



# Statistical release

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## Consolidated worldwide external claims of UK-owned monetary financial institutions (excluding central bank): 2016 Q2<sup>(1)</sup>

UK-owned monetary financial institutions and their branches and subsidiaries worldwide reported an increase in consolidated external claims on an ultimate risk basis<sup>(2)</sup> of \$95.7 billion during 2016 Q2, to a level of \$3,220.2 billion.

By region, the largest increase was on Developed Countries, up by \$83.0 billion to a level of \$1,800.3 billion. The increase was largely driven by a rise claims on United States. Claims on Offshore Centres rose by \$21.5 billion to \$600.4 billion, driven by an increase in claims on Hong Kong and Cayman Islands. Claims on Developing Countries decreased by \$5.6 billion to \$761.9 billion, more than accounted for by a fall in claims on Mexico and India.

By sector, the largest increase was on the public sector, up \$45.1 billion to a level of \$1,009.4 billion. Claims on other financial corporations increased, up \$40.3 billion to a level of \$570.1 billion. Claims on deposit-taking corporations increased by \$23.5 billion, to a level of \$481.2 billion. Claims on non-financial corporations were broadly unchanged at \$731.7bn. The largest decrease was on the household sector, down \$13.4 billion to a level of \$427.8 billion.

**Table A: Regional breakdown of external claims of UK-owned monetary financial institutions - End-2016 Q2**

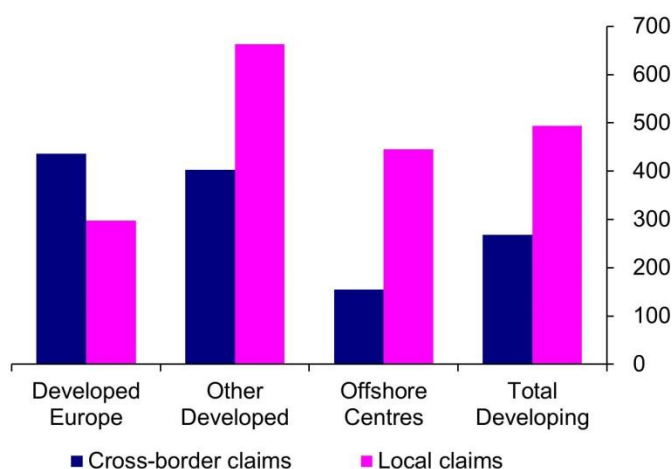
US\$ billions

Not seasonally adjusted

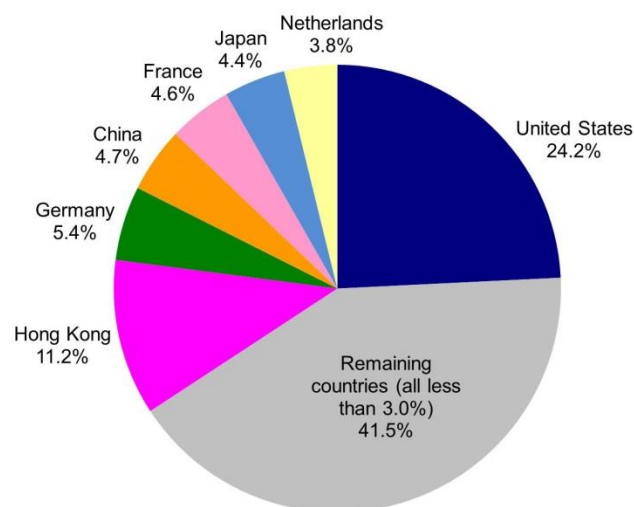
	External claims on:		Developing countries:				Total
	Developed Countries	Offshore Centres	Europe	Latin America & Caribbean	Africa & Middle East	Asia & Pacific	
Immediate Borrower	1,776.5	624.0	43.0	97.1	197.9	404.1	<b>3,200.0</b>
Net Risk Transfers	23.8	-23.6	-0.6	3.5	-6.4	23.2	<b>20.2</b>
Ultimate Risk	1,800.3	600.4	42.5	100.6	191.5	427.3	<b>3,220.2</b>

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

US\$ billions



**Chart 2: External claims on an ultimate risk basis by country share**



### Exchange rate adjusted changes in consolidated claims: Developed Countries<sup>(3)</sup>

#### Changes in external claims on an ultimate risk basis on Developed Countries by sector and by debtor country

End-Q2 2016

US\$ billions

Not seasonally adjusted

Chart 3: Changes in consolidated claims by counterpart sector

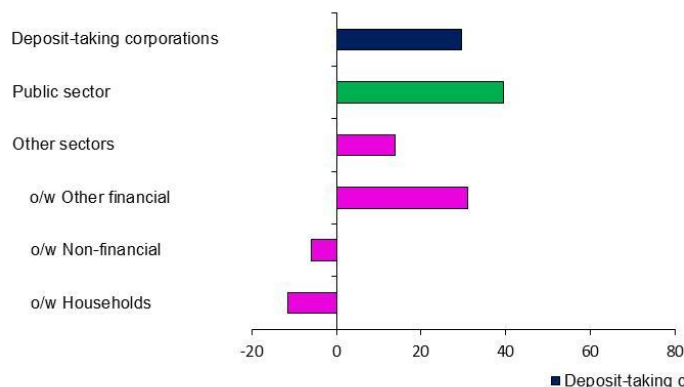
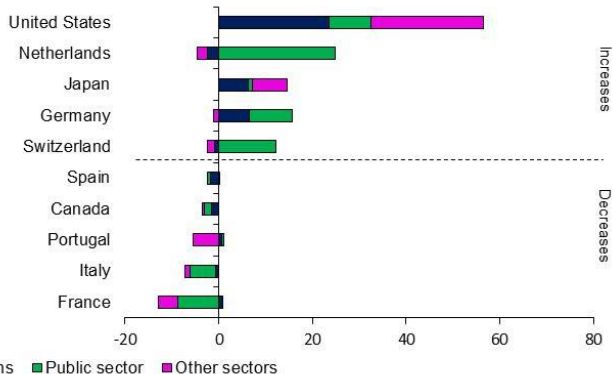


Chart 4: Changes in consolidated claims by country (5 largest increases/decreases)



Total external claims on an ultimate risk basis on **Developed Countries** rose by \$83.0 billion to \$1,800.3 billion in the second quarter of 2016. By sector the rise in claims was driven by an increase in claims on the public sector and deposit-taking corporations, up \$39.4 billion and \$29.7 billion respectively. The largest decrease was on households, down \$11.4 billion.

By country the increase was driven by a rise in claims on United States, up \$56.6 billion, as claims on both other financial corporations and deposit-taking corporations increased. The largest decrease was reported on France, down \$12.0 billion, which was driven by a fall in claims on the public sector.

### Exchange rate adjusted changes in consolidated claims: Offshore Centres<sup>(3)</sup>

#### Changes in external claims on an ultimate risk basis on Offshore Centres by sector and by debtor country

End-Q2 2016

US\$ billions

Not seasonally adjusted

Chart 5: Changes in consolidated claims by counterpart sector

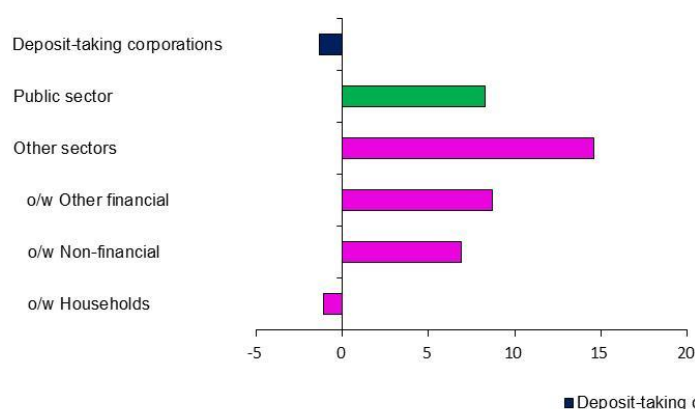
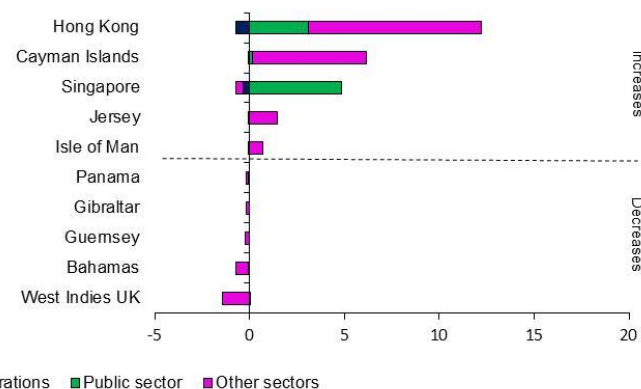


Chart 6: Changes in consolidated claims by country (5 largest increases/decreases)



Total external claims reported against **Offshore Centres** rose by \$21.5 billion to \$600.4 billion. By sector the increase was mainly driven by other financial corporations and the public sector, up \$8.7 billion and \$8.3 billion respectively. The largest decrease was on households, down \$1.1 billion.

By country the increase was mainly driven by Hong Kong, up \$11.5 billion, as claims on non-financial corporations rose over the quarter. The largest decrease in claims was reported on West Indies UK, down \$1.5 billion, which was largely accounted for by a fall in claims on non-financial corporations.

## Exchange rate adjusted changes in consolidated claims: Developing Countries<sup>(3)</sup>

### Changes in external claims on an ultimate risk basis on Developing Countries by sector and by debtor country End-Q2 2016

US\$ billions

Not seasonally adjusted

Chart 7: Changes in consolidated claims by counterpart sector

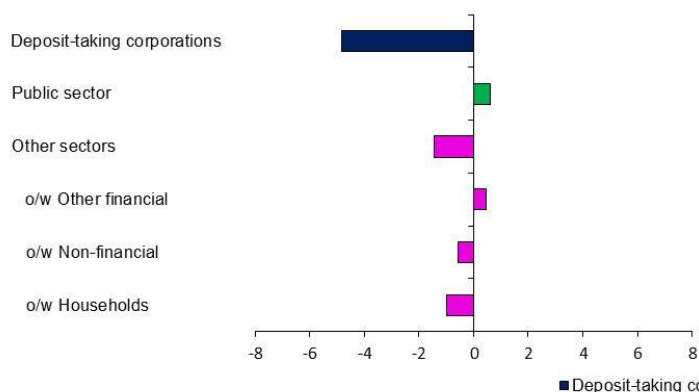
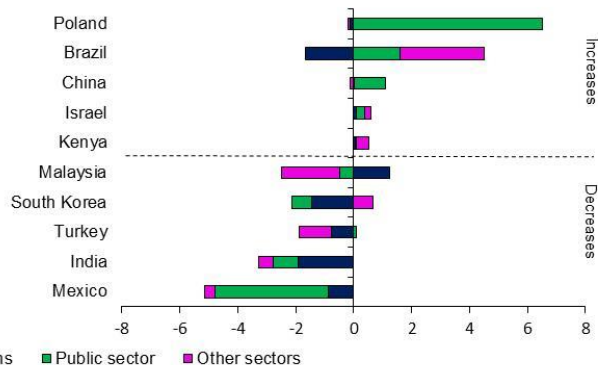


Chart 8: Changes in consolidated claims by country (5 largest increases/decreases)



Total external claims reported on [Developing Countries](#) decreased by \$5.6 billion to \$761.9 billion. By sector the largest decrease was on deposit-taking corporations, down \$4.8 billion. The largest increase was on the public sector, up \$0.6 billion.

By country the largest decrease in claims was reported on Mexico, down \$5.1 billion, which was driven by a fall in claims on the public sector. The largest increase in claims was reported on Poland, up \$6.3 billion, which was more than accounted for by increased claims on the public sector.

## Technical notes

1. Monetary financial institutions comprise banks and building societies, excluding the Bank of England.
2. **Total external claims on an ultimate risk basis** are calculated as follows:  
$$\begin{aligned} &\text{Total external claims on an immediate borrower basis plus net risk transfers} \\ &\text{Net risk transfers equals inward risk transfers minus outward risk transfers} \\ &\text{External claims comprise cross-border and local claims in all currencies.} \end{aligned}$$
3. 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 charts 4, 6 and 8.
4. **Households** includes individuals, families, non-quasi-corporations or enterprises owned by household members and non-profit institutions serving households (NPISHs) such as charities, religious institutions, trade unions and consumer associations. **Public sector** includes central monetary institutions, international organisations, central government, state government, local government and social security funds.
5. 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](http://www.bankofengland.co.uk/statistics/Pages/iadb/notesiadb/consolidated_foreign_claims.aspx)
6. 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](http://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/>.
7. 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](http://www.bis.org).