



# Statistical release

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## External business of monetary financial institutions operating in the UK: 2015 Q4<sup>(1)(2)</sup>

Exchange rate adjusted changes in the external **liabilities** of monetary financial institutions operating in the UK fell by \$46.0 billion during 2015 Q4. The largest decrease in external liabilities was to International Organisations and Other liabilities, which are primarily liabilities unallocated by country. By region, the largest decrease in liabilities was to Offshore Centres, almost entirely driven by the Cayman Islands. Liabilities to Developing Countries also decreased, with the largest fall reported on Russia. Liabilities to Developed Countries rose, more than accounted for by Ireland.

During 2015 Q4, exchange rate adjusted changes in the external **claims** of monetary financial institutions operating in the UK fell by \$28.5 billion. By region, the fall in claims was more than accounted for by Offshore Centres, almost entirely driven by the Cayman Islands. Claims on Developed Countries fell, more than accounted for by France. Claims on Developing Countries increased slightly during the quarter.

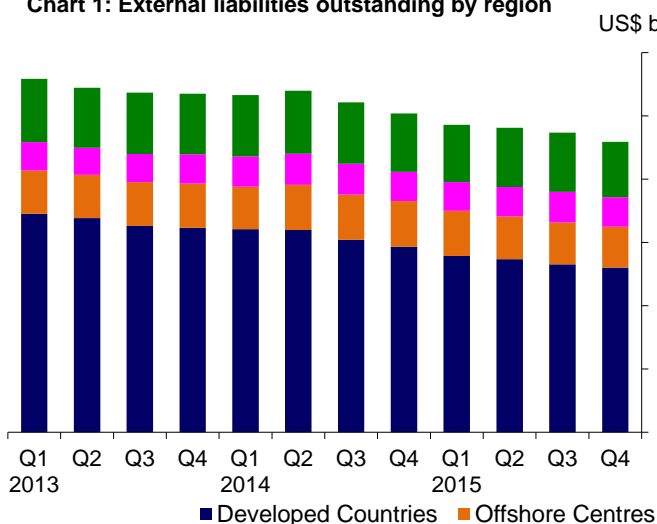
**Table A: Regional breakdown of external claims and liabilities**

US\$ billions

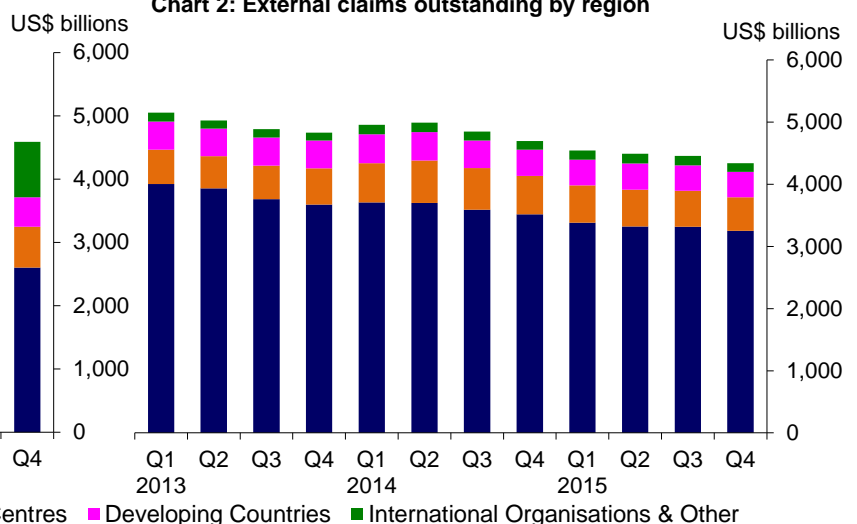
Not seasonally adjusted

	Exchange rate adjusted flows <sup>(3)</sup>			Amounts outstanding <sup>(3)</sup> End-Q4 2015
	Q2 2015	Q3	Q4	
<b>Liabilities to:</b>				
Developed Countries	- 112.2	- 70.6	3.8	2,603.1
Offshore Centres	- 54.3	- 6.0	- 16.4	642.5
Developing Countries	8.7	16.9	- 11.4	467.6
International Organisations & Other <sup>(4)</sup>	- 24.6	26.9	- 22.0	874.3
<b>Total</b>	- 182.4	- 32.9	- 46.0	4,587.4
<b>Claims on:</b>				
Developed Countries	- 129.2	12.1	- 6.5	3,251.1
Offshore Centres	- 13.7	- 13.1	- 29.2	540.1
Developing Countries	4.3	- 6.8	0.5	407.3
International Organisations & Other <sup>(4)</sup>	- 2.5	6.9	6.7	139.7
<b>Total</b>	- 141.1	- 0.8	- 28.5	4,338.2

**Chart 1: External liabilities outstanding by region**



**Chart 2: External claims outstanding by region**



**Table B: Exchange rate adjusted changes vis-à-vis Developed Countries - 2015 Q4**

US\$ billions

Not seasonally adjusted

Liabilities				Claims			
Largest increases		Largest decreases		Largest increases		Largest decreases	
Ireland	23.2	Germany	-22.6	United States	14.5	France	-30.4
United States	14.3	Luxembourg	-18.2	Japan	11.6	Netherlands	-14.4
Canada	13.0	Netherlands	-15.4	Germany	11.5	Spain	-6.4
Japan	12.6	France	-8.8	Luxembourg	11.1	Denmark	-4.4
Australia	6.1	Spain	-5.5	Switzerland	5.1	Norway	-3.5

Total **liabilities** to Developed Countries increased by \$3.8 billion during Q4 2015. The rise in liabilities was more than accounted for by Ireland. The largest decrease was reported against Germany. Total **claims** on the region decreased, down \$6.5 billion over the quarter. The fall in claims was more than accounted for by a decrease on France. The largest increase was reported on the United States.

**Table C: Exchange rate adjusted changes vis-à-vis Offshore Centres - 2015 Q4**

US\$ billions

Not seasonally adjusted

Liabilities				Claims			
Largest increases		Largest decreases		Largest increases		Largest decreases	
Jersey	5.2	Cayman Islands	-15.2	Jersey	4.5	Cayman Islands	-25.5
Hong Kong	1.6	Bermuda	-3.0	Singapore	3.6	Guernsey	-5.4
Mauritius	1.2	Barbados	-2.8	West Indies UK	0.5	Bahamas	-2.5
Curacao	1.2	Guernsey	-2.0	Isle of Man	0.4	Bermuda	-1.5
Macao	0.2	Singapore	-1.4	Macao	0.1	Curacao	-1.0

A fall in total **liabilities** to Offshore Centres of \$16.4 billion was reported during the fourth quarter, primarily driven by a decrease on the Cayman Islands. The largest increase in liabilities was to Jersey. Total **claims** on Offshore Centres also fell, down by \$29.2 billion, largely driven by a decrease reported on the Cayman Islands. The largest increases in claims were reported on Jersey and Singapore.

**Table D: Exchange rate adjusted changes vis-à-vis Developing Countries - 2015 Q4**

US\$ billions

Not seasonally adjusted

Liabilities				Claims			
Largest increases		Largest decreases		Largest increases		Largest decreases	
Qatar	7.1	Russia	-5.6	Qatar	8.0	China	-4.5
Brazil	5.9	United Arab Emirates	-4.5	United Arab Emirates	7.7	Taiwan	-2.8
China	3.0	Saudi Arabia	-4.0	Brazil	1.9	Saudi Arabia	-2.4
India	1.8	Poland	-3.3	Azerbaijan	0.6	India	-2.4
Mexico	0.6	South Africa	-3.3	Croatia	0.6	Poland	-1.8

Total **liabilities** to Developing Countries fell by \$11.4 billion during the quarter, with the largest decrease in liabilities to Russia. The largest increase in liabilities was reported against Qatar. Total **claims** increased by \$0.5 billion, with the largest increases on Qatar and the United Arab Emirates. The largest fall in claims was reported against China.

## Technical notes

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

During 2015 a number of enhancements were made to the locational banking statistics dataset. Data by region and subsector were published in Bankstats table C3.4 for the first time on 5 June 2015, while on 4 December 2015 additional counterparty country data and expanded subsector information were included in Bankstats tables C3.2 and C3.3 respectively for first time. Further details regarding the enhancements can be found in the following Bankstats articles:

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

<http://www.bankofengland.co.uk/statistics/Documents/articles/2015/8nov.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. By counterpart country, only the top five changes of greater than \$50 million are shown in Tables B-D. 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](http://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](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](http://www.bis.org)