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

---

[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