

Index of charts and tables

Charts

Overview	5	2	Assessing the UK financial system	24	
1	Financial market liquidity	5	2.1	Global equity prices	24
2	Loss of market value of major UK banks' banking book assets and their capital raising	6	2.2	Global issuance of corporate bonds	24
3	Contributions to annual growth in lending to UK non-financial companies	6	2.3	Major UK banks' and LCFIs' equity prices	24
4	Net purchases of domestic financial assets by foreigners in G20 countries, 1990 Q1–2008 Q4	7	2.4	Major UK banks' and LCFIs' credit default swap premia	25
5	Major UK banks' and LCFIs' leverage ratios	7	2.5	Major UK banks' and LCFIs' price to book ratios	25
6	Major UK banks' maturing funding: selected wholesale liabilities	7	2.6	Major UK banks' and LCFIs' total assets	25
7	Long-run capital levels for UK and US banks	8	2.7	Major UK banks' and LCFIs' leverage ratios	28
8	Sterling liquid assets relative to total asset holdings of UK banking sector	9	2.8	Provisions versus net interest income	29
9	Asset prices and credit in the United Kingdom	10	2.9	Underlying pre-tax and pre-provision profit	29
10	Consolidated banking group assets relative to GDP by nationality of ownership	10	2.10	Major UK banks' pre-tax return on equity	29
			2.11	Major UK banks' and building societies' net interest margin	30
1	Global financial instability and the policy response	11	2.12	Number of mortgage products advertised in Moneyfacts	30
1.1	World GDP growth	11	2.13	UK banks' senior debt issuance	30
1.2	Unemployment	11	2.14	Three-month interbank rates relative to expected policy rates	32
1.3	UK property price falls in recent recessions	11	2.15	Major UK banks' customer funding gap	32
1.4	Sterling corporate bond spreads	12	2.16	Major UK banks' maturing funding: selected wholesale liabilities	32
1.5	Decomposition of sterling investment-grade corporate bond spreads	12	2.17	Sovereign and bank CDS premia	33
1.6	Expected loss rates on European investment-grade corporate bonds	12	2.18	Sovereign CDS premia	33
1.7	FTSE world equity index during crises	13	2.19	Retail deposit spreads	33
1.8	Contributions to FTSE 100 equity returns	13	2.20	Annual growth in major UK banks' and building societies' lending to UK households	34
1.9	A possible arbitrage opportunity	13	2.21	Finance raised by UK non-financial companies	34
1.10	Major UK banks' and LCFIs' write-downs	15	2.22	Lending in past UK financial crises	34
1.11	Changes in core Tier 1 capital ratios in 2008	16	Box 4		
1.12	Market value of UK banks' banking books	16	A	Composition of the major UK banks' Tier 1 capital	26
1.13	Spreads on new fixed-rate mortgage lending by the major UK banks	16	B	Illustration of the impact of capital buybacks on major UK banks' capital composition	27
1.14	Contributions to annual growth in lending to UK non-financial companies	17	Box 5		
1.15	Indicators of UK economic and financial uncertainty	17	A	Probability of a high-impact event in the UK financial system	31
1.16	Speed and scale of interventions in different crises	20	3	Building a more resilient financial system	36
Box 1			3.1	SONIA-Bank Rate spread prior to UK banks' reporting dates	38
A	Mortgage arrears, unemployment and income gearing	14	3.2	Long-run capital levels for UK and US banks	41
Box 2			3.3	Five-year CDS premia versus Tier 1 capital ratio	41
A	Global current account imbalances and financial globalisation, 1980–2007	18	3.4	Sterling liquid assets relative to total asset holdings of UK banking sector	43
B	BIS banks' cross-border lending	18	3.5	BIS reporting banks' cross-border claims	44
C	BIS banks' cross-border and domestic lending to non-banks	18	3.6	Global financial network, 1985	46
D	BIS banks' cross-border lending to EMEs and foreign ownership of banking system by region	19	3.7	Global financial network, 2005	46
E	Major UK banks' exposures to euro-area countries, end-2008	19	3.8	Network of large exposures between UK banks	47
Box 3			3.9	Regulatory capital ratios and total assets for the 100 largest banks in G10 countries	47
A	Real GDP levels before and after a financial crisis	21	3.10	Asset prices and credit in the United Kingdom	48
B	Real lending growth rates	23	3.11	Global current account balances	48
			3.12	Interest rate swaps — SwapClear trade registration volumes by month	49
			3.13	Gross notional outstanding credit products	49
			3.14	Lending by UK banks and building societies to UK households and PNFCs	49

3.15	Global issuance of asset-backed securities	52
3.16	Concentration of domestically owned banking sector	53
3.17	Consolidated banking group assets relative to GDP by nationality of ownership	53
Box 7		
A	Ratio of private credit to GDP in selected countries	50

Tables

	Overview	5
A	Mark-to-market losses on selected financial assets	6
1	Global financial instability and the policy response	11
1.A	Mark-to-market losses on selected financial assets	15
1.B	Financial system support schemes since October 2008	17
1.C	Size of financial system support measures	20
Box 3		
1	Balance sheets at onset of financial crisis	21
2	Percentage peak to trough falls in asset prices during crises	21
3	Summary of measures used to deal with bad assets and burden sharing	22
2	Assessing the UK financial system	24
2.A	Impact of equity issuances and conversions in 2009 on capital ratios	27
Box 4		
1	Key components of Tier 1 and Tier 2 capital and relevant regulatory limits under Pillar 1	26
2	Major UK banks' buyback and exchange offers	27
Box 5		
1	Key risks to the UK financial system	31
Box 6		
1	Illustration of bank restructuring proposal	35
3	Building a more resilient financial system	36
3.A	Liquidity risk disclosures for the ten largest global banks in 2008	38
3.B	Enhancements to Pillar 3 supervisory review process	38
3.C	Dunfermline Building Society	39
3.D	Changes to deposit insurance schemes in selected countries	39
3.E	Financial Stability Board (FSB) <i>Principles for cross-border co-operation on crisis management</i>	45
3.F	Industry initiatives to increase transparency in the securitisation market	52
Box 7		
1	Instruments targeting the size and composition of bank balance sheets	51
Box 8		
1	Outstanding amounts of derivatives	54