

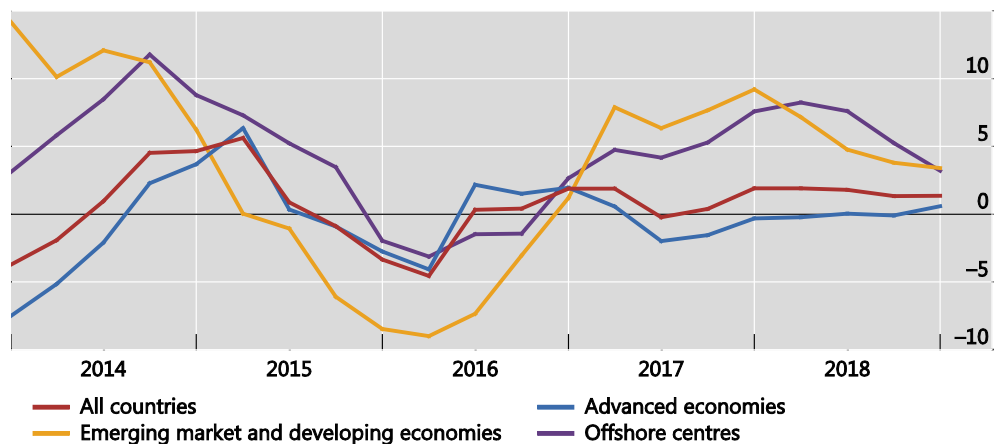


18 April 2019

## Statistical release: BIS international banking statistics at end-December 2018

- Global cross-border bank claims continued to expand at an annual pace of 1%. They rose by [\\$134 billion](#) during Q4 2018, to stand at \$29 trillion at end-2018.
- The overall expansion was driven mostly by cross-border claims on non-banks, especially non-bank financial institutions (NBFIs), which grew by [8%](#) annually.
- The annual growth of cross-border claims on emerging market and developing countries (EMDEs) slowed to [3%](#) as of end-2018. Claims grew by [\\$30 billion](#) in Q4, closing at \$4 trillion at end-2018.

### Cross-border bank credit grew at a slow pace



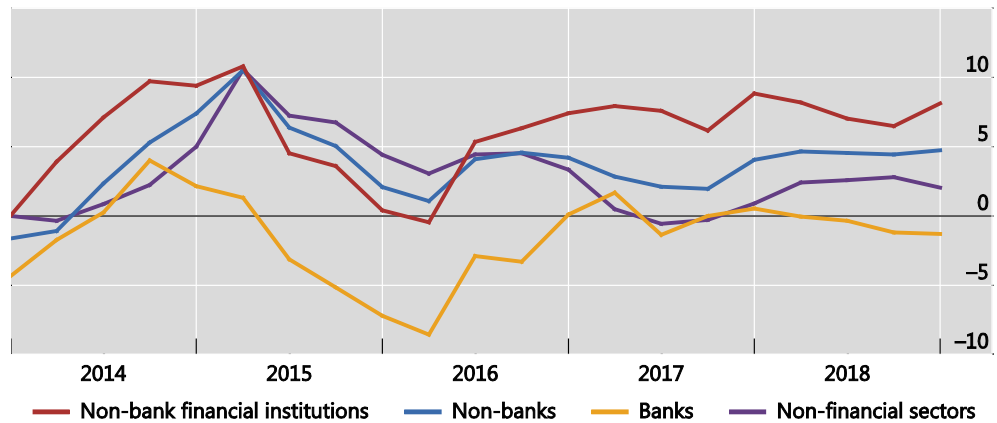
Graph 1: Annual percentage change in banks' cross-border claims by counterparty country ([interactive graph](#)).  
Source: BIS locational banking statistics ([Table A1](#)).

Global cross-border bank claims continued to expand at an annual pace of 1% (Graph 1, red line). They rose by [\\$134 billion](#) during Q4 2018, to stand at \$29 trillion at the end of the year.

After a year of near zero growth, cross-border credit to advanced economy borrowers expanded by [\\$76 billion](#) in Q4 2018, which brought its year-on-year rate to 1% at end-2018. Claims on the United States expanded by \$137 billion during the last quarter of 2018. By contrast, banks reported contractions in their claims on Germany ([-\\$127 billion](#)), Japan ([-\\$71 billion](#)) and the Netherlands ([-\\$47 billion](#)) during Q4 2018.

Cross-border claims on offshore centres as well as EMDEs expanded modestly (by \$42 billion and \$30 billion, respectively) in Q4 2018. The annual growth rates of claims on both regions slowed to [3%](#).

## Credit to non-bank financials continued to expand rapidly



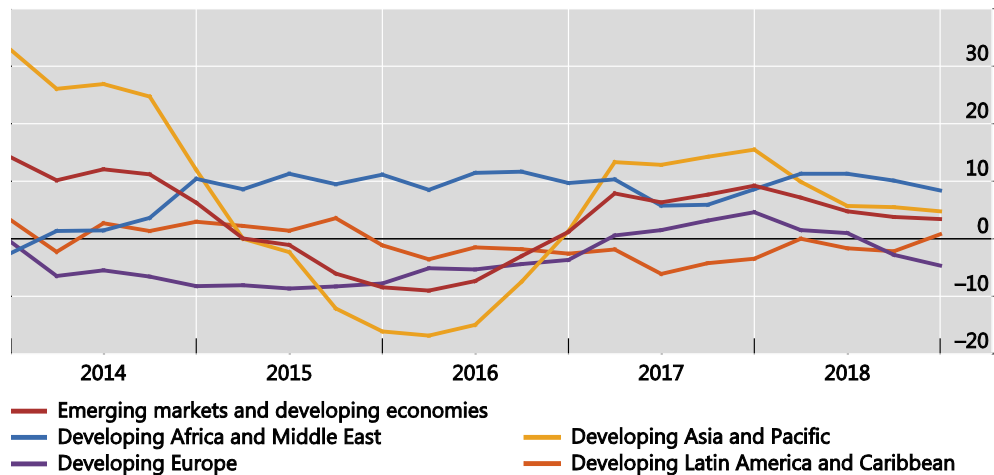
Graph 2: Annual percentage change in banks' cross-border claims by counterparty sector ([interactive graph](#)).  
Source: BIS locational banking statistics ([Table A1](#)).

Among individual sectors, growth rates in cross-border bank lending to banks and non-banks continued to diverge. Claims on banks (Graph 2, yellow line) contracted at an annual rate of 1% as of end-2018. By contrast, cross-border claims on non-banks grew at an annual rate of nearly 5% for the fourth consecutive quarter (blue line). The growth continued to be primarily driven by claims on NBFIs, which grew by 8% annually (red line).

The recent rapid growth of credit to NBFIs is an extension of the post-crisis trend. Cross-border claims on that sector grew at an average annual pace of 8% between end-2015 and end-2018. This is considerably higher than the respective average annual growth rates of cross-border credit to non-financial borrowers (+2%) and to banks (0%).

The bulk of cross-border credit to NBFIs is directed towards a small number of borrowing jurisdictions. At end-2018, just four of them accounted for nearly 80% of the \$6 trillion outstanding stock of global cross-border claims on NBFIs. Nearly half of the global total consisted of positions vis-à-vis NBFIs located in the United States (\$1.5 trillion, 24% of the total) and the euro area (\$1.4 trillion, 23% of the total). The respective outstanding stocks of cross-border claims on NBFIs in the Cayman Islands (\$1.1 trillion, 18% of the total) and the United Kingdom (\$0.8 trillion, 14% of the total) were also substantial.

## Cross-border lending to EMDEs slowed



Graph 3: Annual percentage change in banks' cross-border claims by counterparty country ([interactive graph](#)). Source: BIS locational banking statistics ([Table A1](#)).

Claims on EMDEs rose by [\\$30 billion](#) in Q4 2018. Their annual growth, which has been positive since late 2016, slowed from 9% at end-2017 to [3%](#) at end-2018 (Graph 3, red line). The bulk of this deceleration reflected a decrease in claims on developing Europe, while claims on Latin America started to revive.

Roughly half of the latest quarterly increase in lending to EMDEs went to borrowers in developing Asia and Pacific. Cross-border claims on the region rose by \$15 billion during Q4 2018, which brought their annual growth rate to [5%](#) at end-2018 (yellow line). Claims on China ([+\\$9 billion](#)), the Philippines (+\$4 billion), Indonesia (+\$3 billion) and Thailand (+\$2 billion) all went up during Q4 2018. By contrast, cross-border lending to Chinese Taipei contracted by \$11 billion.

The annual growth rate of cross-border lending to developing Africa and the Middle East remained strong, despite decelerating slightly to [8%](#) at end-2018 from its recent high of 11% at mid-2018 (blue line). The largest increases in claims during Q4 2018 were reported vis-à-vis Qatar ([+\\$7 billion](#)), the United Arab Emirates (+\$6 billion) and South Africa (+\$5 billion).

The contraction in cross-border lending to Latin America and the Caribbean appears to have stopped. Cross-border claims expanded by [\\$7 billion](#) during Q4 2018, which brought their annual growth rate back into positive territory ([1%](#)), ending a three-year contraction (orange line). Claims on Brazil rose by \$6 billion during Q4 2018, while those on Argentina declined by \$2 billion.

Cross-border claims on developing Europe continued to contract, declining at an annual rate of [5%](#) as of end-2018 (purple line). The [\\$16 billion](#) decline during Q4 2018 was primarily led by a \$10 billion fall in claims on Turkey. Cross-border claims on Turkey decreased by 13% (on an exchange rate- and break-adjusted basis) during the second half of 2018.

## Annex A Locational banking statistics: charts

Cross-border claims, by sector, currency and instrument

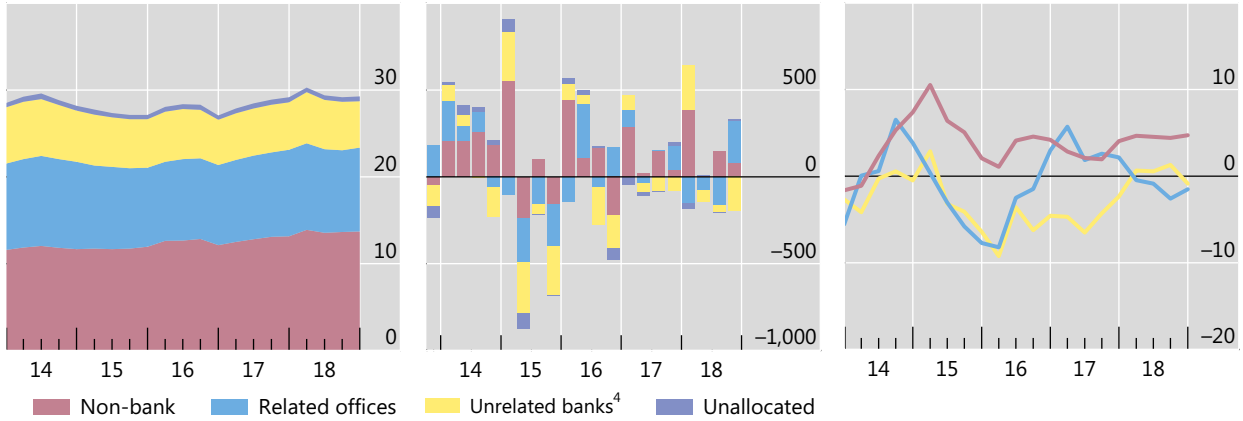
Graph A.1

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

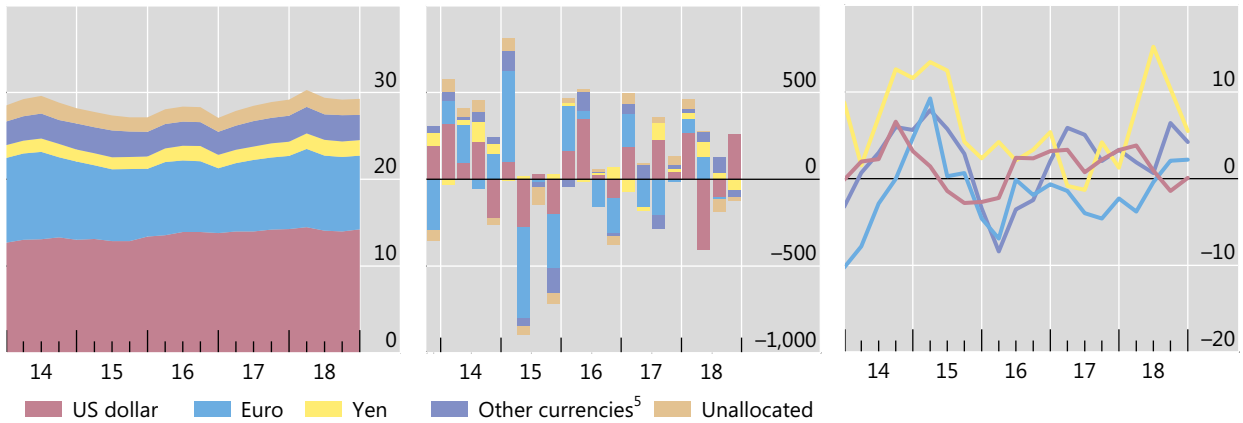
Adjusted changes, in USD bn<sup>2</sup>

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

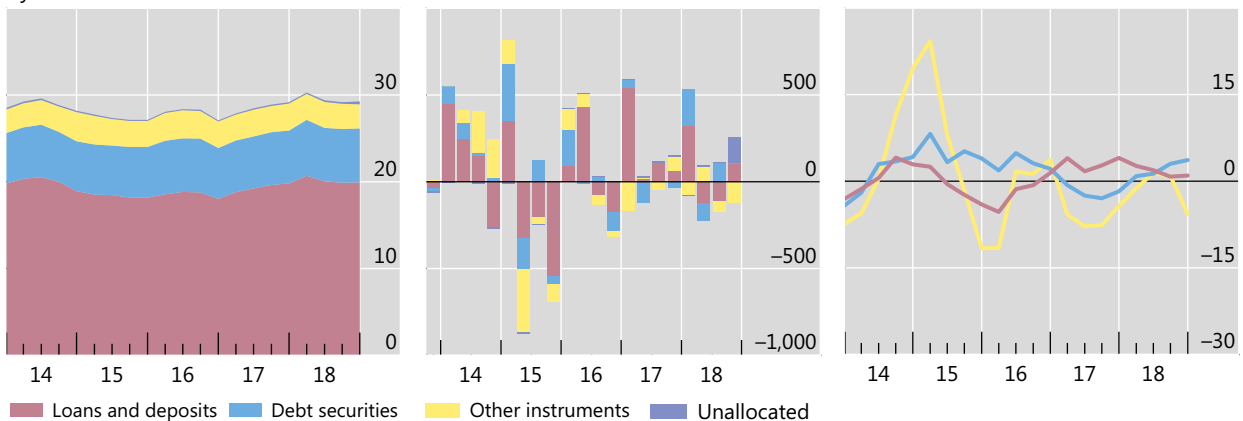
By sector of counterparty



By currency



By instrument



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

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

## Cross-border claims, by borrowing region

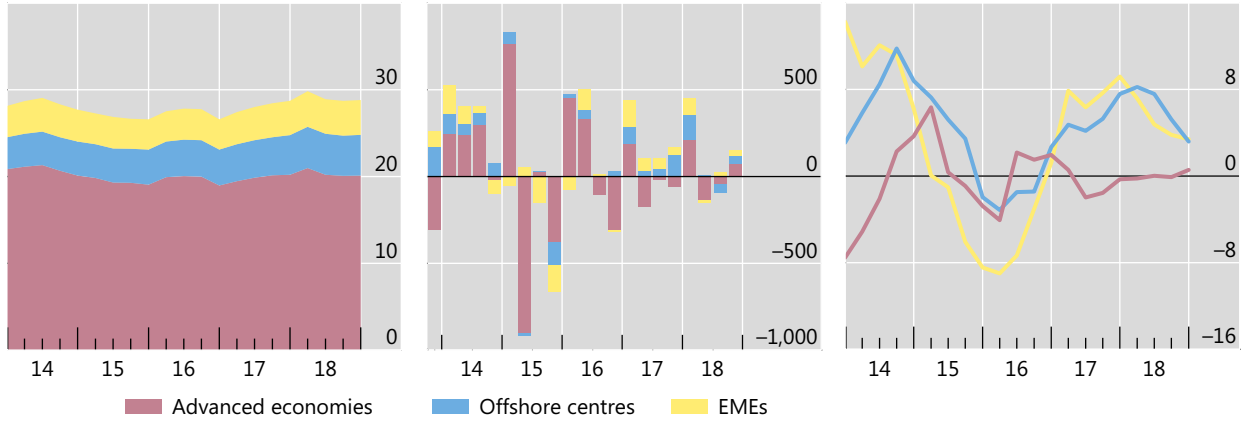
Graph A.2

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

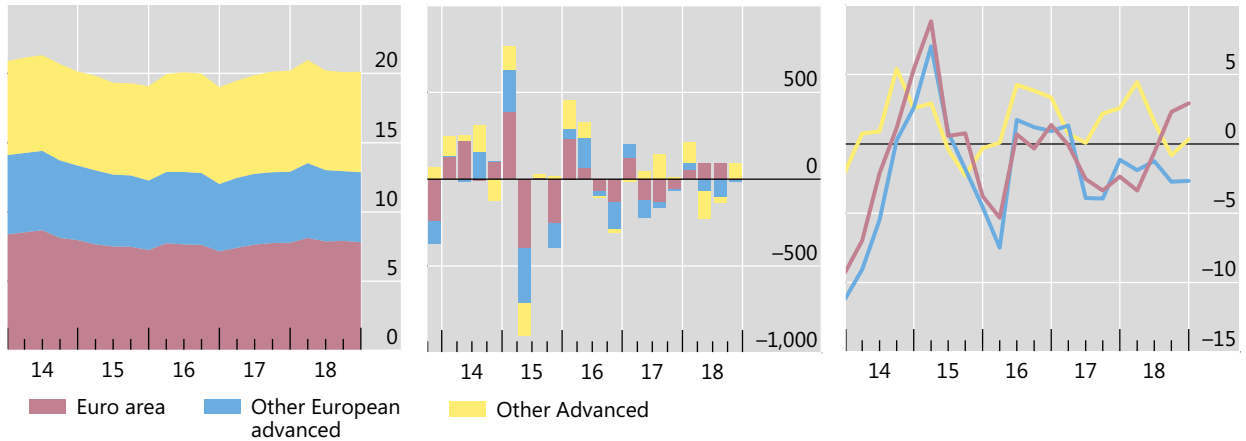
Adjusted changes, in USD bn<sup>2</sup>

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

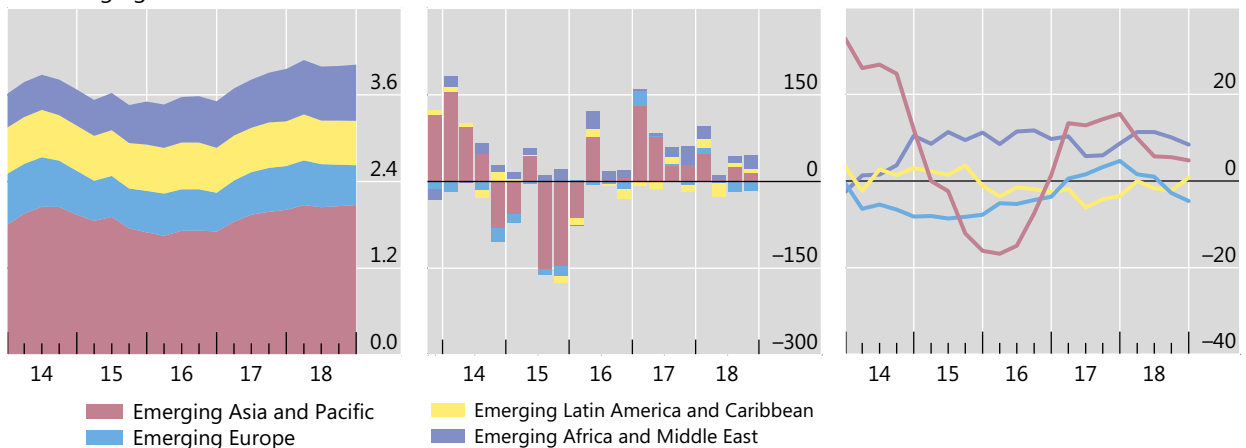
On all countries



On Europe



On emerging market economies



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

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

# Cross-border claims, by borrowing country

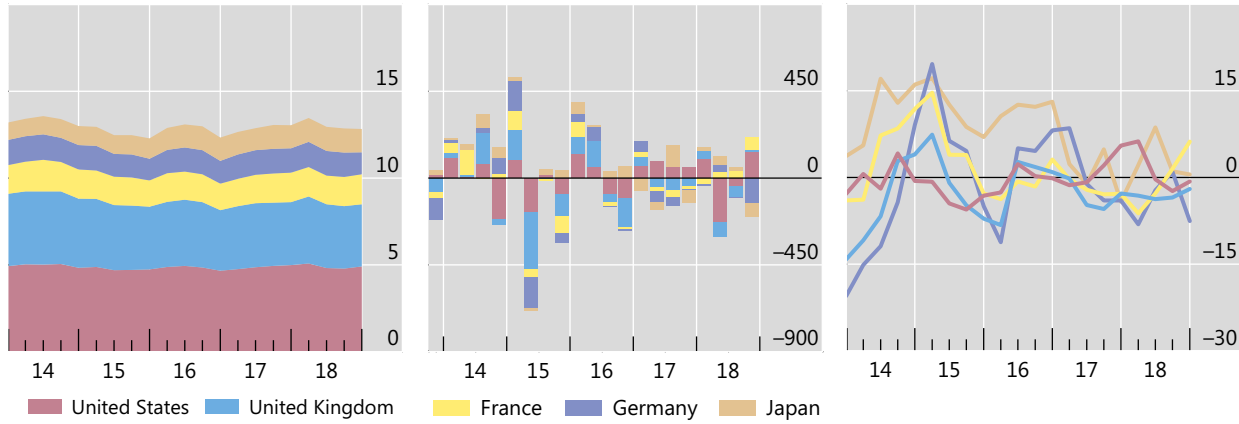
Graph A.3

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

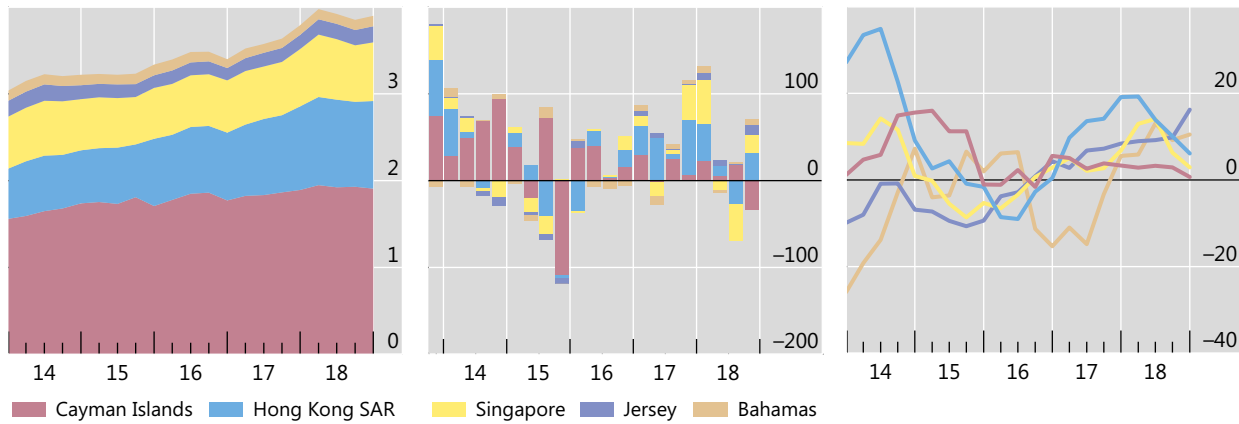
Adjusted changes, in USD bn<sup>2</sup>

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

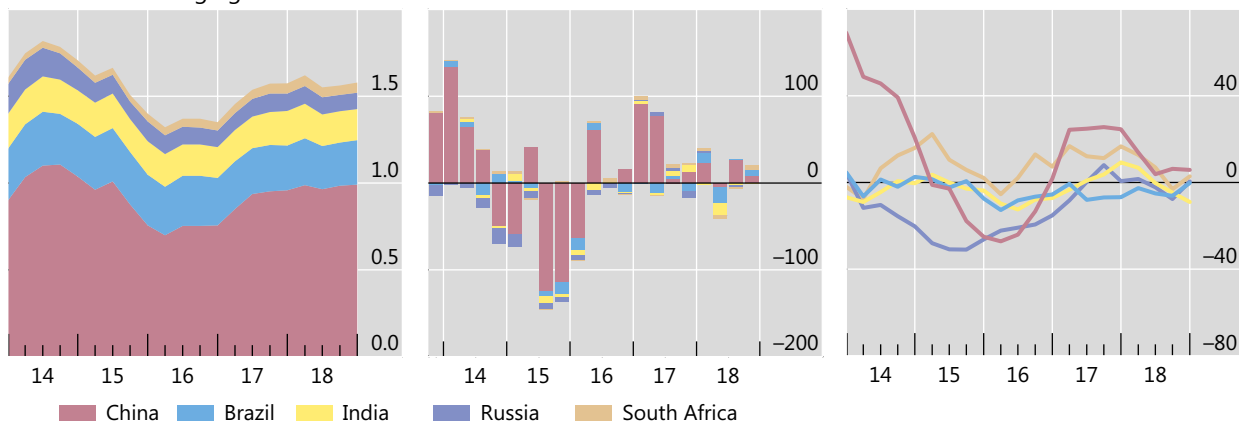
On selected advanced economies



On selected offshore centres



On selected emerging market economies



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

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

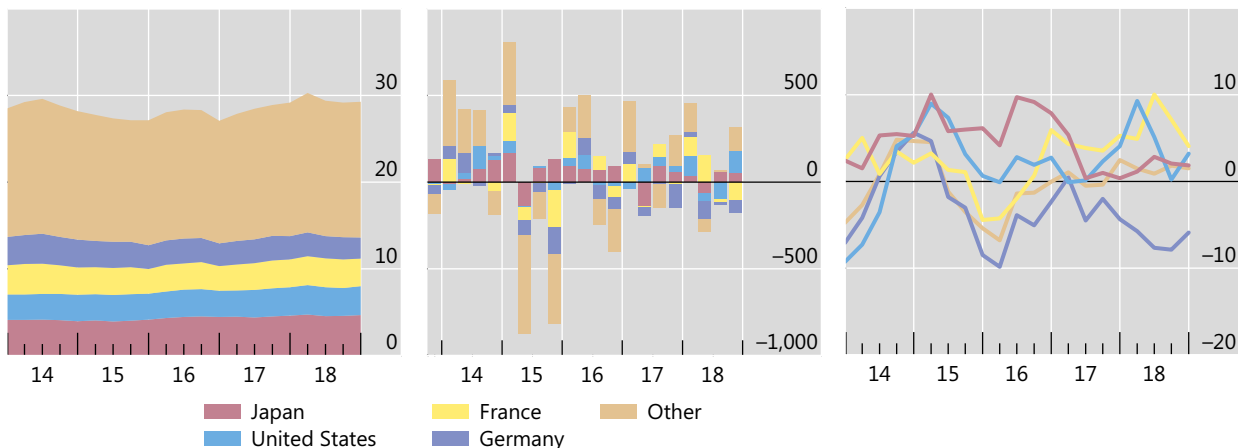
Cross-border claims, by nationality of reporting bank and currency of denomination Graph A.4

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

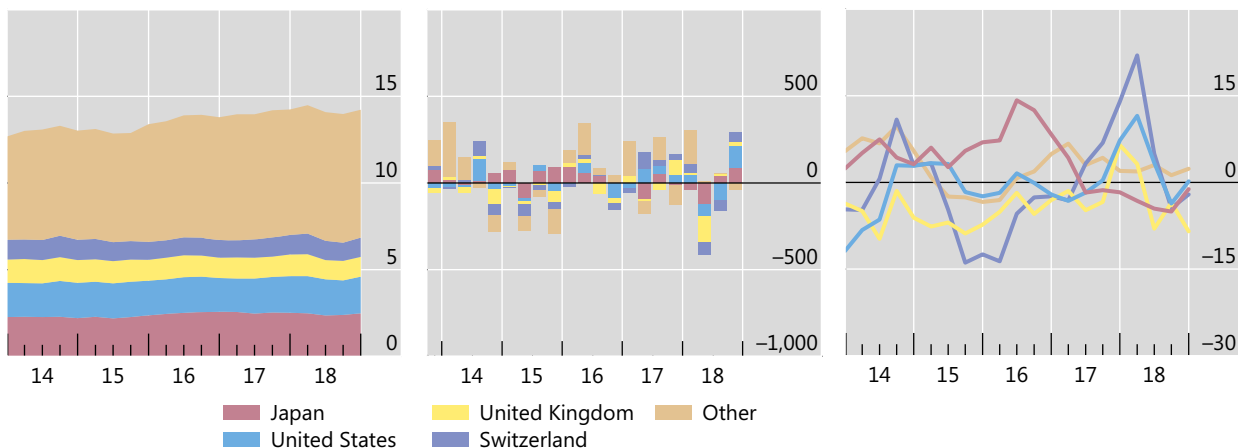
Adjusted changes, in USD bn<sup>2</sup>

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

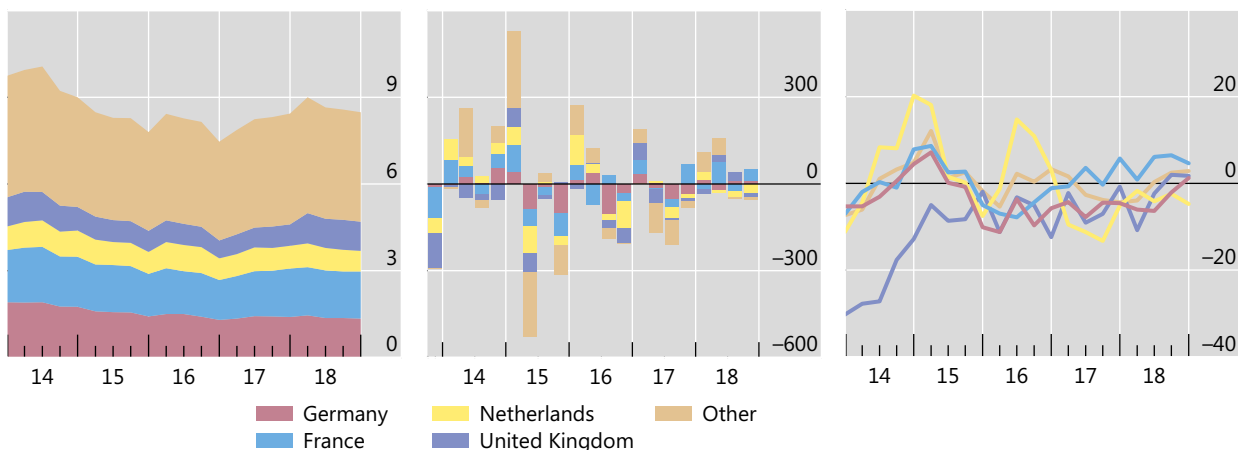
All currencies



US dollar



Euro



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

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

# Cross-border liabilities of reporting banks

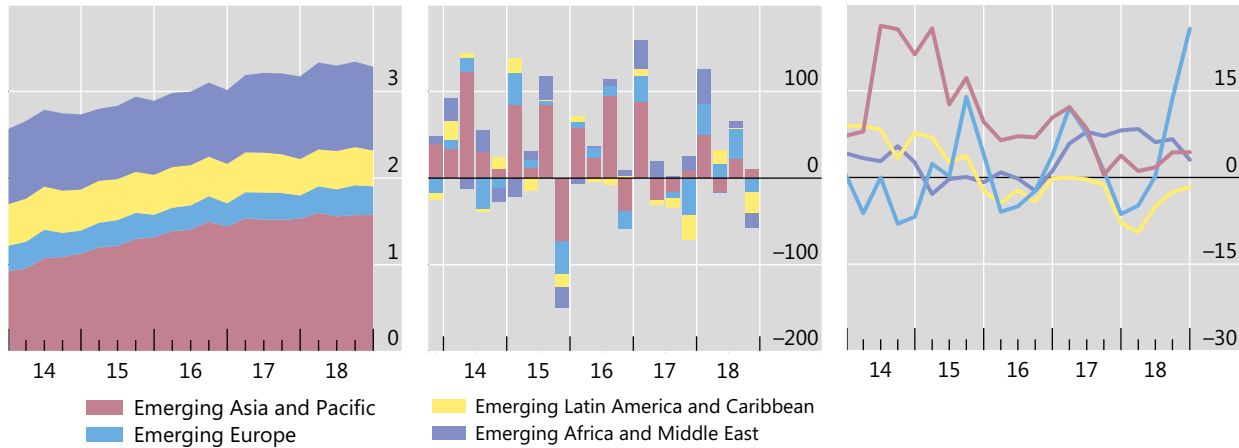
Graph A.5

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

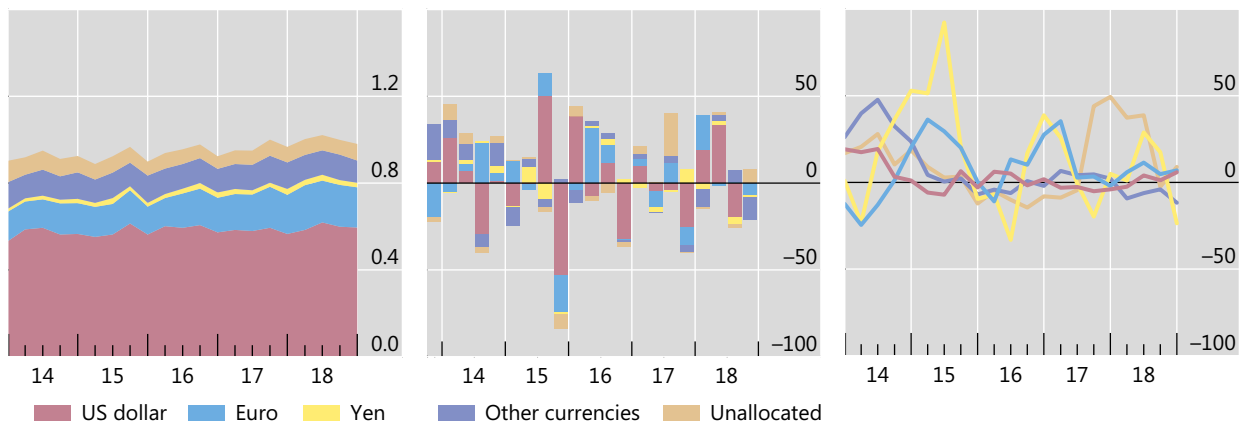
Adjusted changes, in USD bn<sup>2</sup>

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

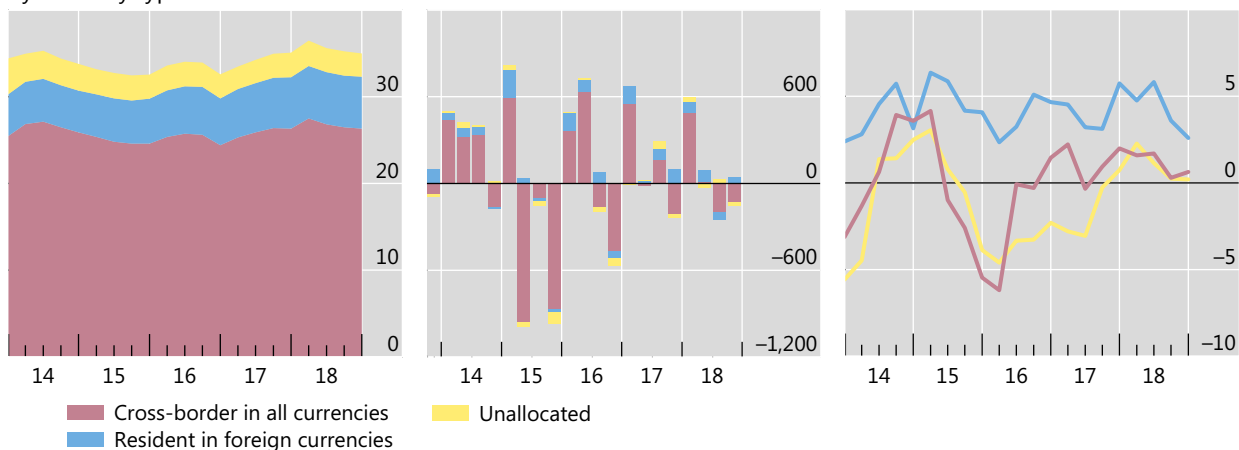
To emerging market economies



To central banks



By currency type and location



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

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



## Annex B Consolidated banking statistics: charts

Consolidated claims of reporting banks on advanced economies

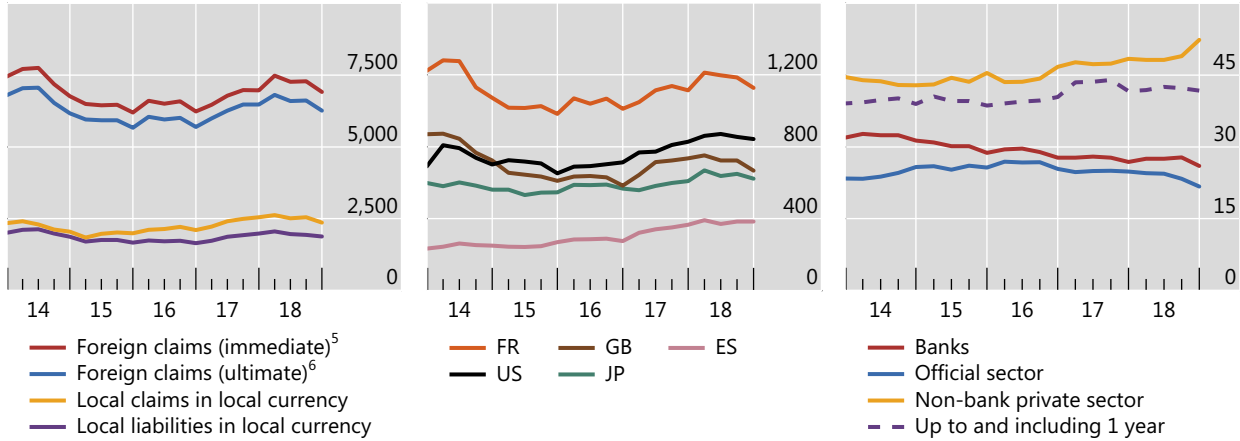
Graph B.1

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

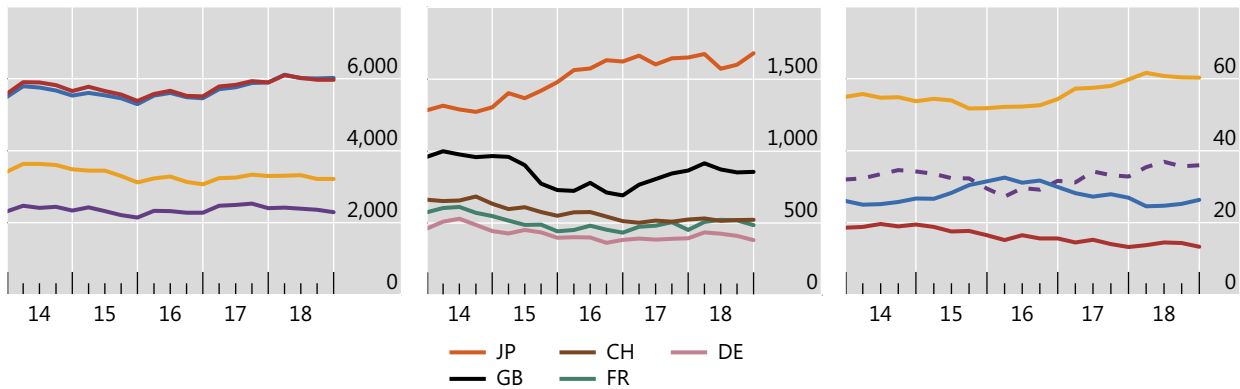
Foreign claims of selected creditors, in USD bn<sup>1,3</sup>

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

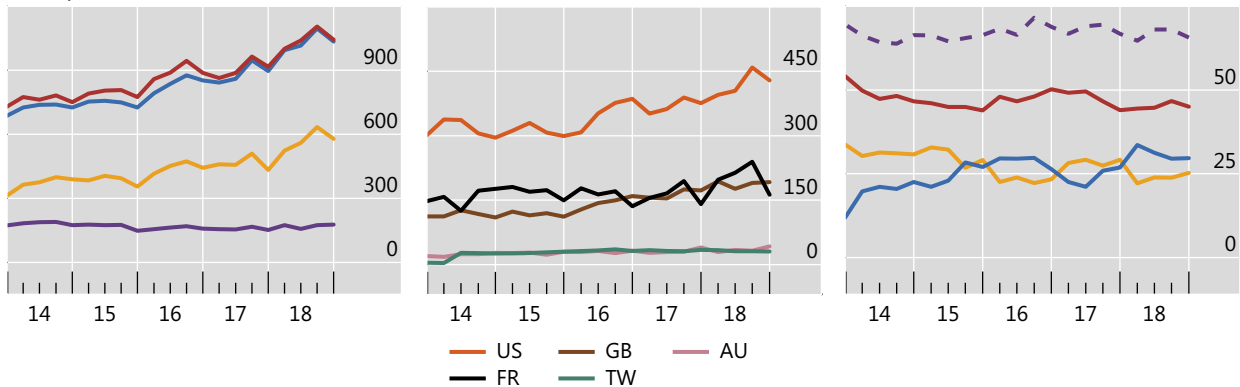
On the euro area



On the United States



On Japan



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

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

Consolidated claims of reporting banks on emerging market economies

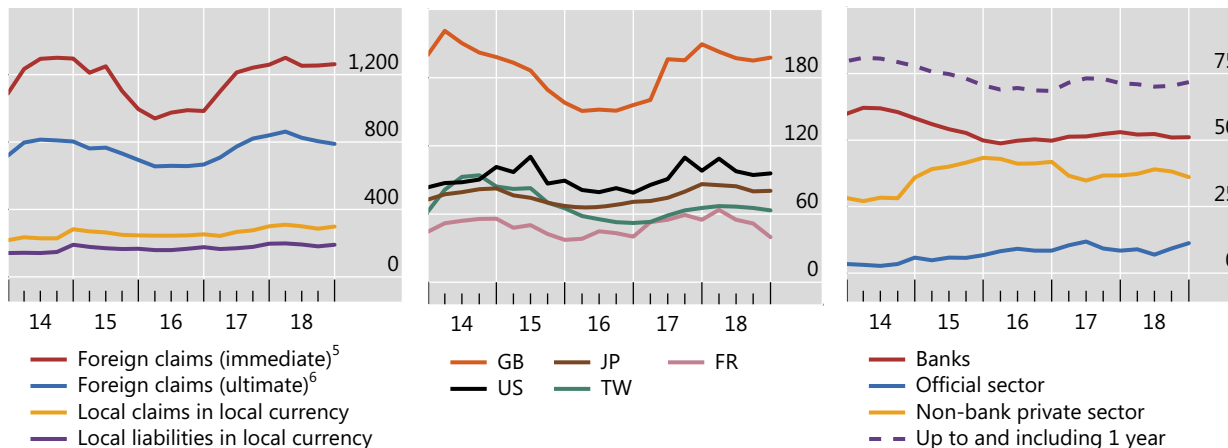
Graph B.2

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

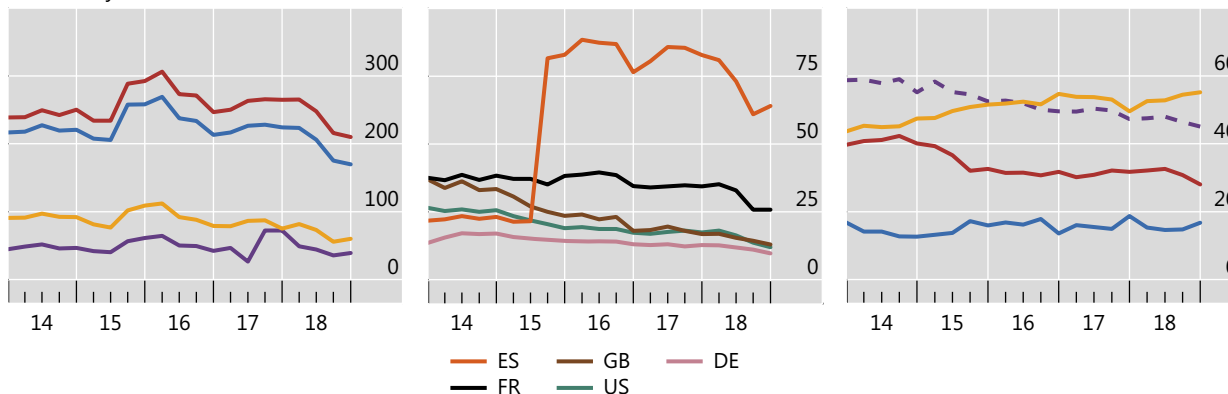
Foreign claims of selected creditors, in USD bn<sup>1,3</sup>

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

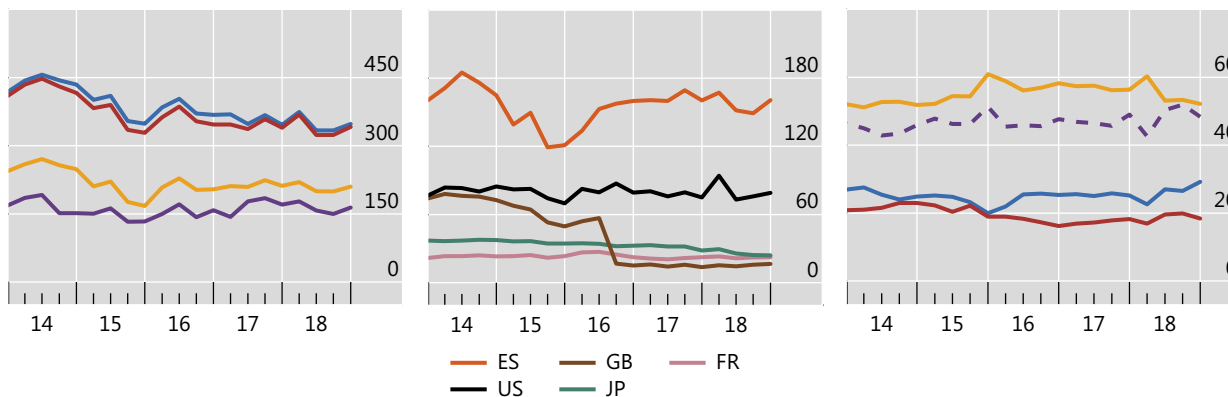
On China



On Turkey



On Brazil



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

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