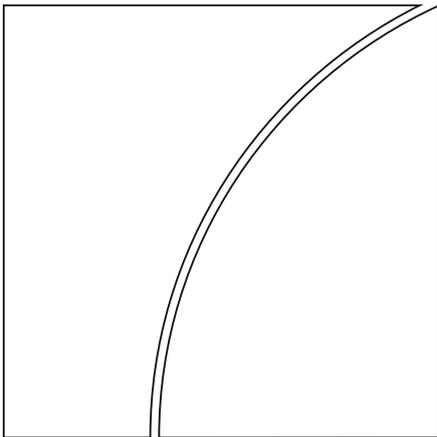




BANK FOR INTERNATIONAL SETTLEMENTS



Statistical release

BIS international banking statistics at end-March 2016

Monetary and Economic Department

July 2016

Tools to access and download the BIS international banking statistics:

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

Data behind the charts in this release, including those in Annexes A and B, can be downloaded from the BIS website (www.bis.org/statistics/rppb1607_charts.zip).

Questions about the BIS international banking statistics may be addressed to statistics@bis.org.

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

BIS international banking statistics at end-March 2016

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Data are subject to change. Revised data will be released concurrently with the forthcoming *BIS Quarterly Review* on 18 September 2016. The international banking statistics at end-June 2016 will be released no later than 21 October 2016.

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

1. Highlights

Highlights from the latest BIS international banking statistics for Q1 2016:

- During the first quarter of 2016, the cross-border claims of BIS reporting banks rose by \$451 billion to \$27.5 trillion. This increase only partially offset the large declines of previous quarters and consequently the annual growth rate remained negative, at –5%.
- The latest quarterly increase was driven by lending to governments and other non-bank borrowers in Europe, the United States and other advanced economies. In recent quarters, credit to the official sector in advanced economies – ie governments and central banks – has increased noticeably as a proportion of banks' international assets, from 20% at end-September 2014 to 24% at end-March 2016.
- Notwithstanding the latest quarterly increase, cross-border lending remained weak to those borrowers that had led the slowdown in cross-border banking activity in 2015 (in particular to banks in advanced economies and across all sectors in emerging market economies).
- Cross-border credit to emerging economies fell by \$76 billion, taking the annual pace of decline to –9%. China again experienced a large contraction in cross-border activity, with claims from international banks on mainland residents down by \$63 billion during the quarter.

2. Recent developments in the international banking market

The latest BIS locational banking statistics show that cross-border bank claims rose by \$451 billion between end-2015 and end-March 2016, which took the outstanding stock to \$27.5 trillion (Graph A.1, top panels).¹ A \$234 billion rise in the debt securities holdings of BIS reporting banks accounted for more than half of the overall increase, while loans contributed \$137 billion (Graph A.1, bottom panels). Despite the latest quarterly increase, the annual growth rate in cross-border claims remained negative, at –5%, as cross-border claims fell by a cumulative \$1.3 trillion in the year to end-March 2016.

The overall upturn in global activity was entirely accounted for by a rise in lending to advanced economies (\$462 billion). Nevertheless, the year-on-year growth rate remained negative, at –4%. Most of the increase in claims on advanced economies was due to a \$358 billion expansion in cross-border lending to non-banks, which consist of governments, non-bank financial institutions and non-financial corporations (Graph A.1, top panels).

By contrast, cross-border lending to those borrowers that had led the slowdown in cross-border banking activity in 2015 continued to decline: in sectoral terms, cross-border claims on banks (both in advanced and emerging regions) dropped by \$16 billion; in geographical terms, cross-border lending to emerging market economies was down by \$76 billion (Graph A.1, top panels and Graph A.2, top and bottom panels).

As regards currencies, cross-border claims denominated in euros and US dollars both expanded, by \$267 billion and \$186 billion, respectively (Graph A.1, centre panels). Cross-border bank credit denominated in Japanese yen also rose (\$26 billion) during Q1 2016, whereas claims denominated

¹ The locational banking statistics are structured according to the location of banking offices and capture the activity of all internationally active banking offices in the reporting country regardless of the nationality of the parent bank. Banks record their positions on an unconsolidated basis, including those vis-à-vis their own offices in other countries. Quarterly changes in outstanding amounts are adjusted for the impact of exchange rate movements between the ends of the respective quarters and for methodological breaks in the data series.

in sterling contracted by around \$36 billion. Claims in Swiss francs saw a \$37 billion quarterly decline, which reduced the outstanding stock of cross-border claims denominated in Swiss francs to \$488 billion, down by 20% in the year to end-March 2016.

Continued shift in claims towards the official sector in advanced economies

The latest quarterly upturn was driven by lending to governments and other non-bank borrowers in advanced economies. On a consolidated basis, bank credit to the official sector – claims on governments as well as deposits with central banks – in advanced economies has surged as a proportion of banks' total international² assets, from 20% at end-September 2014 to 24% at end-March 2016.

The BIS locational banking statistics show that total cross-border claims on the United States rose by \$130 billion between end-2015 and end-March 2016 (Graph A.3, top panels). Claims on non-bank borrowers were especially strong. The BIS consolidated banking statistics³ indicate that in the first quarter of 2016 the rise in international claims on US non-banks was split between borrowers in the official and non-bank private sectors, while international claims on unaffiliated banks contracted.

The rise in foreign banks' claims on the US official sector – which is composed of banks' holdings of US Treasury securities as well as their claims on the US Federal Reserve System – continued a trend evident since the Great Financial Crisis of 2007–08. Claims on the official sector as a share of consolidated international claims on all US borrowers climbed by more than 20 percentage points between end-March 2008 and end-March 2016, from 9% to 33%. In contrast, over the same period the shares of international claims on the US non-bank private sector and the US banking sector fell by 17 percentage points (from 69% to 52%) and 7 percentage points (from 22% to 15%), respectively.

During the first quarter of 2016, cross-border claims on most euro area countries also expanded. According to the BIS locational banking statistics, reporting banks extended more total cross-border credit to France (\$66 billion), Germany (\$45 billion) and the Netherlands (\$43 billion). The increases in Q1 2016 were not enough to offset the large contractions recorded in previous quarters, and thus on the euro area as a whole, cross-border claims were still down by nearly 6% in the year to end-March 2016. International claims on the official sector in the euro area have tended to increase as well, whereas those on other sectors have declined. At end-March 2016, the official sector accounted for 27% of banks' consolidated international claims on euro area borrowers, up from 24% in mid-2014.

Except for Switzerland (–\$73 billion) and Canada (–\$29 billion), all other major advanced economies saw cross-border claims on them increasing. In particular, cross-border bank credit to the United Kingdom (\$93 billion) and Japan (\$65 billion) picked up in Q1 2016 (Graph A.3, top panels). International claims on Japan also reflected the shifting sectoral composition: the share of official sector relative to all international lending rose by 10 percentage points (from 20% to 30%) between end-Q3 2014 and end-Q1 2016.

Euro-denominated cross-border banking activity

More than half of the \$451 billion quarterly increase in cross-border claims in Q1 2016 was denominated in euros (Graph A.1, centre panels). Outside the euro area, the United Kingdom is the largest borrower and lender of euros. About 15% all euro-denominated cross-border claims were on UK residents

² International bank claims are the sum of banks' cross-border claims and their local claims denominated in foreign currencies.

³ The consolidated banking statistics are structured according to the nationality of reporting banks and are reported on a worldwide consolidated basis, ie excluding positions between affiliates of the same banking group. Banks consolidate their inter-office positions and report only their claims on unrelated borrowers.

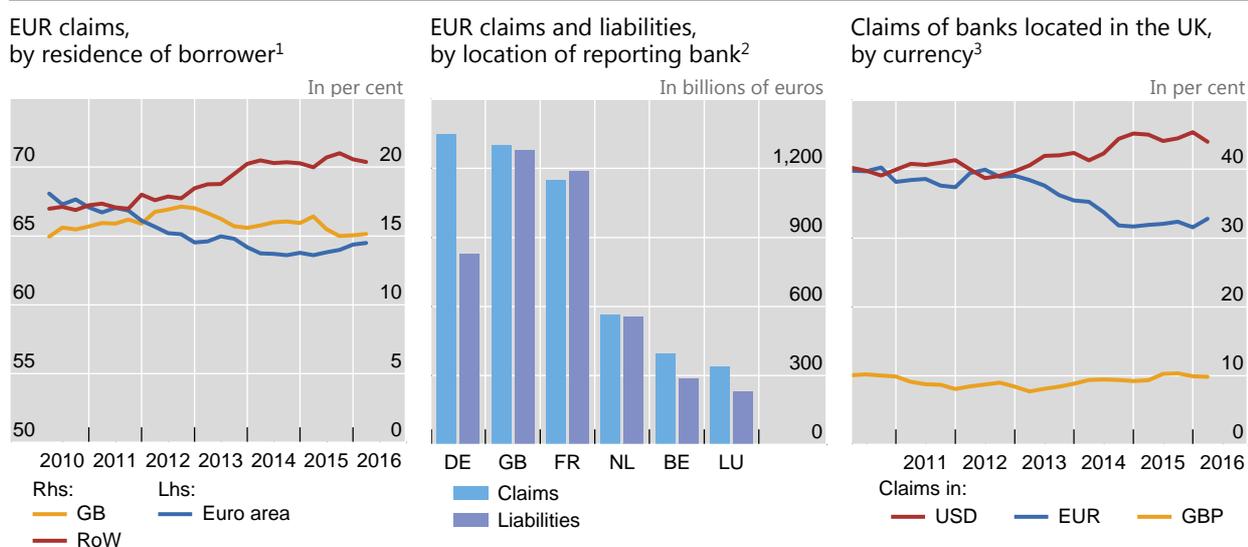
(Graph 1, left-hand panel). In recent years this share has tended to decline, owing in part to a pickup in euro-denominated activity elsewhere in the world.

The United Kingdom tends to act as a redistribution hub for euro-denominated funds: banks and other financial intermediaries located there borrow euros from abroad and then invest them in euro-denominated cross-border loans and securities. Consequently, the euro-denominated claims of banks in the United Kingdom closely match their euro-denominated liabilities (Graph 1, centre panel). This distinguishes banks in the United Kingdom from those in the euro area, which have a sizeable base of domestic deposits and so tend to be net lenders of euro-denominated funds in the international banking market: the euro-denominated cross-border claims of banks in the euro area are typically much larger than their euro-denominated cross-border liabilities.

Ever since the launch of the single currency, euro-denominated positions have been a major part of the cross-border portfolios of banks located in the United Kingdom. For most of the 2000s, the share of euros in the cross-border claims of banks in the United Kingdom hovered around 40% and was roughly equal to the share of claims denominated in US dollars (Graph 1, right-hand panel). Since 2012, these shares have diverged. The euro's share declined from 39% at end-September 2012 to 33% at end-March 2016, and over the same period the share of the US dollar in the cross-border claims of banks in the United Kingdom increased from 39% to 44%.

Euro-denominated cross-border banking activity

Graph 1



BE = Belgium; DE = Germany; FR = France; GB = United Kingdom; LU = Luxembourg; NL = Netherlands; RoW = rest of the world (all countries excluding the euro area and the United Kingdom).

¹ As a percentage of outstanding euro-denominated cross-border claims on all borrowers. ² Outstanding positions, at end-March 2016. ³ As a percentage of outstanding cross-border claims in all currencies.

Source: BIS locational banking statistics (Tables A5 and A6).

Further contraction in cross-border bank credit to emerging market economies

Cross-border bank credit to emerging economies declined by \$76 billion during the first quarter of 2016. This latest fall pushed the total outstanding down to \$3.2 trillion, while further accelerating the annual pace of decline to -9% (Graph A.2, bottom panels).

As in the preceding two quarters, diminishing claims on China drove the aggregate quarterly change in lending to emerging market economies as a whole (and to emerging Asia in particular). The \$63 billion drop in cross-border bank credit to residents of China was smaller than those seen during previous quarters, but it still took the annual growth rate down to –27%. The outstanding total came to \$698 billion as of end-March 2016 (Graph A.3, bottom panels). Since hitting its all-time high at end-September 2014, cross-border bank credit to China has contracted by a cumulative \$367 billion (–33%), with interbank and inter-office activity leading the decline.

Between end-December 2015 and end-March 2016, claims on the rest of emerging Asia fell slightly (–\$2 billion). The latest decline resulted from a \$16 billion fall in interbank activity and an \$11 billion expansion of cross-border claims on the non-bank sector. Cross-border credit fell the most on residents of South Korea (–\$6 billion) and India (–\$4 billion), while cross-border claims on Malaysia (\$6 billion), Thailand (\$3 billion) and Vietnam (\$1 billion) increased.

Cross-border bank credit to Latin America and the Caribbean contracted (–\$9 billion) during the first three months of 2016. This third consecutive quarterly decline (Graph A.2, bottom panels) was driven by a sharp fall in lending to Brazil (–\$14 billion). By contrast, banks extended more cross-border credit to residents of Mexico (\$4 billion) and Argentina (\$3.5 billion).

Claims on emerging Europe stagnated during the first quarter of 2016 on the back of divergent trends within the region. The annual growth rate came to –6%, similar to the average pace of decline seen over the past two years. Since end-March 2013, cross-border lending to Russia fell by a cumulative \$96 billion. By contrast, cross-border claims on Poland (\$4 billion), Turkey (\$2 billion) and Czech Republic (\$3 billion) expanded during Q1 2016.

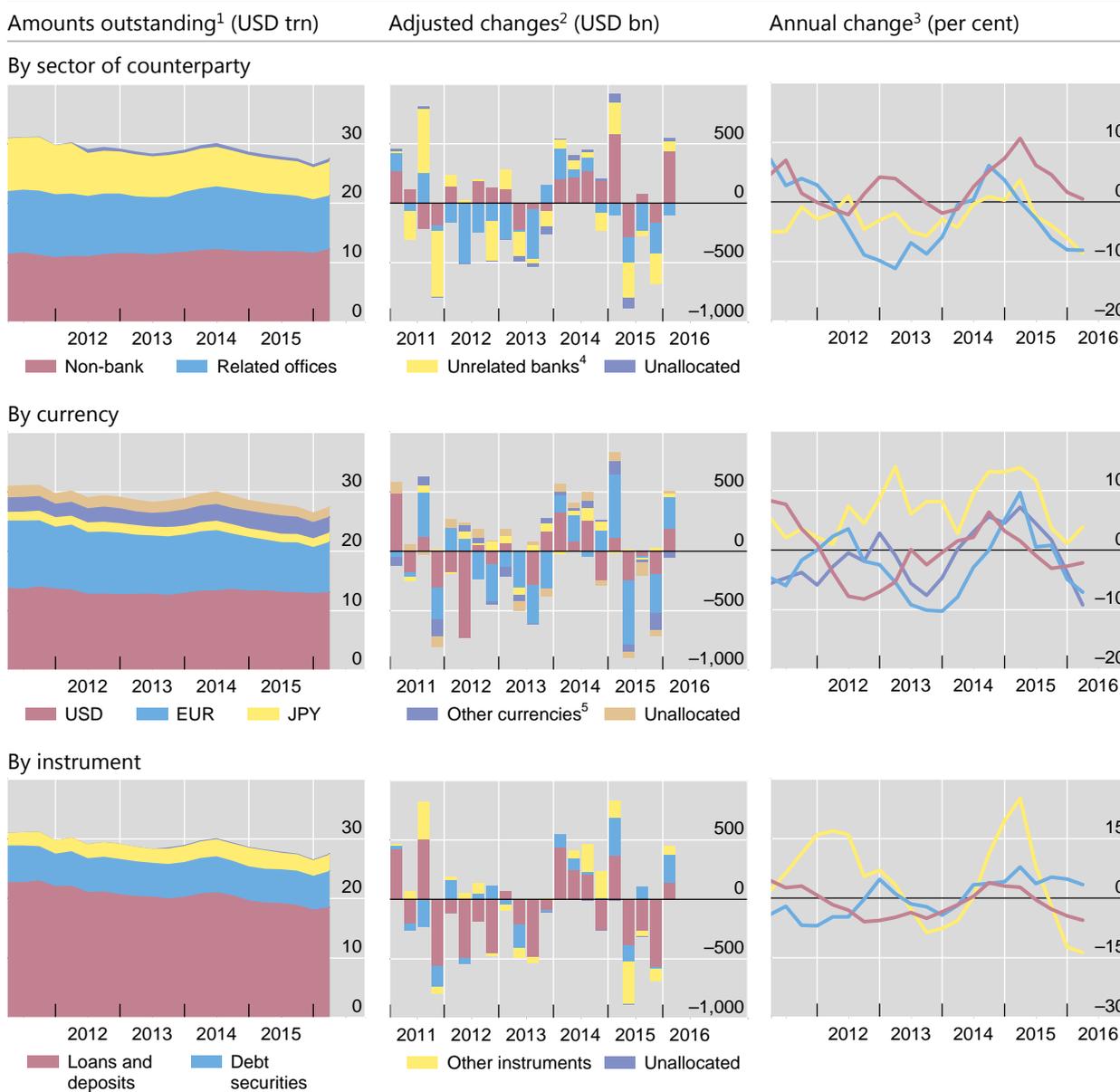
Overall cross-border bank credit to emerging Africa and the Middle East fell (–\$3 billion), based on divergent trends within the region. Cross-border lending to Egypt rose by \$3 billion, whereas bank credit to the United Arab Emirates contracted (–\$3 billion).

Annexes

A Locational banking statistics: charts

Cross-border claims, by sector, currency and instrument

Graph A.1



Further information on the BIS locational banking statistics is available at www.bis.org/statistics/bankstats.htm.

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

Cross-border claims, by borrowing region

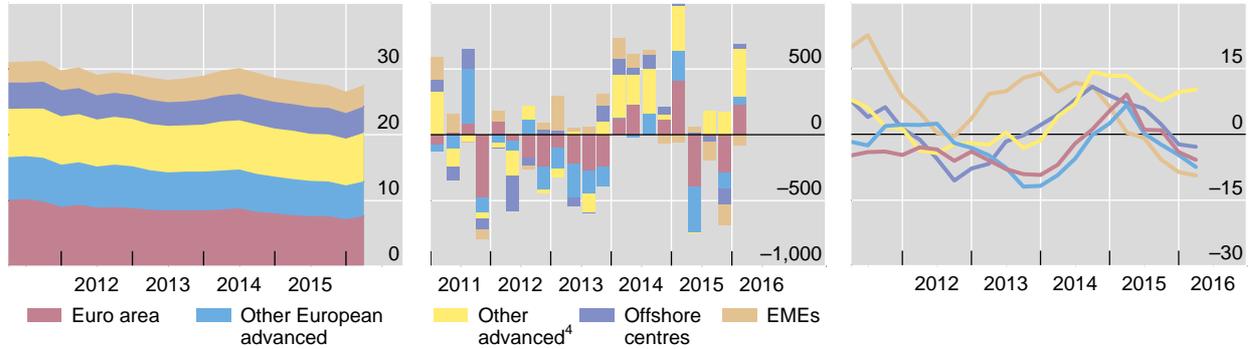
Graph A.2

Amounts outstanding¹ (USD trn)

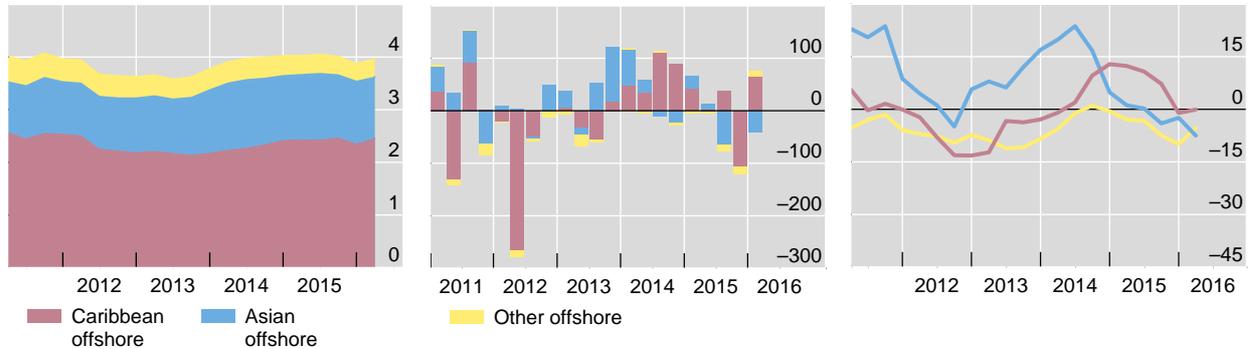
Adjusted changes² (USD bn)

Annual change³ (per cent)

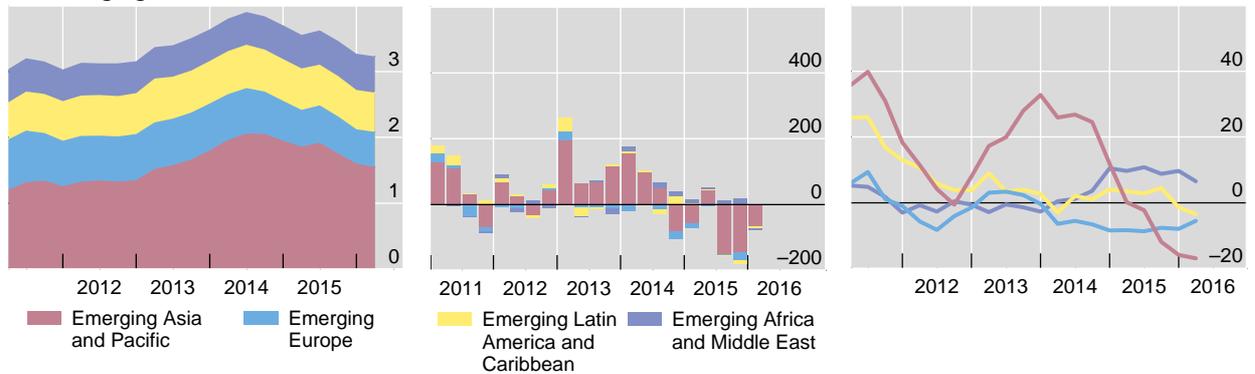
On all countries



On offshore centres



On emerging market economies

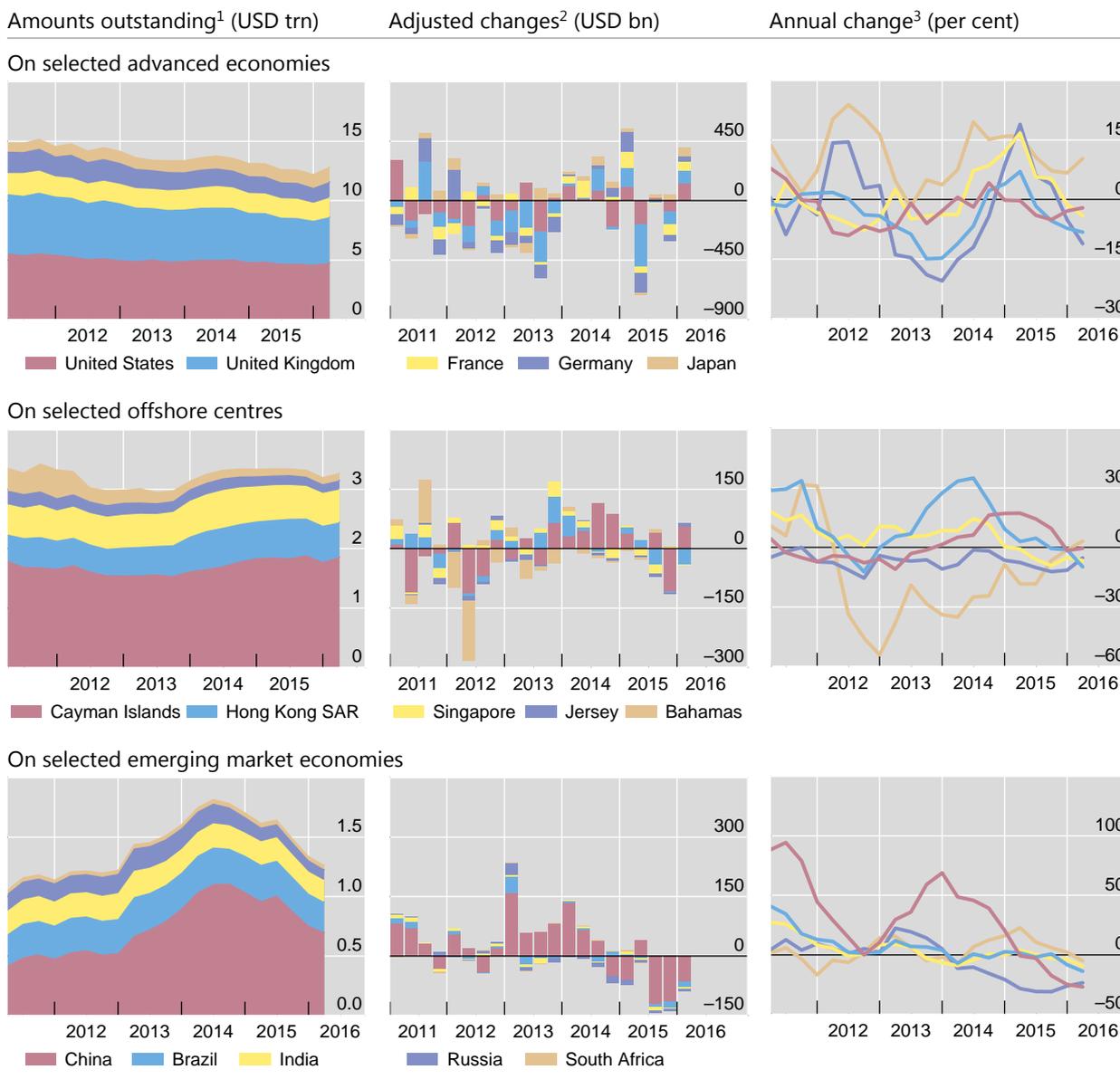


Further information on the BIS locational banking statistics is available at www.bis.org/statistics/bankstats.htm.

¹ At quarter-end. Amounts denominated in currencies other than the US dollar are converted to US dollars at the exchange rate prevailing on the reference date. ² Quarterly changes in amounts outstanding, adjusted for the impact of exchange rate movements between quarter-ends and methodological breaks in the data. ³ Geometric mean of quarterly percentage adjusted changes. ⁴ Includes international organisations and cross-border amounts unallocated by residence of counterparty.

Cross-border claims, by borrowing country

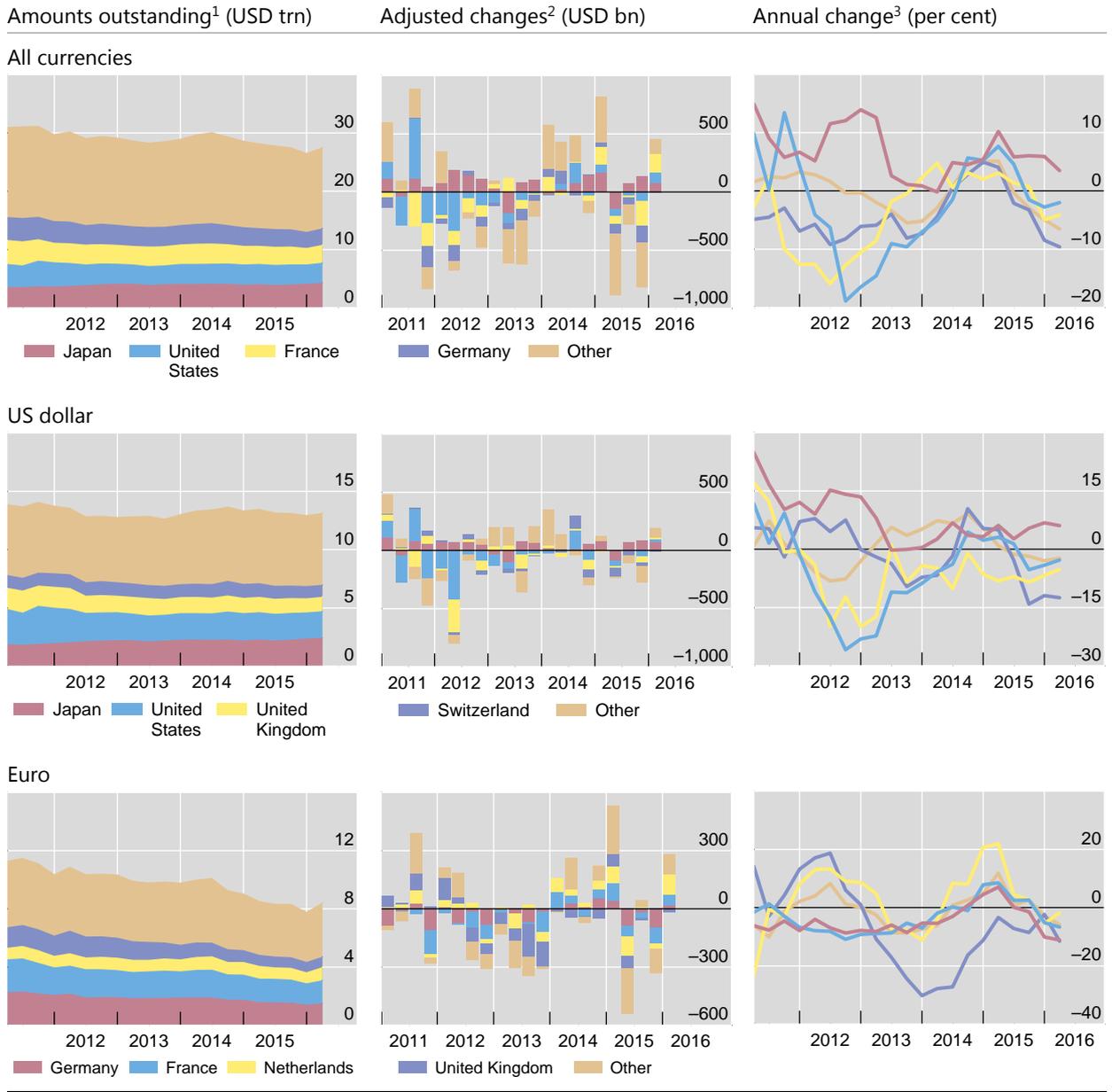
Graph A.3



Further information on the BIS locational banking statistics is available at www.bis.org/statistics/bankstats.htm.

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

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

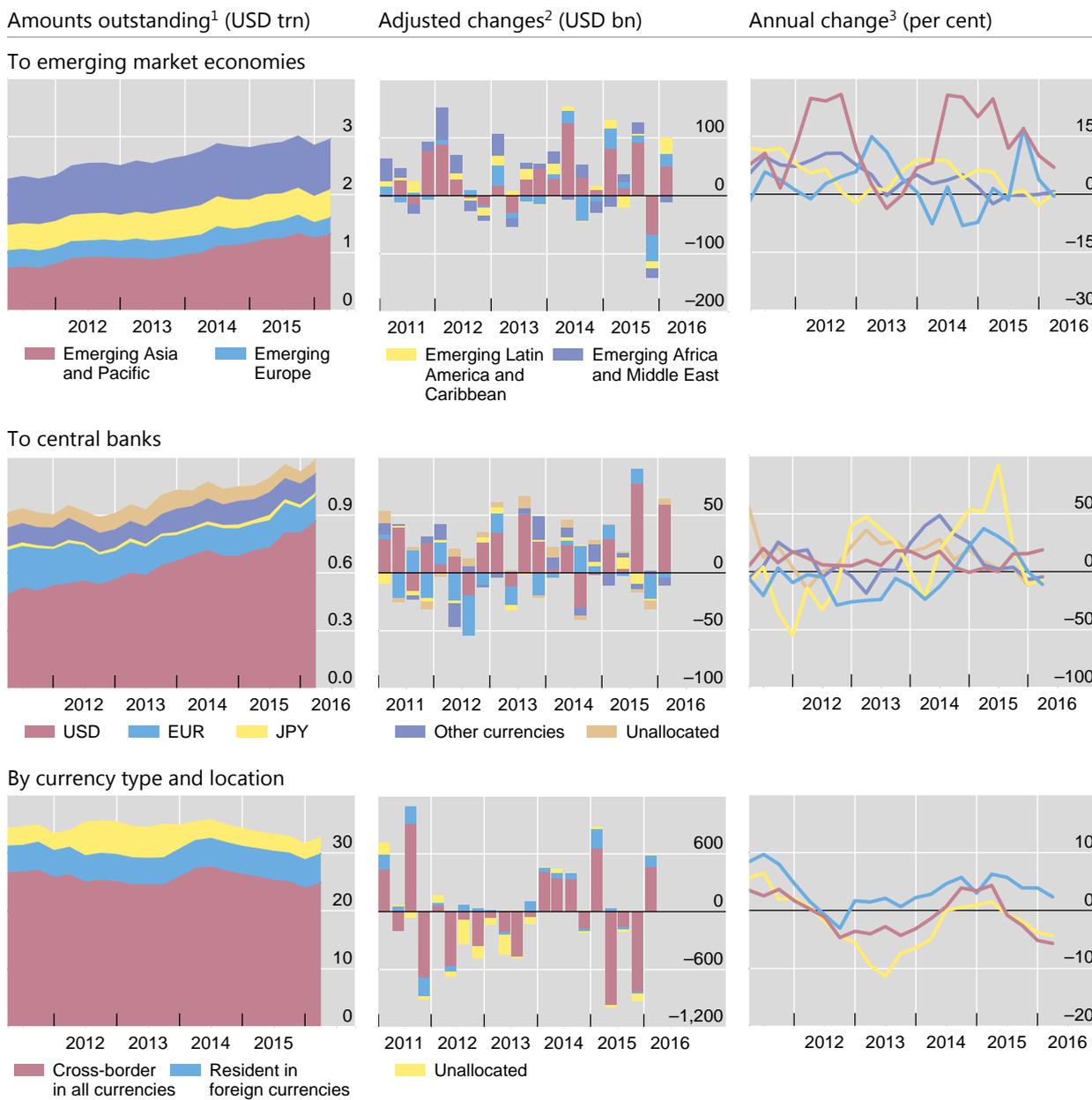


Further information on the BIS locational banking statistics is available at www.bis.org/statistics/bankstats.htm.

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

Cross-border liabilities of reporting banks

Graph A.5



Further information on the BIS locational banking statistics is available at www.bis.org/statistics/bankstats.htm.

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

B Consolidated banking statistics: charts

Consolidated claims of reporting banks on advanced economies

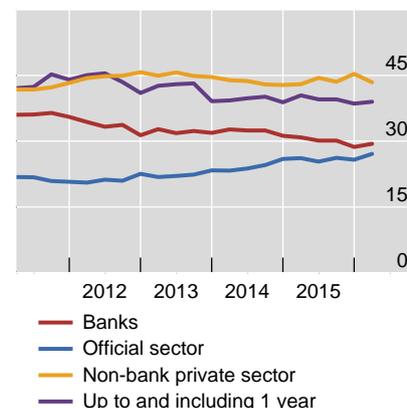
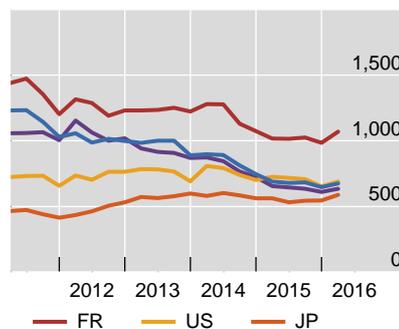
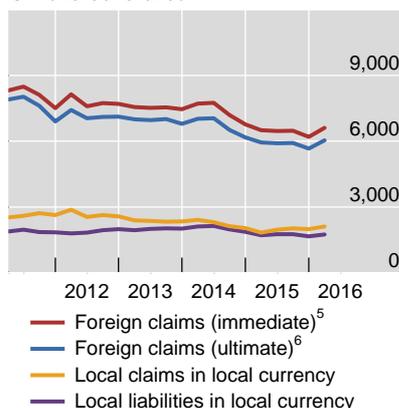
Graph B.1

Foreign claims and local positions^{1,2}
(USD bn)

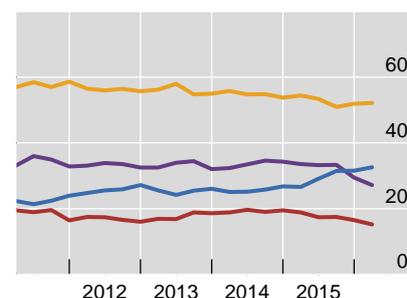
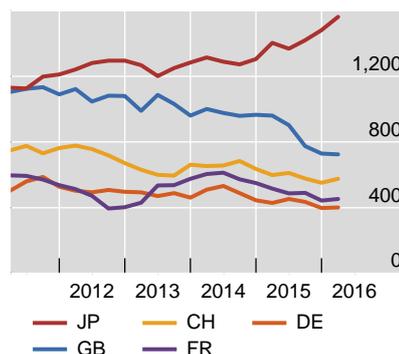
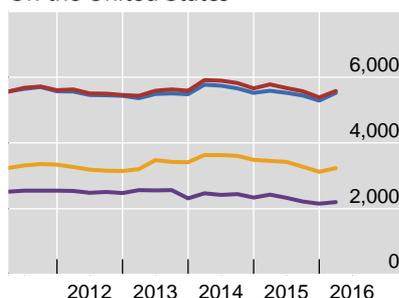
Foreign claims of selected
creditors^{1,3} (USD bn)

International claims, by sector and
maturity⁴ (per cent)

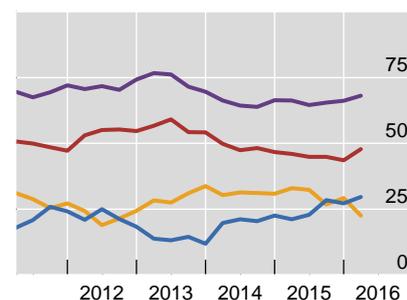
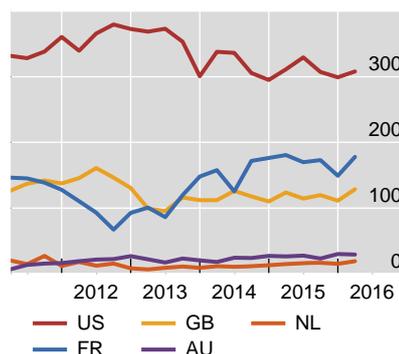
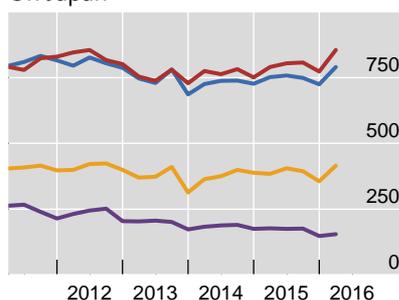
On the euro area



On the United States



On Japan



Further information on the BIS consolidated banking statistics is available at www.bis.org/statistics/bankstats.htm.

AU = Australia; CH = Switzerland; DE = Germany; FR = France; GB = United Kingdom; JP = Japan; NL = Netherlands; US = United States.

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

Consolidated claims of reporting banks on emerging market economies

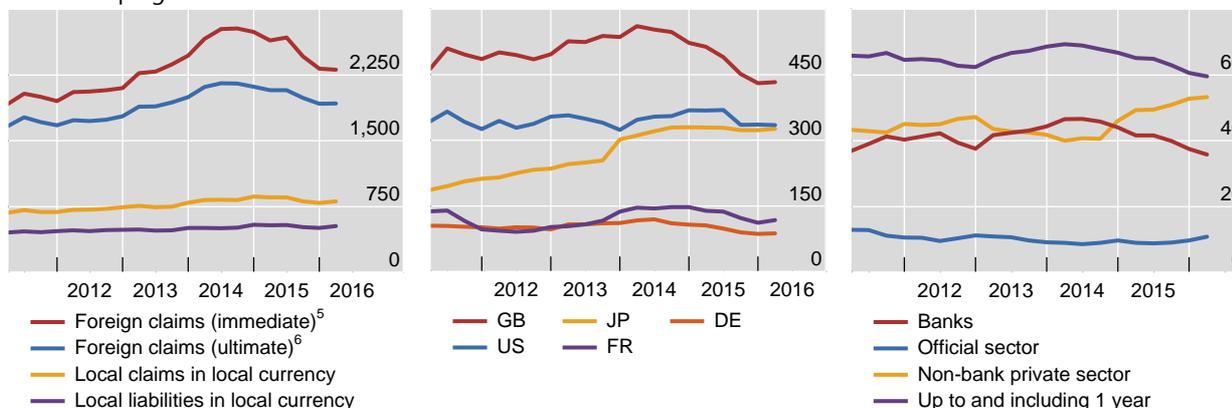
Graph B.2

Foreign claims and local positions^{1,2}
(USD bn)

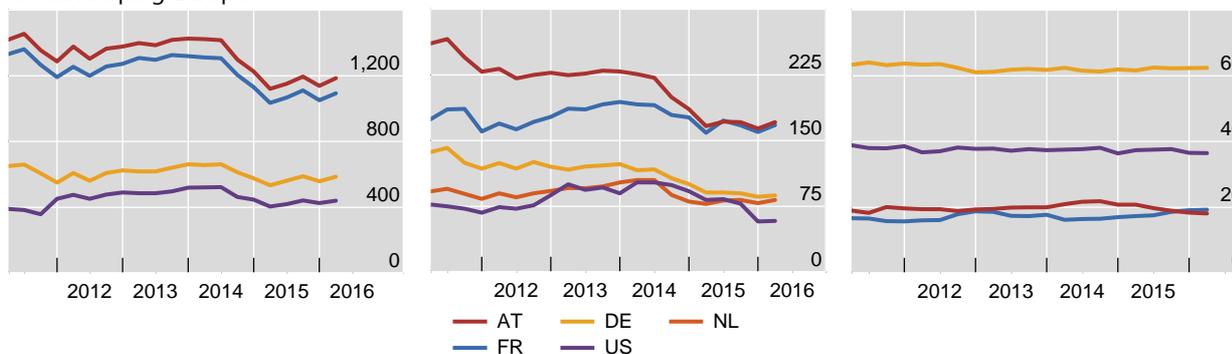
Foreign claims of selected
creditors^{1,3} (USD bn)

International claims, by sector and
maturity⁴ (per cent)

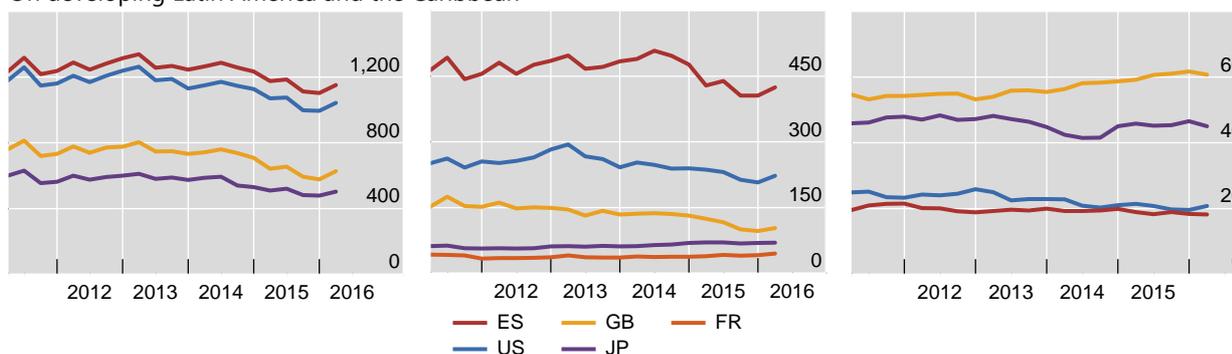
On developing Asia and the Pacific



On developing Europe



On developing Latin America and the Caribbean



Further information on the BIS consolidated banking statistics is available at www.bis.org/statistics/bankstats.htm.

AT = Austria; DE = Germany; ES = Spain; FR = France; GB = United Kingdom; JP = Japan; NL = Netherlands; US = United States.

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

C Explanatory notes

Reporting practices

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

Latest data

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

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

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

Revisions and breaks

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

- the locational banking statistics by residence, www.bis.org/statistics/breakstables17.pdf;
- the locational banking statistics by nationality, www.bis.org/statistics/breakstables8.pdf; and
- the consolidated banking statistics, www.bis.org/statistics/breakstablescons.pdf.

Significant revisions and breaks included for the first time with the data for end-December 2015 are also summarised in the tables below. At the request of authorities in reporting countries, the size of some breaks or revisions is not shown for confidentiality reasons (indicated in the tables by "\").

Revisions and breaks in the locational banking statistics

In the locational banking statistics, the most significant revisions were reported by the United Kingdom and affected all quarters since end-December 2013. Positions that previously were not identified by the United Kingdom as either cross-border or local – and were reported as unallocated by residence – have now been identified as cross-border positions against non-residents of the United Kingdom.⁴ However, the country where the counterparty resides is still unknown and therefore the positions are reported as cross-border unallocated by country. Consequently, at end-March 2014 the cross-border claims of banks

⁴ See "A reallocation of external positions in the BIS locational banking statistics", *BIS Quarterly Review*, December 2012, p 19, www.bis.org/publ/qtrpdf/r_qt1212v.htm.

in the United Kingdom were revised upwards by \$156 billion, and cross-border liabilities by \$944 billion, but the revisions had a negligible impact on claims and liabilities against individual countries.

In addition, the United Kingdom started to report additional sectoral details as part of the enhancements recommended by the CGFS.⁵ From end-March 2014, the positions of banks in the United Kingdom on the non-bank sector are further disaggregated into the non-bank financial sector and the non-financial sector. As of end-March 2014, the non-bank financial sector accounted for 58% of the United Kingdom's cross-border claims on non-bank counterparties, and 73% of cross-border liabilities to non-bank counterparties.

Currently, 27 of 44 countries report such additional sectoral details for cross-border positions. These data are published in [Table A5](#). Coverage has steadily improved since end-2013, and as of end-March 2016, 78% of total cross-border claims on the non-bank sector were allocated between the non-bank financial sector and the non-financial sector. For positions against individual counterparty countries, the additional sectoral details will be published at a later date, subject to further improvements in completeness and quality.

Locational banking statistics by residence

Changes in amounts outstanding, in billions of US dollars

Breaks in series

Quarters	Reporting country	Details	Assets	Liabilities
2015-Q4	Switzerland	Cross-border positions	1.1	
2015-Q2	Bahamas	Cross-border positions	28.5	-28.5
		Local positions in foreign currency	4.1	7.1

Large data revisions of previous quarters

Quarters	Reporting country	Details	Assets	Liabilities
2015-Q4	United Kingdom	Cross-border positions	118.1	858.5
2015-Q3	United Kingdom	Cross-border positions	133.7	921.3
2015-Q2	United Kingdom	Cross-border positions	148.2	915.6
2015-Q1	United Kingdom	Cross-border positions	142.7	887.2
2014-Q4	United Kingdom	Cross-border positions	135.2	906.5
2014-Q3	United Kingdom	Cross-border positions	136.8	949.9
2014-Q2	United Kingdom	Cross-border positions	162.1	974.3
2014-Q1	United Kingdom	Cross-border positions	156.3	944.3
2015-Q4	Canada	Cross-border positions	-12.3	-10.3
2015-Q4	Japan	Cross-border positions		2.0
2015-Q3	Japan	Cross-border positions		2.0
2015-Q2	Japan	Cross-border positions		2.0
2015-Q1	Japan	Cross-border positions	1.0	2.0
2015-Q4	Bahamas	Cross-border positions	28.5	-28.5
		Local positions in foreign currency	4.1	7.1
2015-Q3	Bahamas	Cross-border positions	28.5	-28.5
		Local positions in foreign currency	4.1	7.1
2015-Q4	India	Cross-border positions	-7.5	

⁵ See Committee on the Global Financial System, "Improving the BIS international banking statistics", *CGFS Publications*, no 47, November 2012, www.bis.org/publ/cgfs47.htm.

Locational banking statistics by nationality

Changes in amounts outstanding, in billions of US dollars

Breaks in series

Quarters	Reporting country	Details	Assets	Liabilities
2015-Q4	Switzerland	Cross-border positions	1.1	

Large data revisions of previous quarters

Quarters	Reporting country	Details	Assets	Liabilities
2015-Q4	Canada	Cross-border positions	-12.3	-10.3
2015-Q4	Japan	Cross-border positions		2.0
2015-Q3	Japan	Cross-border positions		2.0
2015-Q2	Japan	Cross-border positions		2.0
2015-Q1	Japan	Cross-border positions	1.0	2.0
2015-Q1	India	Cross-border positions	-11.7	

Revisions and breaks in the consolidated banking statistics

In the consolidated banking statistics, the Netherlands started to report the claims of Dutch banks on residents of the Netherlands. These additional data are reported from end-December 2013 and are part of the enhancements recommended by the CGFS. At end-December 2013, the domestic claims of Dutch banks equalled \$1.7 trillion on an immediate counterparty basis, which was composed almost entirely of local claims in local currency.

Consolidated banking statistics on an immediate counterparty basis

Changes, in billions of US dollars

Breaks in series

Quarter	Reporting country	Details	Change
2014-Q2	Netherlands	Local currency claims to local residents	-7.0

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

Quarter	Reporting country	Details	Change
2015-Q4	Belgium	International claims	-0.3
		Local currency liabilities to local residents	0.7
	Brazil	International claims	-0.2
	India	International claims	-11.2
		Net risk transfers	1.6
	Italy	International claims	0.5
		Local currency claims to local residents	-7.7
		Local currency liabilities to local residents	-9.6
	Korea	International claims	6.1
		Local currency claims to local residents	-0.6
		Net risk transfers	-0.5
		Local currency claims to local residents	-5.6
	Singapore	International claims	0.3
		United Kingdom	International claims
2015-Q3	Finland	International claims	-1.0
	Italy	International claims	-3.3
Local currency claims to local residents		-9.6	
Local currency liabilities to local residents		-9.2	
2015-Q2	United Kingdom	International claims	0.9
	Italy	International claims	-0.7
		Local currency claims to local residents	-10.2
2015-Q1	United Kingdom	Local currency liabilities to local residents	-8.8
		International claims	0.9
2014-Q4	Denmark	International claims	1.8
		Local currency liabilities to local residents	0.2
	Italy	International claims	5.2
		Local currency claims to local residents	-10.4
2014-Q3	Denmark	Local currency liabilities to local residents	-10.4
		International claims	1.1
2014-Q2	Denmark	International claims	1.6
		Local currency liabilities to local residents	1.3
2014-Q1	Denmark	Local currency liabilities to local residents	0.1
		International claims	3.6
	Netherlands	Local currency liabilities to local residents	0.1
		International claims	0.3

Consolidated banking statistics on an ultimate risk basis

Changes, in billions of US dollars

Breaks in series

Quarter	Reporting country	Details	Change
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Large data revisions from reporting banks of previous quarters (exclusive of breaks in

Quarter	Reporting country	Details	Change
2015-Q4	India	Foreign claims	-9.4
		Cross-border claims	-9.4
	Italy	Foreign claims	-7.3
		Cross-border claims	0.3
		Local claims of foreign offices in all currencies	-7.6
		Guarantees extended	-0.1
	Korea	Foreign claims	4.8
		Cross-border claims	4.9
		Credit commitments	-49.5
		Guarantees extended	-6.1
Norway	Foreign claims	-5.6	
	Local claims of foreign offices in all currencies	-5.6	
2015-Q3	Finland	Foreign claims	-1.0
		Cross-border claims	-1.0
	Italy	Foreign claims	-10.6
		Cross-border claims	-1.0
		Local claims of foreign offices in all currencies	-9.6
		Credit commitments	0.3
2015-Q2	Italy	Guarantees extended	-0.3
		Foreign claims	-11.2
		Cross-border claims	-1.0
		Local claims of foreign offices in all currencies	-10.2
2015-Q1	Italy	Guarantees extended	-5.2
		Foreign claims	-5.4
		Cross-border claims	5.0
2014-Q1	Netherlands	Local claims of foreign offices in all currencies	-10.4
		Foreign claims	0.3
		Cross-border claims	0.3

D Glossary of terms

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

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

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

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

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

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

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

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

	special purpose vehicle (SPV).
stock	See "amount outstanding".
subsidiary	A separately incorporated entity in which another entity has a majority or full participation.
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total assets	Sum of financial assets and non-financial assets.
trustee business	Funds received or invested on a trust basis in a bank's own name but on behalf of a third party.
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ultimate issuer	See "controlling parent".
ultimate risk basis	Methodology whereby positions are allocated to a third party that has contracted to assume the debts or obligations of the primary party if that party fails to perform. In the CBS, claims on an ultimate risk basis are allocated to the country and sector of the entity that guarantees the claims (or, in the case of claims on branches, the country of the parent bank).
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vis-à-vis country	See "counterparty country".