsolidated claims vis-à-vis all countries including X (CBS/IR).

Questions	Case 1	Case 2	Case 3
What type of bank is C in the Netherlands? What counterparty-country breakdown for claims should be reported for C?	(a) If C is consolidated by A in GB: for NL reporting, C is “inside-area foreign bank consolidated by parent” (bank type C in CBS/IR, a “foreign subsidiary” in LBS/R, and of nationality GB in LBS/N); NL should report unconsolidated claims vis-à-vis GB only (CBS/IR). (b) If C is consolidated by B in US (and not by A in GB): for NL reporting, C is an “inside-area foreign bank consolidated by parent” (bank type C in CBS/IR, a “foreign subsidiary” in LBS/R, and of nationality GB in LBS/N); NL should report unconsolidated claims vis-à-vis GB only (CBS/IR). (c) If C is not consolidated by either A in GB or B in US: for NL reporting, C is an “inside-area foreign bank not consolidated by parent” (bank type E in CBS/IR, a “foreign subsidiary” in LBS/R, of and nationality GB in LBS/N); NL should report consolidated claims vis-à-vis all countries including GB and US (CBS/IR).	(a) If C is consolidated by B in US: for NL reporting, C is an “inside-area foreign bank consolidated by parent” (bank type C in CBS/IR, a “foreign subsidiary” in LBS/R, and of nationality GB in LBS/N); NL should report unconsolidated claims vis-à-vis GB only (CBS/IR). (b) If C is not consolidated by B in US: for NL reporting, C is an “inside-area foreign bank not consolidated by parent” (bank type E in CBS/IR, a “foreign subsidiary” in LBS/R, and of nationality GB in LBS/N); NL should report consolidated claims vis-à-vis all countries including US and GB (CBS/IR).	For NL reporting, C is an “outside-area foreign bank” (bank type D for CBS/IR, a “foreign subsidiary” in LBS/R, and of nationality X for LBS/N); NL should report unconsolidated claims vis-à-vis all countries including X and US (CBS/IR).

E.4. Examples of the reporting of specific transactions[39]

Reporting country: United States *4.1 Loans and deposits*	Immediate risk reporting					Ultimate risk reporting		
	Type of bank	**Type of claim**	**Counter-party sector**	**Counter-party country**	**Risk transfers**	**Type of claim**	**Counter-party sector**	**Counter-party country**
1. A US bank has extended a loan to a corporate in Japan which is backed by a guarantee from a bank in the United Kingdom	Domestic	International	Non-financial corporate	Japan	Inward: UK; outward: Japan	Cross-border	Bank	UK
2. A US bank has extended a loan to a corporate in Japan which is backed by either (a) a guarantee from a bank in the United States or (b) US Treasury paper provided as collateral	Domestic	International	Non-financial corporate	Japan	Outward: Japan; inward: US	Local	Bank if scenario (a); official if scenario (b)	US
3. A US bank has a deposit with a branch of a Japanese bank in the United Kingdom	Domestic	International	Bank	UK	Inward: Japan; outward: UK	Cross-border	Bank	Japan
4. A US bank has extended a loan to a corporate in Japan. The corporate has provided UK government securities as collateral	Domestic	International	Non-financial corporate	Japan	Inward: UK; outward: Japan	Cross-border	Official	UK
5. A US bank has extended a loan to a corporate in Japan. In order to hedge the counterparty risk, the US bank has bought a credit derivative issued by a bank in the United Kingdom	Domestic	International	Non-financial corporate	Japan	Inward: UK; outward: Japan	Cross-border	Bank	UK

[39] Please note that the term “bank” refers only to either head offices of banks or their legally independent and incorporated subsidiaries, and not to branches of banks, which are referred to separately. In addition, the term “none” should be read as meaning “no reporting required”.

Reporting country: United States *4.1 Loans and deposits* (cont)	Immediate risk reporting					Ultimate risk reporting		
	Type of bank	**Type of claim**	**Counter-party sector**	**Counter-party country**	**Risk transfers**	**Type of claim**	**Counter-party sector**	**Counter-party country**
6. A subsidiary of a US bank in Japan has a deposit in local currency with a branch of a UK bank in Japan	Domestic	Local claims in local currency	Bank	Japan	Inward: UK; outward: Japan	Cross-border	Bank	UK
7. A subsidiary of a US bank in Japan has extended a loan in foreign currency to a corporate in Japan. The corporate has provided US government securities as collateral	Domestic	International	Non-financial corporate	Japan	Outward: Japan inward: US	Local	Official	US
8. A subsidiary of a US bank in Japan has extended a loan to a corporate in the United Kingdom guaranteed by a bank in Japan	Domestic	International	Non-financial corporate	UK	Inward: Japan; outward: UK	Local	Bank	Japan
9. A branch of a US bank in Japan has a deposit with a branch of a Japanese bank in the United States	Domestic	Local	Bank	US	Inward: Japan; outward: US	Local	Bank	Japan
10. A branch of a Japanese bank in the United States has extended a loan to a corporate in Japan.	Inside-area, consolidated	International	Private non-financial	Japan	None	None	None	None
11. A branch of a Japanese bank in the United States has extended a loan to a corporate in the United Kingdom	Inside-area, consolidated	None	None	None	None	None	None	None
12. A branch/subsidiary of a Philippine bank in the United States has extended a loan to a bank in Japan	Outside-area	International	Bank	Japan	None	None	None	None

Reporting country: United States ***4.1 Loans and deposits*** *(cont)*	**Immediate risk reporting**					**Ultimate risk reporting**		
	Type of bank	**Type of claim**	**Counter-party sector**	**Counter-party country**	**Risk transfers**	**Type of claim**	**Counter-party sector**	**Counter-party country**
13. A subsidiary of a US bank in Canada acquires credit card claims in local currency on household customers in Canada. Subsequently, the bank issues asset-backed securities against these claims and sells the securities in Canada[1]	Domestic	Local currency	Unallocated	Canada	Outward: Canada inward: US	Local	House-holds	Canada
14. The business of a subsidiary of a UK bank in the United States has not been consolidated by the parent.[2] This subsidiary has extended a loan to a corporate in Japan guaranteed by a bank in Canada	Inside-area, unconsoli-dated[2]	International	Non-financial corporation s	Japan	Outward: Japan; inward: Canada	Cross-border	Bank	Canada
15. A US bank has extended a loan to a subsidiary of a Japanese bank in the United Kingdom. The subsidiary ***has not*** received an explicit guarantee from its head office	Domestic	International	Bank	UK	None	Cross-border	Bank	UK
16. A US bank has extended a loan to a subsidiary of a Japanese bank in the United Kingdom. The subsidiary ***has*** received an explicit guarantee from its head office	Domestic	International	Bank	UK	Inward: Japan outward: UK	Cross-border	Bank	Japan
17. A US bank has a sale and repurchase transaction (repo) involving the sale of a USD-denominated security with a commitment to repurchase the same asset[3] with a branch of a UK bank in Austria	Domestic	International	Bank	Austria	Inward: UK outward: Austria	Cross-border	Bank	UK

[1] Provided the securitisation is without recourse or guarantees and no residual exposure is retained by the issuing bank. [2] This subsidiary remains unconsolidated in the UK reporting (known from the banking list), and the United States will report all cross-borders position on a consolidated basis under “unconsolidated inside-area foreign banks” (also see Section C.2.2). [3] Securities lent can be deducted from the portfolio (as recommended under GAAP) or not (as under IFRS).

Reporting country: United States *4.2 Securities*	Immediate risk reporting					Ultimate risk reporting		
	Type of bank	**Type of claim**	**Counter-party sector**	**Counter-party country**	**Risk transfers**	**Type of claim**	**Counter-party sector**	**Counter-party country**
1. A US bank has purchased securities issued by a Japanese bank against credit card claims on Japanese households	Domestic	International	Bank	Japan	Inward: Japan; outward: Japan	Cross-border	House-holds	Japan
2. A US bank has purchased securities issued by a branch of a Japanese bank in the United States	Domestic	Local	Bank	US	Inward: Japan; outward: US	Cross-border	Bank	Japan
3. A Japanese bank in the United States has purchased Japanese government securities (reporting by the Japanese bank in the United States)	Inside-area	International	Official	Japan	None	None	None	None
4. A Japanese bank in the United States has purchased UK government securities (reporting by the Japanese bank in the United States)	Inside-area	None	None	None	None	None	None	None
5. A Philippine bank in the United States has purchased UK government securities (reporting by the Philippine bank in the United States)	Outside-area	International	Official	UK	None	None	None	None
6. A US bank in Japan has purchased securities issued by a subsidiary of a Japanese bank in Canada and the issue of securities has been explicitly guaranteed by the parent	Domestic	International	Bank	Canada	Inward: Japan; outward: Canada	Local	Bank	Japan

Reporting country: United States ***4.2 Securities*** *(cont)*	Immediate risk reporting					Ultimate risk reporting		
	Type of bank	**Type of claim**	**Counter-party sector**	**Counter-party country**	**Risk transfers**	**Type of claim**	**Counter-party sector**	**Counter-party country**
7. A Japanese bank in the United Kingdom has sold GBP-denominated securities to, and entered into a repurchase agreement with, a US bank in the United Kingdom	Domestic	Local	Bank	UK	Inward: Japan; outward: UK	Cross-border	Bank	Japan
8. A US bank in the United States has purchased Italian government securities in a reverse repurchase agreement with a German bank in the United Kingdom	Domestic	International	Bank	UK	Inward: Germany; outward: UK	Cross-border	Bank	Germany

Reporting country: United States ***4.3 Derivatives*** (To be reported on a consolidated and ultimate risk basis)	**Immediate risk reporting**[1]					**Ultimate risk reporting**	
	Type of bank	**Type of claim**	**Counter-party sector**	**Counter-party country**	**Risk transfers**	**Type of claim**	**Counter-party country**
1. A US bank has bought credit derivatives issued by a UK bank in the United Kingdom which are recorded in the trading book of the US bank	Domestic	None	None	None	None	Derivatives	UK
2. A US bank has bought interest rate derivatives issued by a branch of a Japanese bank in the United Kingdom	Domestic	None	None	None	None	Derivatives	Japan
3. A US bank has bought equity derivatives issued by another US bank in the United States. The bank has provided UK government securities as collateral	Domestic	None	None	None	None	Derivatives	UK
4. A branch of a US bank in Japan has bought interest rate derivatives issued by a branch of a UK bank in Japan	Domestic	None	None	None	None	Derivatives	UK
5. A subsidiary of a US bank in Japan has bought equity derivatives issued by a branch of a US bank in Japan	Domestic	None	None	None	None	Derivatives	US
6. A Japanese bank in the United States has bought credit derivatives issued by a bank in Japan which are recorded in the trading book of the Japanese bank in the United States	Inside-area, consolidated	None	None	None	None	None	None
7. A Philippine bank in the United States has bought credit derivatives issued by a bank in Japan which are recorded in the trading book of the Philippine bank in the United States	Outside-area	None	None	None	None	None	None

[1] Derivatives (on- and off-balance sheet) should not be reported on an immediate risk basis.

Reporting country: United States *4.4 Guarantees and credit commitments*	**Immediate risk reporting**					**Ultimate risk reporting**	
	Type of bank	**Type of claim**	**Counter-party sector**	**Counter-party country**	**Risk transfers**	**Type of claim**	**Counter-party sector**
1. A US bank has guaranteed a loan extended by a bank in Japan to the branch of a UK bank in Hong Kong SAR	Domestic	None	None	None	None	Guarantee	UK
2. A US bank has made a credit commitment to a corporate in the United Kingdom	Domestic	None	None	None	None	Credit commitment	UK
3. A US bank has made a credit commitment to a branch of a UK bank in Japan	Domestic	None	None	None	None	Credit commitment	UK
4. A US bank has sold a credit derivative on a German corporate to a branch of a Japanese bank in the United Kingdom (see also question 15 in Table 4.1)	Domestic	None	None	None	None	Guarantee	Germany
5. A subsidiary of a US bank in Japan has guaranteed a loan extended by a Japanese bank to a branch of a UK bank in Japan	Domestic	None	None	None	None	Guarantee	UK
6. A branch of a US bank in Japan has made a credit commitment to a corporate in Japan	Domestic	None	None	None	None	Credit commitment	Japan
7. A Philippine bank in the United States has guaranteed a loan extended by a Japanese bank to a corporate in the Philippines	Outside-area	None	None	None	None	None	None
8. A Japanese bank in the United States has guaranteed a loan extended by a UK bank to a corporate in France	Inside-area	None	None	None	None	None	None

F. Glossary

A

Affiliate (of a bank)	A branch, subsidiary or a joint venture. In these Guidelines, a clear distinction is made between the various types of affiliates.
“À forfait” purchase	An outright purchase of a trade bill (or similar instrument) which absolves the seller/presenter of the bill from any obligation should the drawee fail to honour the bill when it matures.

B

Banking offices	Includes banks’ head offices, branches and subsidiaries (same definition as for “Affiliates”).
Banks, deposit-taking corporations, monetary financial institutions (MFIs)	Financial institutions whose business it is to receive deposits or close substitutes for deposits and to grant credits or invest in securities on their own account. For the purposes of the consolidated banking statistics, the counterparty sector “banks” excludes central banks and multilateral development banks. In the locational banking statistics, central banks (including the BIS and the ECB) are included in the counterparty sector “banks”. Money market funds, investment funds and pension funds are excluded from this category.
Branch	Unincorporated entity wholly owned by another entity.
Brass plate company	A company that is used to register ownership of shipping vessels or to raise capital through the issuance of securities. Such companies may register in a country but for all practical purposes have no operational presence in that country. Moreover, books or accounts may be maintained elsewhere rather than in the host country.

C

Cash collateral	Collateral consisting of cash, negotiable instruments (eg negotiable securities), documents of title, deposit accounts or other cash equivalents. It includes any negotiable assets that may be converted into liquid assets, if necessary. In bankruptcy proceedings, cash collateral is important for presenting an accurate picture of the financial condition related to the action. Depending on the type of bankruptcy that is being filed, conversion of assets into cash may be required. This cash collateral is then used to discharge part of the outstanding indebtedness, leaving the court to address the disposition of any remaining credit.
Central banks	See “Official monetary authorities”.

Claims on an immediate risk basis

Financial assets including, as a minimum, deposits and balances with other banks, loans and advances to non-banks as well as banks, and holdings of debt securities. For the purposes of the consolidated banking statistics on an immediate risk basis (CBS/IR), claims should be allocated to the counterparty country and sector of the immediate obligor. Moreover, the definition of claims should exclude derivatives with a positive market value. These derivatives positions are reported separately in the consolidated banking statistics on an ultimate risk basis (CBS/UR).

Consolidated banking statistics

The statistics capture the consolidated positions of banks' worldwide offices, including the positions of banks' foreign subsidiaries and branches but excluding inter-office activity. Central banks and other official authorities collect the data on a consolidated basis from individual banks headquartered in their jurisdiction. Aggregate data for the national banking system are then provided to the BIS.

Consortium bank

A joint venture in which no single owner has a controlling interest.

Controlling parent institution

The entity that controls or exerts dominant influence over the financial affiliates in a corporate group. In the IBS, what is relevant for the identification of the controlling parent is the highest level entity over which consolidated supervision is exercised by prudential authorities. The controlling parent institution of a reporting bank may thus be the ultimate parent, or may be the head of a financial group that is a subset of a diversified conglomerate. For banks that are not part of a larger corporate group, the controlling parent is generally the head office (or home office) of the bank.

Countries

Both territorial entities that are states, as understood by international law and practice, and territorial entities that are not states but for which statistical data are maintained and provided internationally on a separate and independent basis.

Coverage

Refers either to the number of countries that report, or to the number of reporting institutions in each country, or to the extent of balance sheet reporting by individual banks, thus indicating the degree of comprehensiveness of the information collected.

Credit commitments

Arrangements that irrevocably obligate an institution, at a client's request, to extend credit in the form of loans, participation in loans, lease financing receivables, mortgages, overdrafts or other loan substitutes or commitments to extend credit in the form of the purchase of loans, securities or other assets, such as backup facilities including those under note issuance facilities and revolving underwriting facilities. In the CBS/UR, banks are asked to report the undisbursed (unutilised) amounts of legally binding credit commitments.

Credit derivatives contract	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, total return swaps and credit spread options.
Cross-border positions	Asset and liability positions vis-à-vis banks and non-banks located in a country other than the country of residence of the reporting banking office; also referred to as "external" positions.

D

Debt securities	Negotiable instruments other than loans and deposits, equity securities, investment fund shares or units, and financial derivatives. All financial assets that are bearer instruments, usually negotiable and traded on secondary markets, not granting the holder any ownership rights to the institutional unit issuing them. Non-negotiable instruments are classified as loans and deposits.
Deposit-taking corporations	See "Banks".
Derivative instrument	A financial instrument whose value depends on some underlying financial asset, commodity index or predefined variable.
Derivative claim	A derivative instrument with a positive market value. These are reported separately in the CBS/UR (see Section C.6.1.2).
Derivative liability	A derivative instrument with a negative market value. These are reported as part of the instrument breakdown of total liabilities in the CBS/IB (see Section C.4.2.2).
Domestic bank	A bank whose controlling parent institution is located in the reporting country, regardless of whether the controlling parent institution is a banking or non-banking entity.

E

"En pension" acquisition	Transaction in which the pension provider transfers assets – such as bills of exchange, receivables or securities – in return for payment of a sum of money, to a recipient of a pension, on the understanding that the pension provider is obliged, or even entitled, to re-transfer the assets on a specific date or on a date yet to be defined. Mostly consists of loan transactions with fixed-interest securities over a fixed period.
Equity securities	An equity security is any financial instrument that evidences a residual interest in the assets of an entity after deduction of all of its liabilities. See IAS32.11 and IAA32.16 for more information.

Exchange-rate adjusted changes	The change in stocks after eliminating the valuation effects arising from movements in exchange rates of original currencies against US dollar. The term is applied to data expressed in a common currency (for instance, the international banking statistics are expressed in US dollar equivalent). It is calculated by: (a) converting US dollar equivalent stocks back into respective original currencies, using end-of-period exchange rates for a given quarter, (b) deriving the difference in stocks in original currency, and (c) converting back the changes of stocks to equivalent US dollars amounts in original currencies using period average (eg quarterly) exchange rates to the US dollar.
External positions	See “Cross-border positions”.

F

Face value	The amount of principal to be repaid (*2008 SNA* 3.154 (d)). It is equivalent to the redemption price of a debt security excluding accrued interest (2009 Handbook on Securities Statistics, Part 1).
Foreign bank (branches and/or subsidiaries)	A bank whose controlling parent institution is outside the country in which the reporting banking entity is located (see “Affiliates”).
Foreign claims	Financial claims on residents of countries other than the reporting country, ie claims on non-residents of the reporting country. In the CBS, foreign claims are calculated as the sum of cross-border claims and local claims (in all currencies) of reporting banks’ foreign affiliates, or equivalently of international claims and local claims denominated in local currencies (see Table C3).
Foreign currency positions	Positions denominated in a currency other than the local (domestic) currency of the country in which the banking office is located.

G

General government	Includes the central government, state government, local government and social security funds. In the LBS, central banks, other official monetary authorities and public corporations are not part of the general government sector. In the CBS, central banks are combined with the general government to form the “official sector”.

Guarantees extended	Contingent liabilities arising from an irrevocable obligation to pay a third-party beneficiary when a client fails to perform certain contractual obligations. They include secured, bid and performance bonds, warranties and indemnities, confirmed documentary credits, irrevocable and standby letters of credit, acceptances and endorsements. Guarantees extended also include the contingent liabilities of the protection seller of credit derivatives instruments. In the CBS/UR, banks are asked to report guarantees extended.

H

Head office	A bank exercising control over or ownership of affiliates. In the IBS, the head office is taken to be the highest level entity over which consolidated supervision is exercised by prudential authorities. See also “Controlling parent institution”.
Hedge funds	Any collective investment undertakings or private investment funds, often leveraged, and often engaging in active trading strategies (including arbitrage) to achieve positive absolute returns and whose managers are remunerated in relation to the funds’ performance.
Home country	The country where the prudential authority exercising the highest level of consolidated supervision is located. Also referred to as “parent country”.
Households	Individuals, families, unincorporated enterprises owned by households, and non-profit institutions serving households (NPISHs) such as charities, religious institutions, trade unions and consumer associations.

I

Inside-area bank	A bank in a BIS reporting country whose controlling parent institution is located elsewhere in the BIS reporting area, that is, in another country that reports consolidated banking statistics to the BIS (Table A2).
Interbank positions	Asset and liability positions reported by a bank vis-à-vis another bank.
International banking business	The term “international” refers to banks’ transactions in any currency with non-residents (ie their external or cross-border business) plus their transactions in foreign (non-local) currency with residents.
International banking facility (IBF)	A banking unit in the United States conducting cross-border business unrestricted by many of the rules and regulations applied in ordinary banking with residents. Similar institutions exist in Japan. IBFs and similar institutions are considered residents of the country in which they are located.
International claims	Sum of cross-border claims in any currency and local claims of foreign affiliates denominated in non-local currencies.

International organisation	International organisations are those that meet either of the following conditions: a) The members of the organization are either national states or other international organizations whose members are national states; they thus derive their authority either directly from the national states that are their members or indirectly from them through other international organizations. b) They are entities established by formal political agreements between their members that have the status of international treaties; their existence is recognized by law in their member countries.
Inter-office business	Business between different offices of the same banking organisation. Inter-office business is excluded in the consolidated banking statistics, but is included in the locational banking statistics and reported separately in the locational statistics by nationality.
Intrabank business	See "Inter-office business".
Investment companies	Companies that actively manage a pool of assets for their shareholders and that issue redeemable securities that represent an undivided interest in the assets managed by the company.
Investment funds	All collective investment entities investing in financial and non-financial assets where the sole objective is the investment of capital raised from the public. This definition excludes pension funds and money market funds, the latter being classified as "other depository institutions". Hedge funds are considered as being part of this category of funds.

J

Japan Offshore Market	See "International banking facility".
Joint venture	A (banking) enterprise in which two or more parties hold major interests. One of those parties may, but need not, be of the country in which the joint venture operates.

L

Loans and deposits

On the claims side, all loans granted, working capital provided to branches/subsidiaries, and deposits with other banks, including those with their own affiliates (inter-office positions).

On the liabilities side, all claims on the reporting bank that reflect evidence of deposit, and borrowing (loans) from others. In the locational banking statistics, this includes borrowing from the bank's own affiliates, head office or controlling parent institution, and working capital received from the head office or controlling parent institution.

This instrument category also includes repurchase transactions (repos), financial leases, promissory notes, non-negotiable debt securities (eg non-negotiable CDs), endorsement liabilities arising from bills rediscounted abroad and subordinated loans (including subordinated non-negotiable debt securities) and reporting banks' holdings of notes and coins that are in circulation.

Local positions in local currency

Asset or liability positions with a counterparty (bank or non-bank) located in the same country as the banking office and which are denominated in the domestic currency of the country.

Local positions in foreign currencies

Asset or liability positions with a counterparty (bank or non-bank) located in the same country as the banking office and which are denominated in a currency *other than* the domestic currency of the country.

Locational banking statistics

Statistics designed mainly to capture the financial claims and financial liabilities of internationally active banks (ie excluding only resident domestic banks without positions vis-à-vis non-residents of the reporting country). The statistics cover all on-balance sheet positions and some off-balance sheet positions in the aera of trustee business. The basic reporting basise underlying the statistics is the residence of the reporting banking office. This conforms to balance of payments and external debt methodology. These offices report exclusively their own (unconsolidated) business, including their international transactions with any of their own affiliates (branches, subsidiaries, joint ventures), including claims and liabilities vis-à-vis non-residents in any currency, claims and liabilities vis-à-vis residents of the reporting country in local currency as well as in foreign currencies.

Long-term

Maturities exceeding one year or with no stated maturity.

M

Master netting agreement

See "Netting agreement".

Maturity structure	In the consolidated banking statistics on an immediate risk basis (CBS/IR), breakdown of positions according to their remaining maturity (ie the time to final maturity) as opposed to contractual or original maturity (ie maturity at initiation of contract).
Monetary financial institutions	See "Banks".
Money market funds	Funds that issue highly liquid liabilities of a monetary nature and that are similar to financial institutions ("other depository corporations").
Mutual funds	Investment companies that issue and sell redeemable securities which represent an undivided interest in the assets held by the fund.

N

Nationality (of reporting entities)	Nationality is determined by the location of the reporting entity's controlling parent institution (in contrast to the location of the reporting entity). See also "Controlling parent institution".
Negotiable security	A security where legal ownership is readily capable of being transferred from one entity to another by delivery or endorsement (BPM6, paragraph 5.15). It is not necessary that a security be traded on an exchange for it to be considered negotiable.
Netting agreement	A netting agreement (or master netting agreement) is a standardised bilateral contract that enables trading counterparties to agree to net collateral requirements. Such an agreement enables the positive balances of one counterparty to be offset against the negative ones of another when payable the same day and in the same currency. For further information, see Basel Committee on Banking Supervision, *International convergence of capital measurement and capital standards*, BIS, June 2006. Available at: www.bis.org/publ/bcbs128.htm.
Nominal value	The outstanding amount the debtor owes to the creditor, which is composed of the outstanding principal amount including any accrued interest (BPM6, 3.88). The nominal value reflects the sum of funds originally advanced, plus any subsequent advances, plus any interest that has accrued, less any repayments (which includes any payments covering interest accrual).
Non-bank financial institutions	Private or public financial institutions, other than banks, engaged primarily in the provision of financial services and activities auxiliary to financial intermediation such as fund management. Includes special purpose vehicles, hedge funds, securities brokers, money market funds, pension funds, insurance companies, financial leasing corporations, central clearing counterparties, unit trusts, other financial auxiliaries and other captive financial institutions. It also includes any public financial institutions such as development banks and export credit agencies.

Non-banks	All entities other than those defined as banks. The general government sector and public corporations are part of the non-bank sector. In the locational banking statistics, central banks are classified as "banks". In the consolidated banking statistics, central banks are classified as "official sector" and thus are considered non-banks.
Non-financial corporations	Privately and publicly owned corporations as well as unincorporated enterprises that function as if they were corporations, such as partnerships and the branches of foreign corporations.

O

Official monetary authorities	Central banks or similar national and international bodies, such as the BIS. Central banks are allocated to the counterparty sector "banks" in the locational banking statistics, but to "official sector" in the consolidated banking statistics. See Section H for a list of institutions classified as central banks for the purposes of the IBS.
Official sector	In the CBS, the counterparty sector "official sector" comprises the general government sector, central bank sector and international organisations (including multilateral development banks). Public non-bank financial institutions and public corporations should not be classified as "official sector", but rather should be classified as non-bank financial institutions or private non-financial sector, respectively.
Offshore centres	A term used to describe countries with banking sectors dealing primarily with non-residents and/or in foreign currency on a scale out of proportion to the size of the host economy.
Outside-area banks	Banking offices with a controlling parent institution located in a country or territory which does not report consolidated banking statistics to the BIS.
Own offices	Different offices of the same bank, including head offices, branch offices and subsidiaries. Also called "related offices".

P

Parent country	See "Home country".
Parent institution	See "Controlling parent".
Participation	Permanent holding of financial interests in other undertakings, eg through the acquisition of shares.
Promissory note	A written, dated and signed two-party instrument containing an unconditional promise by the maker to pay a definite sum of money to a payee on demand or at a specified future date. The only difference between a promissory note and a bill of exchange is that the maker of a note pays the payee personally, rather than ordering a third party to do so.

R

Related offices	See “Own offices”.
Reporting area	The whole group of countries which report to the BIS. The reporting area is different for the locational and the consolidated banking statistics.
Reporting centre or country	The terms “reporting centre” and “reporting country” are used interchangeably and refer to the countries that participate in the locational and/or consolidated banking statistics.
Reporting institutions	All deposit-taking corporations/institutions located in a BIS reporting country.
Repurchase agreements (repos)	Repos are money market operations based on arrangements 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 short-term) or on a date subject to the discretion of the purchaser. From the perspective of the entity purchasing the security in the first leg, the transaction is referred to as a reverse repo agreement.
Resident/non-resident	The residence of a counterparty is the country where the counterparty is permanently located, physically and/or by way of law or registration. In other words, the residence of an institutional unit is determined by the location where it has its centre of predominant economic interest. This concept is similar to the one used for balance of payments purposes. It should not be confused with the nationality criterion.
Risk transfer	Requirement in the consolidated banking statistics for the reporting of data on the reallocation of international claims from the country of the immediate risk to the country of “ultimate risk”. Data are requested separately on outward and inward risk transfers.

S

Short position	See “Short sales”.
Short sales/short selling	In finance, short selling is the practice of selling securities the seller does not then own, in the hope of repurchasing them later at a lower price.
Short-term	Maturities of up to and including one year or maturities on demand.
Stock figure	An amount outstanding on a particular date as opposed to a flow for a given period.
Subsidiary	A separately incorporated entity in which another entity has a majority or full participation.

Swap (currency swap) Contract which commits two counterparties to exchange streams of interest payments in different currencies for an agreed period of time and to exchange principal amounts in different currencies at a pre-agreed exchange rate at maturity.

On balance-sheet accounts are not affected at inception.

Swap (foreign exchange swap) Transaction which involves the actual exchange of two currencies (principal amount only) on a specific date at a rate agreed at the time of conclusion of the contract (the short leg), and a reverse exchange of the same two currencies at a date further in the future and at a rate (generally different from the rate applied to the short leg) agreed at the time of the contract (the long leg). Both spot/forward and forward/forward swaps are included. Short-term swaps carried out as "tomorrow/next day" transactions are also included in this category.

Only the currency composition of the on balance-sheet accounts is affected at inception.

T

Trustee business Funds received and/or invested on a trust basis in a bank's own name but on behalf of third parties.

U

Ultimate risk Analytical concept for measuring country risk exposure in the context of the CBS/UR. In contrast to the country where the actual counterparty resides, the country of ultimate risk is defined as the country in which the guarantor of a financial claim resides and/or the country in which the head office of a legally dependent branch is located.

Undisbursed credit commitments See "Credit commitments".

V

Vis-à-vis country Country of location of the counterparty to a financial contract. The claim of a reporting bank will be the liability of an entity in the vis-à-vis country and vice versa.

W

Working capital Funds of a permanent debt nature provided by the head office or the controlling parent institution of a bank to a legally dependent, unincorporated branch for the purpose of supporting its day-to-day operations.

G. List of international organisations

In both the LBS and the CBS, positions vis-à-vis international organisations should be reported in the category "international organisations" under the counterparty-country dimension and should not be allocated to any specific counterparty country. The city where an organisation is headquartered is listed below for information only and is not related to the reporting of the counterparty-country breakdown.

In the LBS, some international organisations, specifically multilateral development banks, should be classified in the counterparty-sector dimension as "banks" prior to the Q4 2013 reporting period and as "non-bank financial institutions" thereafter. The rest should be classified as "non-financial sector" (or prior to Q4 2013 "non-bank sector"). In the CBS, all international organisations should be classified as "official sector".

The list below is not exhaustive. The latest list is available on the BIS website (www.bis.org/statistics/bankstatsguide.htm).

International organisation	Acronym	Head office	Counterparty sector in LBS
African Development Bank Group	AfDB	Abidjan	Non-bank financial institution
African Union	AU	Addis Ababa	Non-financial sector
Andean Development Corporation	ADC	Caracas	Non-bank financial institution
Arab Bank for Economic Development in Africa	BADEA	Khartoum	Non-bank financial institution
Arab Fund for Economic and Social Development	AFESD	Kuwait	Non-bank financial institution
Arab Monetary Fund	AMF	Abu Dhabi	Non-bank financial institution
Asian Clearing Union	ACU	Tehran	Non-bank financial institution
Asian Development Bank	ADB	Manila	Non-bank financial institution
Association of Southeast Asian Nations	ASEAN	Jakarta	Non-financial sector
Caribbean Community and Common Market	CARICOM	Georgetown (Guyana)	Non-financial sector
Caribbean Development Bank	CDB	St Michael (Barbados)	Non-bank financial institution
Central African States Development Bank	CASDB	Brazzaville	Non-bank financial institution
Central American Bank for Economic Integration	CABEI	Tegucigalpa	Non-bank financial institution
Central American Common Market	CACM	Guatemala City	Non-financial sector
Colombo Plan		Colombo	Non-financial sector
Council of Europe	CE	Strasbourg	Non-financial sector
Council of Europe Development Bank		Paris	Non-bank financial institution
East African Development Bank	EADB	Kampala	Non-bank financial institution
Economic Community of West African States	ECOWAS	Lagos	Non-financial sector

International organisation	Acronym	Head office	Counterparty sector in LBS
European Atomic Energy Community	Euratom	Brussels	Non-financial sector
European Bank for Reconstruction and Development	EBRD	London	Non-bank financial institution
European Free Trade Association	EFTA	Geneva	Non-financial sector
European Investment Bank	EIB	Luxembourg	Non-financial sector
European Organization for Nuclear Research	CERN	Geneva	Non-financial sector
European Space Agency	ESA	Paris	Non-financial sector
European Stability Mechanism (prior to 2013 European Financial Stability Facility)[40]	ESM	Luxembourg	Non-bank financial institution
European Telecommunications Satellite Organization	EUTELSAT	Paris	Non-financial sector
European Union	EU	Brussels	Non-financial sector
Food and Agriculture Organization	FAO	Rome	Non-financial sector
Inter-American Development Bank	IADB	Washington	Non-bank financial institution
Intergovernmental Council of Copper Exporting Countries	CIPEC	Paris	Non-financial sector
International Atomic Energy Agency	IAEA	Vienna	Non-financial sector
International Bank for Reconstruction and Development World Bank	IBRD	Washington	Non-bank financial institution
International Civil Aviation Organization	ICAO	Montreal	Non-financial sector
International Cocoa Organization	ICCO	London	Non-financial sector
International Coffee Organization	ICO	London	Non-financial sector
International Committee of the Red Cross	ICRC	Geneva	Non-financial sector
International Cotton Advisory Committee	ICAC	Washington	Non-financial sector
International Development Association	IDA	Washington	Non-bank financial institution
International Finance Corporation	IFC	Washington	Non-bank financial institution
International Fund for Agricultural Development	IFAD	Rome	Non-financial sector
International Grains Council	IGC	London	Non-financial sector
International Jute Study Group	IJSG	Dhaka	Non-financial sector

[40] European Financial Stability Facility (EFSF)/European Financial Stabilisation Mechanism (EFSM) bonds in banks' portfolios should be reported vis-à-vis residual developed country (2R) and the public sector up to 2013 and under international organisations (1C) thereafter.

International organisation	Acronym	Head office	Counterparty sector in LBS
International Labour Organization	ILO	Geneva	Non-financial sector
International Lead and Zinc Study Group	ILZSG	Lisbon	Non-financial sector
International Maritime Organization	IMO	London	Non-financial sector
International Maritime Satellite Organization	INMARSAT	London	Non-financial sector
International Monetary Fund	IMF	Washington	Non-bank financial institution
International Olive Oil Council	IOOC	Madrid	Non-financial sector
International Rubber Study Group	IRSG	London	Non-financial sector
International Sugar Organization	ISO	London	Non-financial sector
International Telecommunication Union	ITU	Geneva	Non-financial sector
Islamic Development Bank	IDB	Jeddah	Non-bank financial institution
Latin American Association of Development Financing Institutions	ALIDE	Lima	Non-financial sector
Latin American Economic System	SELA	Caracas	Non-financial sector
Latin American Energy Organization	OLADE	Quito	Non-financial sector
Latin American Integration Association	LAIA	Montevideo	Non-financial sector
Latin American Reserve Fund	LARF	Bogotá	Non-bank financial institution
League of Arab States	LAS	Cairo	Non-financial sector
Nordic Investment Bank	NIB	Helsinki	Non-bank financial institution
North Atlantic Treaty Organisation	NATO	Brussels	Non-financial sector
Organisation for Economic Co-operation and Development	OECD	Paris	Non-financial sector
Organisation of Eastern Caribbean States	OECS	Castries (St Lucia)	Non-financial sector
Organization of American States	OAS	Washington	Non-financial sector
Organization of Arab Petroleum Exporting Countries	OAPEC	Safat (Kuwait)	Non-financial sector
Organization of Central American States	OCAS	San Salvador	Non-financial sector
Organization of the Petroleum Exporting Countries	OPEC	Vienna	Non-financial sector
OPEC Fund for International Development	OFID	Vienna	Non-bank financial institution
South Asian Association for Regional Cooperation	SAARC	Kathmandu	Non-financial sector
United Nations Children's Fund	UNICEF	New York	Non-financial sector
United Nations committees, funds and programmes, other		New York	Non-financial sector

International organisation	Acronym	Head office	Counterparty sector in LBS
United Nations Conference on Trade and Development	UNCTAD	Geneva	Non-financial sector
United Nations Educational, Scientific and Cultural Organization	UNESCO	Paris	Non-financial sector
Universal Postal Union	UPU	Berne	Non-financial sector
West African Economic and Monetary Union	WAEMU	Ouagadougou	Non-bank financial institution
West African Economic Community	WAEC	Ouagadougou	Non-financial sector
West African Monetary Agency	WAMA	Freetown (Sierra Leone)	Non-bank financial institution
Western European Union	WEU	Brussels	Non-financial sector
World Council of Churches	WCC	Geneva	Non-financial sector
World Health Organization	WHO	Geneva	Non-financial sector
World Intellectual Property Organization	WIPO	Geneva	Non-financial sector
World Meteorological Organization	WMO	Geneva	Non-financial sector
World Tourism Organization	UN WTO	Madrid	Non-financial sector
World Trade Organization	WTO	Geneva	Non-financial sector

H. List of central banks and other official monetary authorities

The "central banks" counterparty sector includes: central banks; currency boards or independent currency authorities that issue national currency that is fully backed by foreign exchange reserves; and government-affiliated agencies that are separate institutional units and primarily perform central bank activities. In the LBS central banks are included in the counterparty sector "banks", whereas in the CBS they are included in the sector "official sector". Positions vis-à-vis central banks should be reported under the respective countries in which they are located.

Prior to the Q4 2013 reporting period, central banks should be separately identified in the LBS/R as a memo item, "Official monetary authorities (central banks)", in the counterparty country breakdown and in the LBS/N as an of which item in the bank sector. From the Q4 2013 reporting period, central banks should be reported in both sets of locational statistics as an of which item in the bank sector.

The list of central banks below is not exhaustive. The latest list is available on the BIS website (www.bis.org/statistics/bankstatsguide.htm).

Country	ISO	Name of central bank	City
Afghanistan	AF	Central Bank of Afghanistan	Kabul
Albania	AL	Bank of Albania	Tirana
Algeria	DZ	Bank of Algeria	Algiers
Angola	AO	National Bank of Angola	Luanda
Argentina	AR	Central Bank of Argentina	Buenos Aires
Armenia	AM	Central Bank of Armenia	Yerevan
Aruba	AW	Central Bank of Aruba	Oranjestad
Australia	AU	Reserve Bank of Australia	Sydney
Austria	AT	Austrian National Bank	Vienna
Azerbaijan	AZ	Central Bank of the Republic of Azerbaijan	Baku
Bahamas	BS	Central Bank of the Bahamas	Nassau
Bahrain	BH	Central Bank of Bahrain	Manama
Bangladesh	BD	Bangladesh Bank	Dhaka
Barbados	BB	Central Bank of Barbados	Bridgetown
Belarus	BY	National Bank of the Republic of Belarus	Minsk
Belgium	BE	National Bank of Belgium	Brussels
Belize	BZ	Central Bank of Belize	Belize City
Bermuda	BM	Bermuda Monetary Authority	Hamilton
Bhutan	BT	Royal Monetary Authority of Bhutan	Thimphu
Bolivia	BO	Central Bank of Bolivia	La Paz
Bosnia and Herzegovina	BA	Central Bank of Bosnia and Herzegovina	Sarajevo
Botswana	BW	Bank of Botswana	Gaborone
Brazil	BR	Central Bank of Brazil	Brasília
Brunei	BN	Brunei Monetary Board	Bandar Seri Begawan

Country	ISO	Name of central bank	City
Bulgaria	BG	Bulgarian National Bank	Sofia
Burundi	BI	Bank of the Republic of Burundi	Bujumbura
Cambodia	KH	National Bank of Cambodia	Phnom Penh
Cameroon	CM	Bank of Central African States (Cameroon, Central African Republic, Chad, Congo, Equatorial Guinea, Gabon)	Yaoundé
Canada	CA	Bank of Canada	Ottawa
Cape Verde	CV	Bank of Cape Verde	Praia
Cayman Islands	KY	Cayman Islands Monetary Authority	Georgetown
Chile	CL	Central Bank of Chile	Santiago de Chile
China	CN	People’s Bank of China	Beijing
China	CN	State Administration of Foreign Exchange	Beijing
Chinese Taipei	TW	Central Bank of China	Taipei
Colombia	CO	Bank of the Republic	Bogotá
Comoros	KM	Central Bank of The Comoros	Moroni
Congo, Democratic Rep.	CD	Central Bank of Congo	Kinshasa
Costa Rica	CR	Central Bank of Costa Rica	San José
Croatia	HR	Croatian National Bank	Zagreb
Cuba	CU	Central Bank of Cuba	Havana
Curaçao	CW	Central Bank of Curaçao and Sint Maarten	Willemstad
Cyprus	CY	Central Bank of Cyprus	Nicosia
Czech Republic	CZ	Czech National Bank	Prague
Denmark	DK	National Bank of Denmark	Copenhagen
Djibouti	DJ	National Bank of Djibouti	Djibouti
Dominican Republic	DO	Central Bank of the Dominican Republic	Santo Domingo
Ecuador	EC	Central Bank of Ecuador	Quito
Egypt	EG	Central Bank of Egypt	Cairo
El Salvador	SV	Central Reserve Bank of El Salvador	San Salvador
Eritrea	ER	National Bank of Eritrea	Asmara
Estonia	EE	Bank of Estonia	Tallinn
Ethiopia	ET	National Bank of Ethiopia	Addis Ababa
Fiji	FJ	Reserve Bank of Fiji	Suva
Finland	FI	Bank of Finland	Helsinki
France	FR	Bank of France	Paris
French Polynesia	PF	Institut d’Emission d’Outre-Mer	Papeete
Gambia, The	GM	Central Bank of The Gambia	Banjul
Georgia	GE	National Bank of Georgia	Tbilisi
Germany	DE	European Central Bank	Frankfurt am Main
Germany	DE	Deutsche Bundesbank	Frankfurt am Main

Country	ISO	Name of central bank	City
Ghana	GH	Bank of Ghana	Accra
Greece	GR	Bank of Greece	Athens
Guatemala	GT	Bank of Guatemala	Guatemala City
Guinea	GN	Central Bank of the Republic of Guinea	Conakry
Guyana	GY	Bank of Guyana	Georgetown
Haiti	HT	Bank of the Republic of Haiti	Port-au-Prince
Honduras	HN	Central Bank of Honduras	Tegucigalpa
Hong Kong SAR	HK	Hong Kong Monetary Authority	Hong Kong SAR
Hungary	HU	Magyar Nemzeti Bank	Budapest
Iceland	IS	Central Bank of Iceland	Reykjavík
India	IN	Reserve Bank of India	Mumbai
Indonesia	ID	Bank Indonesia	Jakarta
Iran	IR	Central Bank of the Islamic Republic of Iran	Tehran
Iraq	IQ	Central Bank of Iraq	Baghdad
Ireland	IE	Central Bank of Ireland	Dublin
Israel	IL	Bank of Israel	Jerusalem
Italy	IT	Bank of Italy	Rome
Jamaica	JM	Bank of Jamaica	Kingston
Japan	JP	Bank of Japan	Tokyo
Japan	JP	Ministry of Finance	Tokyo
Jordan	JO	Central Bank of Jordan	Amman
Kazakhstan	KZ	National Bank of the Republic of Kazakhstan	Almaty
Kenya	KE	Central Bank of Kenya	Nairobi
Kiribati	KI	Bank of Kiribati	Tarawa
[South] Korea	KR	Bank of Korea	Seoul
Kuwait	KW	Central Bank of Kuwait	Kuwait
Kyrgyz Republic	KG	National Bank of the Kyrgyz Republic	Bishkek
Laos	LA	Bank of the Lao People's Democratic Republic	Vientiane
Latvia	LV	Bank of Latvia	Riga
Lebanon	LB	Central Bank of Lebanon	Beirut
Lesotho	LS	Central Bank of Lesotho	Maseru
Liberia	LR	Central Bank of Liberia	Monrovia
Libya	LY	Central Bank of Libya	Tripoli
Lithuania	LT	Bank of Lithuania	Vilnius
Luxembourg	LU	Central Bank of Luxembourg	Luxembourg
Macao SAR	MO	Monetary Authority of Macao	Macao SAR

Country	ISO	Name of central bank	City
Macedonia, FYR	MK	National Bank of the Republic of Macedonia	Skopje
Madagascar	MG	Central Bank of Madagascar	Antananarivo
Malawi	MW	Reserve Bank of Malawi	Lilongwe
Malaysia	MY	Central Bank of Malaysia	Kuala Lumpur
Maldives	MV	Maldives Monetary Authority	Male
Malta	MT	Central Bank of Malta	Valletta
Mauritania	MR	Central Bank of Mauritania	Nouakchott
Mauritius	MU	Bank of Mauritius	Port Louis
Mexico	MX	Bank of Mexico	Mexico City
Moldova	MD	National Bank of Moldova	Chisinau
Mongolia	MN	Bank of Mongolia	Ulan Bator
Morocco	MA	Bank of Morocco	Rabat
Mozambique	MZ	Bank of Mozambique	Maputo
Myanmar	MM	Central Bank of Myanmar	Rangoon
Namibia	NA	Bank of Namibia	Windhoek
Nauru	NR	Bank of Nauru	Nauru
Nepal	NP	Central Bank of Nepal	Kathmandu
Netherlands	NL	Netherlands Bank	Amsterdam
New Caledonia	NC	Institut d'Emission d'Outre-Mer	Nouméa
New Zealand	NZ	Reserve Bank of New Zealand	Wellington
Nicaragua	NI	Central Bank of Nicaragua	Managua
Nigeria	NG	Central Bank of Nigeria	Abuja
North Korea	KP	Central Bank of Korea	Pyongyang
Norway	NO	Central Bank of Norway	Oslo
Oman	OM	Central Bank of Oman	Ruwi, Muscat
Pakistan	PK	State Bank of Pakistan	Karachi
Panama	PA	National Bank of Panama	Panama
Papua New Guinea	PG	Bank of Papua New Guinea	Port Moresby
Paraguay	PY	Central Bank of Paraguay	Asunción
Peru	PE	Central Reserve Bank of Peru	Lima
Philippines	PH	Bangko Sentral ng Pilipinas	Manila
Poland	PL	National Bank of Poland	Warsaw
Portugal	PT	Bank of Portugal	Lisbon
Qatar	QA	Qatar Central Bank	Doha
Romania	RO	National Bank of Romania	Bucharest
Russia	RU	Central Bank of the Russian Federation	Moscow
Rwanda	RW	National Bank of Rwanda	Kigali

Country	ISO	Name of central bank	City
Samoa	WS	Central Bank of Samoa	Apia
San Marino	SM	San Marinese Institute of Credit	San Marino
São Tomé and Príncipe	ST	Central Bank of São Tomé and Príncipe	São Tomé
Saudi Arabia	SA	Saudi Arabian Monetary Agency	Riyadh
Senegal	SN	Central Bank of West African States (Benin, Burkina Faso, Côte d'Ivoire, Guinea-Bissau, Mali, Niger, Senegal and Togo)	Dakar
Serbia	RS	National Bank of Serbia	Belgrade
Seychelles	SC	Central Bank of Seychelles	Victoria
Sierra Leone	SL	Bank of Sierra Leone	Freetown
Singapore	SG	Monetary Authority of Singapore	Singapore
Slovakia	SK	National Bank of Slovakia	Bratislava
Slovenia	SI	Bank of Slovenia	Ljubljana
Solomon Islands	SB	Central Bank of Solomon Islands	Honiara
Somalia	SO	Central Bank of Somalia	Mogadishu
South Africa	ZA	South African Reserve Bank	Pretoria
South Sudan	SS	Bank of South Sudan	Juba
Spain	ES	Bank of Spain	Madrid
Sri Lanka	LK	Central Bank of Sri Lanka	Colombo
St Kitts and Nevis	KN	Eastern Caribbean Central Bank (Anguilla, Antigua and Barbuda, Dominica, Grenada, Montserrat, St Kitts and Nevis, St Lucia, St Vincent and the Grenadines)	Basseterre, St Kitts
Sudan	SD	Bank of Sudan	Khartoum
Suriname	SR	Central Bank of Suriname	Paramaribo
Swaziland	SZ	Central Bank of Swaziland	Mbabane
Sweden	SE	Sveriges Riksbank	Stockholm
Switzerland	CH	Bank for International Settlements	Basel
Switzerland	CH	Swiss National Bank	Zurich
Syria	SY	Central Bank of Syria	Damascus
Tajikistan	TJ	National Bank of the Republic of Tajikistan	Dushanbe
Tanzania	TZ	Bank of Tanzania	Dar es Salaam
Thailand	TH	Bank of Thailand	Bangkok
Tonga	TO	National Reserve Bank of Tonga	Nuku'alofa
Trinidad and Tobago	TT	Central Bank of Trinidad and Tobago	Port-of-Spain
Tunisia	TN	Central Bank of Tunisia	Tunis
Turkey	TR	Central Bank of the Republic of Turkey	Ankara
Turkmenistan	TM	State Central Bank of Turkmenistan	Ashgabat
Tuvalu	TV	National Bank of Tuvalu	Funafuti

Country	ISO	Name of central bank	City
Uganda	UG	Bank of Uganda	Kampala
Ukraine	UA	National Bank of Ukraine	Kiev
United Arab Emirates	AE	Central Bank of the United Arab Emirates	Abu Dhabi
United Kingdom	GB	Bank of England	London
United States	US	Federal Reserve System (Board of Governors of the Federal Reserve, Federal Reserve Bank of New York, 11 other Federal Reserve Banks)	Various locations
Uruguay	UY	Central Bank of Uruguay	Montevideo
Uzbekistan	UZ	Central Bank of the Republic of Uzbekistan	Tashkent
Vanuatu	VU	Reserve Bank of Vanuatu	Port Vila
Venezuela	VE	Central Bank of Venezuela	Caracas
Vietnam	VN	State Bank of Vietnam	Hanoi
Wallis and Futuna Islands	WF	Institut d'Emission d'Outre-Mer	Mata-Utu
Yemen	YE	Central Bank of Yemen	Sana'a
Zambia	ZM	Bank of Zambia	Lusaka
Zimbabwe	ZW	Reserve Bank of Zimbabwe	Harare