

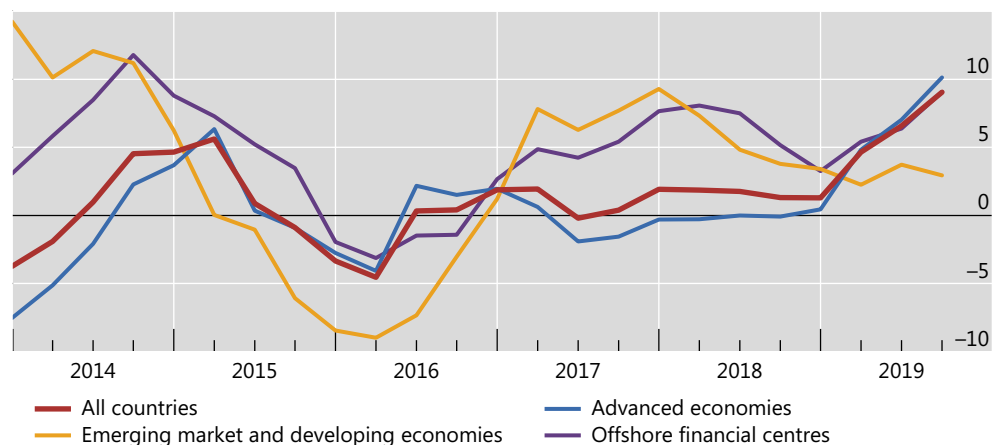


22 January 2020

Statistical release: BIS international banking statistics at end-September 2019

- Global cross-border bank claims continued to expand rapidly, growing at [9%](#) year on year.
- As in previous quarters, the expansion was mainly due to claims on the non-bank sector, which grew at [12%](#) year on year. The growth in claims on non-bank financial institutions was particularly strong (+17%).
- European banks' cross-border lending, which went through a prolonged contraction after the Great Financial Crisis (GFC) of 2007–09, has been expanding again since the start of 2018.

Expansion of global cross-border lending continues



Graph 1: Annual percentage change in banks' cross-border claims by counterparty region ([interactive graph](#)).

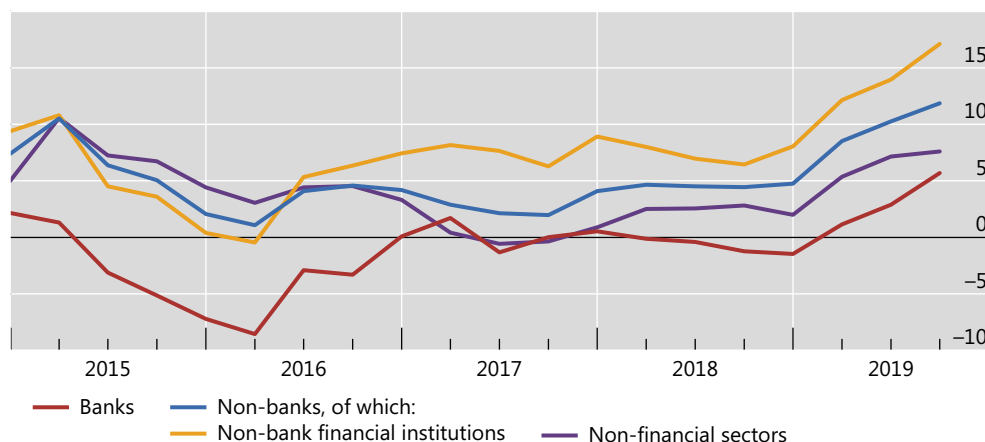
Source: BIS locational banking statistics ([Table A1](#)).

The BIS locational banking statistics show that banks' global cross-border claims grew by \$660 billion during Q3 2019, reaching [\\$31 trillion](#) at end-September. The resulting year-on-year (yoy) growth rate of [9%](#) was the highest since end-March 2008 (Graph 1, red line).

The global expansion was driven mainly by claims on advanced economies, which increased by \$577 billion in Q3, or 10% yoy (Graph 1, blue line). Lending to offshore financial centres also continued to grow rapidly, by \$74 billion in Q3, or 9% yoy (Graph 1, purple line), reaching [\\$5 trillion](#) at end-September 2019.

By contrast, claims on emerging market and developing economies contracted by \$6 billion in Q3, which brought their yoy growth rate down to 3% (Graph 1, yellow line). The [biggest individual-country decreases](#) were in claims on China (-\$33 billion), Turkey (-\$9 billion) and Mexico (-\$4 billion).

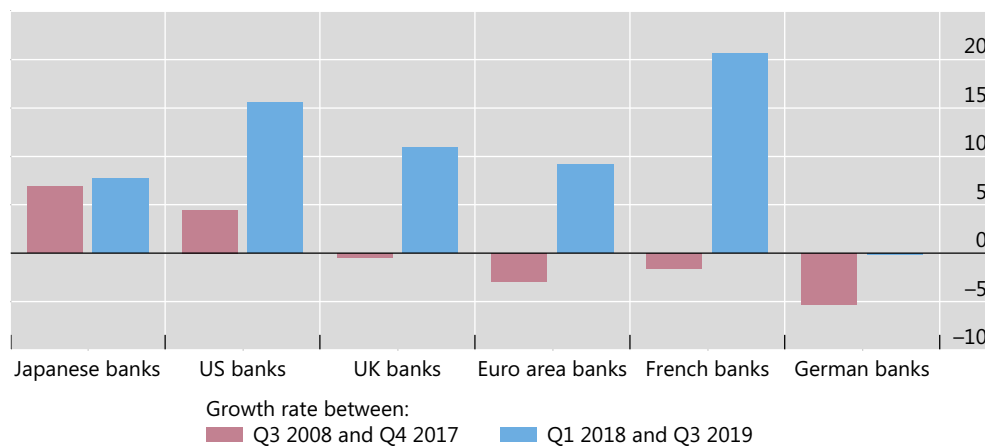
Double-digit growth in claims on non-banks



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

As in previous quarters, cross-border claims on non-banks continued to expand rapidly (Graph 2, blue line). They rose by \$380 billion in Q3 2019 (+12% yoy) and reached [\\$15 trillion](#) at end-September 2019. The growth in claims on non-bank financial institutions (+17% yoy) has been particularly strong (Graph 2, yellow line), outpacing the growth in claims on all other counterparty sectors. Cross-border interbank lending, expanded at [6%](#) yoy, its highest annual growth rate since the GFC (Graph 2, red line).

European banks' cross-border lending to non-banks expanding again



Graph 3: Annualised average quarterly percentage changes (adjusted for exchange rate fluctuations and breaks in series) in cross-border claims on non-banks, by nationality of reporting banks ([interactive graph](#)).
Source: BIS locational banking statistics ([Table A4](#)).

The locational banking statistics by nationality suggest that the post-GFC contraction in European banks' cross-border lending has reversed since the start of 2018 (Graph 3).

The period after the GFC saw considerable divergence between the cross-border activities of European and non-European banks. Banks headquartered in Europe

decreased their international presence considerably.¹ Between mid-2008 and end-2017, German banks' cross-border claims on non-banks contracted at an average annual rate of 5%; and those of French banks declined at 2% per year. By contrast, Japanese and US banks' claims grew at average annual rates of 7% and 4%, respectively.

Since the start of 2018, European banks' cross-border lending has been expanding again. Between Q1 2018 and Q3 2019, the average annual growth rate of cross-border claims on non-banks was 11% for UK banks and 9% for euro area banks as a whole. However, there is a substantial degree of heterogeneity among major bank nationalities from the euro area. On the one hand, French banks' claims expanded at an average annual rate of 21%. On the other, the claims of German banks remained virtually unchanged during the same period.

¹ For more details, see R McCauley, A Bénétrix, P McGuire and G von Peter, "[Financial deglobalisation in banking?](#)", *BIS Working Papers*, no 650, June 2017.

Annex A Locational banking statistics: charts

Cross-border claims by sector, currency and instrument

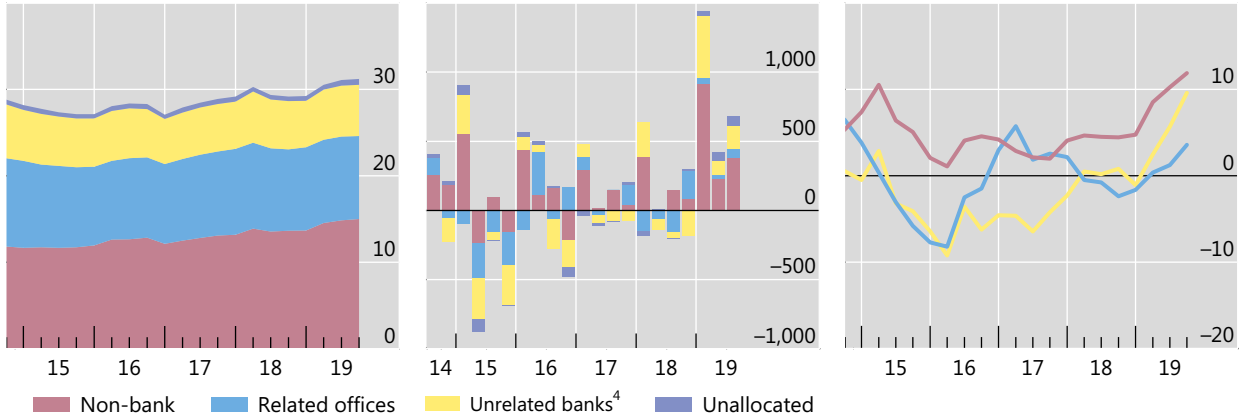
Graph A.1

Amounts outstanding, in USD trn¹

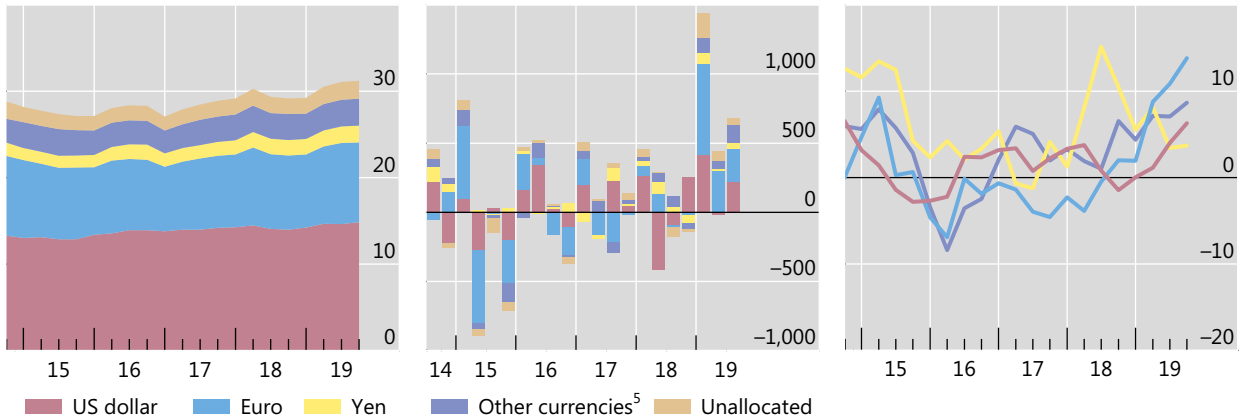
Adjusted changes, in USD bn²

Annual change, in per cent³

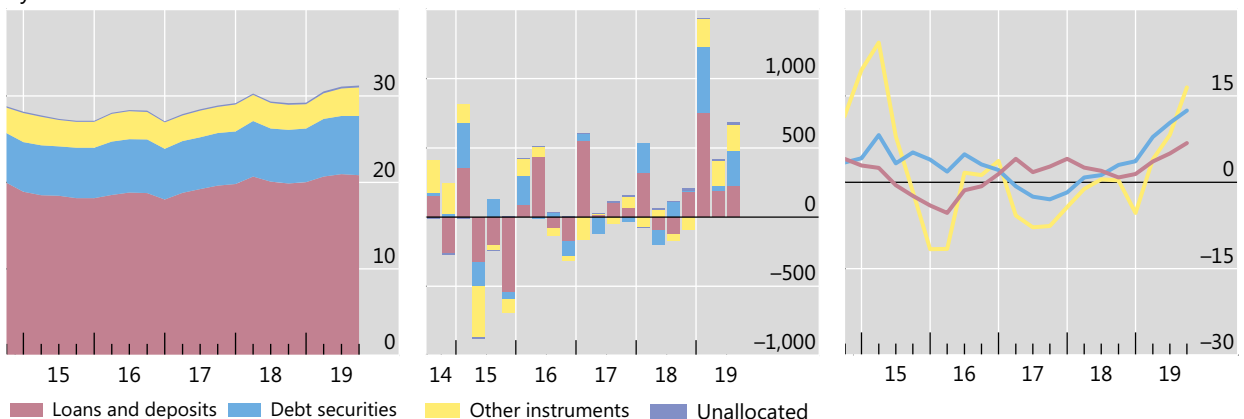
By sector of counterparty



By currency



By instrument



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 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.

Cross-border claims by borrowing region

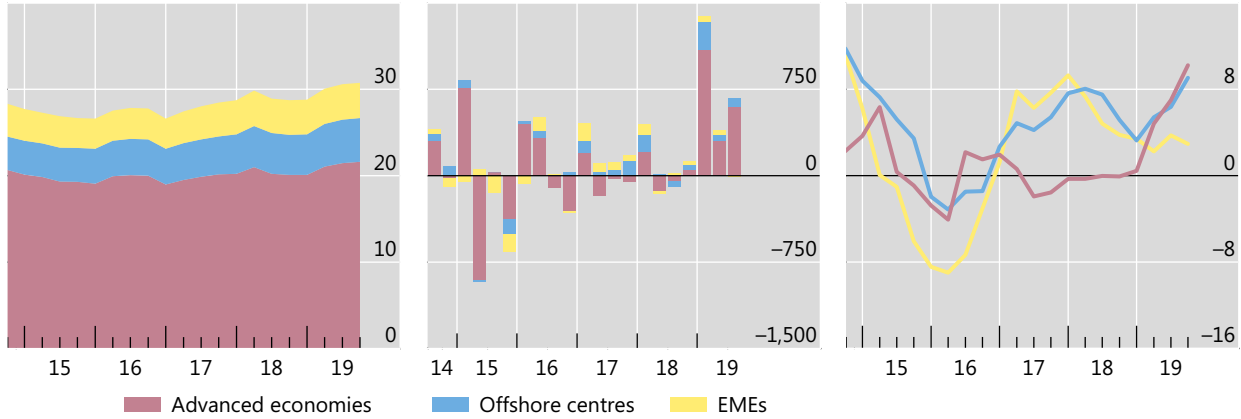
Graph A.2

Amounts outstanding, in USD trn¹

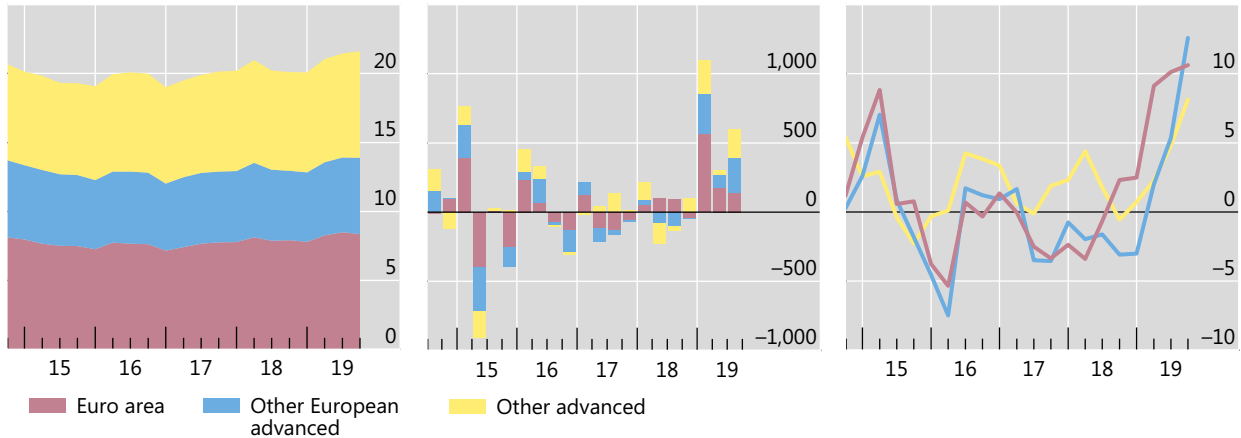
Adjusted changes, in USD bn²

Annual change, in per cent³

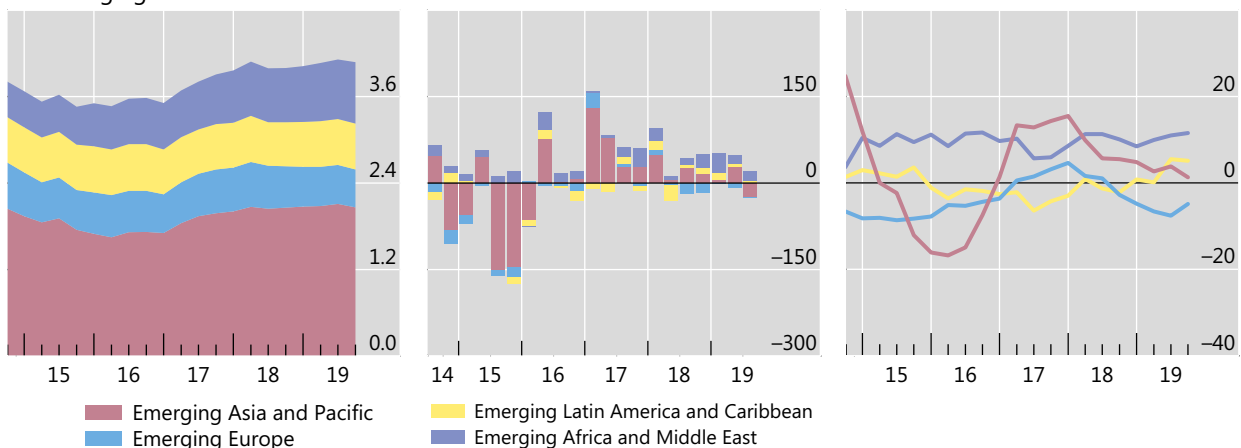
On all countries



On Europe



On emerging market economies



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.

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

Cross-border claims by borrowing country

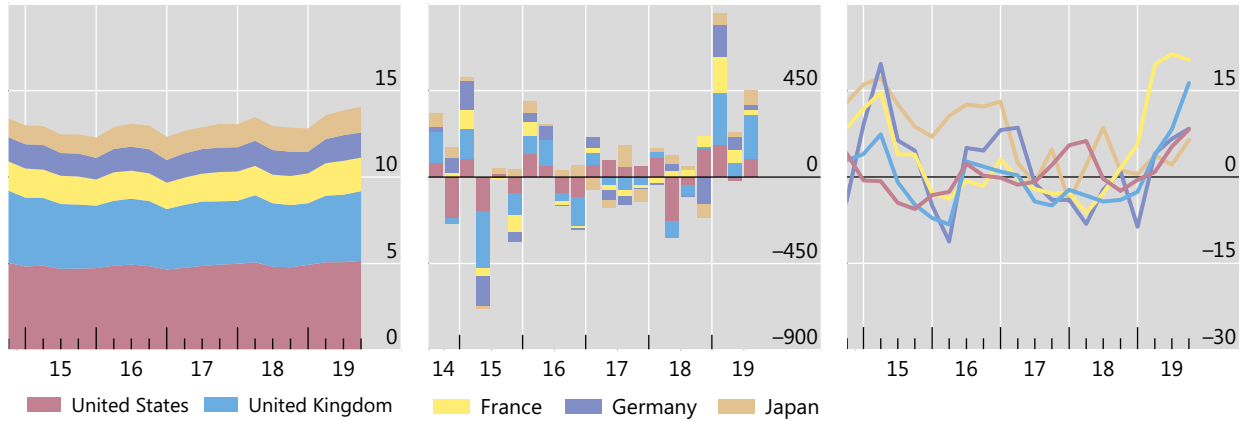
Graph A.3

Amounts outstanding, in USD trn¹

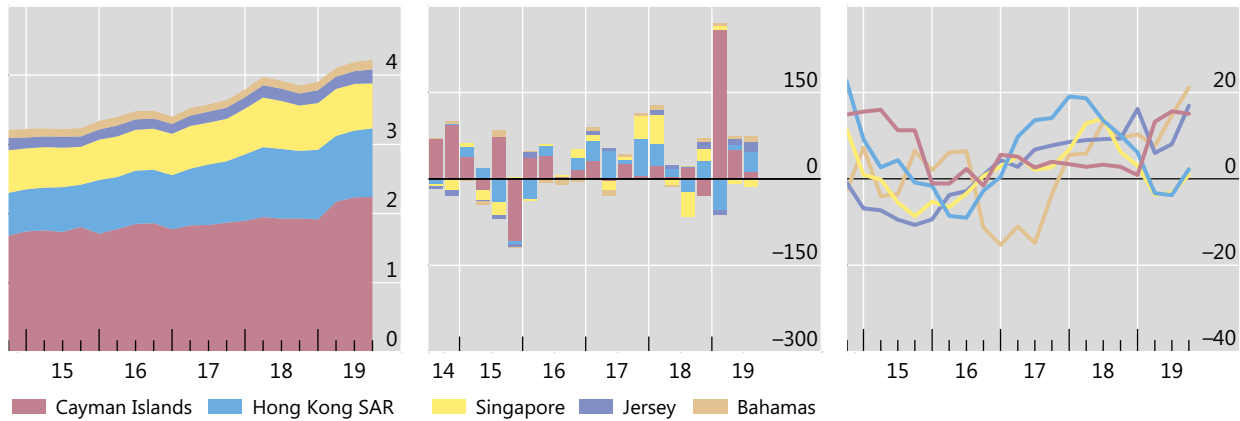
Adjusted changes, in USD bn²

Annual change, in per cent³

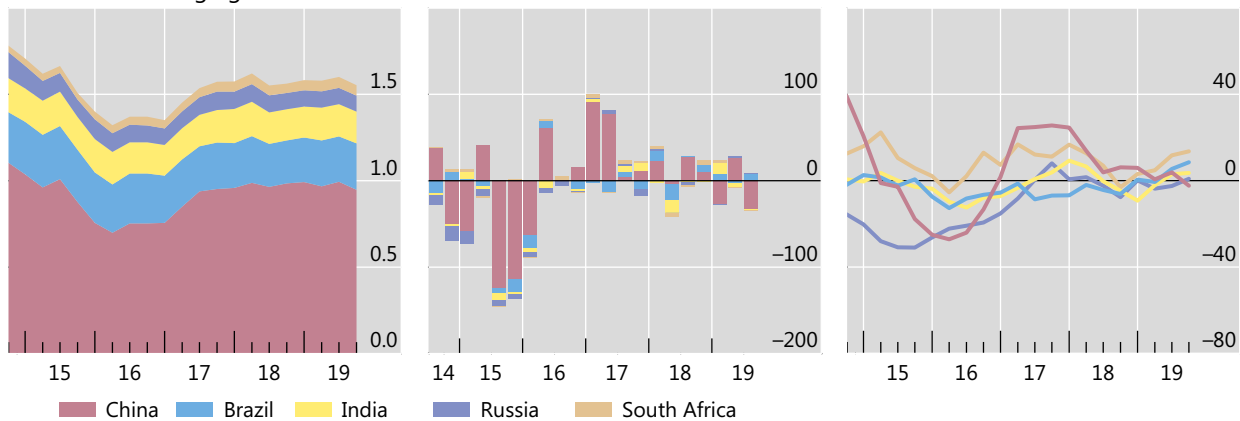
On selected advanced economies



On selected offshore centres



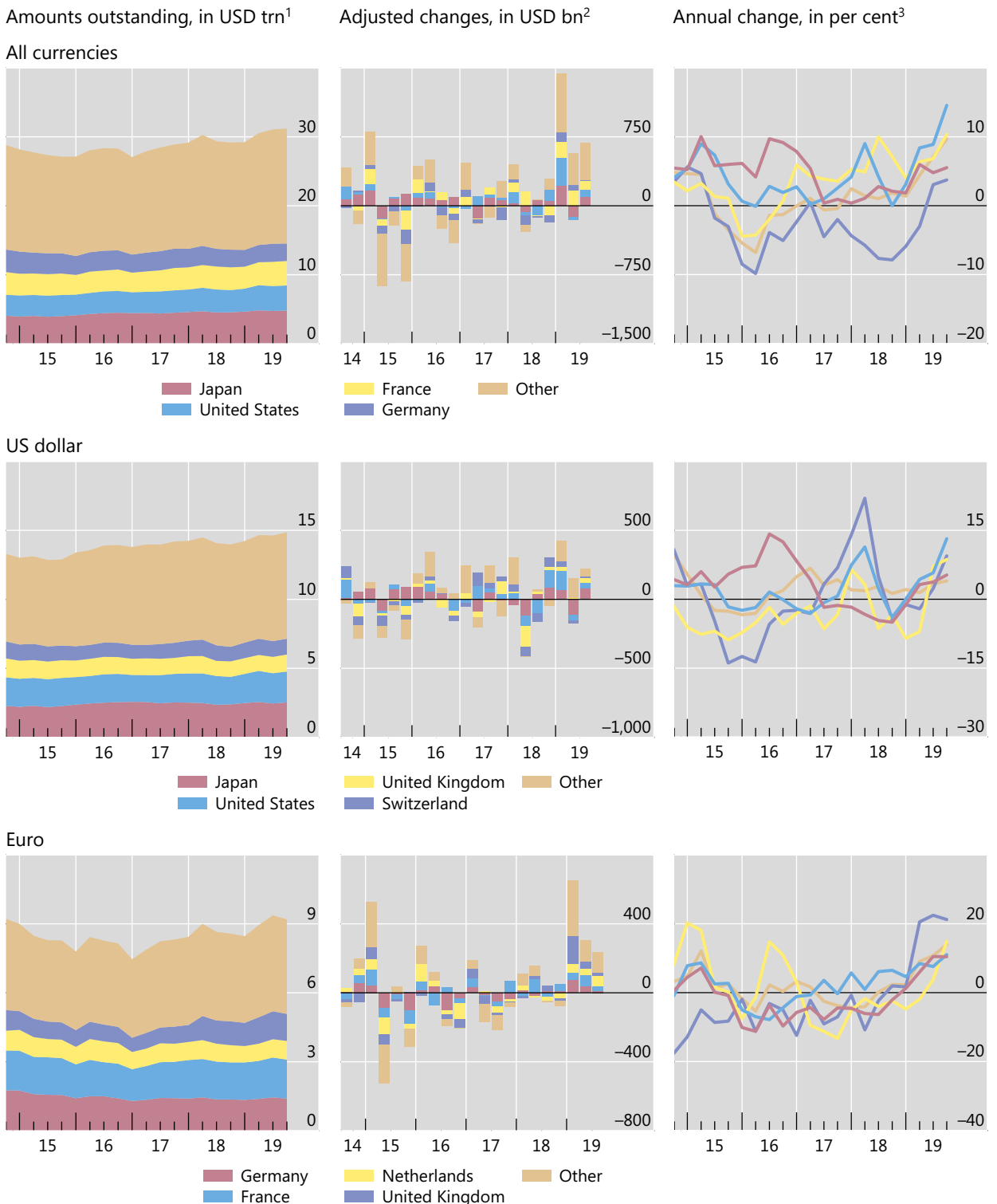
On selected emerging market economies



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.

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

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



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.

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

Cross-border liabilities of reporting banks

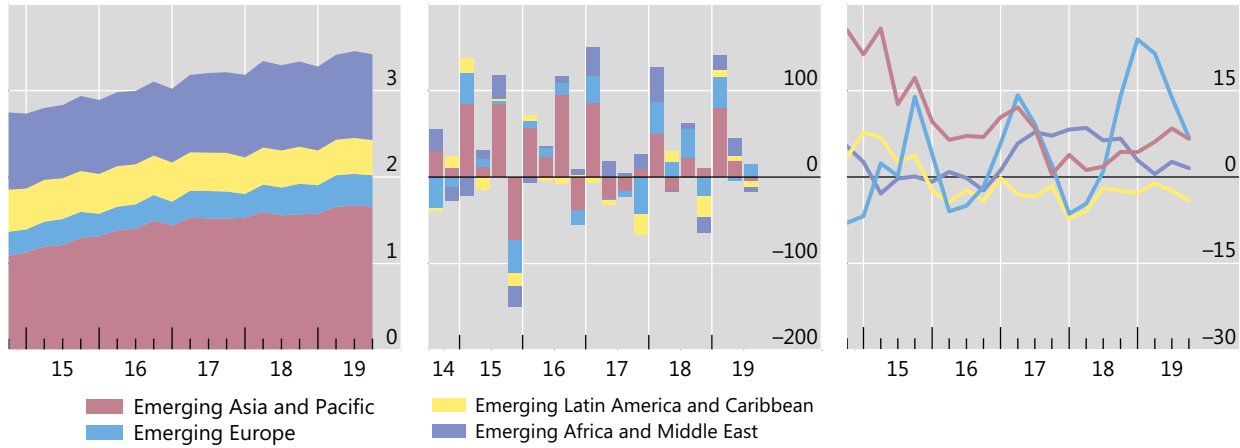
Graph A.5

Amounts outstanding, in USD trn¹

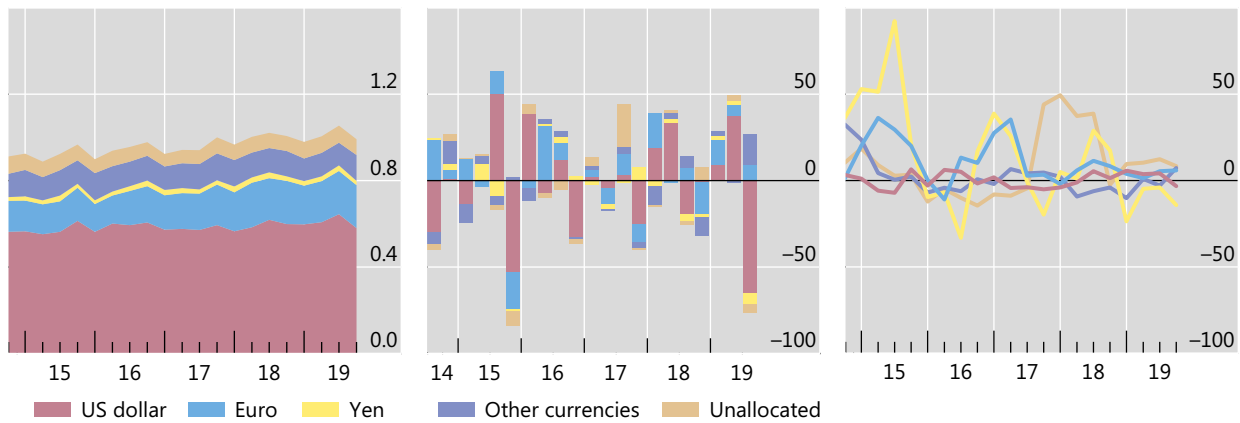
Adjusted changes, in USD bn²

Annual change, in per cent³

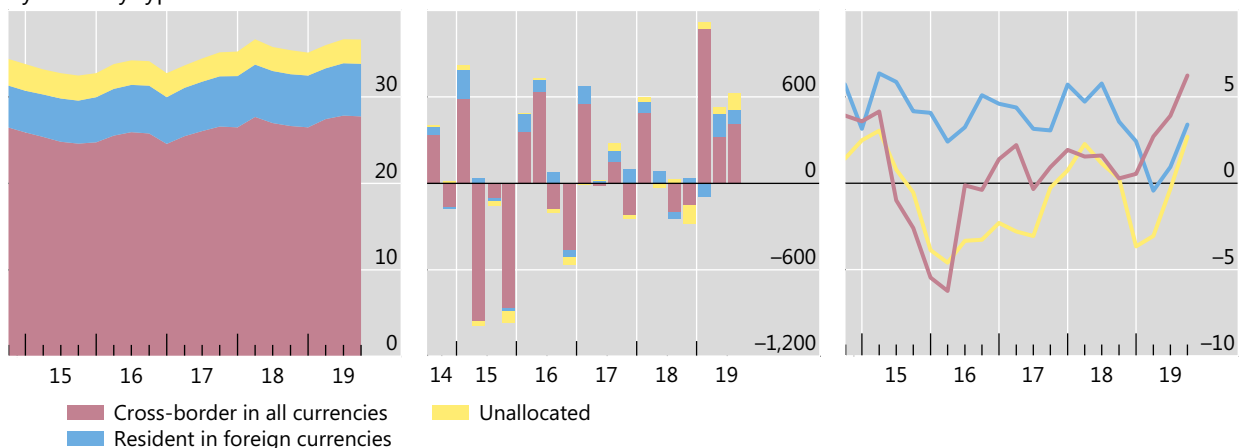
To emerging market economies



To central banks



By currency type and location



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.

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

Annex B Consolidated banking statistics: charts

Consolidated claims of reporting banks on advanced economies

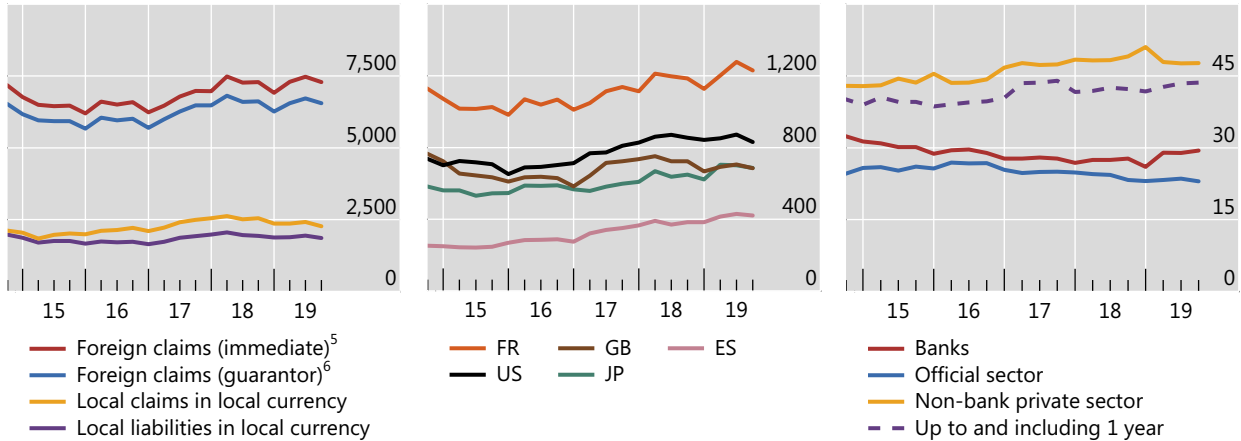
Graph B.1

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

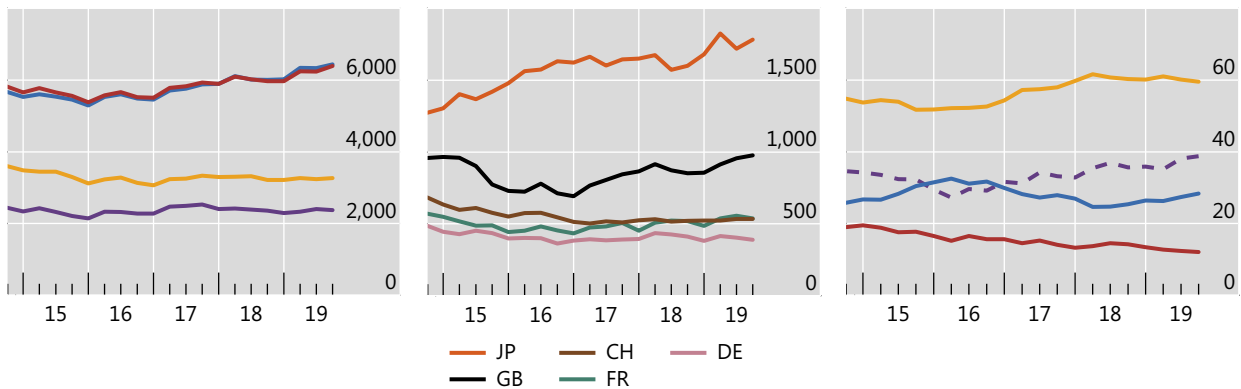
Foreign claims of selected creditors, in USD bn^{1,3}

International claims, by sector and maturity, in per cent⁴

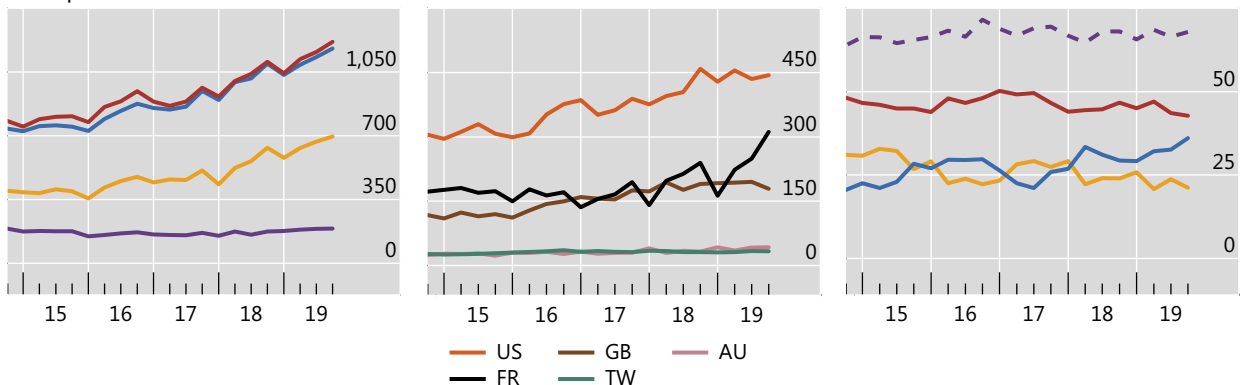
On the euro area



On the United States



On Japan



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.

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

Consolidated claims of reporting banks on emerging market economies

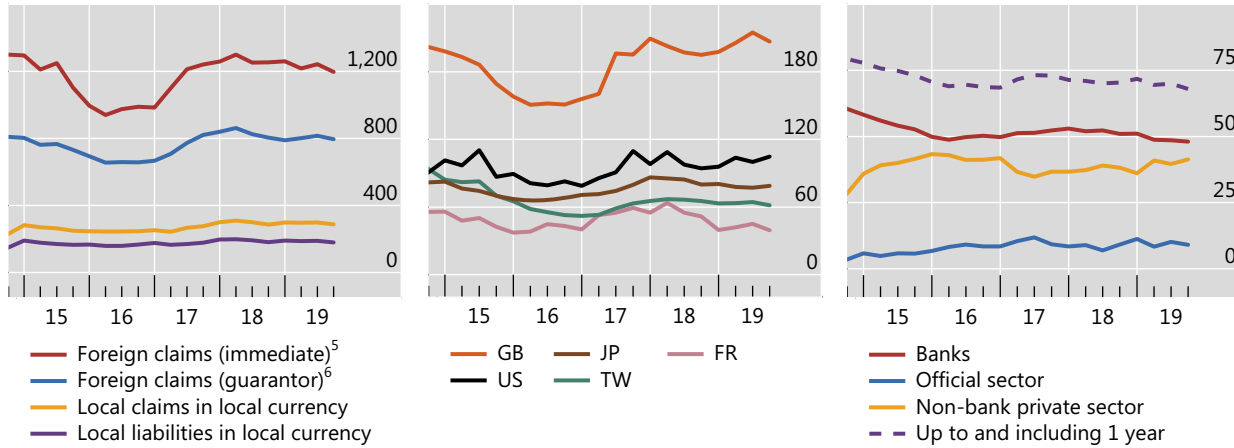
Graph B.2

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

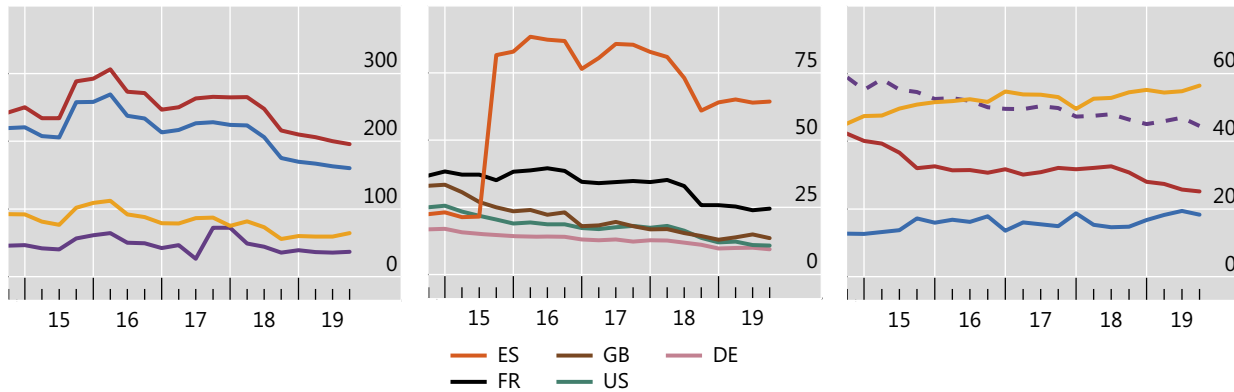
Foreign claims of selected creditors, in USD bn^{1,3}

International claims, by sector and maturity, in per cent⁴

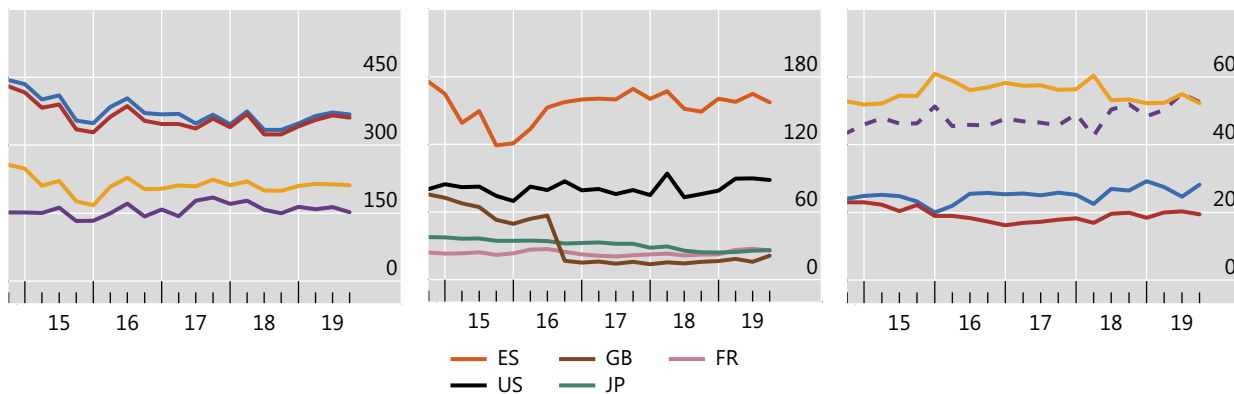
On China



On Turkey



On Brazil



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.

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