



Statistical release

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Consolidated worldwide external claims of UK-owned monetary financial institutions (excluding central bank): 2015 Q4⁽¹⁾

UK-owned monetary financial institutions and their branches and subsidiaries worldwide reported a decrease in consolidated external claims on an ultimate risk basis of \$168.2 billion during 2015 Q4, to a level of \$3,064.5 billion. The largest fall was on Developed Countries, down by \$83.9 billion to a level of \$1,677.6 billion. The decrease was driven by falls reported on the United States and France. Claims on Offshore Centres decreased by \$41.1 billion to stand at \$567.8 billion, principally driven by a fall in claims on Hong Kong and Singapore. Claims on Developing Countries also fell during the quarter, down \$37.8 billion to \$765.0 billion, driven by a fall in claims on China.

Developed Countries had net inward risk transfers of \$22.6 billion, with the largest to Germany and Japan. Offshore Centres had net outward risk transfers of \$25.2 billion, primarily from Hong Kong. Developing Countries had net inward risk transfers of \$20.1 billion, with the largest net inward risk transfer reported to India.

Table A: Regional breakdown of external claims of UK-owned monetary financial institutions - End-Q4 2015

US\$ billions

Not seasonally adjusted

	External claims on:		Developing countries:				Total
	Developed Countries	Offshore Centres	Europe	Latin America & Caribbean	Africa & Middle East	Asia & Pacific	
Immediate Borrower	1,655.0	592.9	40.7	93.3	203.9	407.1	3,046.6
Net Risk Transfers	22.6	-25.2	-0.9	3.2	-5.5	23.3	17.9
Ultimate Risk	1,677.6	567.8	39.8	96.4	198.4	430.4	3,064.5

Chart 1: UK-owned monetary financial institutions foreign claims on an ultimate risk basis by region and origin of claim

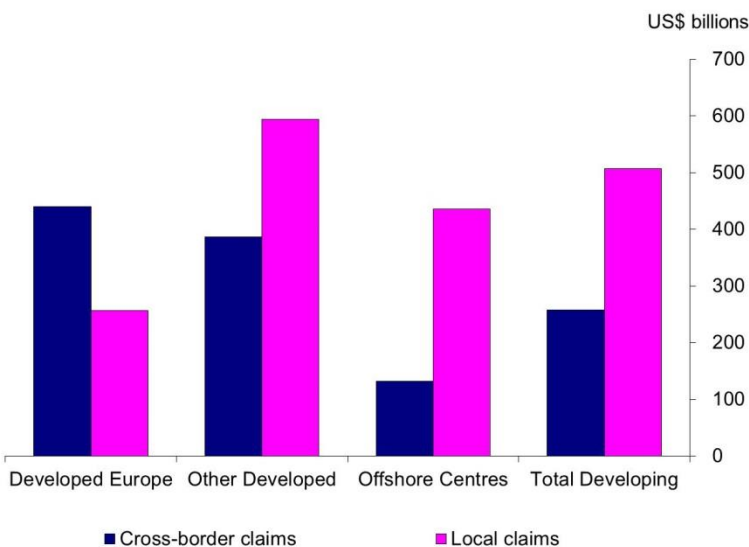


Chart 2: Foreign claims on an ultimate risk basis by country

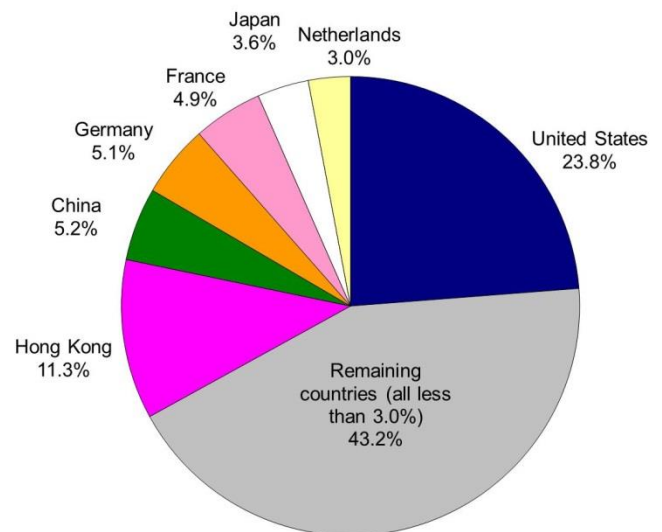


Table B: Changes in external claims on an ultimate risk basis by debtor country - End-Q4 2015

US\$ billions

Not seasonally adjusted

	Developed		Offshore Centres		Developing	
Largest increases	Germany	10.8	Bahamas	1.4	Mexico	1.2
	Iceland	1.2	Jersey	1.1	Israel	0.6
	Australia	1.2	Guernsey	0.3	Thailand	0.3
	Denmark	1.1	Macao	0.2	Croatia	0.3
	Netherlands	0.9			Kenya	0.3
Largest decreases	United States	-45.4	Hong Kong	-16.9	China	-11.4
	France	-21.6	Singapore	-13.6	Brazil	-3.6
	Japan	-8.4	Cayman Islands	-7.7	India	-3.3
	Spain	-6.1	Bermuda	-3.0	Taiwan	-2.2
	Switzerland	-5.3	Isle of Man	-0.5	United Arab Emirates	-2.0

Total external claims on an ultimate risk basis on **Developed Countries** fell by \$83.9 billion to \$1,677.6 billion in the fourth quarter of 2015. By country, the decrease was principally driven by lower claims on the United States, as local claims on the public sector fell. The largest increase in claims was reported on Germany, more than accounted for by local claims on the public sector.

Total external claims reported against **Offshore Centres** decreased by \$41.1 billion to \$567.8 billion. The decrease was principally driven by falls reported on Hong Kong and Singapore. The decrease on Hong Kong was the result of lower local claims on the public sector and non-financial corporations, whilst the fall on Singapore was the result of decreases on other financial corporations and non-financial corporations.

Total external claims on **Developing Countries** decreased by \$37.8 billion to \$765.0 billion. The largest decrease in claims was reported on China, largely driven by a fall in cross-border claims on deposit-taking corporations and non-financial corporations. The largest increase in claims was reported on Mexico, as cross-border claims on the public sector rose during the quarter.

Technical notes

1. Monetary financial institutions comprise banks and building societies, excluding the Bank of England.
2. Amounts outstanding are reported to the Bank of England in sterling regardless of the underlying currency, figures are then translated into US dollars at the end quarter exchange rate. By counterpart country, only the top five changes of greater than \$50 million are shown in Table B.
3. [Total external claims on an ultimate risk basis](#) are calculated as follows:

Total external claims on an immediate borrower basis plus net risk transfers
Net risk transfers *equals* inward risk transfers *minus* outward risk transfers
External claims comprise cross-border and local claims in all currencies.

4. These data differ from the other banking data as UK-owned banks and building societies are the only contributors; UK branches of banks incorporated abroad and foreign-owned subsidiaries are not included. Also the data include the operations of non-resident branches and subsidiaries of the contributing banks and building societies, with intra-group business netted out.
Total foreign claims on non-residents includes loans and advances, amounts receivable under finance leases, claims under sale and repurchase agreements, commercial bills, certificates of deposit and lending under ECGD bank guarantee. It also includes securities issued by foreign government, foreign institutions (e.g. IBRD) and corporate institutions registered outside the UK (not including the reporting institution's own subsidiaries and associates outside the UK). In addition, it includes sterling and other currency acceptances given under facilities opened on behalf of non-residents. Further information on the definition of consolidated worldwide external claims is shown separately at:
www.bankofengland.co.uk/statistics/Pages/iadb/notesiadb/consolidated_foreign_claims.aspx
5. A more detailed country breakdown of consolidated worldwide external claims of UK-owned banks and building societies are shown separately in Bankstats Table C4.2 and is available at:
www.bankofengland.co.uk/statistics/Pages/bankstats/default.asp
The additional table, shown separately, illustrates the codes for each series which can be used for downloading long runs from the Statistical Interactive Database. This database provides long runs of statistical data with comprehensive search options and the ability to download in a variety of formats, and can be accessed at:
<http://www.bankofengland.co.uk/boeapps/iadb/>.
With effect from Q3 2015, Bankstats table C4.2 now includes additional counterpart country data. As a result the composition of other countries not separately identified for each geographic region has also changed. Further details can be found in the following Bankstats article:
<http://www.bankofengland.co.uk/statistics/Documents/articles/2015/8nov.pdf>
6. Data covering the worldwide consolidated claims of banks in other centres, as well as in the UK, are available from the Bank for International Settlements (BIS) on their website at: www.bis.org.