



Statistical release

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External business of monetary financial institutions operating in the UK: 2015 Q1⁽¹⁾⁽²⁾

Exchange rate adjusted changes in the external **liabilities** of monetary financial institutions operating in the UK rose by \$58.2 billion during 2015 Q1. By region, the largest increase in liabilities was to Developed Countries, more than accounted for by France. Liabilities to Offshore Centres rose, more than accounted for by Hong Kong. Liabilities to Developing Countries fell, more than accounted for by Qatar and Saudi Arabia. A rise in liabilities unallocated by country drove the increase in International Organisations and Other this quarter.

During 2015 Q1, exchange rate adjusted changes in the external **claims** of monetary financial institutions operating in the UK rose by \$59.7 billion. The rise in claims was almost entirely driven by Developed Countries, with the largest increases reported on Germany, France and the Netherlands. Claims on Offshore Centres fell, more than accounted for by the Cayman Islands. Claims on Developing Countries fell slightly during the quarter.

Table A: Regional breakdown of external claims and liabilities

US\$ billions

Not seasonally adjusted

Liabilities to:	Exchange rate adjusted flows ⁽³⁾		Amounts outstanding ⁽³⁾	
	Q3 2014	Q4	Q1 2015	End-Q1 2015
Developed Countries	- 16.1	- 39.3	18.7	2,790.2
Offshore Centres	26.9	20.3	14.0	715.2
Developing Countries	0.8	- 18.1	- 4.7	451.2
International Organisations & Other ⁽⁴⁾	28.7	- 11.3	30.2	905.5
Total	40.2	- 48.4	58.2	4,862.2
Claims on:				
Developed Countries	46.8	12.9	46.8	3,391.2
Offshore Centres	2.5	- 40.4	- 8.7	601.3
Developing Countries	- 6.4	- 21.5	- 2.0	417.3
International Organisations & Other ⁽⁴⁾	7.9	11.9	23.6	139.1
Total	50.7	- 37.1	59.7	4,548.9

Chart 1: External liabilities outstanding analysed by region

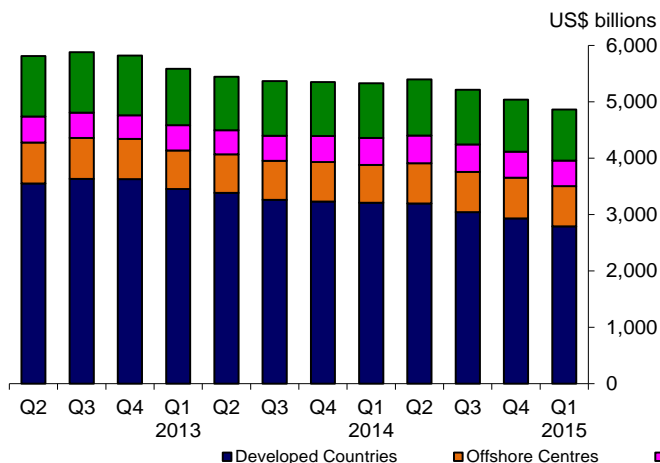


Chart 2: External claims outstanding analysed by region

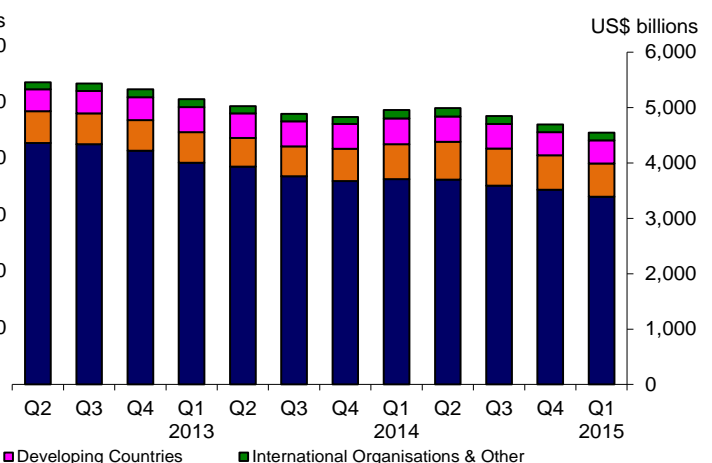


Table B: Analysis of exchange rate adjusted changes vis-à-vis Developed Countries - 2015 Q1

US\$ billions

Not seasonally adjusted

Liabilities				Claims			
Largest increases		Largest decreases		Largest increases		Largest decreases	
France	38.5	United States	-56.9	Germany	36.9	United States	-77.0
Germany	25.1	Japan	-12.7	France	36.6	Japan	-24.1
Belgium	10.7	Switzerland	-11.0	Netherlands	33.8	Greece	-10.5
Netherlands	9.0	Norway	-4.8	Switzerland	19.6	Australia	-9.3
Italy	6.7	Sweden	-2.2	Luxembourg	11.2	Canada	-6.3

Total **liabilities** to Developed Countries increased by \$18.7 billion during 2015 Q1. The increase in liabilities was more than accounted for by France. The largest decrease in liabilities was reported against the United States.

Total **claims** on the region rose by \$46.8 billion. The increase in claims was more than accounted for by Germany, France and the Netherlands, partly offset by a fall in claims reported on the United States.

Table C: Analysis of exchange rate adjusted changes vis-à-vis Offshore Centres - 2015 Q1

US\$ billions

Not seasonally adjusted

Liabilities				Claims			
Largest increases		Largest decreases		Largest increases		Largest decreases	
Hong Kong	14.6	Guernsey	-5.1	Jersey	1.6	Cayman Islands	-9.5
Jersey	6.6	Gibraltar	-4.6	Mauritius	1.6	Singapore	-2.8
Cayman Islands	3.1	Singapore	-4.1	Hong Kong	1.4	Isle of Man	-0.9
Bahamas	1.8	Bermuda	-1.3	Guernsey	0.9	Curacao	-0.4
Barbados	1.0	Bahrain	-0.7	Bermuda	0.3	Lebanon	-0.4

Total **liabilities** to Offshore Centres rose by \$14.0 billion during the first quarter of 2015. The increase was more than accounted for by a rise in liabilities to Hong Kong. The largest fall in liabilities was to Guernsey. Total **claims** on Offshore Centres decreased by \$8.7 billion, more than accounted for by the Cayman Islands. The largest increases in claims were reported on Jersey and Mauritius.

Table D: Analysis of exchange rate adjusted changes vis-à-vis Developing Countries - 2015 Q1

US\$ billions

Not seasonally adjusted

Liabilities				Claims			
Largest increases		Largest decreases		Largest increases		Largest decreases	
Russia	5.5	Qatar	-4.8	China	4.1	Russia	-4.2
South Africa	4.1	Saudi Arabia	-4.8	South Africa	1.7	Qatar	-2.2
Kuwait	2.0	Nigeria	-4.1	Nigeria	1.4	Turkey	-1.7
Hungary	1.5	United Arab Emirates	-2.2	Hungary	1.3	South Korea	-1.3
Ukraine	1.4	Egypt	-1.6	Saudi Arabia	1.0	Philippines	-1.2

Total **liabilities** to Developing Countries fell by \$4.7 billion during the quarter. The decrease was more than accounted for by falls reported to Qatar and Saudi Arabia. The largest increase in liabilities was to Russia. Total **claims** on the region decreased by \$2.0 billion, more than accounted for by Russia. The largest increase in claims was reported on China.

About these data

1. Monetary financial institutions comprise banks, including the Bank of England and building societies.
2. Additional data on external business of monetary financial institutions operating in the UK are available in the following Bankstats tables:
 - C3.1 – Changes to the external business of monetary financial institutions operating in the UK: Analysis by region and nationality
 - C3.2 – External business of monetary financial institutions operating in the UK: Analysis by region and country
 - C3.3 – External business of monetary financial institutions operating in the UK: Analysis by currency and sector

New sub-sector data were published for the first time on 5 June 2015 and can be found in the following Bankstats table:

- C3.4 – External business of monetary financial institutions operating in the UK: Analysis by region and sector

Further information on the new sub-sector breakdown can found in the following Bankstats article:

<http://www.bankofengland.co.uk/statistics/Documents/ms/articles/art2may15.pdf>

In addition, the Statistical Interactive Database provides long runs of statistical data with comprehensive search options and the ability to download in a variety of formats. This database can be accessed at: <http://www.bankofengland.co.uk/boeapps/iadb>

The additional tables, shown separately, illustrate the codes for each series which can be used for downloading long runs from the database.

3. Amounts outstanding are reported to the Bank of England in sterling regardless of the original underlying currency. Figures are then translated into US dollars at the end quarter exchange rate. Changes data are adjusted to remove the effects of exchange rate movements and material break in series. Further information on the distinction between amounts outstanding and changes data is available at: www.bankofengland.co.uk/statistics/Pages/iadb/notesiadb/Changes_flows_growth_rates.aspx
4. **Other liabilities** comprises liabilities that cannot be allocated by counterpart country, reporting population differences and estimates of: international issues of securities; commercial paper and certificates of deposit issued; and net non-euro foreign currency items in suspense and balances awaiting settlement of securities transactions, which are assumed to be held by non-residents. **Other claims** comprises claims that cannot be allocated by counterpart country, reporting population differences and net non-euro foreign currency items in suspense and balances awaiting settlement of securities transactions. Population differences arise as the country allocation of external claims and liabilities is collected from a sample of UK monetary financial institutions that have significant business with non-residents whereas total external claims and liabilities reflects the external business of all UK monetary financial institutions.

5. [UK liabilities](#) by counterpart country comprise deposits and advances received by reporting institutions from non-residents, liabilities under sale and repurchase agreements with non-residents, liabilities arising from acceptances given on behalf of non-residents, and certificates of deposit issues in London by reporting institutions and held by non-residents. [UK claims](#) by counterpart country comprise the reporting institutions' loans and advances to non-residents, claims under sales and repurchase agreements with non-residents, commercial bills and other negotiable paper drawn on non-residents, lending under ECGD special schemes for exports including amounts refinanced, acceptances given on behalf of non-residents, assets leased out under finance leases, and holdings of certain non-resident investments with an original maturity of one year or more. Investments in the share capital of reporting institutions' non-resident subsidiaries and in securities without contractually defined repayment dates (e.g. equities) are excluded. Further information on the definitions of external claims and liabilities are shown separately at:

http://www.bankofengland.co.uk/statistics/Pages/iadb/notesiadb/external_business.aspx

6. Data covering the external business 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