Basel Committee
on Banking Supervision

Basel III
Monitoring Report

March 2018

BANK FOR INTERNATIONAL SETTLEMENTS

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Special feature

Annexes

Conventions used in this report

billion thousand million
trillion thousand billion
lhs, rhs left-hand scale, right-hand scale

Group 1 banks are those that have Tier 1 capital of more than €3 billion and are internationally active. All other banks are considered Group 2 banks.

Components may not sum to totals because of rounding.

The term "country" as used in this publication also covers territorial entities that are not states as understood by international law and practice but for which data are separately and independently maintained.

All data, including for previous reporting dates, reflect revisions received up to 21 February 2018.

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Highlights of the Basel III monitoring exercise as of 30 June 2017

All banks in the sample meet Basel III minimum and target CET1 capital requirements as agreed up to end-2015

All G-SIBs meet both fully phased-in liquidity minimum requirements

To assess the impact of the Basel III framework on banks, the Basel Committee on Banking Supervision monitors the effects and dynamics of the reforms. For this purpose, a semiannual monitoring framework has been set up on the risk-based capital ratio, the leverage ratio and the liquidity metrics using data collected by national supervisors on a representative sample of institutions in each country. This report summarises the aggregate results using data as of 30 June 2017.[1] The Committee believes that the information contained in the report will provide relevant stakeholders with a useful benchmark for analysis.

The report includes a special feature on the results on the impact of the final standards on securitisation including the July 2016 revisions on simple, transparent and comparable transactions.

Information considered for this report was obtained by voluntary and confidential data submissions from individual banks and their national supervisors. Data were provided for a total of 193 banks, including 106 large internationally active ("Group 1") banks, among them all 30 G-SIBs, and 87 other ("Group 2") banks.[2] Members' coverage of their banking sector is very high for Group 1 banks, reaching 100% coverage for some countries, while coverage is lower for Group 2 banks and varies by country.

In general, this report does not take into account any transitional arrangements such as phase-in of deductions and grandfathering arrangements. Rather, the estimates presented generally assume full implementation of the Basel III requirements as agreed up to end-2015 based on data as of 30 June 2017. The main part of this report does not reflect any standards agreed since the beginning of 2016, such as the revisions to the market risk framework. Also, the Committee's finalisation of the Basel III reforms[3] is not yet reflected in the results; the collection of the relevant data started for the end-2017 reporting date. No assumptions have been made about banks' profitability or behavioural responses, such as changes in bank capital or balance sheet composition, either since this date or in the future. Furthermore, the report does not reflect any additional capital requirements under Pillar 2 of the Basel II framework, any higher loss absorbency requirements for domestic systemically important banks, nor does it reflect any countercyclical capital buffer requirements.

1 A list of previous publications is included in the Annex.

2 Group 1 banks are those that have Tier 1 capital of more than €3 billion and are internationally active. All other banks are considered Group 2 banks. Not all banks provided data relating to all parts of the Basel III framework.

3 Basel Committee on Banking Supervision, *High-level summary of Basel III reforms*, December 2017, www.bis.org/bcbs/publ/d424_hlsummary.pdf; Basel Committee on Banking Supervision, *Basel III: Finalising post-crisis reforms*, December 2017, www.bis.org/bcbs/publ/d424.htm.

Overview of results						Table 1
	31 December 2016			30 June 2017		
	Group 1	Of which: G-SIBs	Group 2	Group 1	Of which: G-SIBs	Group 2
CET1 ratio (%)	12.3	12.3	13.4	12.5	12.4	14.7
Target capital shortfalls (€ bn); of which:	0.3	0.0	4.4	0.0	0.0	0.2
CET1	0.0	0.0	0.0	0.0	0.0	0.0
Additional Tier 1	0.0	0.0	3.1	0.0	0.0	0.1
Tier 2	0.3	0.0	1.2	0.0	0.0	0.1
TLAC shortfall 2022 minimum (€ bn)	116.4	116.4		109.0	109.0	
Total accounting assets (€ bn)	67,969.6	44,497.7	5,003.6	66,685.8	43,526.7	4,788.8
Leverage ratio (%)	5.8	5.8	5.5	5.8	5.7	5.6
LCR (%)	131.4	128.6	159.3	134.0	130.8	174.9
NSFR (%)	115.8	117.3	114.1	116.9	119.3	117.6

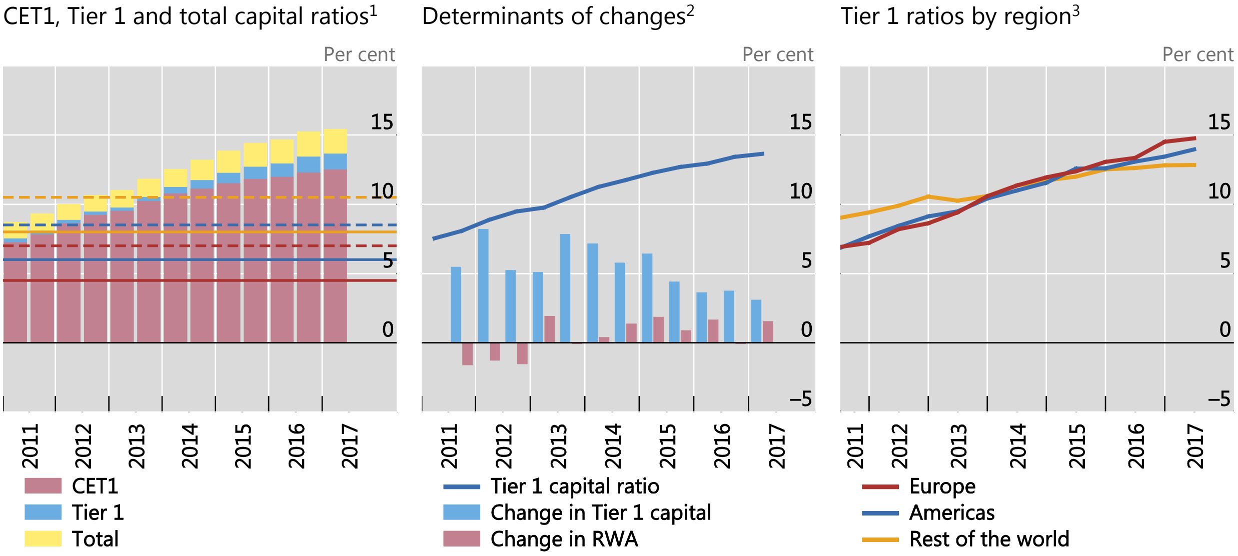
All data provided on a fully phased-in basis. See Section 1.1 for details on the scope of the exercise and Table A.2 for the target level capital requirements.

Source: Basel Committee on Banking Supervision.

- Compared with the previous reporting period (December 2016) the average Common Equity Tier 1 (CET1) capital ratio under the fully phased-in Basel III framework has increased from 12.3% to 12.5% for Group 1 banks and from 13.4% to 14.7% for Group 2 banks.
- All Group 1 and Group 2 banks (including all 30 G-SIBs) would meet the CET1 minimum capital requirement of 4.5% and the CET1 target level of 7.0% (ie including the capital conservation buffer). This target also includes the G-SIB surcharge where applicable.
- Applying the 2022 minimum requirements, 10 of the 25 G-SIBs reporting total loss-absorbing capacity (TLAC) data have a combined shortfall of €109.0 billion, compared with €116.4 billion at the end of December 2016.
- Group 1 banks' average Liquidity Coverage Ratio (LCR) improved by 2.6 percentage points to 134.0%, while the average Net Stable Funding Ratio (NSFR) increased from 115.8% to 116.9%. For Group 2 banks, there was a stronger increase for both LCR and NSFR.

Fully phased-in Basel III capital ratios continue to increase

Consistent sample of Group 1 banks Graph 1



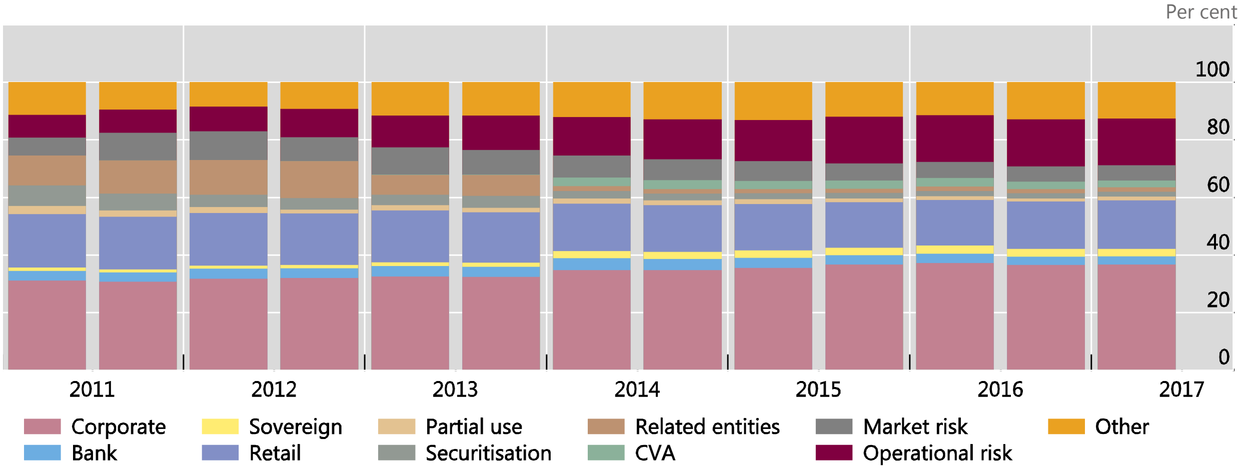
[1] The solid lines depict the relevant minimums, the dotted lines the minimums plus the capital conservation buffer. See Table A.2 for the relevant levels. [2] Exchange rates as of 30 June 2017. [3] See Table B.1 for the composition of the regions.

Source: Basel Committee on Banking Supervision. See Table C.5, Table C.6 and Table C.7 for underlying data and sample size.

- The overall CET1 capital ratios for Group 1 banks have increased from 7.2% in June 2011 to 12.5% currently. Overall Tier 1 and Total capital ratios have displayed similar increases over this same time period.
- In 2011 Tier 1 capital ratios were more than two percentage points lower in Europe and the Americas than the rest of the world region. However, this relationship reversed starting around 2015. This reversal could be explained by the fact that the Basel III framework established higher capital requirements for systemically important banks (eg G-SIB surcharge), which tend to be concentrated in Europe and the Americas. Another reason could be that the capital conservation buffer is being phased-in from 2016 for all regions.
- The percent increase in capital since June 2011 has tended to be lower in Europe than other regions, even though European banks raised more capital externally and their average risk-based capital ratios are higher than in any other region as of end-June 2017. Risk-weighted assets (RWA) have tended to fall for Group 1 banks in Europe and the Americas while they have increased for banks in the rest of the world.

Analysis of share of MRC by asset class[1] according to current rules shows increase in operational risk MRC and decrease in credit risk MRC

Consistent sample of Group 1 banks — Graph 2



[1] The category "other" includes capital requirements for other assets; the current Basel I-based output floor; Pillar 1 capital requirements in member countries for risks not covered by the Basel framework; reconciliation differences; and additional capital requirements due to regulatory calculation differences and general provisions. The latter item can lead to negative capital requirements in cases where there is an excess in provisions which can be recognised in a bank's Tier 2 capital. Furthermore, for banks which apply the standardised approach, general provisions may to some extent be recognised as Tier 2 capital; consequently, MRC is reduced by this amount. The term "reconciliation differences" refers to the difference between MRC reported at the entire bank level and the sum of MRC reported for the individual portfolios. Exposures subject to partial use of the standardised approach for credit risk which cannot be assigned to a specific portfolio, as well as past-due items under the standardised approach, are listed separately as "partial use".

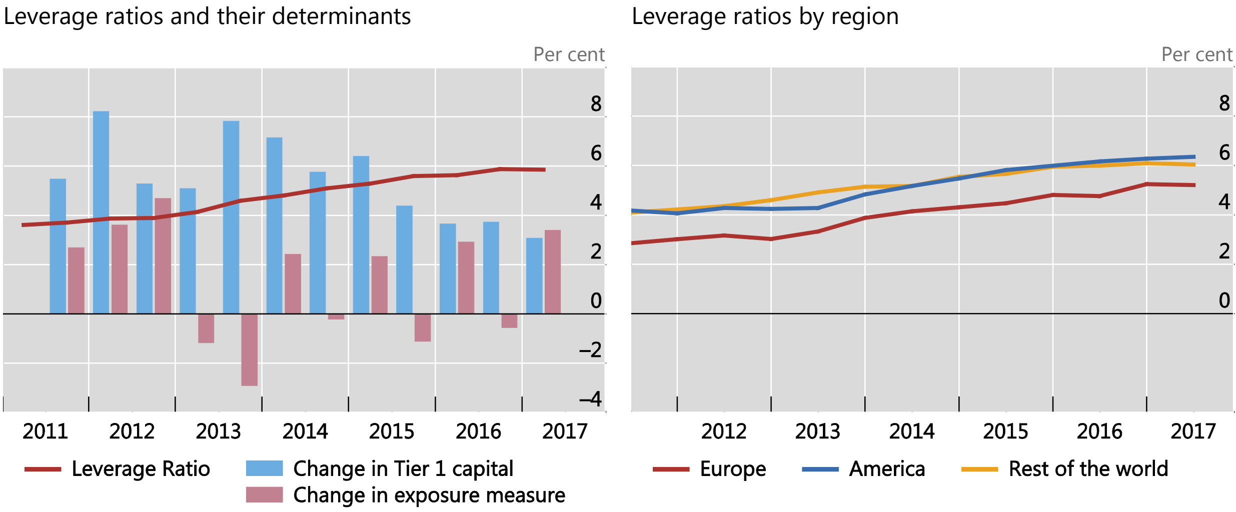
Source: Basel Committee on Banking Supervision. See Table C.21 for underlying data and sample size.

- As of end-June 2017, overall credit risk continues to compose the dominant portion of overall minimum required capital (MRC), with this category on average comprising 63.5% of total MRC for Group 1 banks.[4] However, the share of credit risk has declined significantly from 74.6% at the end of June 2011.
- Conversely, the share of operational risk MRC which increased sharply from 7.8% at the end of June 2011 to 16.1% currently. This increase is attributed in large part to the surge in the number and severity of operational risk events during and after the financial crisis, which are factored into the calculation of MRC for operational risk under the advanced measurement approach.
- Among the credit risk asset classes, the share of MRC for corporate exposures increased from 31.0% to 36.6%, while the share of MRC for securitisation exposures declined from 7.2% to 1.8%.

[4] Here overall credit risk is defined as the sum of corporate, bank, retail, sovereign, partial-use, securitisations and related entities as illustrated in the graph.

Fully phased-in Basel III leverage ratios remain stable in H1 2017

Consistent sample of Group 1 banks, exchange rates as of 30 June 2017 Graph 3

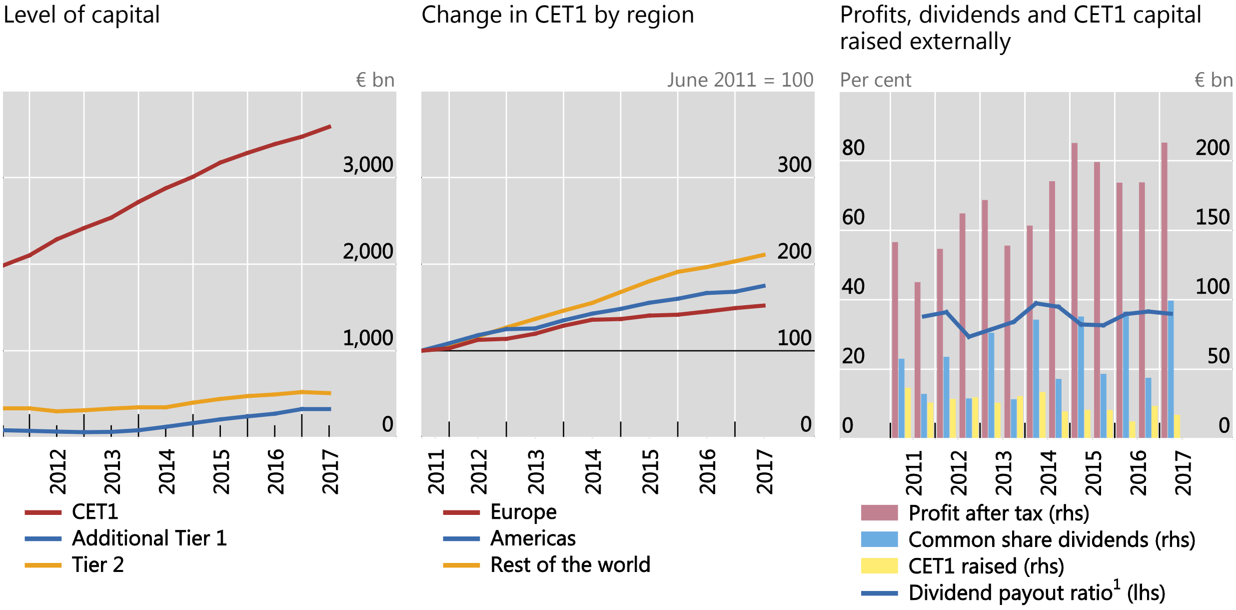


Source: Basel Committee on Banking Supervision. See Table C.36 and Table C.37 for underlying data and sample size.

- The average fully phased-in Basel III Tier 1 leverage ratios are 5.8% for Group 1 banks, 5.7% for G-SIBs and 5.6% for Group 2 banks.
- Basel III leverage ratios have increased by 2.3 percentage points since June 2011 for both Group 1 banks and G-SIBs, driven by Tier 1 capital increases which more than offset an overall increase in the exposure measure.
- Three out of 82 Group 2 banks with an aggregate shortfall of €1.9 billion would not meet a fully phased-in minimum Basel III Tier 1 leverage ratio of 3%, while all Group 1 banks meet the requirement.
- Leverage ratios are lower in Europe as compared to the Americas and the rest of the world, although the gap has narrowed slightly over time.

Fully phased-in regulatory CET1 capital increased by 81.0% since 2011

Consistent sample of Group 1 banks, exchange rates as of 30 June 2017 — Graph 4



[1] The dividend payout ratio is calculated as common share dividends divided by profits after tax by using a rolling 12 months window.

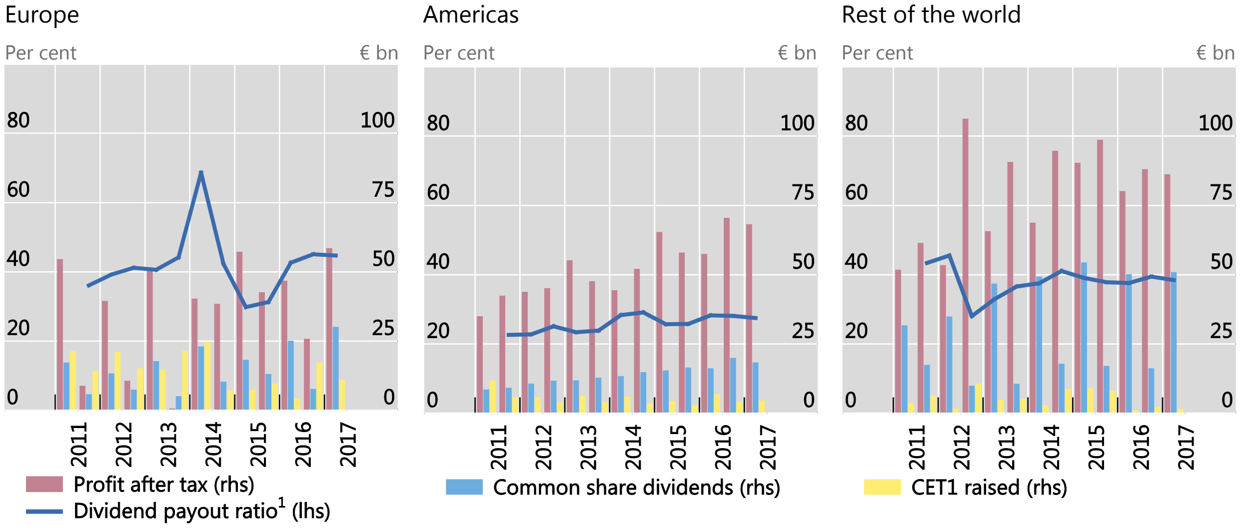
Source: Basel Committee on Banking Supervision. See Table C.11, Table C.14, Table C.15 and Table C.17 for underlying data and sample size. Table C.12, Table C.16 and Table C.18 provide an additional regional breakdown for Group 1 banks.

- From June 2011 to end-June 2017, the level of Group 1 banks' CET1 capital has increased by 81.0% from €1,982 billion to €3,588 billion. Since year-end 2016, Group 1 CET1 capital has increased by €115 billion (or 3.3%).[5]
- At a regional level, while CET1 capital has more than doubled in the rest of the world since 2011, the increase in Europe and in the Americas was more limited at 52.3% and 75.1%, respectively.
- The rise in overall CET1 capital among Group 1 banks in the current reporting period is largely due to profits generated, with particularly large profits shown by G-SIBs.
- Group 1 banks' profits after tax have increased considerably over the last six months and reached a historical peak of €212.8 billion over the first half of 2017. More than 65% of the profits after tax of Group 1 banks have been realised by G-SIBs.

[5] The lower absolute amounts compared to the previous report are mainly driven by exchange rate movements.

Since 2011, European banks raised almost 60% of the CET1 capital raised by the Group 1 bank sample but only generated around 20% of the profits after tax

Consistent sample of Group 1 banks, exchange rates as of 30 June 2017 Graph 5



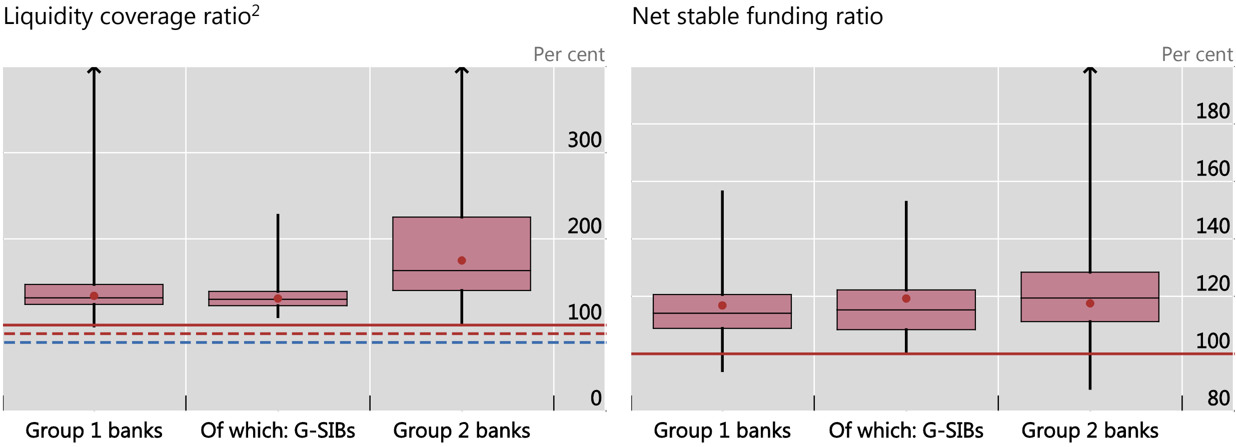
[1] The dividend payout ratio is calculated as common share dividends divided by profits after tax by using a rolling 12 months window. Source: Basel Committee on Banking Supervision. See Table C.16 and Table C.18 for underlying data and sample size.

- Since 2011, annual profits after tax recorded within the Group 1 bank sample have been higher in the Americas and the rest of the world than in Europe.
- Overall, around 20% of the profits after tax have been generated by Group 1 banks in Europe, more than 30% in the Americas and more than 40% in the rest of the world.
- Conversely, almost 60% of the CET1 capital raised has been raised by Group 1 banks in Europe.

All G-SIBs and more than 90% of Group 1 and Group 2 banks meet fully phased-in liquidity coverage ratio and net stable funding ratio[1]

Consistent sample of Group 1 banks

Graph 6



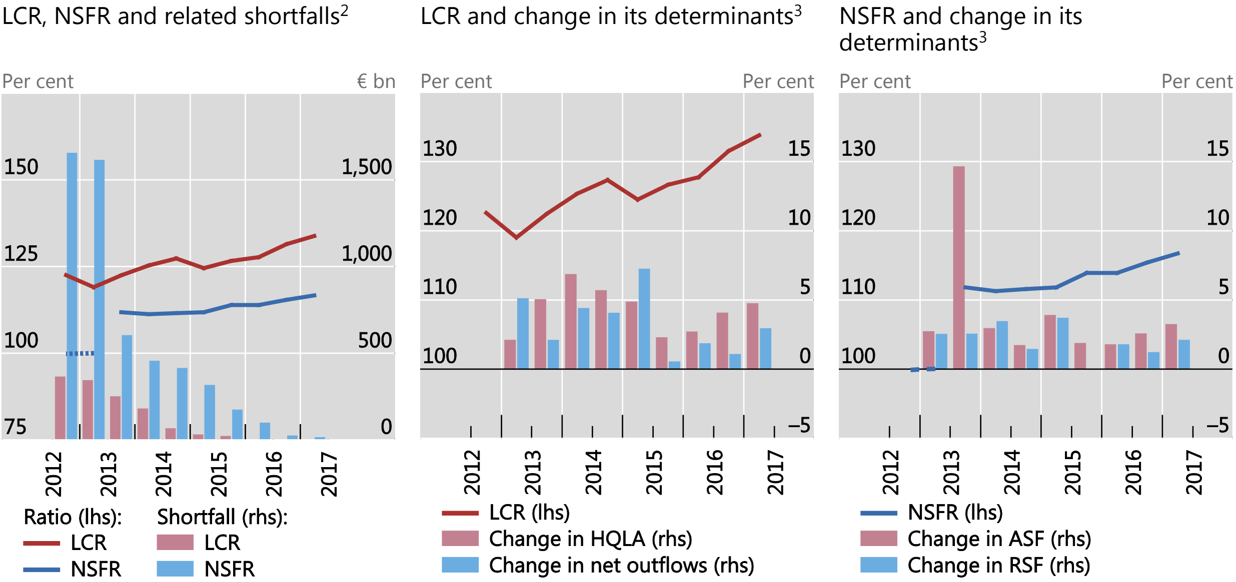
[1] The median value is represented by a horizontal line, with 50% of the values falling in the 25th to 75th percentile range shown by the box. The upper and lower end points of the thin vertical lines show the range of the entire sample. In some cases, arrows at the top of the vertical line indicate banks with capital ratios outside the range shown in the graph. The dots represent weighted averages. [2] The sample is capped at 400%, meaning that all banks with an LCR above 400% were set to 400%. The dots represent weighted averages. The horizontal lines represent the 70% minimum (2016, blue dashed line), the 80% minimum (2017, red dashed line) and the 100% minimum (2019, red solid line).

Source: Basel Committee on Banking Supervision. See Table C.42for underlying data and sample size.

- The average LCR for Group 1 banks is 134.0% and for Group 2 banks 174.9% while at the end-of December 2016, it was 131.0% and 163.8%, respectively.
- The average NSFR is 116.9% for Group 1 banks and 117.6% for Group 2 banks at end-June 2017 compared to 115.8% and 114.1% respectively, at end-December 2016.
- Some 98.8% of Group 1 banks and all Group 2 banks in the sample already meet or exceed the final LCR minimum requirement of 100%. All Group 1 and Group 2 banks have LCRs that are at or above the 80% minimum requirement applicable since January 2017.
- Some 93.1% of Group 1 banks and 93.8% of Group 2 banks meet or exceed the 100% minimum NSFR requirement, with all Group 1 banks and 98.8% of Group 2 banks at an NSFR of 90% or higher as of end-June 2017.

LCR, NSFR and related shortfalls at a 100% minimum requirement continue to improve

Consistent sample of Group 1 banks[1] Graph 7



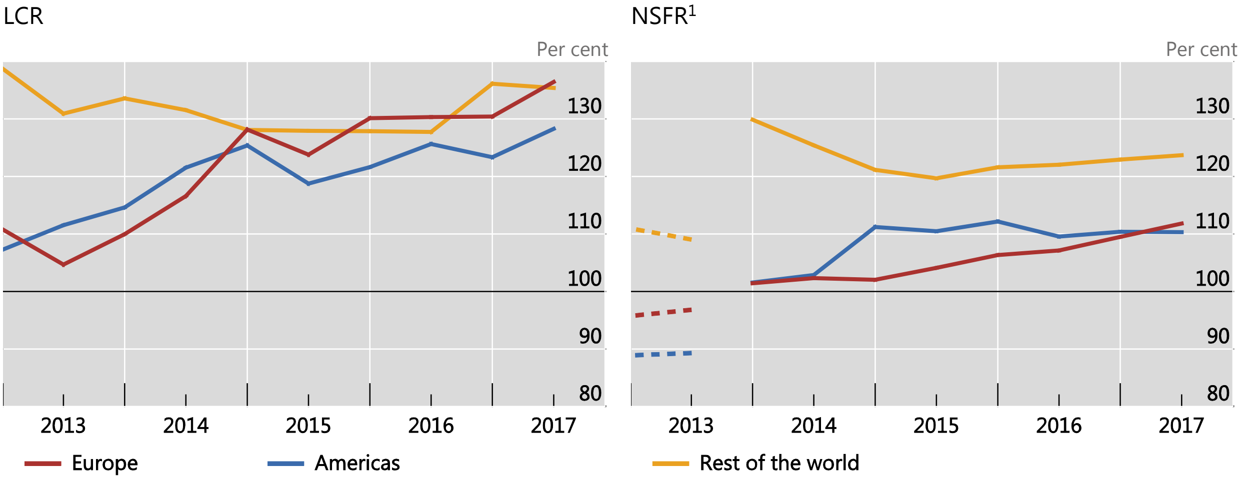
[1] As described in Section 3.2, the NSFR time series depicts data reflecting NSFR standard released in December 2010, January 2014 and October 2014. [2] Exchange rates as at the reporting dates. [3] Exchange rates as of 30 June 2017.

Source: Basel Committee on Banking Supervision. See Table C.47, Table C.48, Table C.51 and Table C.54 for underlying data and sample size. Table C.49, Table C.52 and Table C.55 provide additional regional breakdowns for Group 1 banks.

- For a consistent sample of Group 1 banks, the aggregate LCR shortfall at a minimum requirement of 100% declined from €364.8 billion at end-December 2012 to €0.1 billion at end-June 2017.
- The aggregate NSFR shortfall was €15.1 billion for Group 1 banks and €2.6 billion for Group 2 banks at the end-June 2017 compared to €25.2 billion and €16.2 billion at end-December 2016.

LCRs by region gradually converge, NSFR remains lower in Europe and the Americas

Consistent sample of Group 1 banks | Graph 8



[1] As described in the Section 3.2, the NSFR time series depicts data reflecting NSFR standard released in December 2010, January 2014 and October 2014.

Source: Basel Committee on Banking Supervision. See Table C.49 for underlying data and sample size.

- The weighted average LCR at end-June 2017 for Group 1 banks is in excess of 120% for each of the three regions.
- While Group 1 banks in Europe and the Americas had initially lower average LCRs compared with the rest of the world, the average LCRs in Europe and the rest of the world and, to a lesser degree, the Americas have tended to gradually converge. The regions with lower end-2012 average ratios saw important increases in particular between end-2012 and June 2014.
- The weighted average NSFR at end- June 2017 for Group 1 banks in each of the three regions is well in excess of 100%.
- The average NSFR for Group 1 banks in Europe and the Americas at around 110% at end-June 2017 is lower than in the rest of the world at 123.7%. NSFRs have improved in all three regions since end-2012.

Detailed results of the Basel III monitoring exercise as of 30 June 2017

1. General remarks

At its 12 September 2010 meeting, the Group of Governors and Heads of Supervision (GHOS), the oversight body of the Basel Committee on Banking Supervision, announced a substantial strengthening of existing capital requirements and fully endorsed the agreements it had reached on 26 July 2010.[1] These capital reforms, together with the introduction of two international liquidity standards, responded to the core of the global financial reform agenda presented to the Seoul G20 Leaders summit in November 2010. Subsequent to the initial comprehensive quantitative impact study published in December 2010, the Committee continues to monitor and evaluate the impact of these capital, leverage, and liquidity requirements (collectively referred to as "Basel III") on a semiannual basis.[2] This report summarises the results of the latest Basel III monitoring exercise using 30 June 2017 data.[3]

The report does not reflect any standards agreed since the beginning of 2016, such as the revisions to the market risk framework. Also, the Committee's finalisation of the Basel III reforms[4] is not yet reflected in the results; the collection of the relevant data started for the end-2017 reporting date.

1.1 Scope of the monitoring exercise

All but one of the 27 Committee member countries participated in the Basel III monitoring exercise as of 30 June 2017. The estimates presented are based on data submitted by the participating banks and their national supervisors in reporting questionnaires and in accordance with the instructions prepared by the Committee in February and revised in March 2017.[5] The questionnaire covered components of eligible capital, the calculation of risk-weighted assets (RWA), the calculation of a leverage ratio and components

1 See the 26 July 2010 press release "The Group of Governors and Heads of Supervision reach broad agreement on Basel Committee capital and liquidity reform package", www.bis.org/press/p100726.htm, and the 12 September 2010 press release "Group of Governors and Heads of Supervision announces higher global minimum capital standards", www.bis.org/press/p100912.htm.

2 A list of previous publications is included in the Annex.

3 The data for Japan are as of the end of March 2017, as banks in that country report on a biannual basis as of the end of March and the end of September to correspond to the fiscal year-end period. Further, the data for Canada reflect a reporting date of 30 April 2017, which corresponds to Canadian banks' fiscal second quarter-end.

4 Basel Committee on Banking Supervision, *High-level summary of Basel III reforms*, December 2017, www.bis.org/bcbs/publ/d424_hlsummary.pdf; Basel Committee on Banking Supervision, *Basel III: Finalising post-crisis reforms*, December 2017, www.bis.org/bcbs/publ/d424.htm.

5 See Basel Committee on Banking Supervision, *Instructions for Basel III implementation monitoring*, March 2017, www.bis.org/bcbs/qis/.

of the liquidity metrics. The final data were submitted to the Secretariat of the Committee by 21 February 2018.

The purpose of the exercise is to provide the Committee with an ongoing assessment of the impact on participating banks of the capital and liquidity standards set out in the following documents:

- *Revisions to the Basel II market risk framework*[6] and *Guidelines for computing capital for incremental risk in the trading book*;[7]
- *Enhancements to the Basel II framework*[8] which include the revised risk weights for re-securitisations held in the banking book;
- *Basel III: A global framework for more resilient banks and the banking system* as well as the Committee's 13 January 2011 press release on loss absorbency at the point of non-viability;[9]
- *Capital requirements for bank exposures to central counterparties*;[10]
- *Global systemically important banks: updated assessment methodology and the additional loss absorbency requirement* as well as the updated list of G-SIBs published by the Financial Stability Board in November 2017;[11]
- *Total Loss-Absorbing Capacity (TLAC): Principles and Term Sheet*;[12]
- *Basel III: the Liquidity Coverage Ratio and liquidity risk monitoring tools;*[13]
- *Basel III: the net stable funding ratio;*[14] *and*
- *Basel III leverage ratio framework and disclosure requirements*.[15]

The report reflects the impact of TLAC *holdings* on Group 1 and Group 2 banks' eligible capital and RWA of the revised regulatory capital treatment for securitisations, including simple, transparent and comparable (STC) securitisations, to the extent data were available.[16]

6 Basel Committee on Banking Supervision, *Revisions to the Basel II market risk framework*, July 2009, www.bis.org/publ/bcbs158.htm.

7 Basel Committee on Banking Supervision, *Guidelines for computing capital for incremental risk in the trading book*, July 2009, www.bis.org/publ/bcbs159.htm.

8 Basel Committee on Banking Supervision, *Enhancements to the Basel II framework*, July 2009, www.bis.org/publ/bcbs157.htm.

9 The Committee's 13 January 2011 press release on loss absorbency at the point of non-viability is available at www.bis.org/press/p110113.htm.

10 Basel Committee on Banking Supervision, *Capital requirements for bank exposures to central counterparties*, July 2012, www.bis.org/publ/bcbs227.htm.

11 Basel Committee on Banking Supervision, *Global systemically important banks: updated assessment methodology and the additional loss absorbency requirement*, July 2013, www.bis.org/publ/bcbs255.htm; Financial Stability Board, *2017 list of global systemically important banks (G-SIBs)*, 21 November 2017, www.fsb.org/wp-content/uploads/P211117-1.pdf.

12 Financial Stability Board, *Total Loss-Absorbing Capacity (TLAC): Principles and Term Sheet*, 9 November 2015, www.fsb.org/2015/11/total-loss-absorbing-capacity-tlac-principles-and-term-sheet.

13 Basel Committee on Banking Supervision, *Basel III: The Liquidity Coverage Ratio and liquidity risk monitoring tools*, January 2013, www.bis.org/publ/bcbs238.htm.

14 Basel Committee on Banking Supervision, *Basel III: the net stable funding ratio,* October 2014, www.bis.org/bcbs/publ/d295.htm.

15 Basel Committee on Banking Supervision, *Basel III leverage ratio framework and disclosure requirements*, January 2014, www.bis.org/publ/bcbs270.htm.

16 See Basel Committee on Banking Supervision, *TLAC holdings*, October 2016, www.bis.org/bcbs/publ/d387.htm; Basel Committee on Banking Supervision, *Revisions to the securitisation framework*, July 2016, www.bis.org/bcbs/publ/d374.htm.

1.2 Sample of participating banks

Data were provided for a total of 193 banks, including 106 Group 1 banks and 87 Group 2 banks.[17] Group 1 banks are those that have Tier 1 capital of more than €3 billion and are internationally active. All other banks are considered Group 2 banks. Compared to the previous reporting date with 105 Group 1, 95 Group 2 banks and 200 banks overall, the Group 1 sample remained almost stable while participation among Group 2 banks continues to decrease.

Banks were asked to provide data at the consolidated level as of 30 June 2017. Subsidiaries are not included in the analyses to avoid double-counting. For Group 1 banks, members' coverage of their banking sector was very high, reaching 100% coverage for some countries. Coverage for Group 2 banks was lower, and varied across countries.

For a small number of banks data relating to some parts of the Basel III framework were unavailable. Accordingly, these banks are excluded from individual sections of the Basel III monitoring analysis due to incomplete data. In certain sections, data are based on a consistent sample of banks. This consistent sample represents only those banks that reported necessary data at the June 2011 (labelled "H1 2011") through June 2017 ("H1 2017") reporting dates, in order to make more meaningful period-to-period comparisons. The consistent sample differs for the various analyses; typically it includes around 94 Group 1 banks, of which 30 are G-SIBs, and around 58 Group 2 banks. The 30 banks in the G-SIB time series analyses are those banks which have been classified as G-SIBs as of November 2017, irrespective of whether they have also been classified as G-SIBs previously.

The Committee appreciates the significant efforts contributed by both banks and national supervisors to this ongoing data collection exercise.

1.3 Methodology

Unless otherwise noted, the impact assessment was carried out by comparing banks' capital positions under fully phased-in Basel III as agreed up to end-2015 (hereinafter: fully phased-in Basel III) to the transitional Basel III framework as implemented by the national supervisor (ie with phase-in arrangements). The fully phased-in Basel III results are calculated without considering transitional arrangements pertaining to the phase-in of deductions and grandfathering arrangements set out in the Basel III framework. However, banks in some countries had difficulties providing fully phased-in Basel III capital amounts; in such cases, the capital amounts according to the fully phased-in *national implementation* of the Basel III framework were used instead.

Consistent with previous reports, this report does not reflect any additional capital requirements under Pillar 2 of the Basel II framework, any higher loss absorbency requirements for domestic systemically important banks, nor does it reflect any countercyclical capital buffer requirements.

Reported average amounts in this document have been calculated by creating a composite bank at a total sample level, which effectively means that the total sample averages are weighted. For example, the average common equity Tier 1 capital ratio is the sum of all banks' common equity Tier 1 (CET1) capital for the total sample divided by the sum of all banks' RWA for the total sample. Similarly, the average fully phased-in Basel III Tier 1 leverage ratio is the sum of all banks' fully phased-in Tier 1 capital for the total sample divided by the sum of all banks' Basel III leverage ratio exposures for the total sample.

To preserve confidentiality, some of the results shown in this report are presented using box plot charts. The median value is represented by a horizontal line, with 50% of the values falling in the 25th to

[17] See Table B.1 in the Statistical Annex for details on the sample. Also note that this table shows banks for which data were provided for the specific topics and not necessarily data used in the analysis.

75th percentile range shown by the box. The upper and lower end points of the thin vertical lines show the range of the entire sample unless noted otherwise. Finally, weighted averages are represented by dots.

1.4 Data quality

For this monitoring exercise, participating banks submitted comprehensive and detailed non-public data on a voluntary and best-efforts basis. As with the previous studies, national supervisors worked extensively with banks to ensure data quality, completeness, and consistency with the published reporting instructions. Also particular attention has been paid on the reconciliation of reported data with existing data from supervisory reporting systems. Banks are included in the various analyses below only to the extent that they were able to provide data of sufficient quality to complete the analyses.

1.5 Interpretation of results

The following caveats apply to the interpretation of results shown in this report:

- When comparing results to prior reports, sample differences as well as minor revisions to data from previous periods need to be taken into account. Sample differences also explain why results presented for the June 2017 reporting date may differ from the H1 2017 data point in graphs and tables showing the time series for the consistent sample of banks as described above. Furthermore, some additional time series are now showing results based on exchange rates at the reporting date to control for changes in the exchange rates over time.
- The actual impact of those new requirements which are covered in this analysis will almost certainly be less than shown in this report given the phased-in implementation of the standards and interim adjustments made by the banking sector to changing economic conditions and the regulatory environment. For example, the results do not consider bank profitability, changes in capital or portfolio composition, or other management responses to the policy changes since 30 June 2017 or in the future. For this reason, the results are not comparable to industry estimates, which tend to be based on forecasts and consider management actions to mitigate the impact, as well as incorporate estimates where information is not publicly available.
- The Basel III capital amounts shown in this report assume that all common equity deductions are fully phased in and all non-qualifying capital instruments are fully phased out (ie it is assumed that none of these capital instruments will be replaced by eligible instruments). As such, these amounts underestimate the amount of Tier 1 capital and Tier 2 capital held by a bank as they do not give any recognition for non-qualifying instruments that will actually be phased out over six years.
- The treatment of deductions and non-qualifying capital instruments also affects figures reported in the section on the Basel III leverage ratio. The assumption that none of these capital instruments will be replaced by eligible instruments will become less of an issue as the implementation date of the Basel III leverage ratio nears.

Box A

Phase-in provisions for capital ratios

The Basel III framework includes the following phase-in provisions for capital ratios:

- Regulatory adjustments (ie possibly stricter sets of deductions that apply under Basel III) was fully phased in by 1 January 2018;
- An additional 2.5% capital conservation buffer above the regulatory minimum capital ratios, which must be met with CET1 capital, will be phased in by 1 January 2019; and
- The additional loss absorbency requirement for G-SIBs, which ranges from 1.0% to 2.5%, will be fully phased in by 1 January 2019. It will be applied as an extension of the capital conservation buffer and must be met with CET1.

  Annex A includes a detailed overview of the Basel Committee's phase-in arrangements.

2. Regulatory capital, capital requirements, capital shortfalls and TLAC

Table 2 shows the aggregate capital ratios under the transitional and fully phased-in Basel III frameworks and the capital shortfalls if Basel III were fully phased-in ("view 2022"), both for the definition of capital and the calculation of RWA, as of June 2017. Details of capital ratios and capital shortfalls are provided in Section 2.1 and Section 2.2.

Aggregate capital ratios and (incremental) capital shortfalls								Table 2
	Fully implemented requirement, in per cent		Basel III capital ratios, in per cent		Fully phased-in risk-based capital shortfalls, in billions of euros[1]		Fully phased-in combined risk-based capital and leverage ratio shortfalls, in billions of euros[1]	
	Min	Target[2]	Transitional	Fully phased-in[3]	Min	Target[2]	Min	Target[2]
Group 1 banks								
CET1 capital	4.5	7.0–9.5	12.6	12.5	0.0	0.0	0.0	0.0
Tier 1 capital[4]	6.0	8.5–11.0	13.9	13.6	0.0	0.0	0.0	0.0
Total capital[5]	8.0	10.5–13.0	16.3	15.5	0.0	0.0	0.0	0.0
Sum					0.0	0.0	0.0	0.0
Of which: G-SIBs								
CET1 capital	4.5	8.0–9.5	12.5	12.4	0.0	0.0	0.0	0.0
Tier 1 capital[4]	6.0	9.5–11.0	14.0	13.6	0.0	0.0	0.0	0.0
Total capital[5]	8.0	11.5–13.0	16.2	15.4	0.0	0.0	0.0	0.0
Sum					0.0	0.0	0.0	0.0
Group 2 banks								
CET1 capital	4.5	7.0	14.9	14.7	0.0	0.0	0.0	0.0
Tier 1 capital[4]	6.0	8.5	15.5	15.3	0.0	0.1	1.9	2.0
Total capital[5]	8.0	10.5	17.9	17.2	0.0	0.1	0.0	0.1
Sum					0.0	0.2	1.9	2.1

[1] The shortfall is calculated as the sum across individual banks where a shortfall is observed. The calculation includes all changes to RWA (eg definition of capital, counterparty credit risk, trading book and securitisation in the banking book). The Tier 1 and total capital shortfalls are incremental assuming that the higher-tier capital requirements are fully met. [2] For the risk-based framework, the target level includes the capital conservation buffer and the capital surcharges for 30 G-SIBs as applicable. The leverage ratio buffer for G-SIBs is not included. [3] This is as agreed by the Basel Committee up to end-2015. [4] The shortfalls presented in the Tier 1 capital row are *additional* Tier 1 capital shortfalls. [5] The shortfalls presented in the total capital row are *Tier 2* capital shortfalls.

Source: Basel Committee on Banking Supervision.

2.1 Capital ratios

As compared with transitional CET1, the average CET1 capital ratio of Group 1 banks would have declined slightly from 12.6% to 12.5% as a result of the full implementation of Basel III. For Group 2 banks, the average CET1 capital ratio declines from 14.9% under transitional rules to 14.7% as a result of the full phasing-in of Basel III (a reduction of 0.2 percentage points). Results continue to show significant variation across banks as shown in Graph 9 for the transitional Basel III rules and Graph 10 for the fully phased-in Basel III framework. The reduction in the average CET1 ratio for Group 2 banks is driven by the *full* application of the new definition of eligible capital instruments, deductions that were not previously applied at the common equity level of Tier 1 capital in most countries (numerator),[18] and by increases in RWA (denominator). Since all countries in the sample have already implemented Basel III as of end-June 2015 the overall change in RWA is very limited and mainly due to different national phase-in plans.

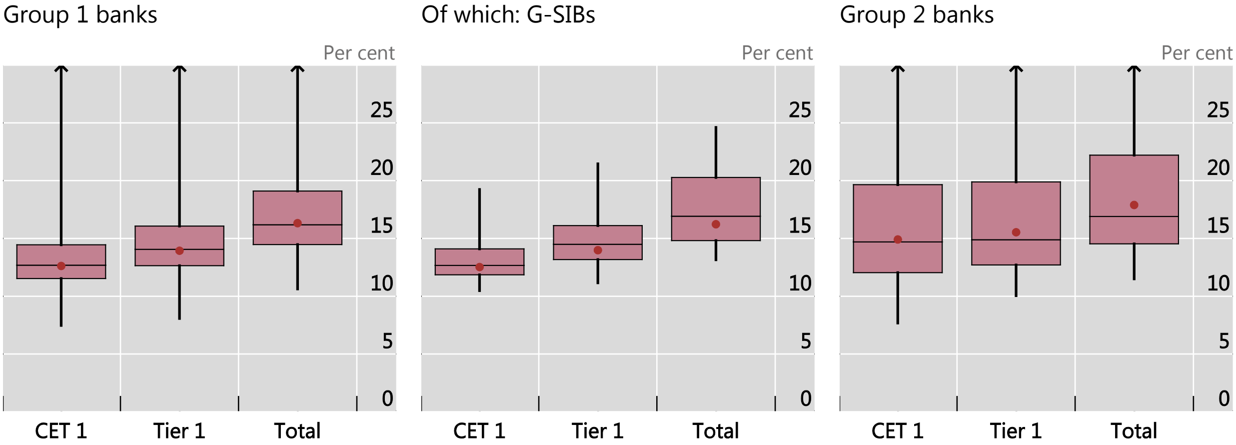
Tier 1 capital ratios of Group 1 banks would on average decline 0.3 percentage points from 13.9% to 13.6%, and total capital ratios of this same group would decline on average by 0.8 percentage points

[18] See also Table B.2 and Table B.3.

from 16.3% to 15.5%. Group 2 banks show similar declines in Tier 1 capital ratios (from 15.5% to 15.3%) and total capital ratios (from 17.9% to 17.2%). The stronger decline of total capital ratios is caused by the phase-out of Tier 2 instruments which will no longer be eligible in 2022.

Transitional Basel III CET1, Tier 1 and total capital ratios[1]

Graph 9

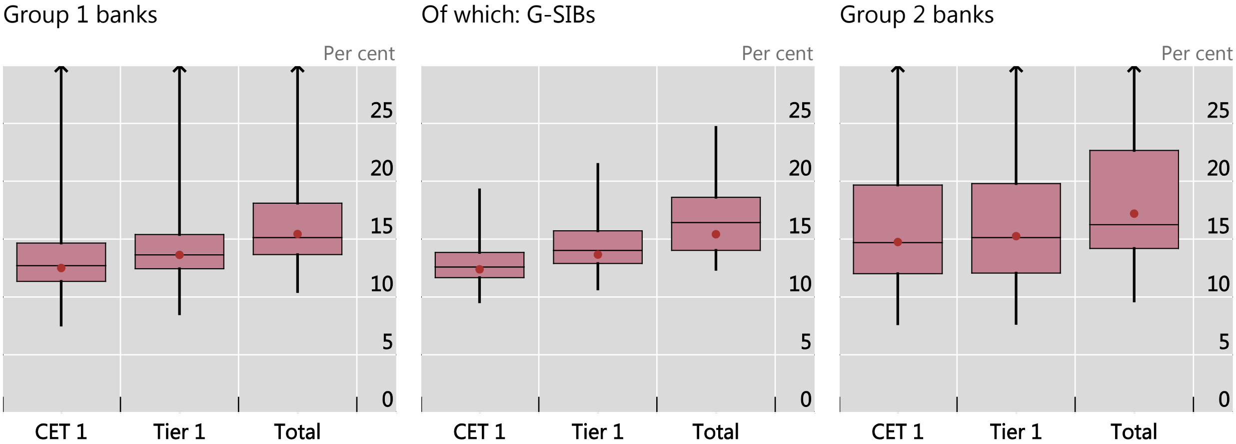


[1] The median value is represented by a horizontal line, with 50% of the values falling in the 25th to 75th percentile range shown by the box. The upper and lower end points of the vertical lines generally show the range of the entire sample. In some cases, arrows at the top of the vertical line indicate banks with capital ratios outside the range shown in the graph. The dots represent weighted averages.

Source: Basel Committee on Banking Supervision. See Table C.1 for underlying data and sample size.

Fully phased-in Basel III CET1, Tier 1 and total capital ratios[1]

Graph 10



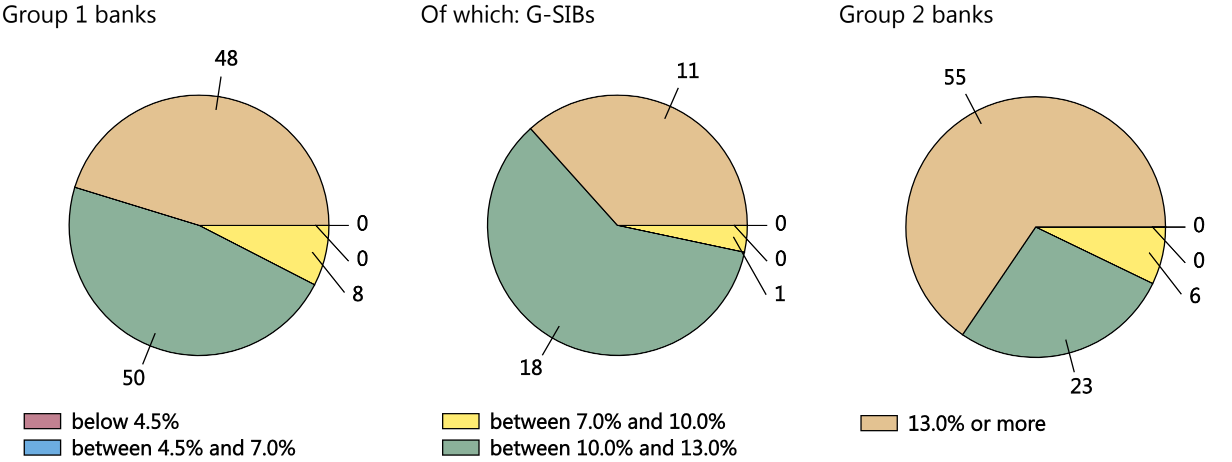
[1] The median value is represented by a horizontal line, with 50% of the values falling in the 25th to 75th percentile range shown by the box. The upper and lower end points of the vertical lines generally show the range of the entire sample. In some cases, arrows at the top of the vertical line indicate banks with capital ratios outside the range shown in the graph. The dots represent weighted averages.

Source: Basel Committee on Banking Supervision. See Table C.2 for underlying data and sample size.

Graph 11 shows that, out of the 106 banks in the Group 1 sample, all show a CET1 ratio under fully phased-in Basel III that is above both the 4.5% minimum capital requirement and the 7.0% target ratio (ie the minimum capital requirement plus the capital conservation buffer). Of 84 banks in the Group 2 sample, all report a CET1 ratio equal to or higher than the target level of 7.0%.

Distribution of fully phased-in Basel III CET1 ratios

Graph 11



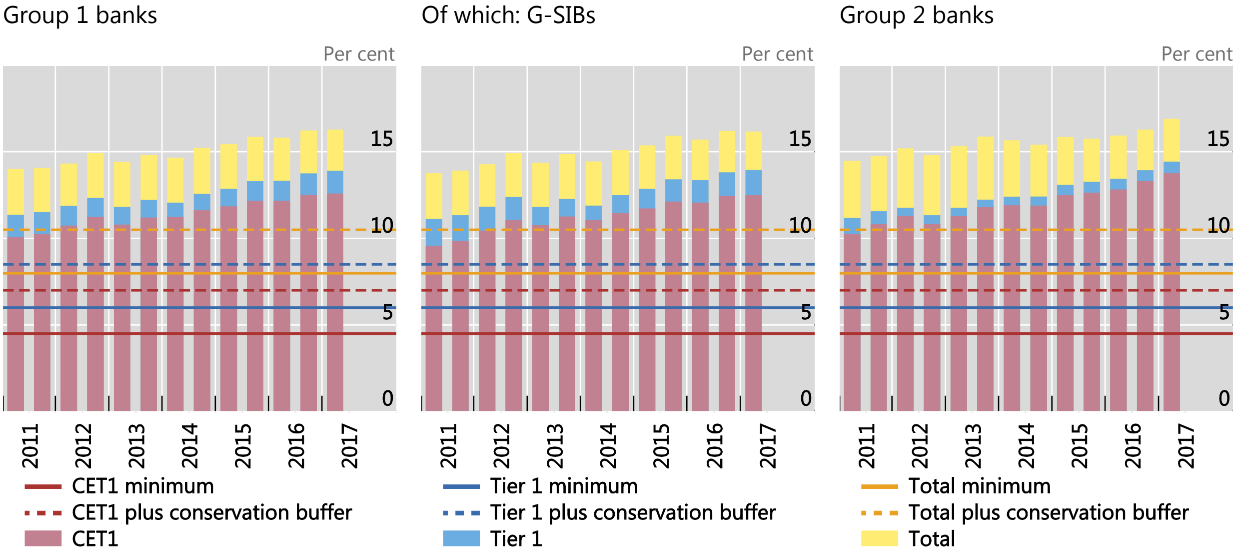
Source: Basel Committee on Banking Supervision.

Graph 12 below shows the average capital ratios under transitional Basel III rules for a consistent sample of Group 1 and Group 2 banks for the periods end-June 2011 through end-June 2017. Transitional capital ratios have not changed greatly.

Transitional Basel III CET1, Tier 1 and total capital ratios[1]

Consistent sample of banks

Graph 12



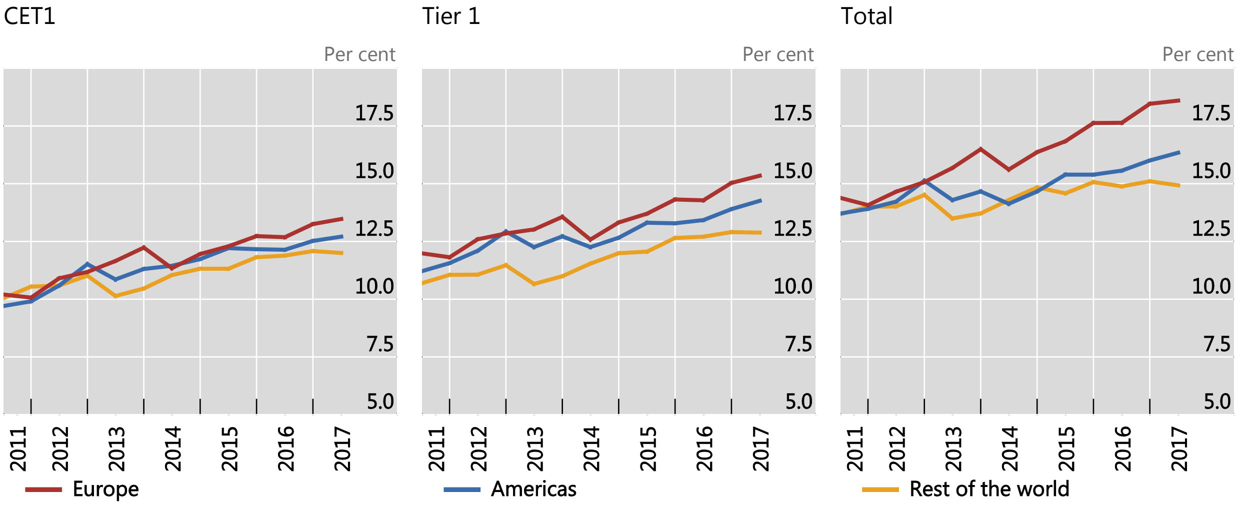
[1] Before the implementation of the Basel III framework, results have been calculated on the basis of the relevant national regulatory frameworks in place at the reporting dates.

Source: Basel Committee on Banking Supervision. See Table C.3 for underlying data and sample size.

Graph 13 below shows the average capital ratios under transitional Basel III rules for a consistent sample of Group 1 banks for the periods end-June 2011 through end-June 2017 by region. All regions have shown substantial growth in capital ratios over this 5.5-year period. CET1 ratios are in line among all regions, however total capital ratios for Europe are at least two percentage points above those of the other two regions as of June 2017 but have levelled off in the last six months.

Transitional Basel III CET1, Tier 1 and total capital ratios,[1] by region

Consistent sample of Group 1 banks — Graph 13



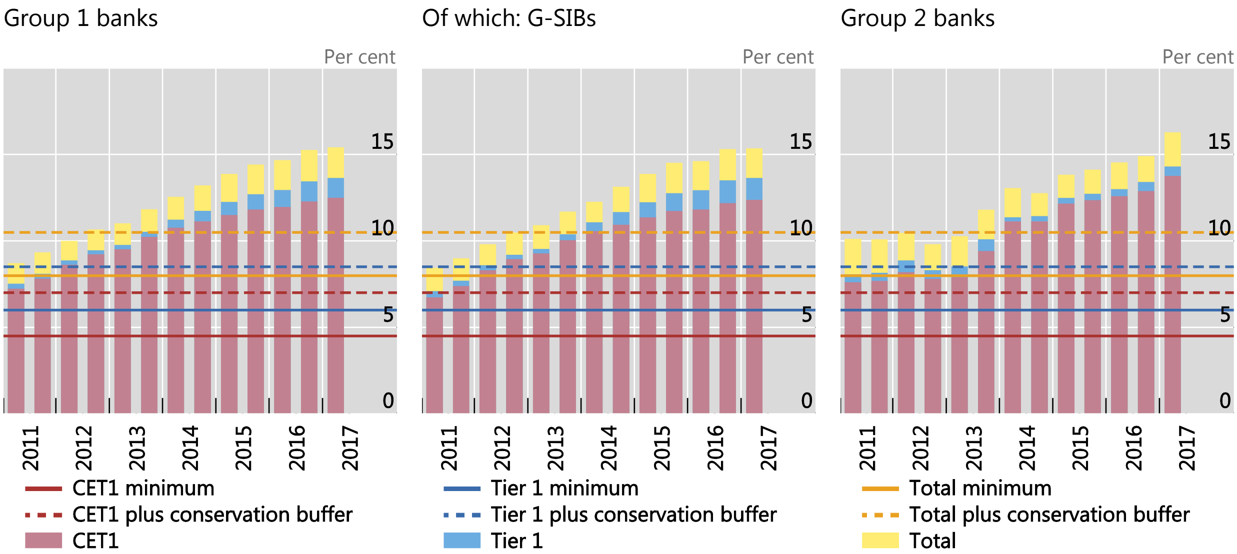
[1] Before the implementation of the Basel III framework, results have been calculated on the basis of the relevant national regulatory frameworks in place at the reporting dates.

Source: Basel Committee on Banking Supervision. See Table C.4 for underlying data and sample size.

After full phasing in of Basel III (Graph 14), the CET1, Tier 1 and total capital ratios for this consistent sample of Group 1 banks improved by 0.2, 0.2 and 0.1 percentage points over the previous six months, respectively. For Group 2 banks, the improvement in risk-based capital ratios over the reporting period was 0.8, 0.9 and 1.4 percentage points, respectively. The general improvement in fully phased-in Basel III capital ratios for both groups is due to Basel III-eligible capital added and, to a lesser extent, lower levels of deductions that reduce CET1, in spite of slightly higher overall RWA.

Fully phased-in Basel III CET1, Tier 1 and total capital ratios

Consistent sample of banks — Graph 14



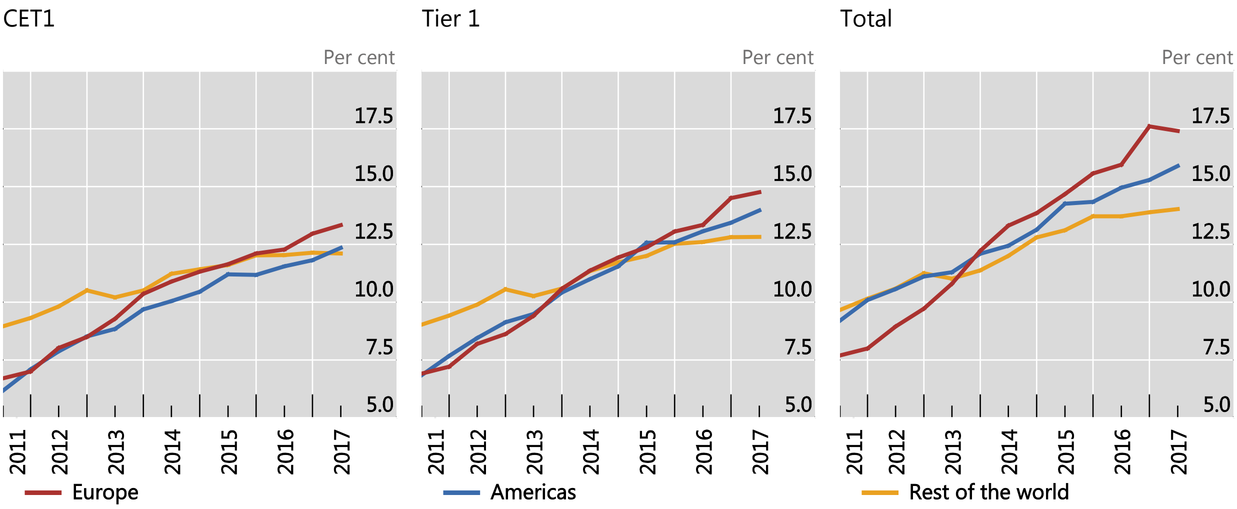
Source: Basel Committee on Banking Supervision. See Table C.5 for underlying data and sample size.

On a fully phased-in basis, Tier 1 capital ratios were more than two percentage points lower in Europe and the Americas than the rest of the world region in 2011 (Graph 15). However, this relationship reversed starting around 2015. The evolution is similar for CET1 and total capital.

Over the previous six months, all tier levels of capital ratios for this consistent sample of Group 1 banks for all regions improved with the exception of total capital ratios for Europe. For the Americas there were improvements on all levels of capital ratios (0.5, 0.6 and 0.6 percentage points for the CET1, Tier 1 and total capital ratios, respectively). Europe on the other hand had improvements in CET1 (0.3 percentage points) and Tier 1 capital (0.3 percentage points), while total capital declined but is still significantly above the other regions. Finally, the rest of the world region had flat CET1 and Tier 1 capital while total capital increased marginally (0.1 percentage point).

Fully phased-in Basel III CET1, Tier 1 and total capital ratios,[1] by region

Consistent sample of Group 1 banks | Graph 15



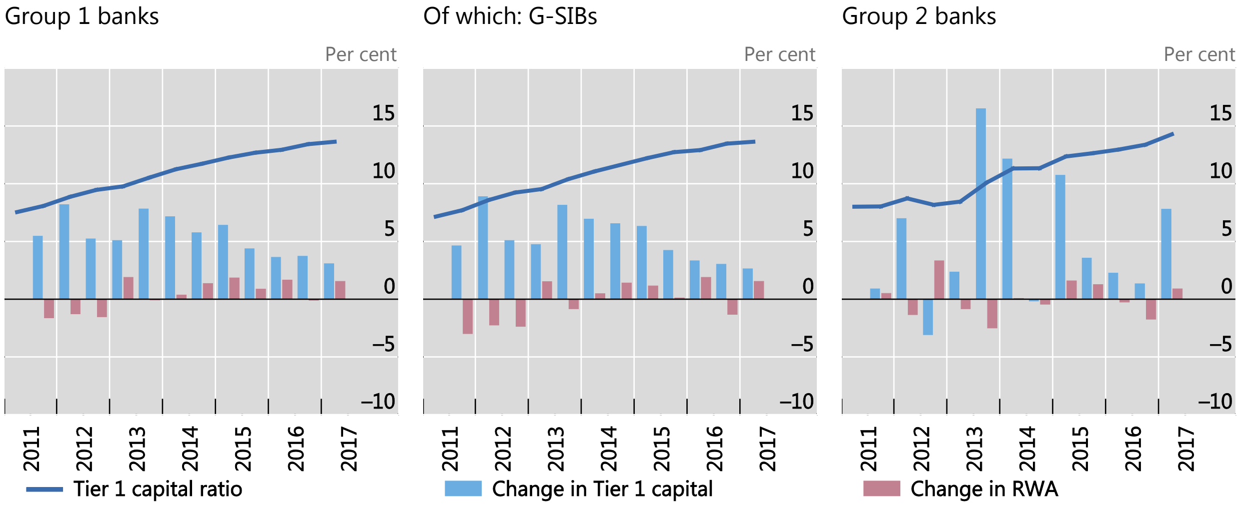
[1] Before the implementation of the Basel III framework, results have been calculated on the basis of the relevant national regulatory frameworks in place at the reporting dates.

Source: Basel Committee on Banking Supervision. See Table C.6 for underlying data and sample size.

Group 1 banks saw Tier 1 capital and RWAs increase in the first half of 2017. The Group 1 gains were concentrated amongst G-SIBs. On the other hand, Group 2 banks showed a larger percent change in Tier 1 capital and a marginal increase in RWAs (see Graph 16). The rise in RWAs was concentrated in banks located in the "rest of the world" region, while the Tier 1 capital gains were distributed across regions (see Graph 17).

Fully phased-in Basel III Tier 1 capital ratios and changes in RWA and Tier 1 capital

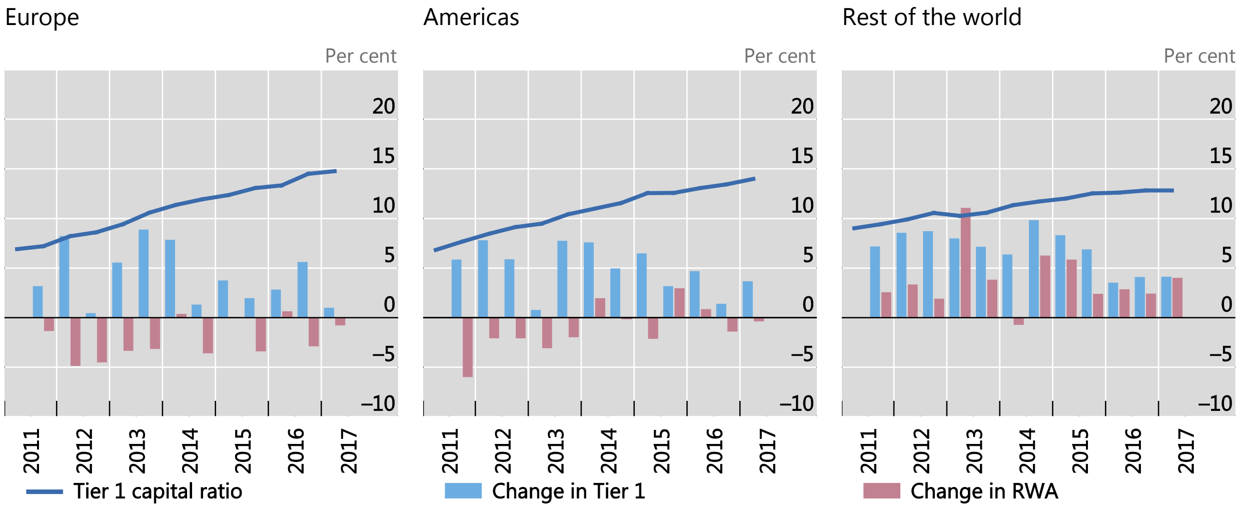
Consistent sample of banks, exchange rates as of 30 June 2017 Graph 16



Source: Basel Committee on Banking Supervision. See Table C.7 for underlying data and sample size.

Fully phased-in Basel III Tier 1 capital ratios and changes in RWA and Tier 1 capital, by region

Consistent sample of Group 1 banks, exchange rates as of 30 June 2017 Graph 17



Source: Basel Committee on Banking Supervision. See Table C.8 for underlying data and sample size.

2.2 Capital shortfalls

This section shows the capital shortfalls for the Group 1 and Group 2 bank samples assuming full phasing in of the Basel III requirements based on data as of 30 June 2017 and disregarding transitional arrangements. The shortfalls presented are measured against different minimum capital ratio requirements (ie 4.5% CET1, 6.0% Tier 1 and 8.0% total capital) as well as against the *target* level, which includes the 2.5% capital conservation buffer and capital surcharges for 30 G-SIBs as applicable.

Graph 18 and Graph 19 below as well as Table 2 above provide estimates of the amount of capital that Group 1 and Group 2 banks would need based on data as of 30 June 2017 in addition to capital already held at the reporting date, in order to meet the minimum and target CET1, Tier 1 and total capital ratios under Basel III assuming fully phased-in requirements and deductions. Under these assumptions, there are no capital shortfalls for Group 1 or Group 2 banks with respect to the CET1, Tier 1 or total capital minimum requirements.

For a CET1 target of 7.0% (ie the 4.5% CET1 minimum plus the 2.5% capital conservation buffer) plus any capital surcharge for G-SIBs as applicable according to the updated list of banks published by the Financial Stability Board in November 2017, the Group 1 and Group 2 banks also have no shortfall.

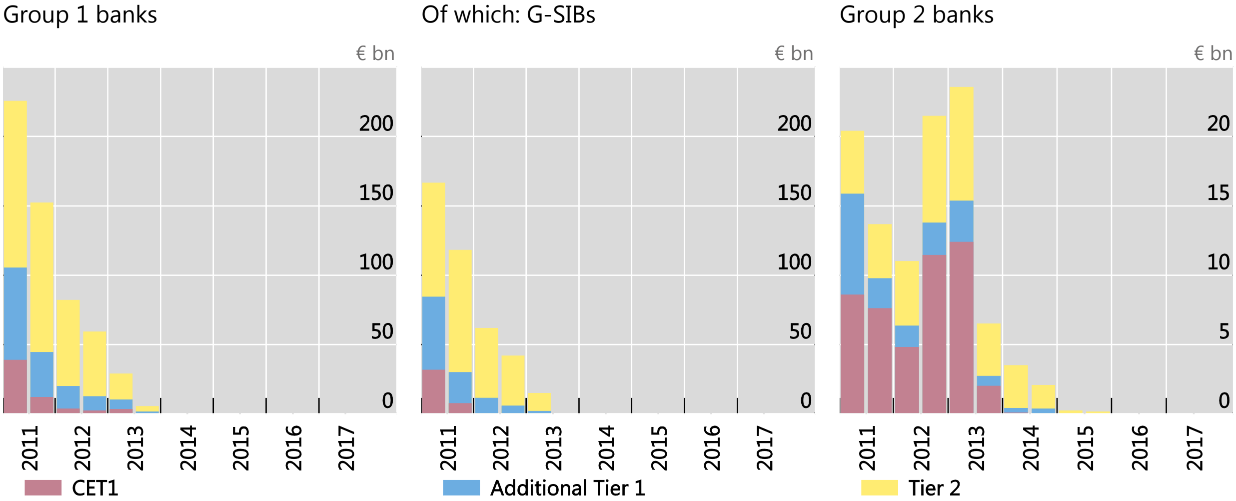
Group 1 banks have no shortfalls at either the CET1 or total capital target ratios of 10.5% (ie the 8.0% Tier 2 minimum plus the 2.5% CET1 capital conservation buffer) plus the surcharges on G-SIBs as applicable. Group 2 banks would need an additional €0.1 billion of Tier 2 or higher-quality capital to meet the target ratio.

Group 1 banks no longer require additional Tier 1 or higher-quality capital to meet the Tier 1 target ratio of 8.5% (ie the 6.0% Tier 1 minimum plus the 2.5% CET1 capital conservation buffer) plus the surcharges on G-SIBs as applicable. Group 2 banks would need an additional €0.1 billion of additional Tier 1 or higher-quality capital to meet the Tier 1 capital target ratio.

As indicated above, no assumptions have been made about bank profits or behavioural responses, such as changes in balance sheet composition that would serve to reduce the impact of capital shortfalls over time. As a point of reference, the aggregate sum of after-tax profits prior to distributions for the six-month period ending 30 June 2017 for Group 1 and Group 2 banks was €212.8 billion and €7.8 billion, respectively.

Estimated capital shortfalls at the minimum level[1]

Fully phased-in Basel III, sample and exchange rates as at the reporting dates — Graph 18



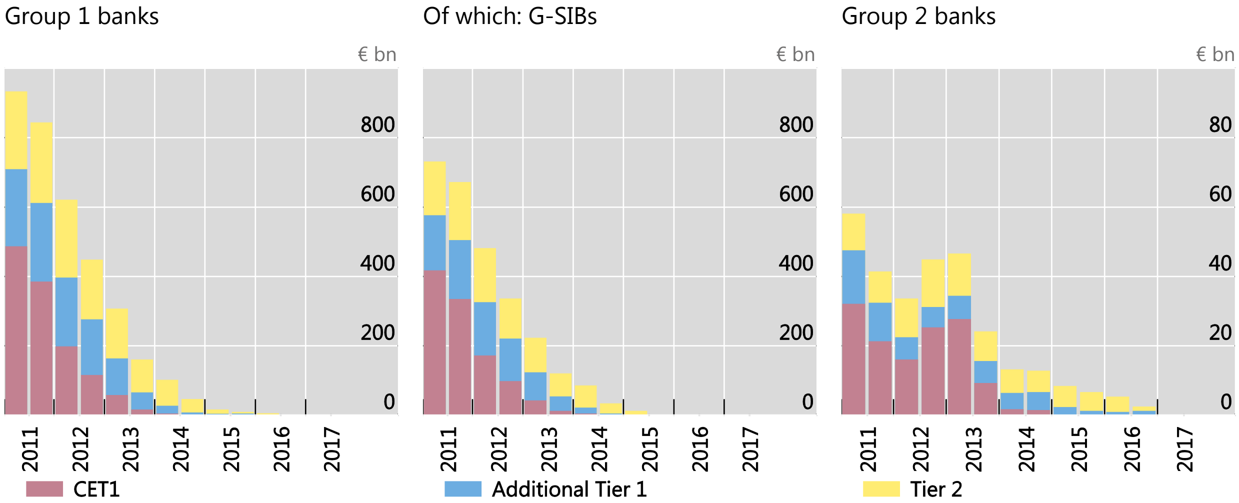
[1] The height of each bar shows the aggregated capital shortfall considering requirements for each tier (ie CET1, Tier 1 and total) of capital.

Source: Basel Committee on Banking Supervision. See Table C.9 for underlying data and sample size.

At the CET1 target level of 7.0% plus the surcharges on G-SIBs as applicable, the aggregate CET1 shortfall of Group 1 and Group 2 banks remained zero over the six-month period ending 30 June 2017 (see Graph 19).

Estimated capital shortfalls at the target level[1]

Fully phased-in Basel III, sample and exchange rates as at the reporting dates — Graph 19



[1] The height of each bar shows the aggregated capital shortfall considering requirements for each tier (ie CET1, Tier 1 and total) of capital.

Source: Basel Committee on Banking Supervision. See Table C.10 for underlying data and sample size.

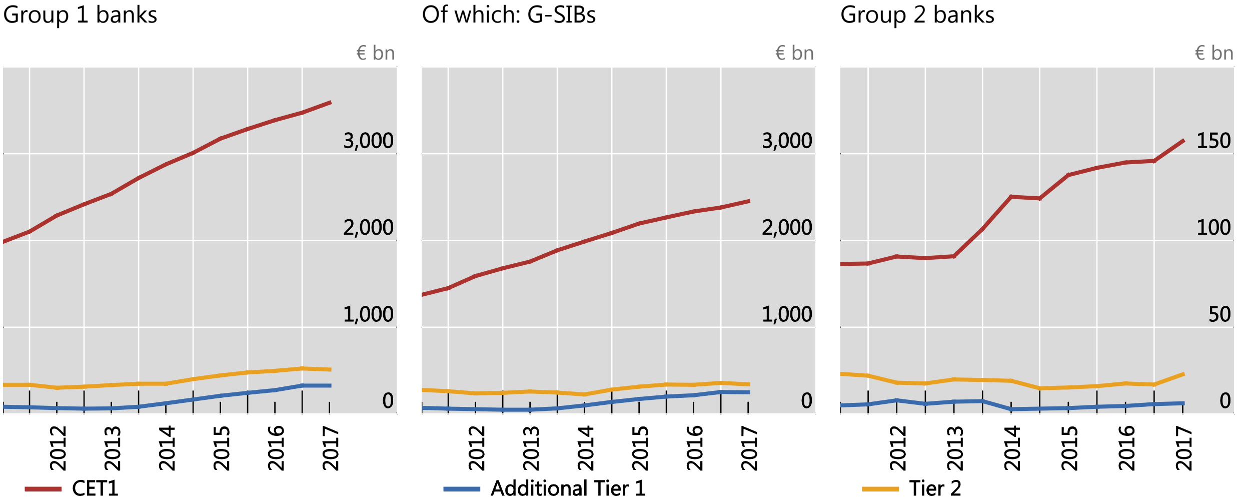
2.3 Level of capital

Graph 20 shows the development of the level of CET1 capital of banks in the consistent sample of banks assuming full implementation of Basel III for Group 1 banks, Group 2 banks as well as G-SIBs separately. From end-December 2016 to end-June 2017, the level of Group 1 banks' CET1 capital has increased by €115 billion (or 3.3%) to €3,588 billion.[19] More than half of this increase, €70 billion, can be attributed to the G-SIBs in the Group 1 sample which collectively held €2,450 billion of CET1 capital at end-June 2017. Group 2 banks' CET1 is €157 billion, €11 billion higher than at end-December 2016.

[19] The lower absolute amounts compared to the previous report are mainly driven by exchange rate movements.

Level of capital after full phasing in of Basel III

Consistent sample of banks, exchange rates as of 30 June 2017 Graph 20



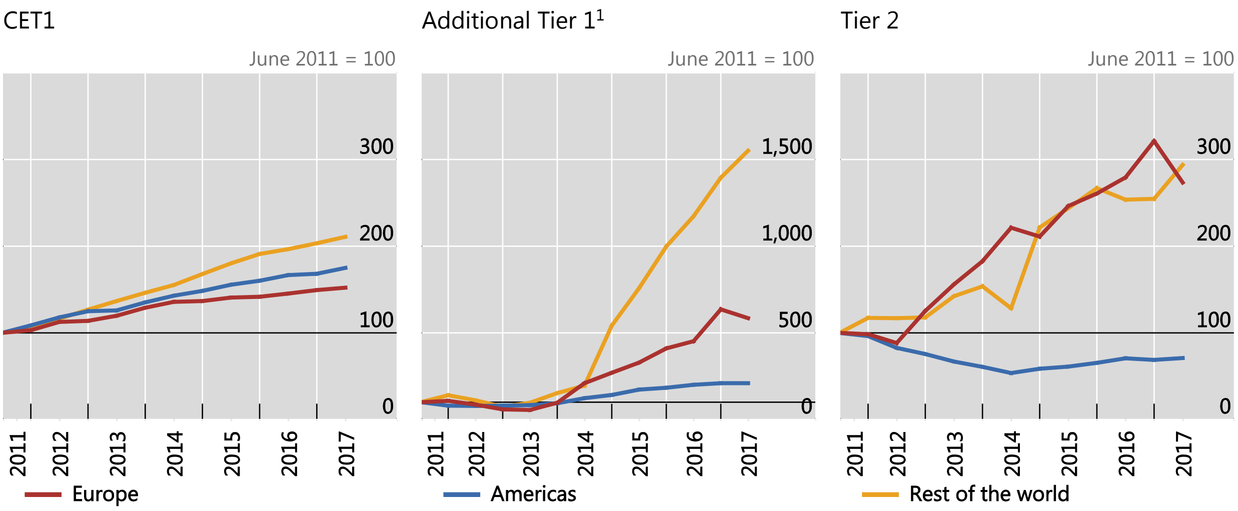
Source: Basel Committee on Banking Supervision. See Table C.11 for underlying data and sample size. Table C.12 provides an additional regional breakdown for Group 1 banks.

The rise in overall CET1 capital among Group 1 banks appears largely due to profits generated, with particularly large profits shown by banks in the United States and China (combined accounting for more than 50% of all profits reported in Group 1). Furthermore, G-SIBs contributed more than two-thirds of the profits generated during H1 2017 for Group 1 banks.

Graph 21 shows the evolution in fully phased-in Basel III capital for a consistent sample of Group 1 banks over the past six years grouped by region. CET1 capital has grown for all regions with the rest of the world recording the highest growth of over 100% from 2011 and also has the highest current holdings of €1,611 billion compared to Europe at €1,036 billion and the Americas at €941 billion. Additional Tier 1 capital has been stable and flat until the first half of 2014 and thereafter it has grown for all regions, with the exception of Europe, where it dropped in the last six months. However the additional Tier 1 holdings are relatively small compared to CET1 at only €124, €108 and €95 billion for Americas, Europe and the rest of the world, respectively. The highest growth in percentage terms was from the rest of the world, however from a low base of €6 billion. Tier 2 capital has been volatile for all regions with the Americas seeing a decrease between 2011 and 2014. Generally, Tier 2 capital grew for all regions since 2014 except in Europe over the first half of 2017 to holdings of €208, €146 and €159 billion for Europe, Americas and the rest of the world, respectively (for further details see Table C.12).

Evolution of fully phased-in Basel III capital, by region

Consistent sample of Group 1 banks, exchange rates as of 30 June 2017 Graph 21



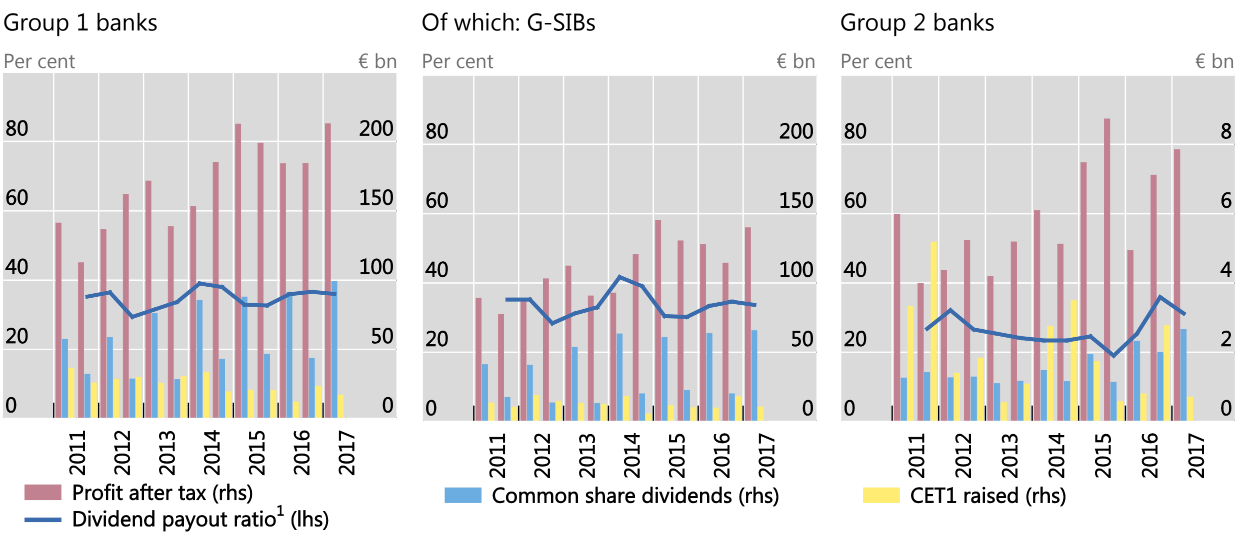
[1] The strong percentage increases in additional Tier 1 capital are driven by the low absolute levels in 2011, in particular for the rest of the world region.

Source: Basel Committee on Banking Supervision. See Table C.14 for underlying data and sample size.

Graph 22 depicts the evolution of profits, dividends, CET1 capital raised and the dividend payout ratio over time. Here, no clear trend or distinctive feature can be identified for CET1 capital raised over time on a global level. Group 1 banks' profits after tax have increased to around €212 billion per half year since the second half of 2014. The higher dividend payout ratios for Group 1 banks compared to the average over the previous year, reaching 46.6%, are mainly driven by seasonal effects in Europe and the rest of the world. In turn, the dividend payout ratio for Group 2 banks slightly decreased in the current period compared to the average value over the last year despite a significant increase in profits over the last year.

Profits, dividends, CET1 capital raised and dividend payout ratio[1]

Consistent sample of banks, exchange rates as of 30 June 2017 Graph 22

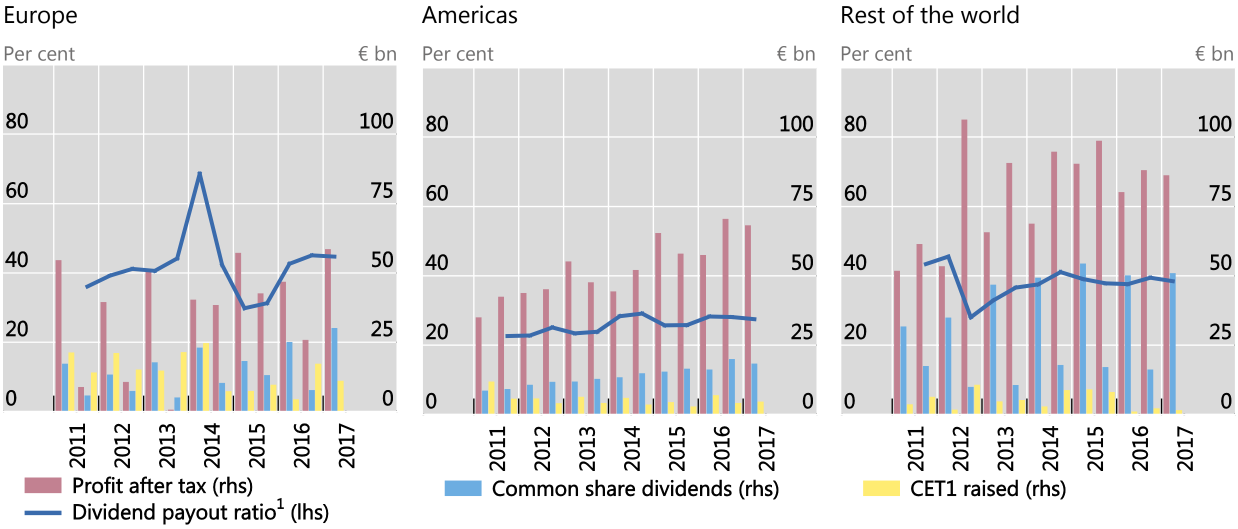


[1] The dividend payout ratio is calculated as common share dividends divided by profits after tax by using a rolling 12 months window. Source: Basel Committee on Banking Supervision. See Table C.15 and Table C.17 for underlying data and sample size.

Graph 23 provides the regional breakdown for Group 1 banks. Since 2011, annual profits after tax within this sample have always been higher in the Americas and the rest of the world than in Europe. Overall, around 27% of the profits have been generated by banks in Europe, more than 30% in the Americas and around 40% in the rest of the world. Conversely, almost 60% of the CET1 capital raised has been raised by banks in Europe.

Profits, dividends, CET1 capital raised and dividend payout ratio[1], by region

Consistent sample of Group 1 banks, exchange rates as of 30 June 2017 — Graph 23



[1] The dividend payout ratio is calculated as common share dividends divided by profits after tax by using a rolling 12 months window .
Source: Basel Committee on Banking Supervision. See Table C.16 and Table C.18 for underlying data and sample size.

Over the first half of 2017, 57 out of the 106 Group 1 banks in the sample raised capital, regarding CET1 the total amount equals €17.3 billion (see Table 3). Of this amount, almost 61% was raised by the G-SIBs in the sample.

Capital raised during H1 2017

Full sample of banks, gross amounts, in billions of euros — Table 3

	Number of banks	Number of banks that raised capital	CET1	Add. Tier 1	Tier 2
Group 1 banks	106	57	17.3	21.3	27.4
Of which: Americas	22	15	4.9	1.8	7.8
Of which: Europe	37	25	11.0	11.2	14.2
Of which: Rest of the world	47	17	1.5	8.2	5.3
Of which: G-SIBs	30	20	10.5	13.4	15.4
Group 2 banks	82	27	3.8	0.9	2.9

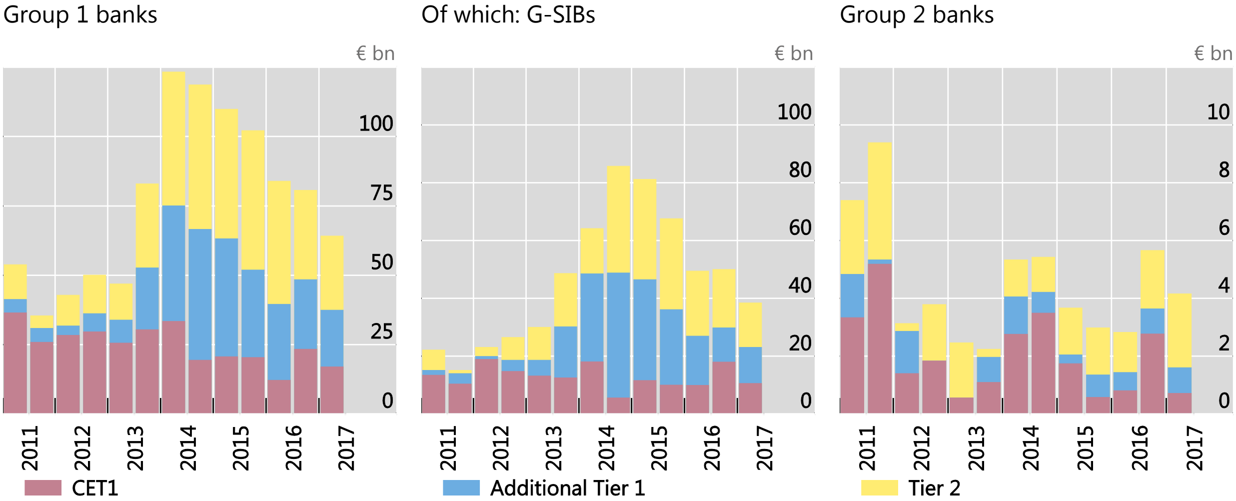
Source: Basel Committee on Banking Supervision.

It is noticeable that Group 1 banks primarily raised Tier 2 capital (41.5%) and additional Tier 1 (32.3%) rather than CET1 (26.2%) which could indicate that banks are now focussing on the remaining, not yet fully phased in capital requirements such as the leverage ratio, TLAC and presumably the additional requirements stemming from Pillar 2 as for those regulations CET1 is not necessarily the exclusive form of eligible capital. For Group 2 banks, CET1 seems still more in the focus (50.0%) while the share of additional Tier 1 and Tier 2 are significantly lower (11.8% and 38.2% respectively).

Graph 24 depicts the evolution of capital raised over time. Here, no clear trend or distinctive feature can be identified for CET1 raised over time on global level. However, for additional Tier 1 and Tier 2 capital, the time series for Group 1 banks and G-SIBs show a significant and lasting increase in the amount of capital raised starting from the second half of 2013.

Capital raised externally

Consistent sample of banks, exchange rates as of 30 June 2017 — Graph 24



Source: Basel Committee on Banking Supervision. See Table C.17 for underlying data and sample size. Table C.18 provides an additional regional breakdown for Group 1 banks.

2.4 Composition of capital

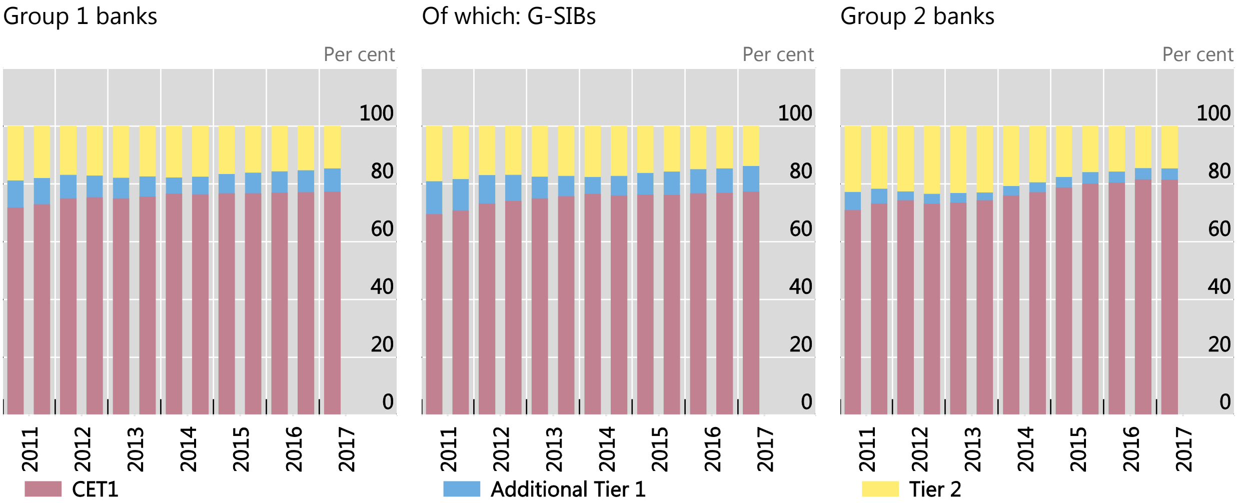
The graphs below show the composition of total capital under transitional Basel III rules (Graph 25) and after fully phased-in Basel III (Graph 26). As expected and as observed for previous reporting dates, CET1 capital is the predominant form of capital with an average share of more than 80% for both banking groups. Under transitional rules, it is slightly lower with 77% for Group 1 banks. This difference is largely due to the disallowed eligibility of transitional Basel III additional Tier 1 or Tier 2 instruments for banks in many countries under Basel III (eg those that do not meet the requirements set out in the Committee's 13 January 2011 press release on loss absorbency at the point of non-viability).

It is noticeable that for Group 1 banks under the fully phased-in Basel III standards, the positive trend of increasing the share of CET1 capital which had been observed during the first years of the monitoring exercise reversed in 2014 (Graph 25). Since then a decline in the share of CET1 (from 85.8% at the beginning of 2014 to 81.0% as of June 2017) can be observed simultaneously with a slight increase of additional Tier 1 elements (3.6% in 2014 and 7.4% at the end of June 2017), suggesting that banks are shifting their focus from the risk-based capital requirements (which no longer cause a capital demand for most banks) to the leverage ratio requirement.

For Group 2 banks, a strong positive trend can be observed over time for the share of CET1 capital: it increases from 75.4% in 2011 to 84.4% in 2017 which corresponds to a cutback of Tier 2 elements in a similar magnitude (a reduction from 20.2% to 12.3%). Here, it has to be mentioned that Group 2 banks started from a different level as regards to Tier 2, with its share equalling more than 20% in H1 2011 (Group 1: 13.4%).

Structure of regulatory capital under transitional Basel III rules

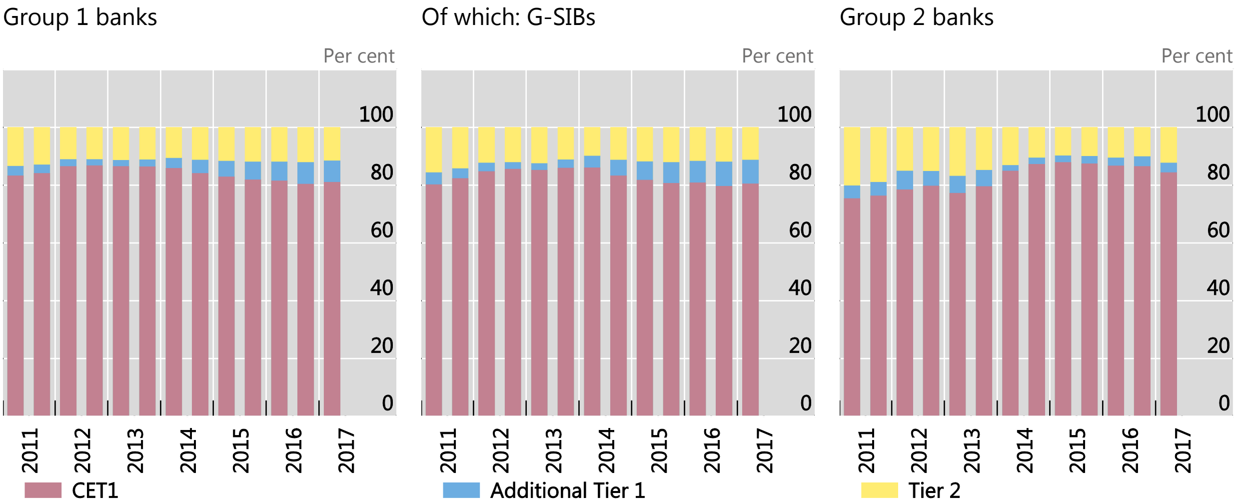
Consistent sample of banks Graph 25



Source: Basel Committee on Banking Supervision. See Table C.19 for underlying data and sample size.

Structure of regulatory capital under fully phased-in Basel III

Consistent sample of banks Graph 26



Source: Basel Committee on Banking Supervision. See Table C.20 for underlying data and sample size.

With regard to the composition of Basel III CET1 capital itself, paid-in capital and retained earnings continue to comprise the overwhelming majority of CET1 outstanding. For Group 1 banks, paid-in capital and retained earnings make up more than 93% of outstanding CET1 on average. On a bank-by-bank basis, 35 banks in the Group 1 sample report negative overall balances in Accumulated Other Comprehensive Income (AOCI).[20] Meanwhile, CET1 from recognised subsidiaries continues to provide

[20] AOCI typically includes the following: unrealised gains and losses in available for sale securities; actuarial gains and losses in defined benefit plans; gains and losses on derivatives held as cash flow hedges; and gains and losses resulting from translating the financial statements of foreign subsidiaries.

minimal support to Group 1 banks' outstanding CET1 balances in most countries. For Group 2 banks, the overall structure of CET1 capital is very similar to Group 1.

2.5 Regulatory adjustments

For the current period, regulatory adjustments reduce overall gross CET1 (ie CET1 before adjustments) for Group 1 banks by 15.3%. (see Table B.2). The largest driver of Group 1 bank CET1 adjustments continues to be goodwill (9.0%) followed by deductions for intangibles, combined deferred tax asset (DTA) and other deductions (2.2%, 1.5% and 1.5% respectively).

The impact of regulatory adjustments on Group 2 banks is somewhat lower, on average being at around 11.2% (see Table B.3). This reflects a decrease in the whole time series compared to the previous report driven by a smaller consistent sample of Group 2 banks. Nevertheless, this result is still driven by a limited number of large Group 2 banks. Without taking these banks into account the overall impact of CET1 deductions would decline considerably.

2.6 Components and determinants of capital requirements

2.6.1 Share of different risk types in overall MRC

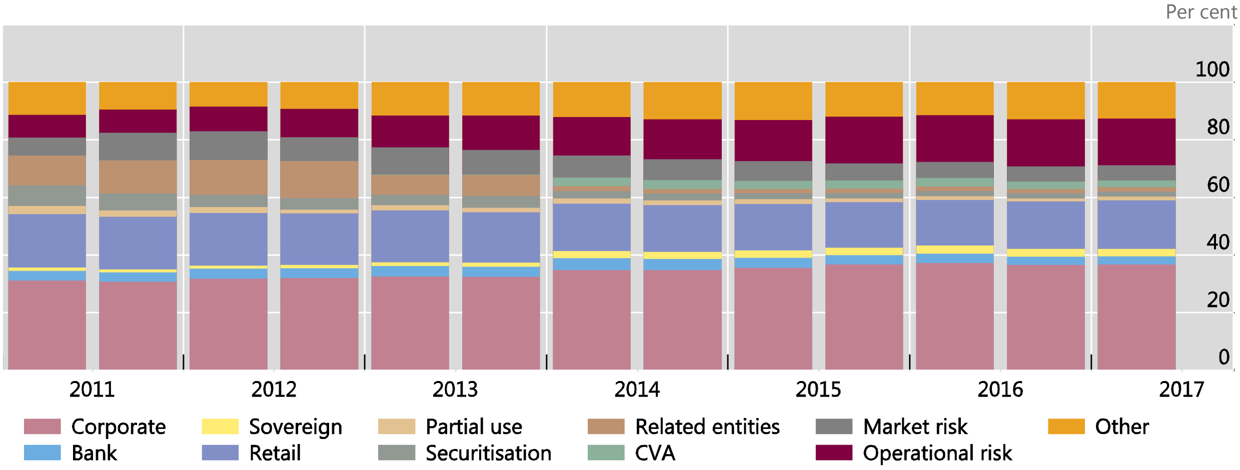
Graph 27 shows the share of different asset classes in overall minimum required capital (MRC) for a consistent sample of Group 1 banks.[21]

As of end-June 2017, credit risk continues to compose the dominant portion of overall MRC, with this category on average comprising 63.6% of total MRC for Group 1 banks. However, the share of credit risk has declined significantly from 74.6% at the end of June 2011. Conversely, the share of operational risk MRC which increased from 7.8% at the end of June 2011 to 16.1% at end-June 2017. The share of market risk declined slightly from 6.2% to 5.4% while the share of "other" risk increased somewhat from 11.4% to 12.7%. Among the credit risk asset classes, the share of MRC for corporate exposures increased from 31.0% to 36.6% while the share of MRC for securitisation exposures declined from 7.2% to 1.8%.

[21] MRC figures in this section are based on the total capital ratio, ie based on 8% of RWAs. Where applicable, the MRC reflect the effect of the 1.06 scaling factor applied to IRB credit RWA, and deductions assigned to the securitisation and related entities asset classes.

Share of MRC by asset class[1] according to current rules

Consistent sample of Group 1 banks | Graph 27



[1] The category "other" includes capital requirements for other assets; the current Basel I-based output floor; Pillar 1 capital requirements in member countries for risks not covered by the Basel framework; reconciliation differences; and additional capital requirements due to regulatory calculation differences and general provisions. The latter item can lead to negative capital requirements in cases where there is an excess in provisions which can be recognised in a bank's Tier 2 capital. Furthermore, for banks which apply the standardised approach, general provisions may to some extent be recognised as Tier 2 capital; consequently, MRC is reduced by this amount. The term "reconciliation differences" refers to the difference between MRC reported at the entire bank level and the sum of MRC reported for the individual portfolios. Exposures subject to partial use of the standardised approach for credit risk which cannot be assigned to a specific portfolio, as well as past-due items under the standardised approach, are listed separately as "partial use".

Source: Basel Committee on Banking Supervision. See Table C.21 for underlying data and sample size.

Table 4 provides data on relative sizes of asset classes in terms of exposures as well as minimum required capital (MRC) for both Group 1 and Group 2 banks according to current rules at the reporting date. The sample differs considerably from the consistent sample used for the time series above, resulting in differences for the end-June 2017 reporting date.

Additionally, the MRC per exposure suggests the relative riskiness of the different asset classes as measured by the current framework. Both the numerator (MRC) and the denominator (exposure amounts) of this ratio include exposures under the IRB and standardised approaches for credit risk.[22] Broadly speaking, an MRC per exposure figure of 8% is comparable to a 100% risk weight. Since a common exposure measure for credit, market and operational risk does not exist, the size in terms of exposure and the MRC per exposure are only defined for asset classes subject to a credit risk treatment.

Looking at Table 4 for Group 1 banks, it is observed that while the corporate, retail and sovereign asset classes comprise the overwhelming majority of exposures, their relative riskiness as measured by MRC per exposure is rather low in comparison to other asset classes. In particular, for related entities and equity exposures the MRC per exposure is 22.4% and 14.6%, respectively. For Group 2 banks, corporate, retail and sovereign asset classes also comprise the overwhelming majority of exposures. However, compared to Group 1 banks, the share of the bank asset class is moderately higher. With regard to MRC per exposure, asset classes with higher relative riskiness for Group 2 banks include equity exposures (15.5%) and other assets (6.6%).

[22] The asset classification is mainly based on the IRB approach. Exposures subject to partial use of the standardised approach for credit risk which cannot be assigned to a specific portfolio, as well as past-due items under the standardised approach, are listed separately in Table 4.

Average asset class size and MRC per exposure[1]

In per cent — Table 4

	Group 1			Group 2		
	Size exposure	Size MRC	MRC per exposure	Size exposure	Size MRC	MRC per exposure
Corporate	32.3	41.5	4.7	19.9	32.1	5.0
Sovereign	22.9	2.5	0.4	28.6	3.3	0.4
Bank	7.9	4.2	2.0	11.8	6.3	1.6
Retail	24.1	15.3	2.3	29.5	18.5	1.9
Equity	0.8	3.2	14.6	1.1	5.6	15.5
Purchased receivables	0.2	0.1	3.1	0.0	0.0	7.3
Securitisation	2.1	1.4	2.4	0.8	0.7	2.7
Related entities	0.1	0.8	22.4	0.0	0.0	0.1
Past-due items	0.1	0.1	9.1	0.6	1.7	9.3
Other assets	5.4	5.4	3.7	1.5	3.3	6.6
Not assigned[2]	4.1	6.1	5.4	6.2	8.1	4.0
CVA		1.6			1.0	
Trading book CCR[3]		0.1			0.0	
Market risk		3.9			2.4	
Other trading book		0.1			0.0	
Operational risk		13.6			8.3	
Regulatory difference[4]		–2.5			–0.3	
Floor adjustment		2.1			8.0	
Other[5]		0.1			0.7	
Total	100.0	100.0	3.7	100.0	100.0	3.1

[1] MRC figures in this table are based on the minimum total capital ratio (ie based on 8% of RWAs). [2] The "not assigned" asset class only includes those exposures subject to partial use of the standardised approach which could not be assigned to one of the other asset classes. [3] Counterparty credit risk in the trading book. [4] Includes shortfall (positive) or excess (negative) of provisions over expected loss amounts for exposures subject to the IRB approach for credit risk as well as general provisions (negative) for exposures subject to the standardised approach for credit risk to the extent they are recognised in Tier 2 capital. [5] Includes the reconciliation asset class and other Pillar 1 capital requirements.

Source: Basel Committee on Banking Supervision

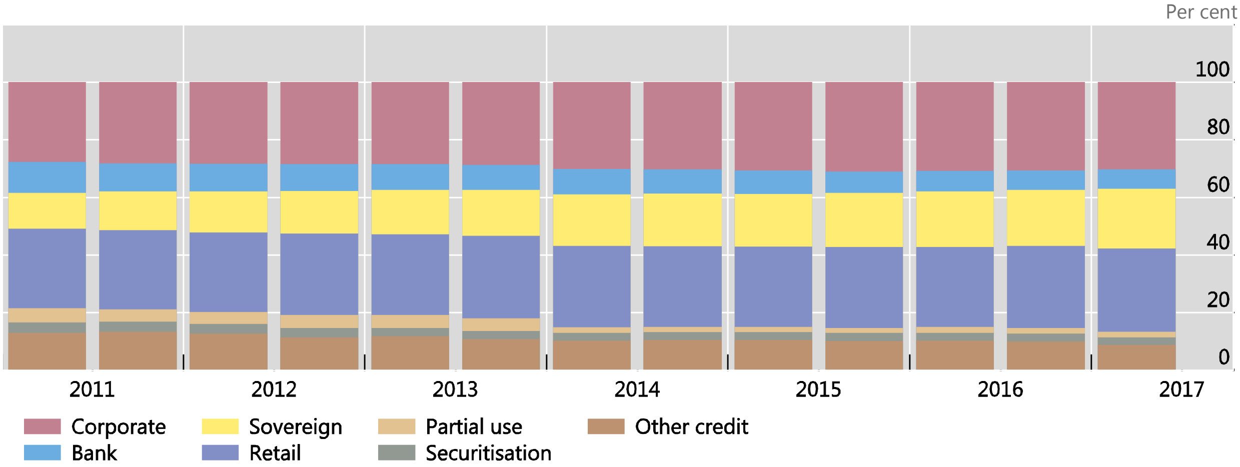
2.6.2 Credit risk

Share of credit risk exposure by asset classes

Graph 28 shows the evolution of exposure for the six major asset classes for a consistent sample of 36 Group 1 banks. In general the share of sovereign exposures has increased steadily in recent years from 12.4% to 20.7% while partial use, bank and other credit exposures have declined slightly.

Share of credit exposure

Consistent sample of Group 1 banks | Graph 28



Source: Basel Committee on Banking Supervision. See Table C.22 for underlying data and sample size.

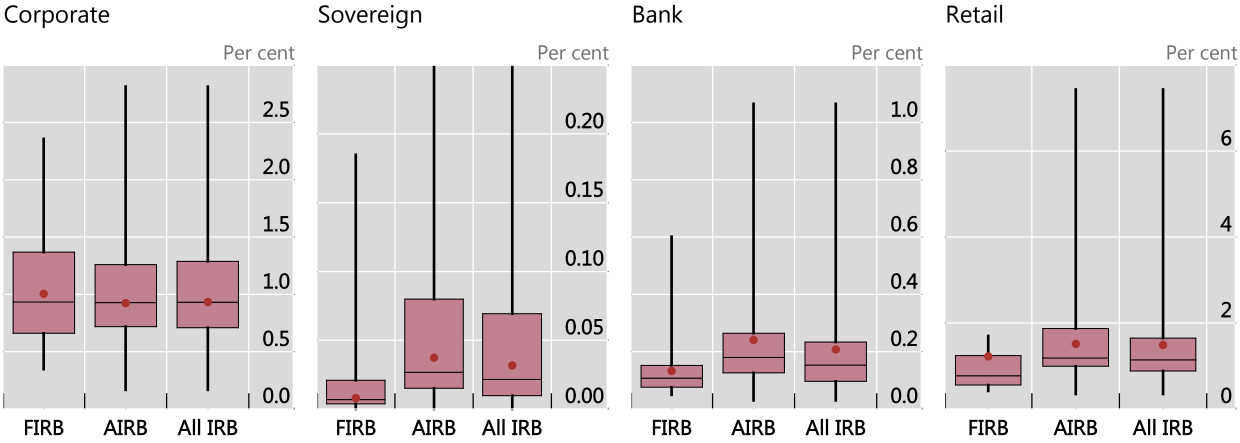
Risk parameters by IRB asset classes

This section presents IRB risk parameters for a sample of Group 1 banks only. Graph 29 and Graph 30 illustrate weighted average probability of default (PD) and loss-given-default (LGD) for Group 1 banks' exposures subject to the internal ratings-based (IRB) approaches respectively. For Group 1 banks, average PDs are generally highest for retail and corporate portfolios (1.5% and 0.9% respectively) while PDs for bank and sovereign portfolios are considerably lower (0.2% and 0.0%, respectively). Looking further, it is observed that average PDs and LGDs do not differ materially between portfolios primarily being measured using the foundation IRB and advanced IRB approaches.[23] For corporate portfolios measured under the foundation IRB approach, PDs and LGDs are slightly higher relative to those measured under advanced IRB. For retail and bank portfolios the opposite is true, PDs and LGDs are moderately higher under the advanced IRB approach. Furthermore, sovereign PDs remain very low under either IRB approach, while average LGDs for sovereigns are generally higher under foundational IRB.

[23] In general, the main approach to credit risk is determined by the approach utilised on the non-retail portfolios. Therefore, if a bank uses the foundation IRB approach for all non-retail portfolios and the IRB approach to retail for the retail portfolio, it is considered a "foundation IRB" bank.

Exposure-weighted average PD for non-defaulted exposures by main asset classes[1]

Group 1 IRB banks | Graph 29

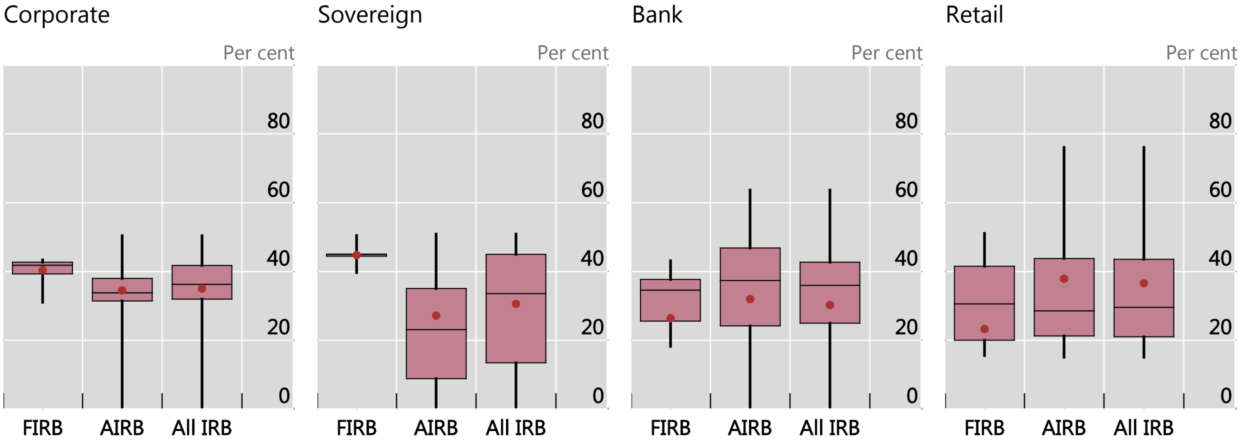


[1] The median value is represented by a horizontal line, with 50% of the values falling in the 25th to 75th percentile range shown by the box. The upper and lower end points of the vertical lines generally show the range of the entire sample. The dots represent weighted averages.

Source: Basel Committee on Banking Supervision. See Table C.23 for underlying data and sample size.

Exposure-weighted average LGD after credit risk mitigation for non-defaulted exposures by main asset classes[1]

Group 1 IRB banks | Graph 30

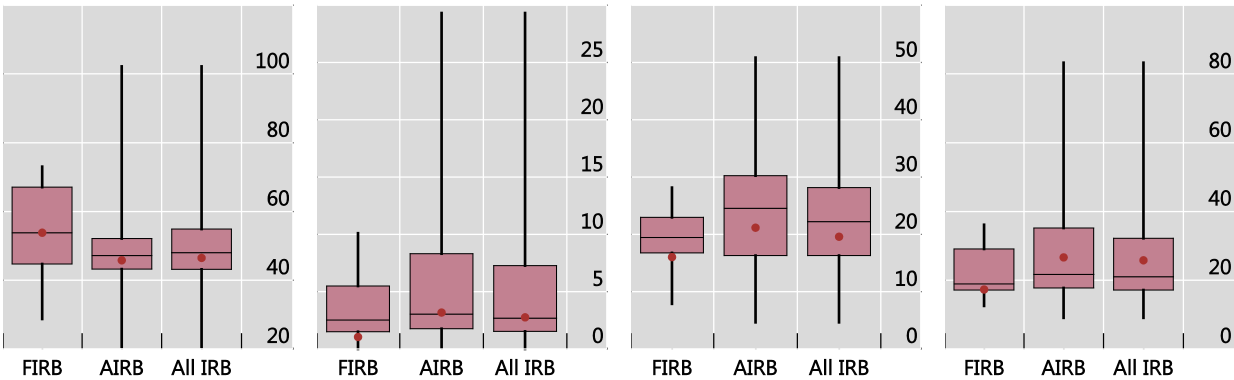


[1] The median value is represented by a horizontal line, with 50% of the values falling in the 25th to 75th percentile range shown by the box. The upper and lower end points of the vertical lines generally show the range of the entire sample. The dots represent weighted averages.

Source: Basel Committee on Banking Supervision. See Table C.24 for underlying data and sample size.

Exposure-weighted average risk weights for non-defaulted exposures by main asset classes[1]

Group 1 IRB banks | Graph 31

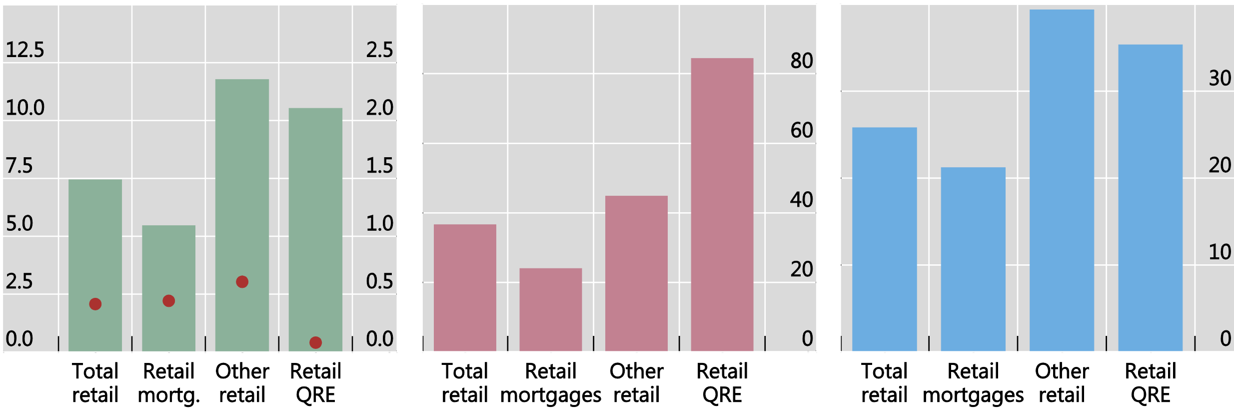


[1] The median value is represented by a horizontal line, with 50% of the values falling in the 25th to 75th percentile range shown by the box. The upper and lower end points of the vertical lines generally show the range of the entire sample. The dots represent weighted averages.

Source: Basel Committee on Banking Supervision. See Table C.25 for underlying data and sample size.

Exposure-weighted average risk parameter values for retail sub-asset classes

Group 1 banks | Graph 32



Source: Basel Committee on Banking Supervision. See Table C.26 for underlying data and sample size.

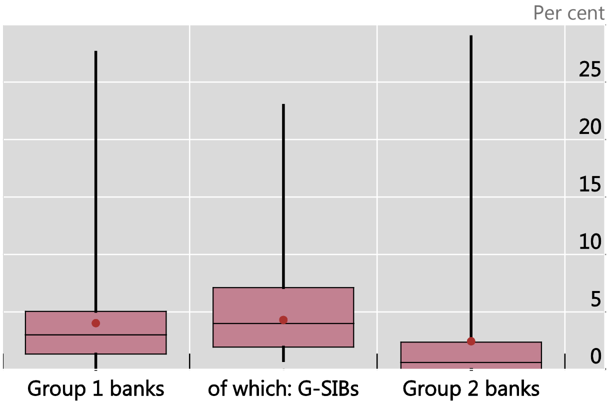
2.6.3 Market risk

The left panel of Graph 33 shows the distribution of the share of market risk MRC in total MRC. On average, the share of market risk MRC is 5.4% of total MRC for Group 1 banks and 2.4% of total MRC for Group 2 banks. However, there is significant dispersion across banks from zero to more than 25% in both groups. The average share for all bank groups is at a similar level as at end-June 2011. However, as can be seen in the right panel of Graph 33, Group 1 banks and in particular the G-SIBs among them experienced a significant peak at the end of 2011, and the share of market risk in total MRC has gradually decreased between then and the end of 2016.

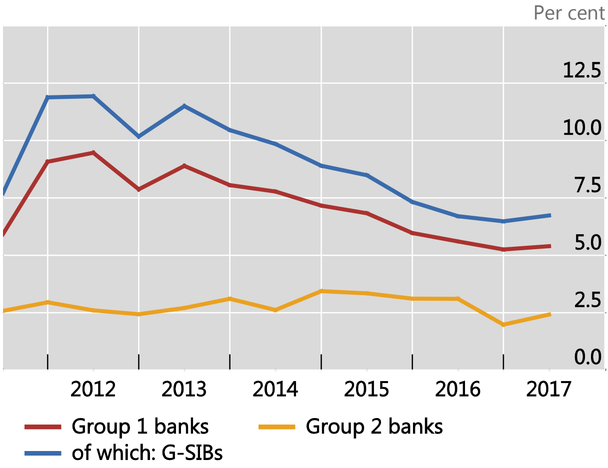
Share of market risk MRC in total MRC

Graph 33

Distribution[1]



Development over time



[1] The median value is represented by a horizontal line, with 50% of the values falling in the 25th to 75th percentile range shown by the box. The upper and lower end points of the vertical lines generally show the range of the entire sample. The dots represent weighted averages.

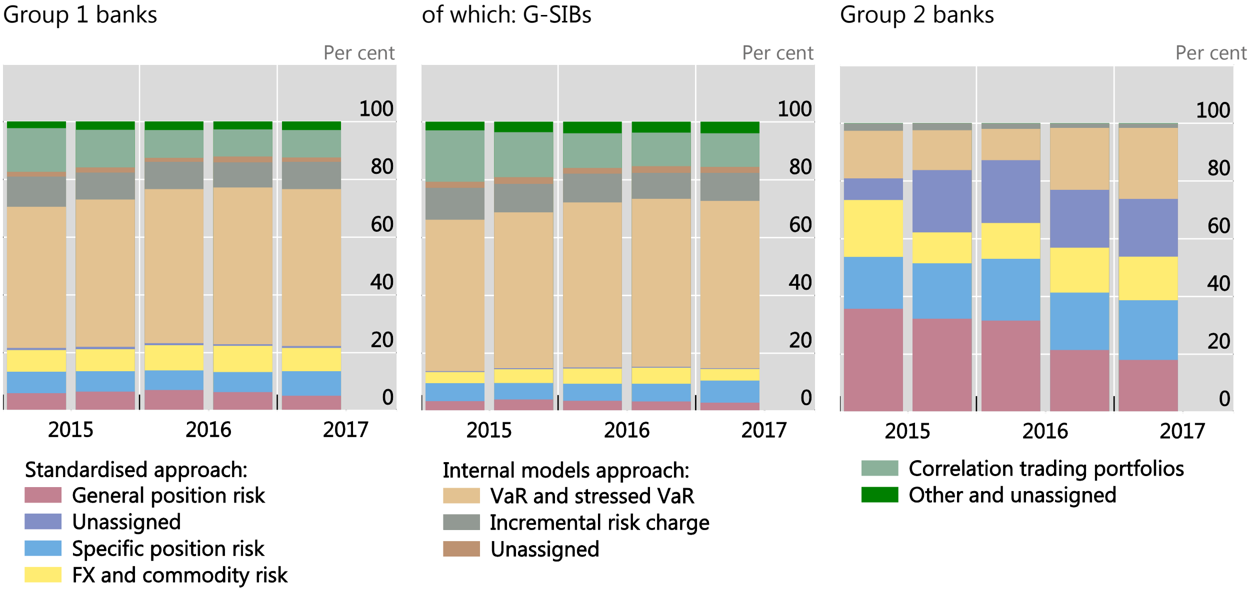
Source: Basel Committee on Banking Supervision. See Table C.27 and Table C.28 for underlying data and sample size.

Graph 34 below shows the time series of the share of the components of MRC for market risk in total MRC for market risk for Group 1 and Group 2 banks as well as for G-SIBs separately. The time series starts at the end-June 2015 reporting date and uses a consistent sample of banks. For Group 1 banks and in particular the G-SIBs among them, the internal models approach contributes around two thirds to overall market risk MRC. The share of value-at-risk (VaR) and stressed VaR has increased since June 2015 while the shares of the incremental risk capital charge and MRC for correlation trading portfolios have decreased. For Group 2 banks, the internal models approach is much less relevant at only around 25% of market risk MRC, and correlation trading portfolios are negligible. Almost 75% of Group 2 banks' market risk MRC have been calculated using the standardised approach.

Components of minimum capital requirements for market risk

Consistent sample of banks, in per cent

Graph 34



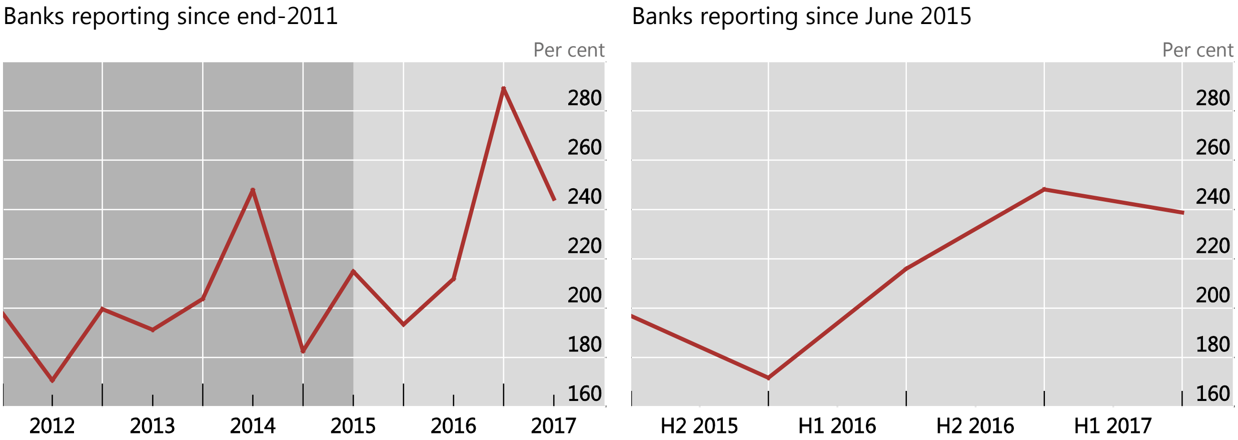
Source: Basel Committee on Banking Supervision. See Table C.29, Table C.30 and Table C.31 for underlying data and sample size.

Graph 35 below shows the relation of the 10-day stressed VaR to the current 10-day 99% VaR under the revised market risk framework in the Group 1 sample using a consistent sample of Group 1 banks. The left panel shows the time series since end-2011 for a sample of 23 banks. Under this consistent sample, the ratio of stressed VaR to VaR has fluctuated around 200% with a peak at 247.9% in H1 2014 and another peak at 289.0% in H2 2016. The right panel shows the same ratio for a sample which includes 33 additional banks whose data are available since end-June 2015. For this larger sample, the spike in H2 2016 is much less pronounced.

Stressed value-at-risk in relation to current value-at-risk

Consistent sample of Group 1 banks

Graph 35



Source: Basel Committee on Banking Supervision. See Table C.32 for underlying data and sample size.

2.6.4 Operational risk

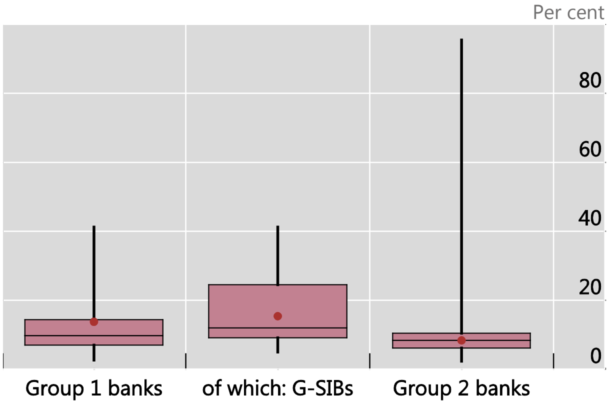
As depicted in Graph 36 below, MRC for operational risk has continuously increased over the past years until end-2016 and decreased slightly since. For Group 1 banks and G-SIBs, most of which use the Advanced Measurement Approaches (AMA) as the primary method for the calculation of operational risk capital, this increase is largely explained by the surge in the number and severity of operational risk events during and after the financial crisis, which are factored into the calculation of MRC for operational risk under the AMA. For Group 1 banks and G-SIBs, the share of capital under the AMA has increased from 58.4% to 67.0%, while the share of operational risk MRC as a percentage of total MRC is 13.6% for Group 1 banks and 15.3% for G-SIBs.

The increase in MRC for operational risk for Group 2 banks, most of which calculate operational risk capital requirements under the Framework's non-model-based approaches,[24] is largely explained by an increase in business volume, which is a factor captured by the financial statement-based components of the standardised approaches. For Group 2 banks, the share of operational risk MRC as a percentage of total MRC is 8.3%.

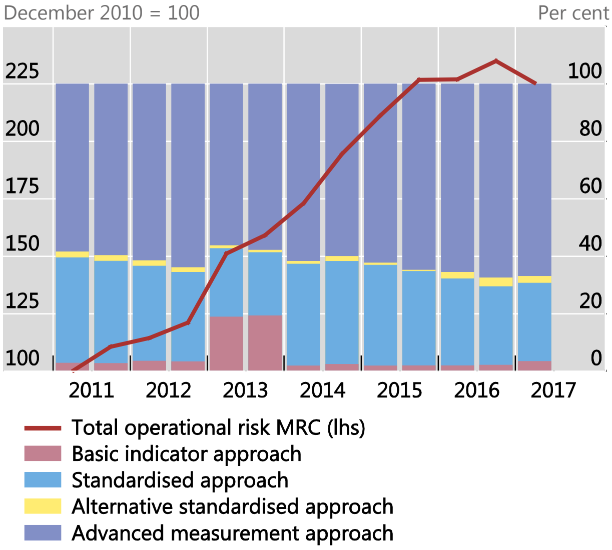
The dominance of indicator-based properties found in the standardised approaches for operational risk reflect the size of a bank rather than its risk exposure, which explains the limited variance of MRC for most Group 2 banks. For Group 2 banks, the variance in MRC for the 25th and 75th quantile is around 3 percentage points, while it is approximately 7 percentage points for Group 1 banks and 14 percentage points for G-SIBs. The outliers among Group 2 banks are mostly fee business-specialised banks in the sample where operational risk is virtually an exclusive risk, while outliers among Group 1 banks and G-SIBs are banks using AMA in which past loss events influence future operational risk exposure.

MRC for operational risk — Graph 36

Distribution of share of MRC for operational risk in total MRC[1]



Total MRC for operational risk and share of approaches, consistent sample of Group 1 banks[2]



[1] The median value is represented by a horizontal line, with 50% of the values falling in the 25th to 75th percentile range shown by the box. The upper and lower end points of the vertical lines generally show the range of the entire sample. The dots represent weighted averages. [2] Some banks started reporting operational risk RWAs under the Basic Indicator Approach in 2013 and eventually migrated to the Standardised Approach in 2014. This change increased the reported MRC in the sample by about 19%. Without this change, the overall capital increase would be around 100% instead of 138% and the share of AMA banks would increase up to about 80% in 2016.

Source: Basel Committee on Banking Supervision. See Table C.33 and Table C.34 for underlying data and sample size.

[24] Which comprise the Basic Indicator Approach (BIA) and the Standardised Approach (TSA), and its variant the Alternative Standardised Approach (ASA).

2.7 Leverage ratio

Key results

The results regarding the Basel III leverage ratio are provided using the two following measures of Tier 1 capital in the numerator:

- *Transitional Basel III Tier 1*, which is Tier 1 capital eligible under the national implementation of the Basel III framework in place in member countries at the reporting date, including any phase-in arrangements; and
- *Fully phased-in Basel III Tier 1* capital.

Graph 37 presents summary statistics related to the distribution of Basel III leverage ratios based on transitional Basel III Tier 1 and fully phased-in Basel III Tier 1 capital for Group 1 banks, G-SIBs and Group 2 banks. The weighted average transitional Basel III Tier 1 leverage ratios would be 5.9% for Group 1 banks and G-SIBs, while it would amount to 5.7% for Group 2 banks. The weighted average fully phased-in Basel III Tier 1 leverage ratios are 5.8% for Group 1 banks, 5.7% for G-SIBs banks, and 5.6% for Group 2 banks. Group 2 banks show a greater dispersion compared to Group 1 banks.

Under both the transitional and the fully phased-in Basel III Tier 1 leverage ratios, three banks in the sample would not meet the 3% ratio level, all of them being Group 2 banks, with an aggregate incremental shortfall of €1.9 billion.[25]

Box B

Basel III leverage ratio framework

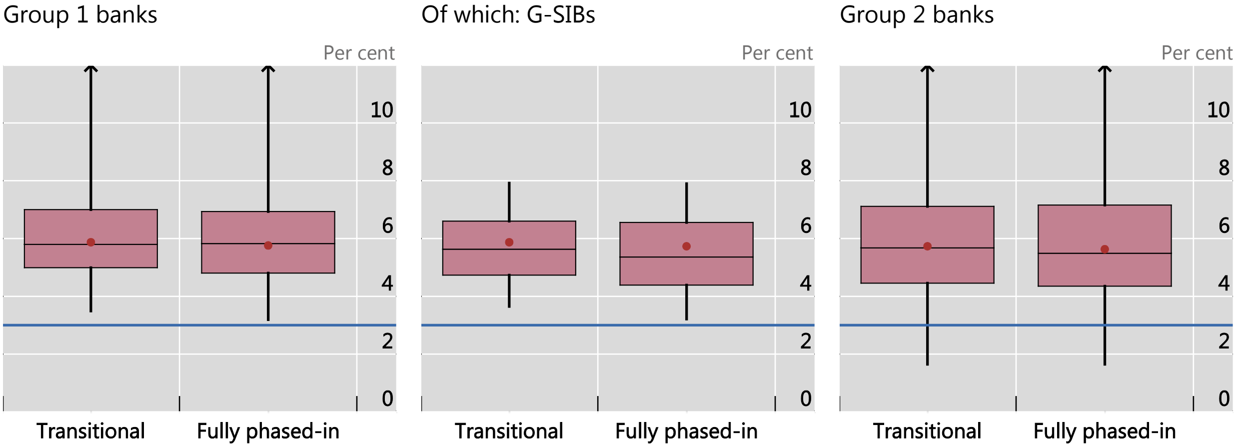
Under the January 2014 Basel III leverage ratio framework,① the Basel III leverage ratio exposure measure (the denominator of the Basel III leverage ratio) includes:

- on-balance sheet assets, excluding securities financing transactions (SFTs) and derivatives;
- SFTs, with limited recognition of netting of cash receivables and cash payables with the same counterparty under strict criteria;
- derivative exposures at replacement cost (net of cash variation margin meeting a set of strict eligibility criteria) plus an add-on for potential future exposure based on the current exposure method (CEM);
- written credit derivative exposures at their effective notional amount (net of negative changes in fair value that have been incorporated into the calculation of Tier 1 capital) reduced by the effective notional amount of purchased credit derivatives that meet offsetting criteria related to reference name, level of seniority and maturity;
- off-balance sheet exposures, obtained by multiplying notional amounts by the credit conversion factors in the standardised approach to credit risk, subject to a floor of 10%; and
- other exposures as specified in the Basel III leverage ratio framework.

① Basel Committee on Banking Supervision, *Basel III leverage ratio framework and disclosure requirements*, January 2014, www.bis.org/publ/bcbs270.htm. The Committee agreed revisions to the leverage ratio framework in December 2017, see Basel Committee on Banking Supervision, *Basel III: Finalising post-crisis reforms*, December 2017, www.bis.org/bcbs/publ/d424.htm.

[25] See also Table 2.

Transitional Basel III Tier 1 and fully phased-in Basel III Tier 1 leverage ratios[1] Graph 37



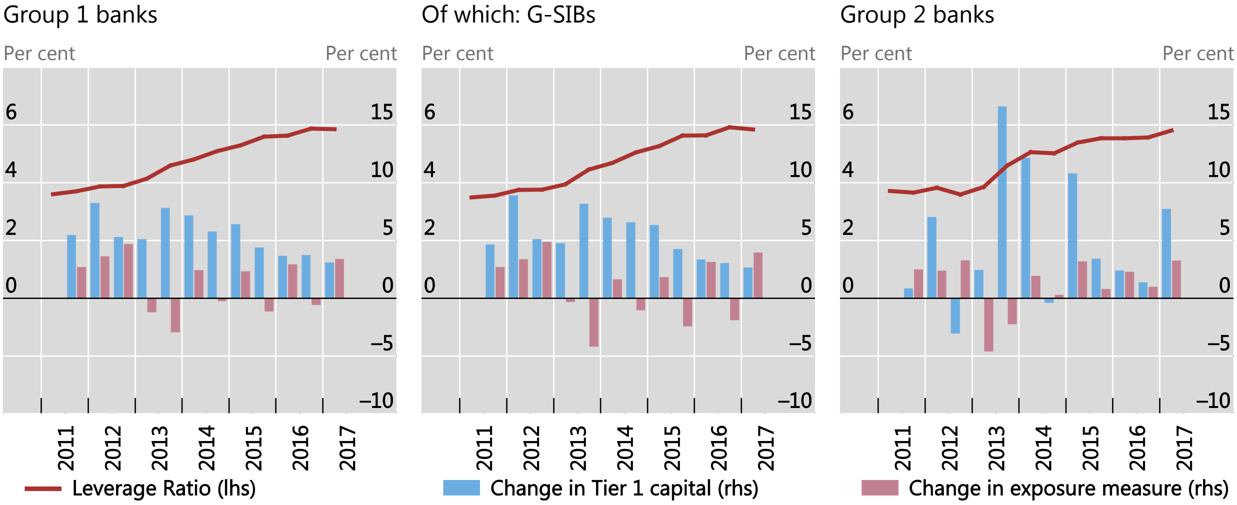
[1] The median value is represented by a horizontal line, with 50% of the values falling in the 25th to 75th percentile range shown by the box. The upper and lower end points of the vertical lines generally show the range of the entire sample. Banks with Basel III leverage ratios above 12% are included in the calculation but are not shown in the graph. The dots represent weighted averages. The blue line is set at 3% (minimum leverage ratio level).

Source: Basel Committee on Banking Supervision. See Table C.35 for underlying data.

Graph 38 shows how the fully phased-in Basel III Tier 1 leverage ratios have evolved over time for a consistent sample of 87 Group 1 banks (including 28 G-SIBs) and 34 Group 2 banks, all of which provided leverage ratio data for all reporting dates from June 2011 to June 2017. For Group 1 banks the leverage ratio was the same as the prior period, while a marginal reduction of 0.1 percentage point was noted for G-SIBs. Group 2 banks saw an increase in Tier 1 leverage ratio of 0.2 percentage points largely driven by a large increase in Tier 1 capital of 7.7% that exceeded the increase in the exposure measure of 3.2% from the prior period.

Fully phased-in Basel III Tier 1 leverage ratios[1]

Consistent sample of banks, exchange rates as of 30 June 2017 Graph 38



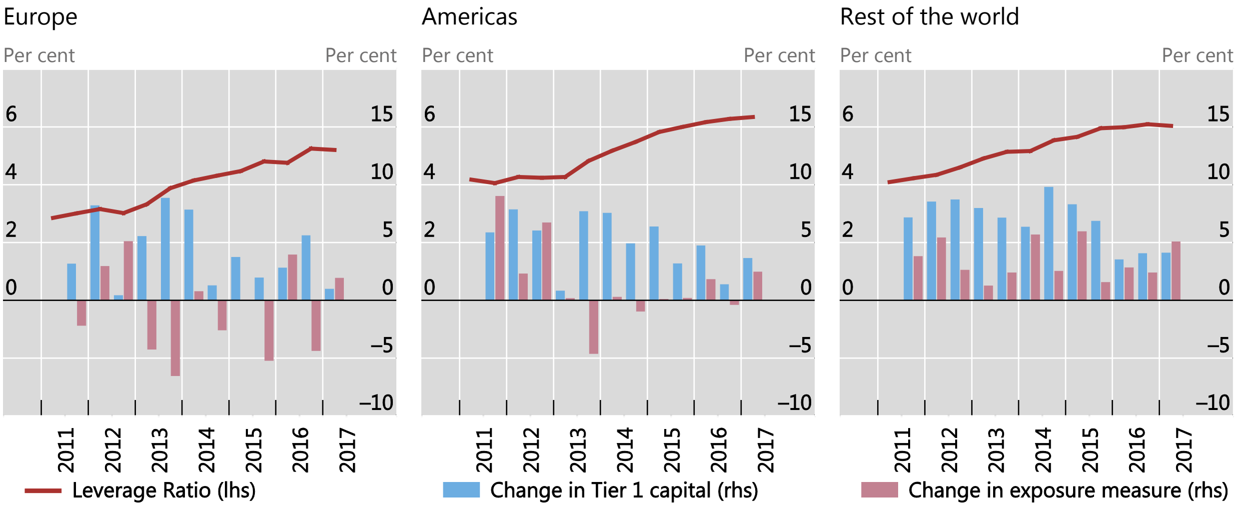
[1] Note that the data points for H1 2013 use an approximation for the final definition of the Basel III leverage ratio exposure where gross instead of adjusted gross securities financing transaction values are used.

Source: Basel Committee on Banking Supervision. See Table C.36 for underlying data and sample size.

Graph 39 shows the same information as Graph 38 however only for a consistent sample of Group 1 banks and grouped by region. Overall the leverage ratio for all regions has been growing over the past six years. In Europe, leverage ratios started from a low base of 2.7% and increased to 5.2% at end-June 2017. In the Americas and the rest of the world, ratios increased from slightly above 3.5% in 2011 to 6.0% as at June 2017. In the current period, Europe had a 0.1 percentage point decrease, while the Americas and the rest of the world both had a 0.4 percentage points decrease.

Fully phased-in Basel III Tier 1 leverage ratios,[1] by region

Consistent sample of Group 1 banks, exchange rates as of 30 June 2017 Graph 39



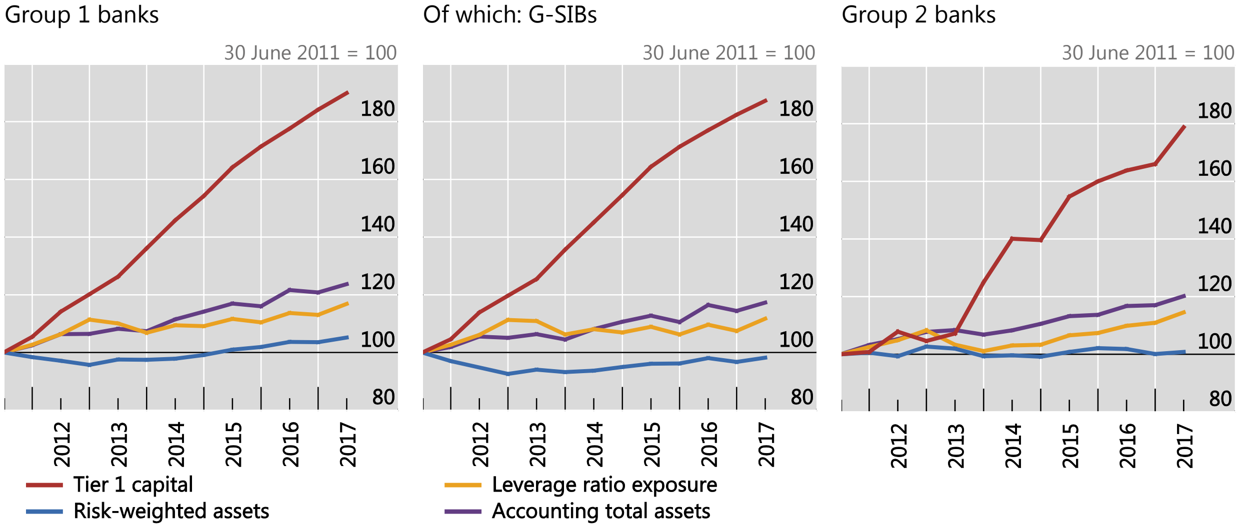
[1] Note that the data points for H1 2013 use an approximation for the final definition of the Basel III leverage ratio exposure where gross instead of adjusted gross securities financing transaction values are used.

Source: Basel Committee on Banking Supervision. See Table C.37 for underlying data and sample size.

Graph 40 shows the evolution of the components of the risk-based capital and leverage ratios over time for a consistent sample of banks, ie banks that have consistently been providing the four data series for the period June 2011 to June 2017. The four components are Basel III Tier 1 capital, RWA and the leverage ratio exposure measure, all assuming full implementation of Basel III, as well as accounting total assets. For Group 1 banks, Tier 1 capital and accounting total assets steadily increased over the period. The leverage total exposures and RWAs decreased slightly in 2012 and then began to increase through the current period. For Group 2 banks, Tier 1 Capital have increased during the period. RWA increased until 2012, and then declined after to the current period. Leverage total exposure and accounting total assets decreased until 2013, but since has increased through the current period.

Tier 1 capital, RWA, leverage ratio exposure and accounting total assets[1]

Consistent sample of banks, exchange rates as of 30 June 2017 Graph 40



[1] Tier 1 capital, RWA and leverage ratio exposure assume full implementation of Basel III. Note that the data points for H1 2013 use an approximation for the 2014 definition of the Basel III leverage ratio exposure where gross instead of adjusted gross securities financing transaction values are used.

Source: Basel Committee on Banking Supervision. See Table C.38 for underlying data and sample size.

Relationship between the Basel III leverage ratio and risk-based capital requirements

Table 5 below shows the migration of banks from *bounded* to *non-bounded* after Tier 1 capital rising to meet the target Tier 1 risk-based capital ratio.[26] It shows in particular that 1.6% of the banks in the sample do not meet the minimum Basel III leverage ratio of 3%, even after increasing Tier 1 capital to meet the target risk-based Tier 1 capital requirements.

Share of banks meeting the fully phased-in Basel III leverage ratio before and after capital raising to meet the risk-based target Tier 1 ratio

In per cent Table 5

		Target Tier 1 ratio binding (<8.5% + G-SIB surcharge)?			Total after capital raising to meet **target** Tier 1 ratio
		Yes	No	Total	
Leverage ratio binding (<3%)?	Yes	0.0	1.6	1.6	1.6
	No	0.5	97.8	98.4	97.8
	Total	0.5	99.5	100.0	99.5

Source: Basel Committee on Banking Supervision.

Separate results for the Group 1 and Group 2 banks in the sample are included in Table B.4 and Table B.5 in Annex B, respectively.

[26] That is, a Tier 1 minimum capital ratio of 6% plus a capital conservation buffer of 2.5% plus, where applicable, any G-SIB capital surcharges.

Graph 41 below shows the interaction between the fully phased-in Basel III Tier 1 leverage ratios (horizontal axis) and the fully phased-in Basel III Tier 1 risk-weighted capital ratios (vertical axis). Ratios of Group 1 banks are marked with red dots and those of Group 2 banks with blue dots. The dashed horizontal line represents a Tier 1 target risk-based capital ratio of 8.5%,[27] whereas the dashed vertical line represents a Basel III Tier 1 leverage ratio of 3%.

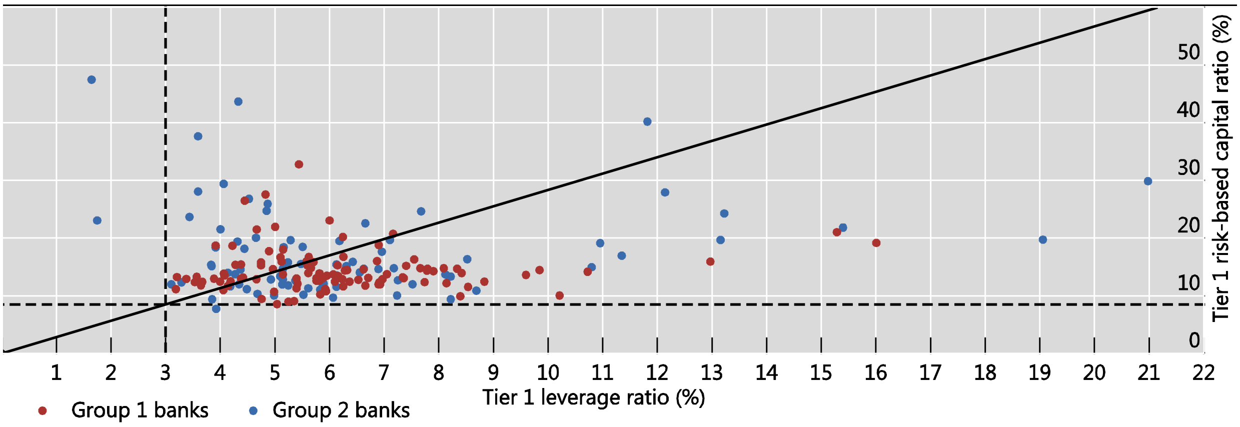
The diagonal line represents points where an 8.5% fully phased-in Basel III Tier 1 target risk-based capital ratio results in the same amount of required fully phased-in Basel III Tier 1 capital as a fully phased-in Basel III Tier 1 leverage ratio of 3%. By construction, it also represents a multiple of 8.5%/3%≈2.83 between RWA and the Basel III leverage ratio exposure measure. Therefore, for banks plotted above the diagonal line, the Basel III Tier 1 leverage ratio requires more Tier 1 capital than the Tier 1 risk-based capital ratio (ie the Basel III Tier 1 leverage ratio becomes the constraining requirement).[28] For banks plotted below the diagonal line, the target Tier 1 risk-based capital ratio requires more capital than the leverage ratio (ie the Tier 1 capital ratio remains the constraining requirement).

As shown in Graph 41, two Group 2 banks do not meet the minimum fully phased-in Basel III Tier 1 leverage ratio of 3% (plotted left of the vertical dashed line). All of these banks meet the Basel III Tier 1 target capital ratio of 8.5%. This graph also shows that the fully phased-in Basel III Tier 1 leverage ratio is constraining for 67 banks out of 191, including 36 Group 1 and 31 Group 2 banks (plotted above the diagonal line).

Fully phased-in Basel III Tier 1 risk-based capital and leverage ratios

Consistent sample of banks, in per cent

Graph 41



Source: Basel Committee on Banking Supervision.

2.8 Interaction of risk-based and leverage ratio requirements

Overall, as shown in Table 2, the inclusion of applicable Basel III Tier 1 leverage ratio shortfalls has no impact on the capital shortfalls at the minimum or target levels for Group 1 banks. However, it increases the Tier 1 capital shortfall for Group 2 banks by €1.9 billion at the minimum level and €2.1 billion at the target level (from €0.0 to €1.9 billion and from €0.2 billion to €2.1 billion, respectively).

[27] Calculated as the sum of a 6.0% Tier 1 minimum capital ratio plus 2.5% capital conservation buffer.

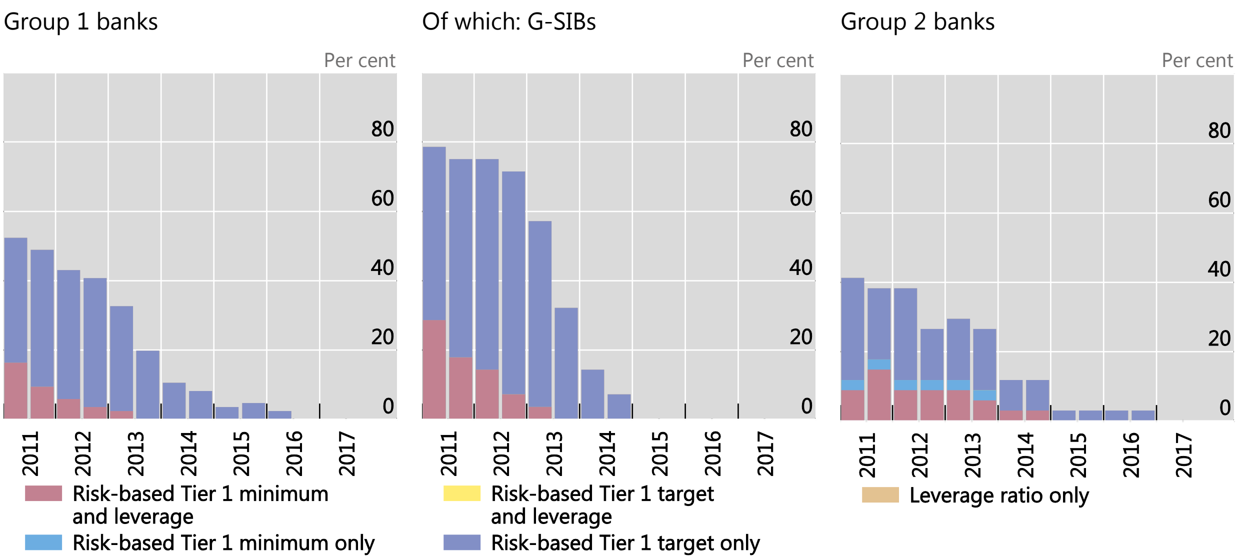
[28] Note that the effect of the G-SIB surcharge is not taken into account here. As the G-SIB surcharges only apply to the risk-based requirement, the relevant proportion between RWA and total leverage ratio exposure that determines whether the Basel III leverage ratio is constraining or not and hence the slope of the diagonal line would be different by bank.

Graph 42 below shows the share of banks in a consistent sample *bound*[29] by the different regulatory capital constraints, the risk-based Tier 1 capital requirements at the minimum level, the risk-based Tier 1 capital requirements at the target level and the Basel III leverage ratio requirement. In June 2011, 16.3% of Group 1 banks were bound by both the risk-based Tier 1 minimum and leverage ratio requirement; since December 2013, all Group 1 banks meet these requirements. Another 36.0% of Group 1 banks were initially bound by the risk-based Tier 1 requirements at the target level but not the leverage ratio, and it took until the end of 2016 that all banks in the sample also meet these requirements. There have been no banks in the consistent sample which have only been bound by either the risk-based minimum requirement only or the leverage ratio requirement only. For the G-SIBs among those banks, the share of banks initially not meeting the risk-based Tier 1 capital minimum and leverage ratio requirements was higher at 28.6%, and the share of banks not meeting the risk-based Tier 1 capital target requirement was even higher at 50.0%. However, the adjustment process was faster such that G-SIBs already started meeting all requirements in June 2015.

Among Group 2 banks, 8.8% were bound by both the risk-based Tier 1 minimum and leverage ratio requirement in June 2011; while all Group 2 banks met these requirements since June 2015. Another 2.9% of Group 2 banks were initially bound by the risk-based Tier 1 minimum capital requirement but not by the leverage ratio. 29.4% of Group 1 banks were initially bound by the risk-based Tier 1 requirements at the target level but not the leverage ratio, and none of Group 2 banks are bound by this requirement as at the end-June 2017. The banks which contribute to the additional leverage ratio-driven shortfall at the end-June 2017 reporting date are not included in this consistent time series.

Share of banks bound by the different constraints

Fully phased-in Basel III, consistent sample of banks | Graph 42



Source: Basel Committee on Banking Supervision. See Table C.39, Table C.40 and Table C.41 for underlying data and sample size.

[29] A bank is *bound* by the risk-based capital framework if it has a risk-based capital shortfall. A bank is *bound* by the leverage ratio framework if, on a standalone basis, it has a Basel III leverage ratio shortfall. Therefore, a bank can be bound by none, one or both of these frameworks. However, a bank is *constrained* by the leverage ratio if the Basel III leverage ratio requires more capital than the risk-based framework plus applicable G-SIB surcharges, so in general exactly one of the two measures is constraining.

2.9 Total loss-absorbing capacity requirements for G-SIBs

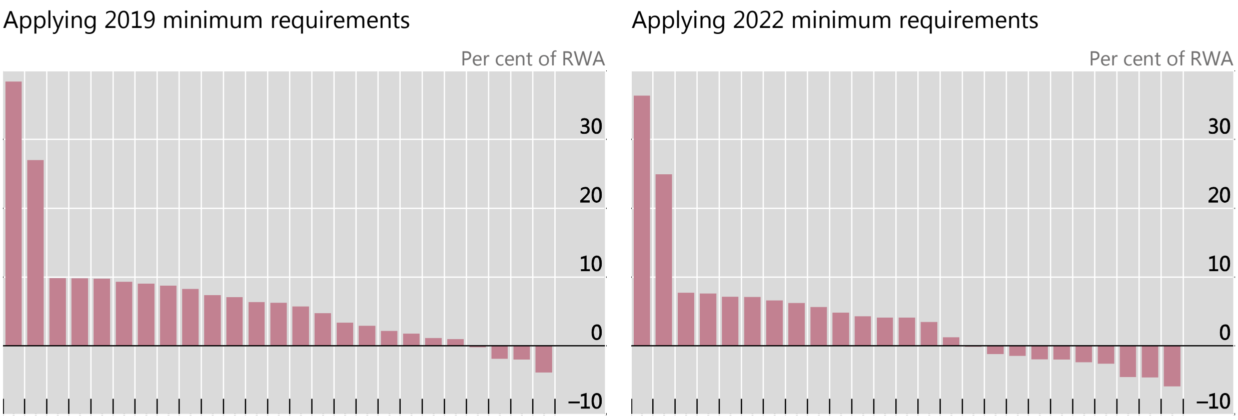
The Committee also collected data on additional total loss-absorbing capacity (TLAC) for G-SIBs, 25 of which participated in the exercise. Overall, applying the 2019 minimum requirements, four of the 25 G-SIBs in the sample have an incremental[30] TLAC shortfall of up to 3.8% of RWA, totalling €29.9 billion (see Graph 43). Applying the 2022 minimum requirements, 10 of the 25 G-SIBs in the sample have an incremental shortfall of up to 5.9% of RWA, totalling €109.0 billion.

The incremental shortfalls to the 2019 requirements were up to 2.1% of RWA and €19.7 billion, and the incremental shortfalls to the 2022 requirements were up to 4.5% of RWA or €116.4 billion at the end-December 2016 reporting date. The comparatively small changes in aggregate shortfalls over the first half of 2017 was partly driven by a slight increase in RWA, combined with relatively muted issuance of TLAC-eligible instruments.

Distribution of individual G-SIB's incremental TLAC surplus and shortfall[1]

Fully phased-in Basel III

Graph 43



[1] Surplus is indicated as positive and shortfall as negative.

Source: Basel Committee on Banking Supervision.

3. Liquidity

3.1 Liquidity Coverage Ratio

One of the two liquidity standards introduced by the Committee is the 30-day Liquidity Coverage Ratio (LCR), which promotes short-term resilience against potential liquidity disruptions. The LCR requires global banks to have sufficient high-quality liquid assets to withstand a stressed 30-day funding scenario specified by supervisors. The LCR numerator consists of a stock of unencumbered, high-quality liquid assets (HQLAs) that must be available to cover any net outflow, while the denominator comprises cash outflows minus cash inflows (subject to a cap at 75% of outflows) that are expected to occur in a severe stress scenario. The LCR was revised by the Committee in January 2013 and came into effect on 1 January 2015. The minimum requirement is set at 80% in 2017 and will continue to rise in equal annual steps of 10 percentage points to reach 100% in 2019. End-June 2017 is the first reporting date in which LCR data is

[30] The shortfall is incremental to any risk-based and leverage ratio shortfall discussed above.

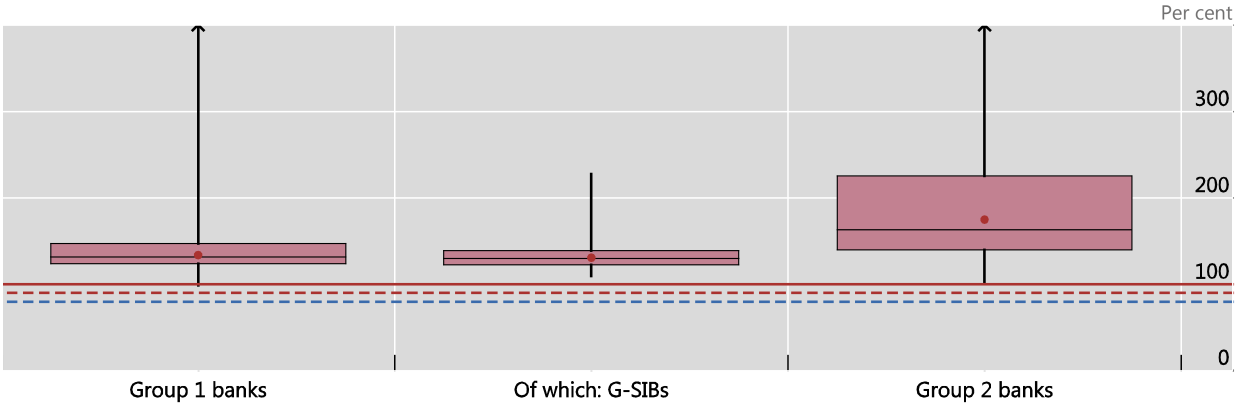
based on national implementation data as reported in regulatory reporting. Therefore, some data may not be fully comparable to previous periods.

Data provided by 146 banks (84 Group 1 and 62 Group 2) was of sufficient quality and coverage to be incorporated in the LCR analysis in this report. By comparison, 155 banks were included in the end-December 2016 and 159 banks were included in the end-June 2016 exercise. As of the reporting date, banks within the LCR sample had total assets of approximately €60.7 trillion.

The key takeaways from this iteration of the Basel III monitoring exercise concerning the aggregate analysis of the LCR are as follows:

- Banks reported a total of €11.95 trillion in eligible liquid asset holdings (post-haircut), and €2 billion in assets where reported amounts were in excess of the 40% cap on Level 2 assets or the 15% cap on Level 2B assets as operationalised in the January 2013 standard.
- The overall weighted average LCR for Group 1 banks increased by 3.0 percentage points from the previous period to 134.0%. The Group 2 weighted average LCR also increased by 11.1 percentage points to 174.9%.
- 98.8% of Group 1 banks and all Group 2 banks in the sample reported an LCR that exceeded a minimum requirement of 100%, compared to 93.4% and 96.9% at end-December 2016. At end-June 2017, all banks reported an LCR over 80% (the applicable minimum requirement since January 2017).
- The aggregate LCR shortfall at a minimum requirement of 100% was €0.1 billion for Group 1 and Group 2 combined. This compares to a shortfall of €7.3 billion as of end-December 2016. The aggregate LCR shortfall at the currently applicable minimum requirement of 80% was €0 billion at end-June 2017, compared to €1.4 billion as at end-December 2016.

Liquidity Coverage Ratio[1] Graph 44



[1] The median value is represented by a horizontal line, with 50% of the values falling in the 25th to 75th percentile range shown by the box. The upper and lower end points of the thin vertical lines show the range of the entire sample. The sample is capped at 400%, meaning that all banks with an LCR above 400% were set to 400%. The dots represent weighted averages. The horizontal lines represent the 80% minimum (2017, blue dashed line), the 90% minimum (2018, red dashed line) and the 100% minimum (2019, red solid line).

Source: Basel Committee on Banking Supervision. See Table C.42 for underlying data.

Basel III monitoring results show a shortfall (ie the difference between high-quality liquid assets and net cash outflows) at a 100% minimum requirement of €0.1 billion for both Group 1 and Group 2 banks as of end-June 2017. This compares to a shortfall of €5.9 billion and €1.4 billion as of end-December 2016. This number is reflective only of the aggregate shortfall for banks that are below an LCR minimum requirement of 100% and does not reflect surplus liquid assets at banks above a 100% requirement. At the relevant minimum requirement of 80% the aggregate shortfall was zero for both Group 1 and Group 2 banks at end-June 2017 compared to a shortfall of €1.4 billion at end-December 2016 (only caused by Group 2 banks).

The key components of outflows and inflows are shown in Table 6. Group 1 banks show a notably larger percentage of total outflows, when compared with balance sheet liabilities, than Group 2 banks. This can be explained by the relatively greater contribution of wholesale funding activities and commitments (both activities subject to comparably higher outflow rates) within the Group 1 sample, whereas Group 2 banks, as a whole, are less reliant on these types of activities.

LCR outflows and inflows (post-factor) as a percentage of balance sheet liabilities

Table 6

	Group 1 banks	Of which: G-SIBs	Group 2 banks
Outflows to…			
Retail deposits run-off	2.2	2.3	2.0
Unsecured wholesale funding run-off	12.2	12.8	4.9
Secured funding and collateral swaps	1.8	2.4	0.4
Additional requirements run-off	4.3	4.8	2.1
Other contingent funding obligations	1.5	1.6	1.8
Total outflows[1]	22.0	23.9	11.2
Inflows from…			
Secured lending and collateral swaps	2.1	2.7	0.5
Contractual inflows from fully performing loans	2.9	2.6	1.5
Other cash inflows	2.2	2.4	1.2
Total inflows[1,2]	7.1	7.7	3.2

[1] May contain rounding differences. [2] The 75% cap is only applied to the "total inflow" category, which leads the sum of the individual inflow categories for Group 2 banks to exceed the total inflow contribution on account of banks that report inflows that exceeded the cap.

Source: Basel Committee on Banking Supervision.

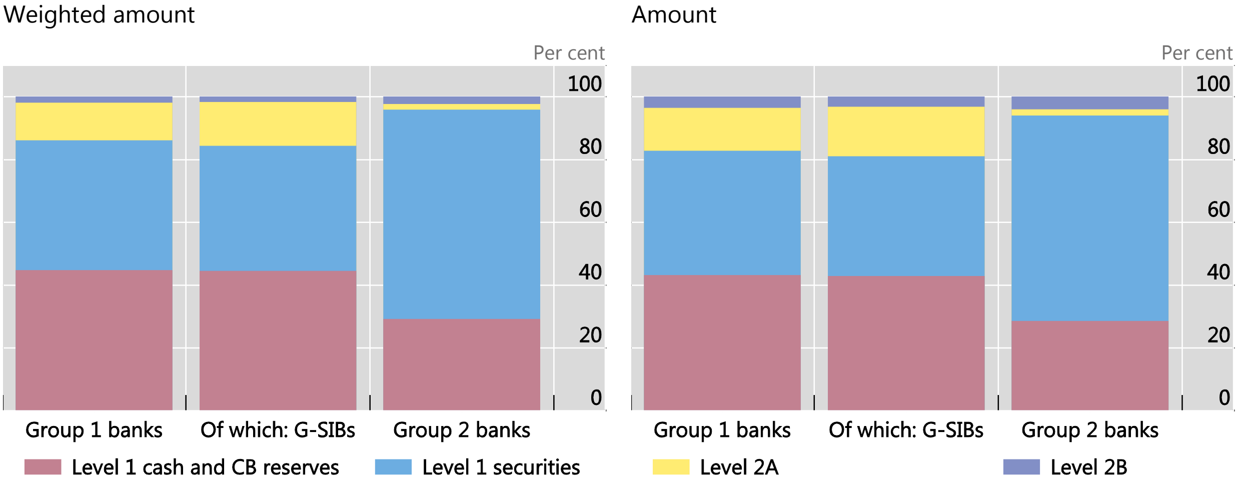
75% cap on total inflows

As at end-June 2017, only one bank (Group 1) is affected by cap on inflows.

Composition of high-quality liquid assets

The composition of high-quality liquid assets (measured after application of the LCR haircuts) currently held at banks is depicted in Graph 45. The majority of Group 1 and Group 2 banks' holdings, in aggregate, are comprised of Level 1 assets, however, the sample as a whole shows diversity in their holdings of eligible liquid assets. Within Level 1 assets, 0% and non-0% risk-weighted securities issued or guaranteed by sovereigns, central banks and public sector entities, and cash and central bank reserves comprise the most significant portions of the qualifying pool for Group 1 banks (together accounting for 85.3% of all eligible liquid assets). While these particular Level 1 assets represent a significant portion of eligible liquid assets for Group 2 banks as well (together accounting for 94.6% of eligible liquid assets).

Composition of holdings of eligible liquid assets	Graph 45



Source: Basel Committee on Banking Supervision. See Table C.43 for underlying data and sample size.

Caps on Level 2B and Level 2 assets

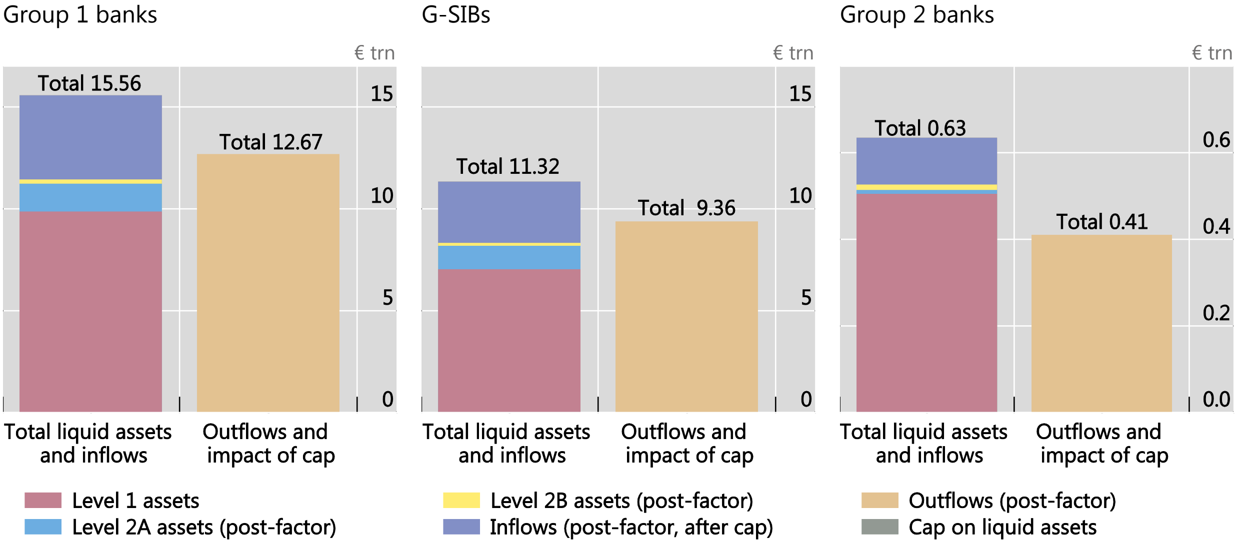
Due to the cap on liquid assets overall €2.0 billion of liquid assets are excluded from high-quality liquid assets. In total, four banks are constrained.

Comparison of liquid assets and inflows to outflows and caps

Graph 46 combines the above LCR components by comparing liquidity resources (pool of high-quality liquid assets and inflows) to outflows. Note that the €2.61 trillion Group 1 gross surplus shown in the graph differs from the €0.1 billion gross shortfall at an LCR minimum requirement of 100% that is noted above, as it is assumed here that excess high-quality liquid assets at one bank can offset a liquidity shortfall at another. In practice the aggregate position in the industry is likely to lie somewhere between these two numbers depending on how efficiently banks redistribute liquidity around the system. Similarly, the gross surplus for Group 2 banks was €0.22 trillion compared to a €0.1 billion gross shortfall at an LCR minimum requirement of 100% as highlighted above.

Comparison of pool of high-quality liquid assets and inflows to outflows and caps

Graph 46



Source: Basel Committee on Banking Supervision. See Table C.44 for underlying data and sample size..

3.2 Net Stable Funding Ratio

The second liquidity standard introduced by the Basel III reforms is the Net Stable Funding Ratio (NSFR), a longer-term structural ratio designed to reduce funding risk over a longer time horizon by requiring banks to fund their activities with sufficiently stable sources of funding in order to mitigate the risk of future funding stress.

Overall, data provided by 182 banks (102 Group 1 and 80 Group 2 banks) was of sufficient quality and coverage to be incorporated in the NSFR analysis in this report. As of the reporting date, these banks had total assets of approximately €68.6 trillion. By comparison, 187 banks were included in the end-December 2016 exercise and 194 banks were included in the end-June 2016 exercise.

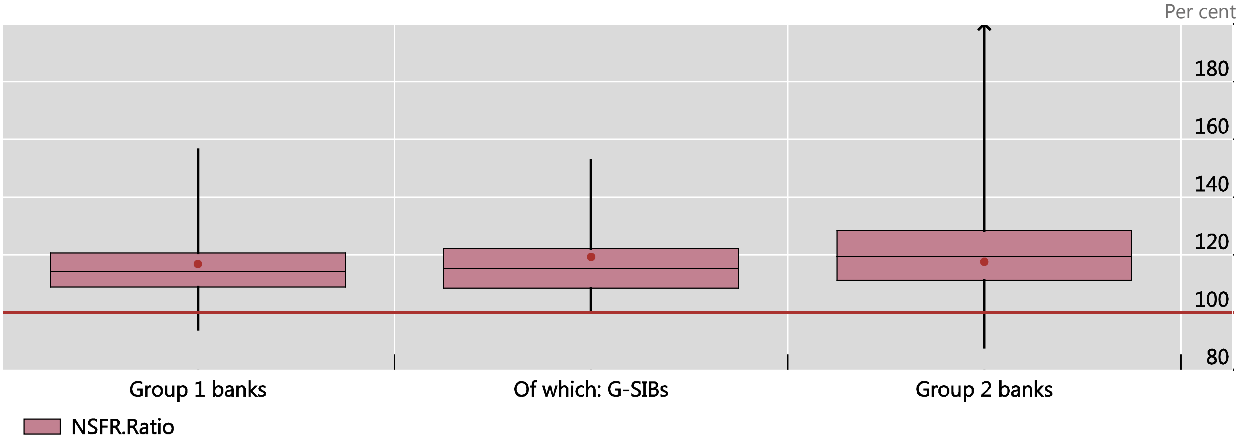
The key takeaways from aggregate NSFR analysis results are as follows:

- The weighted average NSFR was 116.9% for Group 1 banks and 117.6% for Group 2 banks at end-June 2017 compared to 115.8% and 114.1% respectively, at end-December 2016.
- 93.1% of Group 1 banks and 93.8% of Group 2 banks reported a ratio that met or exceeded 100% as of end-June 2017, while all Group 1 banks and 98.8% of Group 2 banks reported an NSFR at or above 90%.
- The aggregate NSFR shortfall – which reflects the aggregate shortfall for banks that are below the 100% NSFR requirement and does not reflect any surplus stable funding at banks above the 100% requirement – was €23.3 billion for Group 1 banks and €4.4 billion for Group 2 banks at the end-June 2017 compared to €44.5 billion and €36.5 billion at end-December 2016.
- Deposits from retail and small business customers (ie "stable" and "less stable" deposits, as defined in the LCR) accounted for a significant portion of stable funding for banks in the sample, representing just under half of total weighted available stable funding for both Group 1 banks (46.7%) and Group 2 banks (47.1%). To a lesser degree, banks in the sample utilised funding from financial counterparties, which represented roughly 14.4% of total weighted available stable funding for Group 1 banks and 26.5% for Group 2 banks.

- Loans with longer terms, including mortgages, represented roughly half of the total weighted stable funding requirement across all banks (47.3% for Group 1 banks and 48.5% for Group 2 banks). By comparison, HQLA securities represented less than 5% of the total weighted stable funding requirement at 4.6% for Group 1 banks and 3.4% for Group 2 banks.

  Many banks in the sample do not incur a significant stable funding requirement associated with the current treatment for derivatives (ie encompassing net derivative asset exposure, RSF associated with gross derivative liabilities, initial margin and contributions to default funds of CCPs). On aggregate the RSF associated was 2.56%.

Net stable funding ratio[1] Graph 47



[1] The median value is represented by a horizontal line, with 50% of the values falling in the 25th to 75th percentile range shown by the box. The upper and lower end points of the thin vertical lines show the range of the entire sample. The dots represent weighted averages. NSFRs above 200% are not shown in the graph. The red line is set at 100% (minimum NSFR level).

Source: Basel Committee on Banking Supervision. See Table C.42 for underlying data.

Banks in the sample had a shortfall of stable funding[31] at the 100% requirement of €27.7 billion at end-June 2017 compared to €80.9 billion at end-December 2016. This number is reflective only of the aggregate shortfall for banks that are below the 100% NSFR requirement and does not reflect any surplus stable funding at banks above the 100% requirement. For the 102 Group 1 banks in the sample, the shortfall, as described above, is €23.3 billion at end-June 2017 compared to €44.5 billion at end-December 2016. For the 80 Group 2 banks in the sample, the shortfall, as described above, is €4.4 billion at end-June 2017 compared to €36.5 billion at end-December 2016.

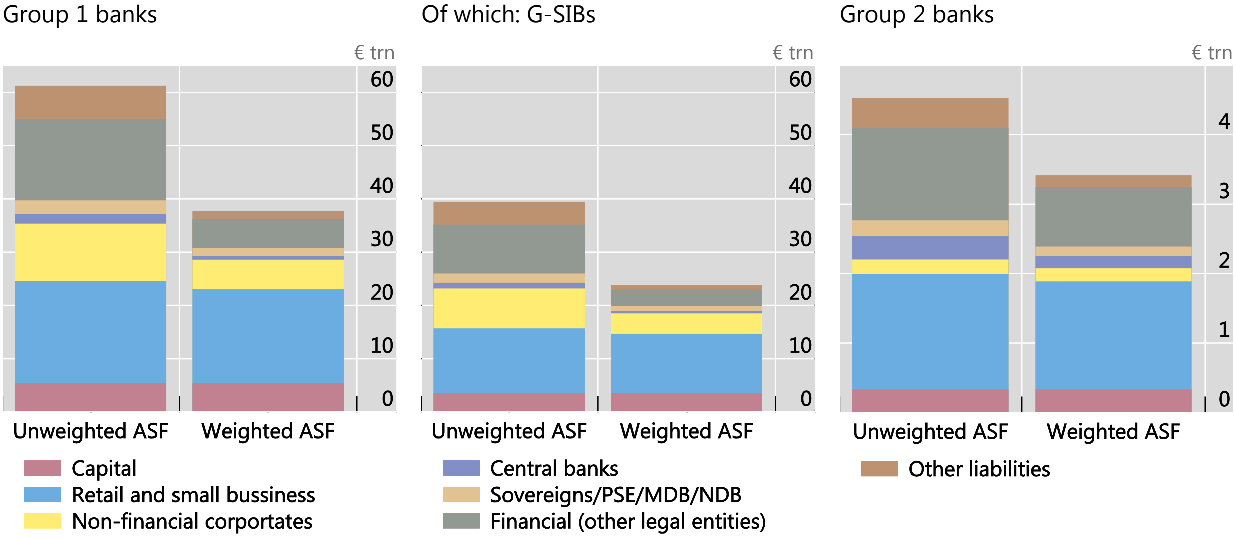
Stable funding sources

Deposits from retail and small business customers (ie "stable" and "less stable" deposits, as defined in the LCR) accounted for a significant portion of stable funding for banks in the sample, representing just under half of total weighted available stable funding for both Group 1 banks (46.7%) and Group 2 banks (47.1%). To a lesser degree, banks in the sample utilised funding from financial counterparties, which represented roughly 14.4% of total weighted available stable funding for Group 1 banks and 26.5% for Group 2 banks.

[31] The shortfall in stable funding measures the difference between balance sheet positions after the application of available stable funding factors and the application of required stable funding factors for banks where the former is less than the latter.

Aggregate available stable funding (ASF) by counterparty

Graph 48



Source: Basel Committee on Banking Supervision. See Table C.45 for underlying data.

Funding requirements

The NSFR generally assumes short-dated (ie maturing in less than one year) and higher quality assets require a smaller proportion of stable funding relative to longer term and lower quality assets. Indeed, much of the stable funding requirement across all banks in the sample was the result of longer-term assets such as loans. Loans with longer terms, including mortgages, represented roughly half of the total weighted stable funding requirement across all banks (47.3% for Group 1 banks and 48.5% for Group 2 banks). By comparison, HQLA securities represented 4.6% of the total weighted stable funding requirement for Group 1 banks and 3.4% for Group 2 banks.

Aggregate required stable funding (RSF) by category

Graph 49

Source: Basel Committee on Banking Supervision. See Table C.46 for underlying data.

3.3 Liquidity Coverage Ratio and Net Stable Funding Ratio shortfalls over time

Graph 50 below displays the weighted average LCR, weighted average NSFR and shortfalls associated with each standard for a consistent sample of banks across reporting periods since end-December 2012.[32] Given the different samples of banks, results for the end-December 2016 and end-June 2017 periods in this section may differ from the ones in Sections 3.1 and 3.2.

Group 1 banks that have reported LCR data for each of the reporting periods since end-December 2012 generally show ratios in recent periods that have increased from ratios reported in earlier periods . The weighted average LCR for these banks was 133.8% at end-June 2017. The ratio was 131.5% and 127. 7% at end-December 2016 and end-June 2016, respectively, compared to 126.7% and 124.5% at end-December 2015 and end-June 2015, respectively. Group 2 banks that have reported LCR data for each of the reporting periods since end-December 2012 show ratios that have trended lower for some periods. As of end-June 2017, the weighted average LCR of these banks is 172.7%. Additionally, the overall level of ratios for Group 2 banks remains higher than the level observed for Group 1 banks.

The graph also displays NSFRs since end-December 2012.[33] Group 1 banks that have reported NSFR data for each of the reporting periods since end-December 2012 show ratios in recent periods that have increased from ratios reported in earlier periods. The weighted average NSFR was 116.7% at end-June 2017, 115.4% at end-December 2016 and 113.9% at end-June 2016, compared to 113.9% and 111.8% at end-December 2015 and end-June 2015. The weighted average NSFR for Group 2 banks was 118.7% at end-June 2017, 116.6% at end-December 2016 and 117.0% at end-June 2016, compared to 117.0% and 115.4% at end-December 2015 and end-June 2015.

The aggregate shortfall at the 100% LCR minimum requirement was €0.1 billion for Group 1 banks and no shortfall for Group 2 banks at end-June 2017. This compares to shortfalls of €4.0 billion for Group 1 banks and €1.4 billion for Group 2 banks at end-December 2016.

The aggregate shortfall for Group 1 that do not meet the 100% NSFR requirement has generally declined for each of the respective standards since end-June 2012. The aggregate shortfall at the 100% NSFR minimum requirement was €15.1 billion for Group 1 banks and €2.6 billion for Group 2 banks at end-June 2017. This compares to shortfalls of €25.2 billion for Group 1 banks and €16.2 billion for Group 2 banks at end-December 2016, shortfalls of €98.3 billion and €6.5 billion at end-June 2016 and €173.8 billion and €4.4 billion at end-December 2015.

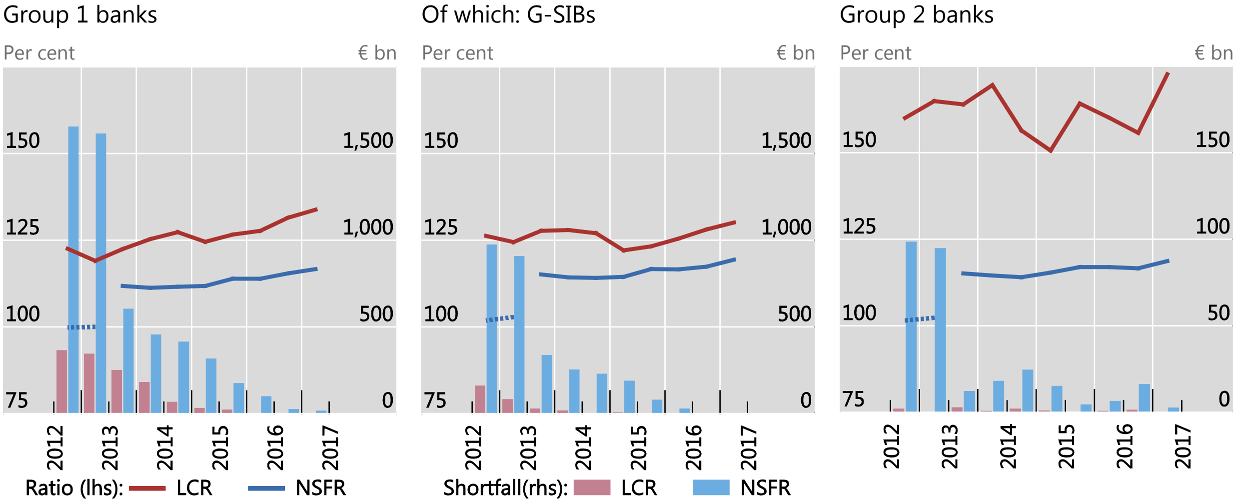
[32] Only those banks are included in this analysis that are reporting LCR and NSFR data for each reporting period since end-December 2012. LCR and NSFR samples are different.

[33] This graph depicts the NSFR as calculated under different versions of the NSFR framework (released in December 2010, January 2014 and October 2014, respectively). Calculations performed according to the final standard approved by the Committee in October 2014 start with the end-December 2014 reporting period. See Basel Committee on Banking Supervision, *Basel III: the net stable funding ratio*, October 2014, www.bis.org/bcbs/publ/d295.htm.

LCR, NSFR and related shortfalls at a 100% minimum requirement[1]

Consistent sample of banks, exchange rates as at the reporting dates

Graph 50



[1] As described in the text, the NSFR time series depicts data reflecting NSFR standard released in December 2010, January 2014 and October 2014.

Source: Basel Committee on Banking Supervision. See Table C.47 and Table C.48 for underlying data and sample size.

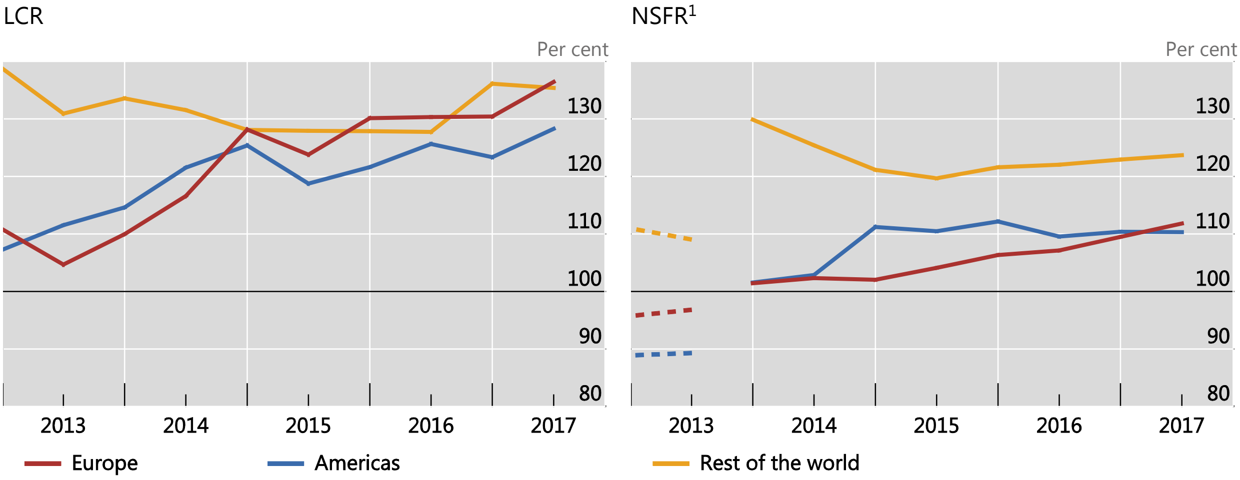
Graph 51 displays the regional breakdown of the weighted average LCR and the weighted average NSFR[34] for a consistent sample of Group 1 banks across reporting periods since end-December 2012. The weighted average LCR at end-June 2017 for each of the three regions was in excess of 120%. While Europe and the Americas had initially lower average LCRs compared with the rest of the world, the average LCRs of Europe and the rest of the world and, to a lesser degree, the Americas have tended to gradually converge. The regions with lower end-2012 average ratios saw important increases in particular between end-2012 and June 2014.

The weighted average NSFR at end-June 2017 for Group 1 banks in each of the three regions was well in excess of 100%. Europe and the Americas at around 110% at end-June 2017 have lower average NSFRs compared with the rest of the world at 123.7%.

[34] This graph depicts the NSFR as calculated under different versions of the NSFR framework (released in December 2010, January 2014 and October 2014, respectively). Calculations performed according to the final standard approved by the Committee in October 2014 start with the end-December 2014 reporting period.

LCR and NSFR by region

Consistent sample of Group 1 banks | Graph 51



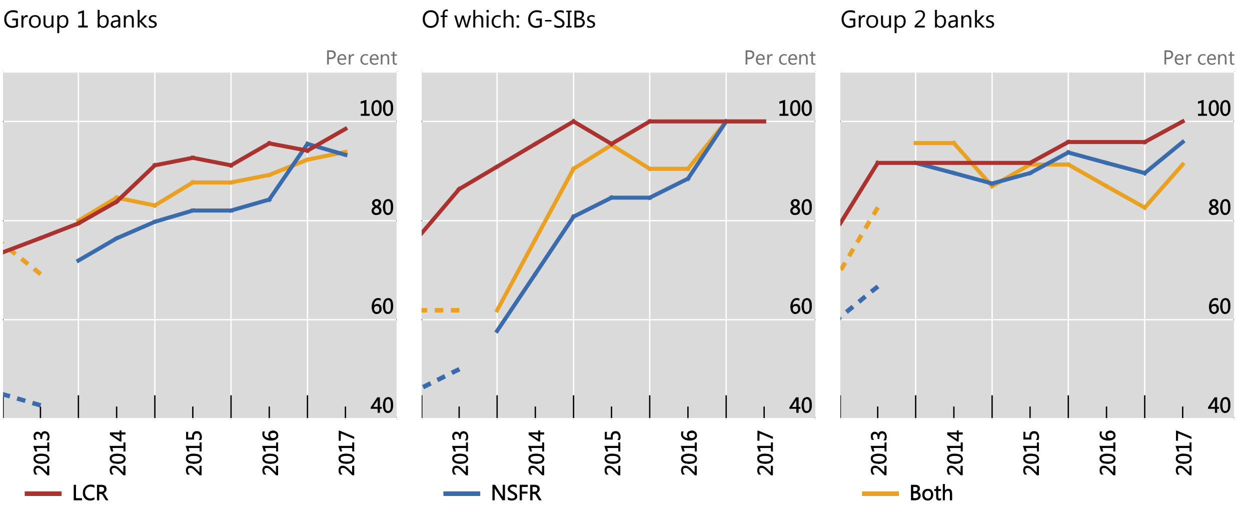
[1] As described in the text, the NSFR time series depicts data reflecting NSFR standard released in December 2010, January 2014 and October 2014.

Source: Basel Committee on Banking Supervision. See Table C.49 for underlying data and sample size.

Graph 52 displays the share of banks, in a consistent sample, that meet the 100% minimum LCR and NSFR requirements. The share of Group 1 banks meeting both requirements has increased from 75.8% at end-December 2012 to 93.9% at end-June 2017, while the share of Group 2 banks meeting both requirements increased from 70.8% to 91.7% during the same period. Since end-December 2016 all G-SIBs meet both the LCR and NSFR 100% minimum requirements.

Share of banks meeting the LCR and NSFR requirements[1]

Consistent sample of banks | Graph 52



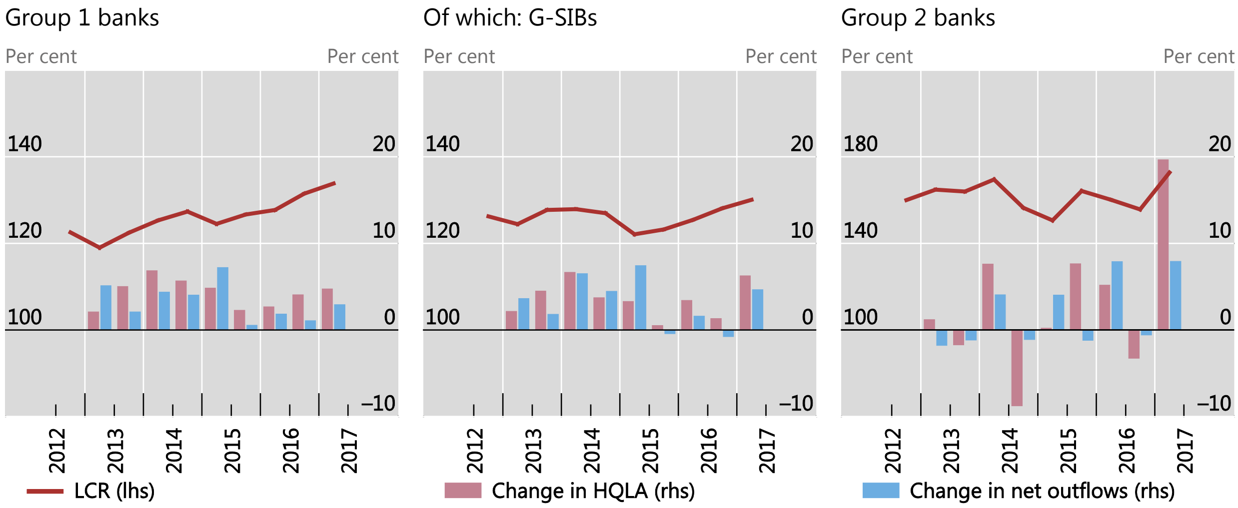
[1] As described in the text, the NSFR time series depicts data reflecting NSFR standard released in December 2010, January 2014 and October 2014.

Source: Basel Committee on Banking Supervision. See Table C.50 for underlying data and sample size.

Graph 53 displays the weighted average LCR for a consistent sample of banks across reporting periods since end-December 2012, along with a breakdown of the period-to-period changes of the LCR into changes in HQLA and changes in net outflows. This decomposition shows that the increases in weighted average LCR for Group 1 banks, G-SIBs, and Group 2 banks is mainly driven by continuous increases in HQLA, partially offset by increases in net outflows.

LCR and change in HQLA and net outflows

Consistent sample of banks, exchange rates as of 30 June 2017 Graph 53

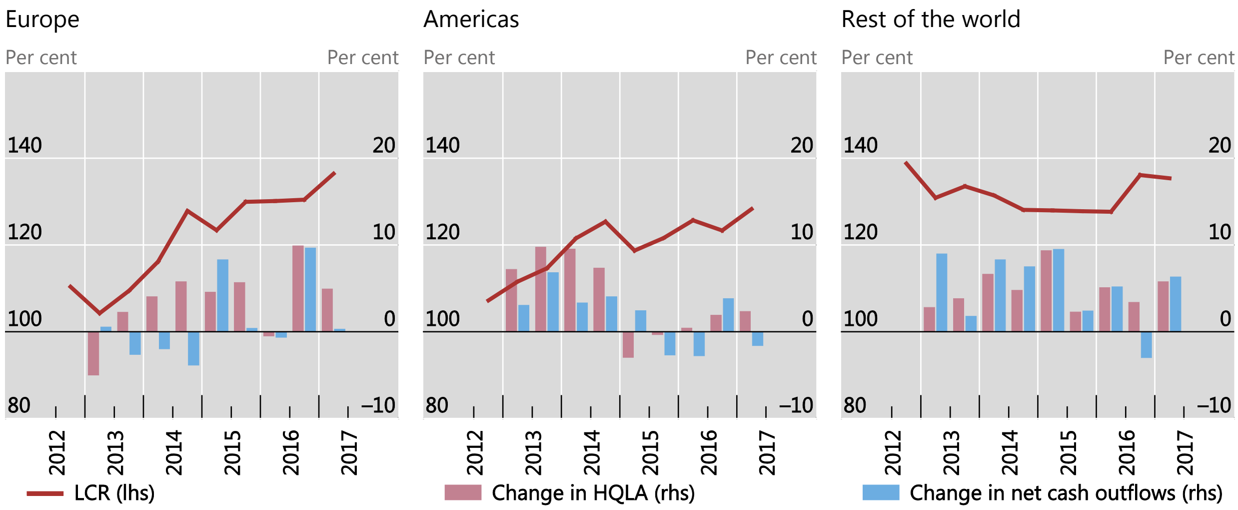


Source: Basel Committee on Banking Supervision. See Table C.51 for underlying data and sample size.

Graph 54 provides a breakdown by region of the results in Graph 53 for Group 1 banks. It displays the weighted average LCR for Group 1 banks located in each of the three regions. This graph also displays a decomposition of period-to-period LCR changes into changes in HQLA and net outflows. This decomposition indicates in each of the three regions, changes in HQLA have been a slightly more important driver of changes in the weighted LCR, although both sources of changes have played a significant role.

LCR and change in HQLA and net outflows, by region

Consistent sample of Group 1 banks, exchange rates as of 30 June 2017 Graph 54

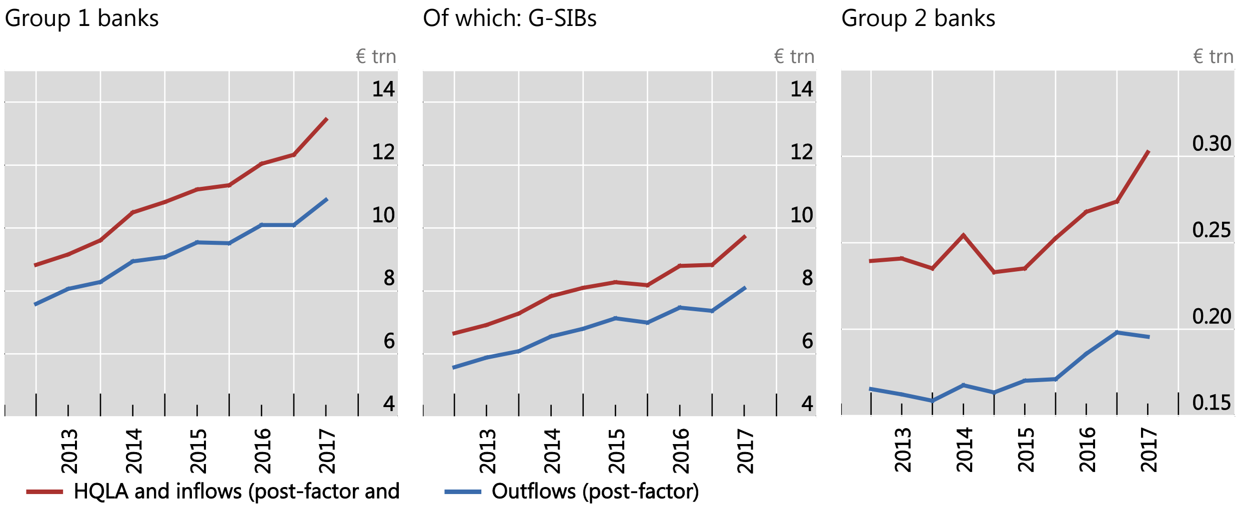


Source: Basel Committee on Banking Supervision. See Table C.52 for underlying data and sample size.

Graph 55 compares the trend in liquidity resources (ie HQLA and inflows) to outflows for a consistent sample of banks reporting LCR data since end-December 2012. This comparison displays the extent to which liquidity resources (ie HQLA and inflows) offset outflows for these banks. The balance of HQLA and inflows has exceeded the balance of outflows for all periods since end-December 2012 for both Group 1 and Group 2 banks. This difference reached €2.54 trillion and €0.10 trillion for Group 1 and Group 2 banks, respectively, at end-June 2017, which is the largest difference across all reporting periods since end-December 2012.

High-quality liquid assets and inflows versus outflows over time

Consistent sample of banks, exchange rates as of 30 June 2017 Graph 55

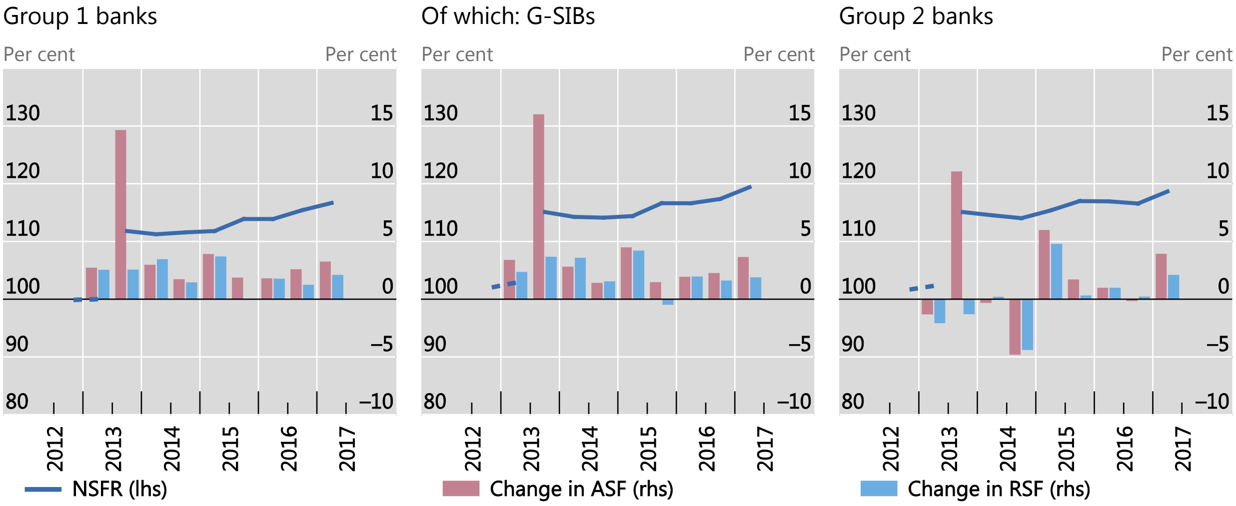


Source: Basel Committee on Banking Supervision. See Table C.53 for underlying data and sample size.

Graph 56 depicts the percentage change in ASF and RSF over time. For all bank groups, there were significant positive changes in ASF of more than 10 percentage points for the end-December 2013 also reflecting the changes to the definition of the NSFR standard.

NSFR and change in ASF and RSF[1]

Consistent sample of banks, exchange rates as of 30 June 2017 Graph 56



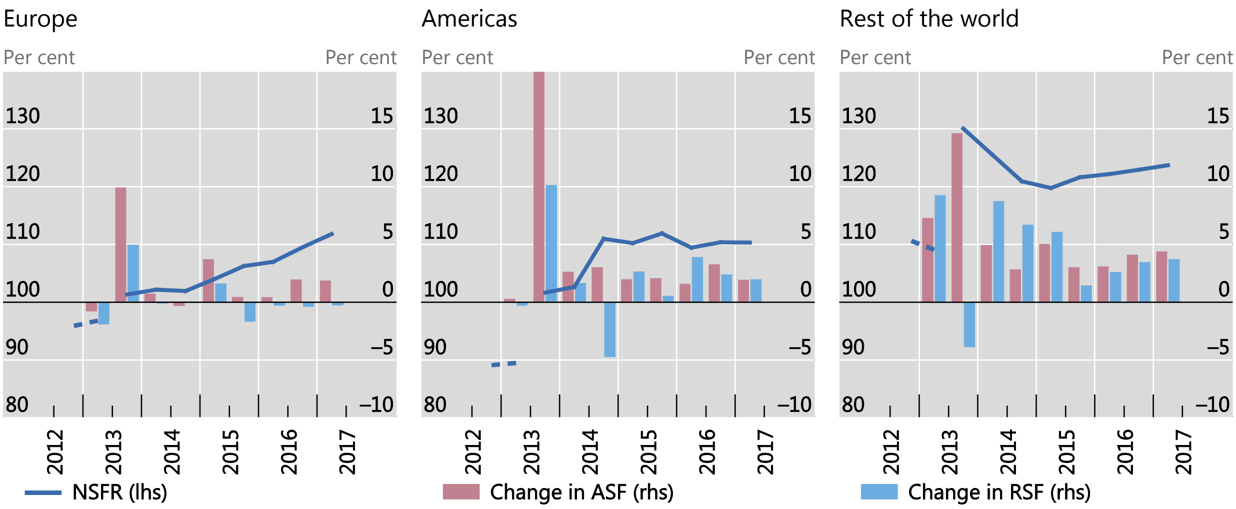
[1] As described in the text, the NSFR analysis is based on NSFR standard released in December 2010, January 2014 and October 2014.

Source: Basel Committee on Banking Supervision. See Table C.54 for underlying data and sample size.

Graph 57 illustrates a regional breakdown of the evolution of the weighted average NSFR and changes in ASF and RSF for Group 1 banks over time. For all regions, figures in 2013 reflect changes to the definition of the NSFR standard. The main impact of the definitional changes was an increase in ASF for most banks. For the rest of the world, required stable funding has been increasing since end-December 2013 which have been fully offset by an increase in available stable funding.

NSFR and change in ASF and RSF,[1] by region

Consistent sample of Group 1 banks, exchange rates as of 30 June 2017 Graph 57



[1] As described in the text, the NSFR analysis is based on NSFR standard released in December 2010, January 2014 and October 2014.

Source: Basel Committee on Banking Supervision. See Table C.55 for underlying data and sample size.

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Impact of the revised securitisation framework

General overview securitisation framework

This special feature explores the impact of the revised securitisation framework.[1] The main changes of the revised framework in comparison to the current framework are:

- Harmonisation of the treatment of banks operating under the standardised or IRB approaches;
- Adjustment of the hierarchy of approaches in order to avoid the mechanistic reliance on external ratings;
- Inclusion of additional risk drivers and better recognition of existing risk drivers;
- Introduction of preferential risk weights for simple, transparent and comparable (STC) securitisations; and
- Complete recalibration of all available approaches and increase of the risk weight floor from currently 7% to 10% and 15% for STC exposures and for non-STC exposures, respectively.

It should be highlighted that the impact of the proposed STC short-term securitisation framework, which is undergoing review by the Committee, is not captured within this analysis.

The revised framework provides banks with three approaches to calculate RWAs. However, in terms of the application of the approaches a revised hierarchy has to be followed. In particular the three approaches have to be applied in the following sequence:

- Securitisation Internal-Ratings Based Approach (SEC-IRBA);
- Securitisation External-Ratings Based Approach (SEC-ERBA);[2]
- Securitisation Standardised Approach (SEC-SA).

Data description

A total of 96 banks submitted data on securitisation exposures, which includes 67 Group 1 banks (of which 24 G-SIBs) and 29 Group 2 banks. The sample of Group 1 banks represents 92.5% of total securitisation exposures of all Group 1 banks while the sample of Group 2 banks represents 73.8% of total securitisation exposures of all Group 2 banks in the Basel III monitoring sample. The total securitisation exposures and

[1] Basel Committee on Banking Supervision, *Revisions to the securitisation framework, amended to include the alternative capital treatment for "simple, transparent and comparable" securitisations*, July 2016, www.bis.org/bcbs/publ/d374.htm.

[2] National supervisors are provided with a national discretion to not implement the SEC-ERBA.

RWA of all Group 1 banks were €1.4 trillion and €388.2 billion respectively, while total exposures and RWA for all Group 2 banks were €33.1 billion and €8.5 billion respectively.

Banks are included in the analyses below only to the extent that they were able to provide data of sufficient quality to complete the analysis. Accordingly, six banks have been excluded from certain sections of the analysis. This means that the results reported in the following sections may be based on different sample sizes.

Even for banks that were included in the sample, some data biases exist which might affect the results. Two significant sources of bias are:

- The classification of securitisations as being STC or non-STC. In light of the relatively recent publication of the STC criteria[3] in July 2015, not all banks have a well-defined process in place to classify a securitisation exposure as STC. Therefore, it is very plausible that some banks applied a binary approach by either assigning all securitisation exposures or none of it as STC-eligible. There is some evidence of this – 60 banks (63%) reported no STC exposures and 10 banks (10%) reported all exposures as STC exposures. Given the larger number of banks that reported having no STC exposures, it is further possible that directionally, the share of STC-eligible securitisation exposures has been underestimated, leading to an overestimation of the capital increase under the final standards.
- Allocation of RWA under the current and revised frameworks. The risk-weighting approaches under the current and revised frameworks cannot be mapped nicely; the current framework includes four ratings-based approach look-up tables and two approaches for non-rated exposures, while the revised framework introduced a new hierarchy with the three different approaches (SEC-IRBA, SEC-ERBA and SEC-SA). In this regard, not all banks might have finished updating their IT systems and might have allocated the RWA under the current and revised frameworks in the same way, making direct comparison of the impact by approach impossible.

In both instances, quantification of the potential impact of the bias was not possible based on the data collected. Notwithstanding the above data biases, the overall data quality has improved since the previous Basel III monitoring exercise based on end-2016 data.

It is also worth noting that depending on the outcome of the Committee's ongoing work on allowing preferential capital treatment for STC short term securitisations (mainly asset-backed commercial paper structures), capital requirements stemming from the revised framework could be further reduced.

Overview of securitisation exposures

Share of securitisation exposures by role

For banks reporting information related to their role in the securitisation transactions, exposures arising from investor positions[4] dominate, contributing 60% to the total exposure of €1.22 trillion. The relative breakdown of a jurisdiction's overall exposure according to the role of the bank differs significantly across jurisdictions, given the heterogeneity among securitisation markets and the different strategies applied by banks.

[3] Basel Committee on Banking Supervision, *Criteria for identifying simple, transparent and comparable securitisations*, July 2015, www.bis.org/bcbs/publ/d332.htm.

[4] The bank could assume three different roles: (i) originator that securitises assets from its own balance sheet, (ii) sponsor which securitises assets from balance sheet of its client, (iii) investor which buys third-party transactions.

Share of securitisation exposures by STC/non-STC

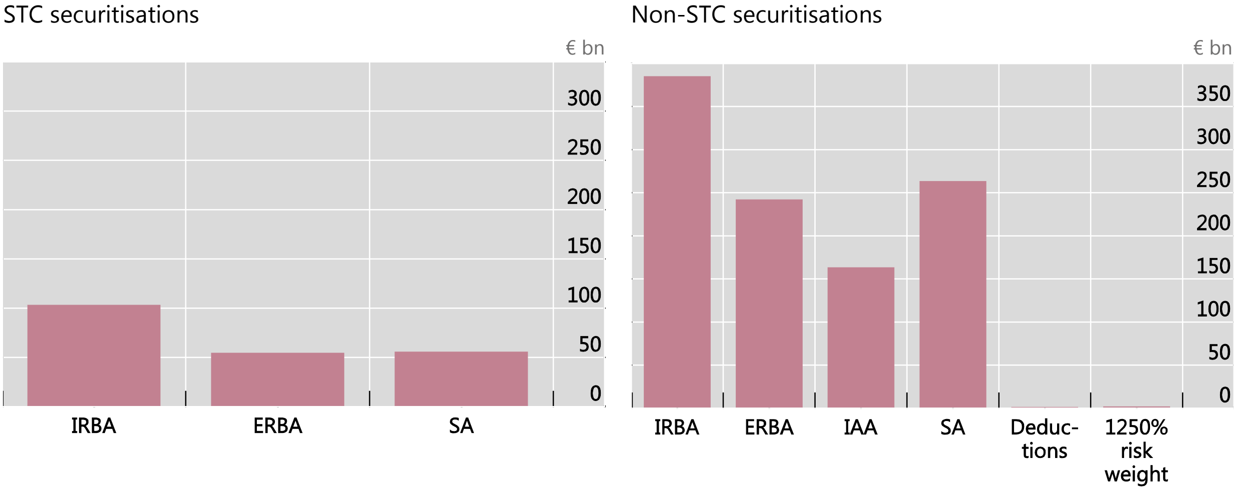
One of the key changes of the revised securitisation framework was the introduction of the distinction between STC and non-STC exposures. For the monitoring exercise, banks reported 17% of their exposures as STC eligible (Graph 1). However, if the share of STC exposures is analysed on an individual bank level, the STC share fluctuates significantly and it can be observed that 63% of the number of banks reported all of their exposures as non-STC and only 22% reported a share of STC exposures of more than 50%. This is because several banks were unable to make a reasonable classification regarding the STC eligibility. The numbers are, therefore, subject to a level of data uncertainty. Overall, it is reasonable to expect that the amount of STC exposures has been underestimated.

Share of securitisation exposures by approach

Another key change of the revised securitisation framework was the introduction of a new hierarchy with the three different approaches (SEC-IRBA, SEC-ERBA and SEC-SA) to calculate risk weights. In line with the hierarchy of approaches set out under the revised securitisation framework, most of the exposures (38%) are subject to the SEC-IRBA followed by the SEC-ERBA[5] (36%) and the SEC-SA (25%). However – similar to the situation of the share of STC exposures – analysing the contribution of the different approaches by jurisdiction or by role of the bank delivers a heterogeneous picture.

Securitisation exposure amounts by approach

All banks[1] Graph 1



[1] The sample consists of 96 banks.

Source: Basel Committee on Banking Supervision. See also Table 1.

The extent of the application of SEC-IRBA depends significantly on the role of the bank. Jurisdictions with a high proportion of originator positions also tend to have a high proportion of their exposures subject to the SEC-IRBA. Such an observation could be because originators are more able to determine the necessary inputs to the SEC-IRBA (such as PDs and LGDs for the underlying exposures) as those exposure are coming from its own balance sheet. On the other hand, investors tend not to have sufficient information on the underlying assets to assess the PD and/or LGD, relevant inputs for the application of SEC-IRBA.

[5] Including the Internal Assessment Approach.

Impact of the revised framework

Table 1 shows the securitisation exposures and the related RWA under the current and revised framework. The impact of the revised framework on total EAD is negligible – no significant change in total exposures was observed.[6]

The impact of the revised framework on total RWA shows an increase of €155.8 billion (46.8%). Directionally, the increase is expected due to the combined effect of the overall more conservative calibration of senior securitisation exposures including the introduction of a floor to the risk weight of 15% and the necessary reclassification of some exposures following the Committee's decision to revise the hierarchy of approaches.

Breaking down the increase, the RWA increase for non-STC exposures from €269.5 billion to €408.2 billion (51.5%) accounts for 89.0% of the total RWA increase. Within non-STC exposures, the severe increase for RWA under the IAA (160.8%) can be explained by the fact that those exposures are currently subject to very low risk weights. The remaining part of the total RWA increase is related to the increase in RWA for STC exposures from €44.4 billion to €59.1 billion (33.1%). Within STC exposures, the increase of 131.0% under the SEC-ERBA for STC securitisation exposures is mainly driven by the general recalibration of the risk weights applicable to senior exposures with investment grade ratings.

It is worth highlighting that for EU banks, when risk weighting the exposures that, according the national framework are currently deducted from Tier 1 capital, the result is a decrease in RWA of €1.8 billion.

6 In order to have comparable data, each bank was requested under the exercise to classify their securitisation exposures following the revised framework also for its corresponding classification under the current framework. Not all banks followed the instruction, which also explains the EAD shifts in the STC category.

Total amounts and change of securitisations exposures and RWAs under the current national rules and the final standards

Table 1

	Exposure			RWA		
	Current framework (€ bn)	Final standards (€ bn)	Change (%)	Current framework (€ bn)	Final standards (€ bn)	Change (%)
Non-STC securitisations: SEC-IRBA	386.0	384.9	–0.3	69.2	119.8	73.3
Non-STC securitisations: SEC-ERBA	242.2	241.9	–0.1	59.6	96.2	61.2
Non-STC securitisations: IAA	163.9	163.3	–0.4	18.5	48.3	160.8
Non-STC securitisations: SEC-SA	262.7	263.2	0.2	122.2	143.9	17.8
Of which: resecuritisation	7.3	7.7	4.4	12.4	12.4	–0.4
Non-STC securitisations: total	**1,054.8**	**1,053.4**	**–0.1**	**269.5**	**408.2**	**51.5**
STC securitisations: SEC-IRBA	112.1	103.3	–7.9	22.5	30.1	33.8
STC securitisations: SEC-ERBA	45.4	54.6	20.1	5.7	13.2	131.0
STC securitisations: SEC-SA	54.0	55.8	3.2	16.1	15.7	–2.6
STC securitisations: total	**211.6**	**213.6**	**1.0**	**44.4**	**59.1**	**33.1**
Others (1250% RW)	1.8	1.8	–2.4	19.0	21.4	12.3
Total	**1,268.2**	**1,268.8**	**0.0**	**332.9**	**488.7**	**46.8**
Deducted (EU only)	1.3	1.3	–0.6	16.6	14.9	–10.2

[1] The sample consists of 96 banks. Under the EU national framework banks are allowed, in alternative to risk weight an exposure to 1250%, to deduct it from Tier 1 capital. According to the final standards these exposures cannot be deducted and will be risk weighted.

Source: Basel Committee on Banking Supervision.

For most jurisdictions, the RWA change is in line with the average increase of 44.1%. Overall the observed results are in line with the objective of the revised securitisation framework to address the flaws of the Basel II securitisation framework, where highly-rated securitisation exposures had excessively low risk weights and low-rated securitisation exposures had excessively high risk weights.

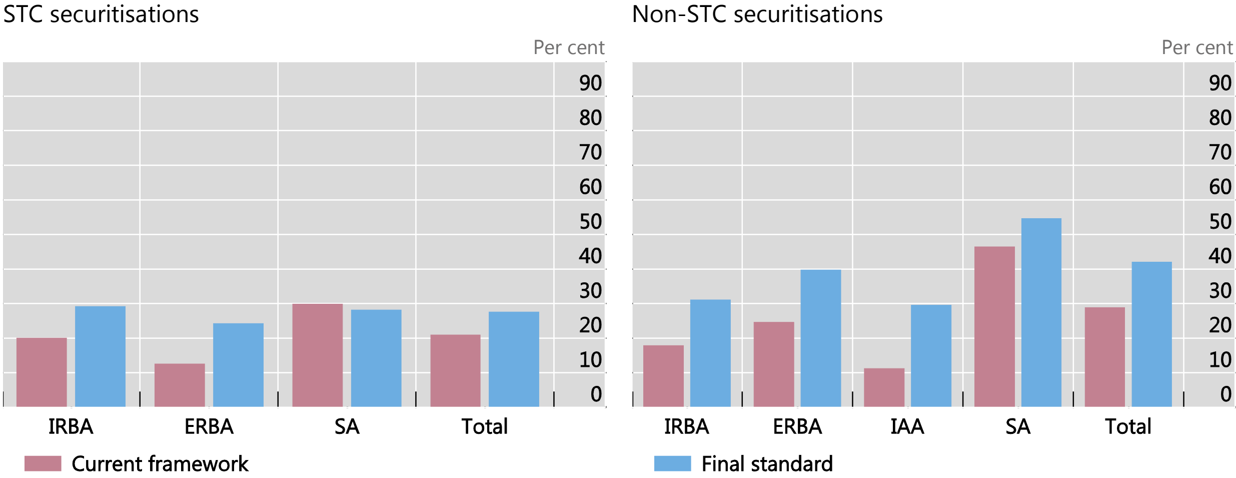
Variation of results at the jurisdictional level reflects differences in risk profiles of the participating banks. For example, for IRB banks with a portfolio of highly rated securitisation exposures the RWA will increase significantly due to the increase of the risk weight floor. For example, for a AAA-rated securitisation exposure that does not qualify for STC treatment with a maturity of five years, the risk weight will increase from 7% to 20% which corresponds to a relative increase of 185%. On the other hand, banks holding a securitisation portfolio consisting mainly of senior tranches of sub-investment grade exposure might even experience a RWA decrease.

Graph 2 shows that under the current framework the total average risk weight for STC exposures and non-STC exposures shows only slight differences, which reflects the fact that the current framework does not have any preferential treatment for STC exposures. However, under the revised framework, an increase in average risk weight can be observed for both STC and non-STC exposures. The increase in average risk weight for non-STC exposures is significantly higher; this observation is in line with the objective of the revised securitisation framework to establish a preferential treatment for STC exposures. Furthermore, notwithstanding the increase in average risk weights under the revised framework, the total average risk weight remains at 39%.[7]

[7] STC exposures under the SEC-SA, in contrast to all other exposures, show a decrease in the average risk weights (-1.6 percentage points). However, it should be noted that those exposures only contribute around 4% of the overall securitisation EAD. In light of the data biases which might affect the results, the impact on the overall results is negligible.

Average risk weight by approach

All banks[1] Graph 2



[1] The sample consists of 96 banks. Total under non-STC securitisations includes deductions for EU and securitisations subject to a 1250% risk weight.

Source: Basel Committee on Banking Supervision. See also Table C.56.

Overall, the share of securitisation MRC in overall MRC is expected to increase by 0.7 percentage points from 1.9% to 2.6%.

Annex A: Basel III phase-in arrangements

Basel III phase-in arrangements

Shading indicates transition periods – all dates are as of 1 January. Table A.1

	2016	2017	2018	As of 2019
Leverage ratio	Parallel run until 1 Jan 2017 Disclosure started 1 Jan 2015		Migration to Pillar 1	
Minimum CET1 ratio	4.5%	4.5%	4.5%	4.5%
Capital conservation buffer	0.625%	1.25%	1.875%	2.50%
G-SIB surcharge	Phase-in			1.0%–2.5%
Minimum common equity plus capital conservation buffer	5.125%	5.75%	6.375%	7.0%
Phase-in of deductions from CET1 (including amounts exceeding the limit for DTAs, MSRs and financials)	60%	80%	100%	100%
Minimum Tier 1 capital	6.0%	6.0%	6.0%	6.0%
Minimum total capital	8.0%	8.0%	8.0%	8.0%
Minimum total capital plus capital conservation buffer	8.625%	9.25%	9.875%	10.5%
Capital instruments that no longer qualify as Tier 1 capital or Tier 2 capital	Phased out over 10 year horizon beginning 2013			
Liquidity coverage ratio	70%	80%	90%	100%
Net stable funding ratio			Introduce minimum standard	

Minimum and target risk-based capital and leverage ratio requirements

Fully phased-in Basel III, in per cent Table A.2

	Fully implemented risk-based requirement			Fully implemented leverage ratio requirement
	Minimum	Target non-G-SIBs	Target G-SIBs	Minimum and target
CET1 capital	4.5	7.0	7.0–9.5	
Tier 1 capital[4]	6.0	8.5	8.5–11.0	3.0
Total capital[5]	8.0	10.5	10.5–13.0	

Annex B: Sample statistics and additional results

Number of banks for which data have been provided[1]

Table B.1

	Group 1 banks						Group 2 banks					
	All	RWA and capital	Leverage	LCR	NSFR	Securitisation	All	RWA and capital	Leverage	LCR	NSFR	Securitisation
Argentina (AM)	0	0	0	0	0	0	2	2	2	0	2	0
Australia (RW)	4	4	4	4	4	2	1	1	1	1	1	0
Belgium (EU)	2	2	2	2	2	2	3	3	2	2	2	2
Brazil (AM)	2	2	2	2	2	0	0	0	0	0	0	0
Canada (AM)	6	6	6	6	6	6	2	2	2	2	2	2
China (RW)	6	6	6	6	6	0	0	0	0	0	0	0
France (EU)	5	5	5	5	5	5	2	2	2	2	2	2
Germany (EU)	7	7	5	7	7	6	28	28	28	28	27	10
India (RW)	8	8	8	0	7	1	0	0	0	0	0	0
Indonesia (RW)	0	0	0	0	0	0	2	2	2	0	2	1
Italy (EU)	2	2	2	2	2	2	11	11	11	11	11	8
Japan (RW)	16	16	16	16	15	16	3	3	3	3	2	3
Korea (RW)	4	4	4	0	4	4	4	4	4	0	4	4
Luxembourg (EU)	0	0	0	0	0	0	1	1	1	1	1	1
Mexico (AM)	1	1	1	0	1	0	6	6	6	0	6	0
Netherlands (EU)	4	4	4	4	4	3	6	6	6	6	5	1
Russia (EU)	1	1	1	1	1	0	0	0	0	0	0	0
Saudi Arabia (RW)	3	3	3	3	3	1	0	0	0	0	0	0
Singapore (RW)	3	3	3	3	3	3	0	0	0	0	0	0
South Africa (RW)	3	3	3	3	3	3	2	2	2	2	2	2
Spain (EU)	2	2	2	2	2	1	5	5	5	5	5	4
Sweden (EU)	4	4	4	4	4	3	5	5	2	1	2	1
Switzerland (EU)	2	2	2	2	2	2	0	0	0	0	0	0
Turkey (EU)	3	3	3	3	3	0	0	0	0	0	0	0
United Kingdom (EU)	5	5	5	5	4	5	4	4	3	4	4	3
United States (AM)	13	13	13	13	12	8	0	0	0	0	0	0
Total	106	106	104	93	102	73	87	87	82	68	80	44
Of which: G-SIBs	30						0	0	0	0	0	0

[1] The regional grouping to which a country is assigned is included in brackets. AM denotes Americas, EU Europe and RW the rest of the world.

Source: Basel Committee on Banking Supervision.

CET1 regulatory adjustments

Consistent sample of Group 1 banks, in per cent of CET1 capital prior to adjustments Table B.2

	Number of banks	Goodwill	Intangibles	DTA[1]	Financials	DTA above threshold	Excess above 15%[2]	Other[3]	Total
H1 2011	87	–15.6	–3.7	–3.2	–3.0	–1.7	–2.1	–2.9	–32.1
H2 2011	87	–14.2	–3.5	–2.7	–1.9	–1.5	–1.6	–3.7	–29.1
H1 2012	87	–13.5	–3.3	–2.4	–1.8	–1.1	–1.3	–3.3	–26.6
H2 2012	87	–12.5	–3.1	–2.6	–2.4	–1.1	–1.1	–2.7	–25.6
H1 2013	87	–12.2	–2.8	–2.6	–2.5	–1.0	–0.9	–2.0	–23.9
H2 2013	87	–11.3	–2.6	–2.3	–1.4	–0.5	–0.3	–1.4	–19.9
H1 2014	87	–10.9	–2.6	–2.2	–1.4	–0.4	–0.1	–1.3	–18.8
H2 2014	87	–10.4	–2.4	–2.0	–1.0	–0.4	–0.1	–1.6	–18.1
H1 2015	87	–10.1	–2.3	–1.8	–0.8	–0.3	–0.1	–1.6	–17.2
H2 2015	87	–9.7	–2.2	–1.8	–0.7	–0.3	–0.1	–1.7	–16.8
H1 2016	87	–9.5	–2.3	–1.7	–0.7	–0.2	–0.1	–2.0	–16.8
H2 2016	87	–9.3	–2.3	–1.6	–0.8	–0.3	–0.1	–1.9	–16.1
H1 2017	87	–9.0	–2.2	–1.5	–0.8	–0.2	–0.1	–1.5	–15.3

[1] DTAs are the deferred tax assets that are deducted in full under Basel III (ie they exclude DTAs that are related to temporary differences, which are only deducted when they exceed a threshold). [2] Excess above 15% pertains to significant investments in the common shares of unconsolidated financial institutions, mortgage servicing rights, and DTAs due to timing differences that do not separately exceed the 10% category thresholds but in the aggregate exceed the 15% basket threshold. [3] Other includes adjustments related to investment in own shares, shortfall of provisions to expected losses, cash flow hedge reserves, cumulative changes in fair value due to changes in own credit risk, net pension fund assets, securitisation gains on sale, mortgage servicing rights and deductions from additional Tier 1 capital to the extent they exceed a bank's additional Tier 1 capital.

Source: Basel Committee on Banking Supervision.

CET1 regulatory adjustments

Consistent sample of Group 2 banks, in per cent of CET1 capital prior to adjustments — Table B.3

	Number of banks	Goodwill	Intangibles	DTA[1]	Financials	DTA above threshold	Excess above 15%[2]	Other[3]	Total
H1 2011	34	–13.6	–3.6	–0.3	–4.0	–4.8	–2.3	–3.7	–32.4
H2 2011	34	–8.5	–3.6	–0.5	–4.2	–2.9	–1.5	–3.1	–24.3
H1 2012	34	–6.8	–3.5	–0.2	–4.1	–2.4	–1.7	–3.7	–22.4
H2 2012	34	–6.3	–3.3	–0.3	–4.7	–2.0	–1.4	–3.7	–21.7
H1 2013	34	–6.2	–3.3	–0.4	–4.5	–1.5	–1.2	–4.4	–21.5
H2 2013	34	–4.7	–3.3	–0.4	–3.5	–0.6	–0.8	–4.5	–17.7
H1 2014	34	–4.2	–3.0	–0.4	–2.4	0.0	–0.6	–1.2	–11.8
H2 2014	34	–2.7	–3.2	–0.8	–3.2	–0.5	–0.6	–2.2	–13.2
H1 2015	34	–2.6	–2.8	–0.7	–2.8	–0.2	–0.6	–1.8	–11.5
H2 2015	34	–2.6	–2.8	–0.7	–2.7	–0.1	–0.2	–2.2	–11.2
H1 2016	34	–2.4	–2.7	–1.1	–2.2	0.0	–0.2	–1.8	–10.4
H2 2016	34	–2.4	–2.7	–1.2	–3.1	0.0	–0.3	–2.3	–11.9
H1 2017	34	–2.3	–2.5	–1.5	–2.5	0.0	–0.1	–2.3	–11.2

[1] DTAs are the deferred tax assets that are deducted in full under Basel III (ie they exclude DTAs that are related to temporary differences, which are only deducted when they exceed a threshold). [2] Excess above 15% pertains to significant investments in the common shares of unconsolidated financial institutions, mortgage servicing rights and DTAs due to timing differences that do not separately exceed the 10% category thresholds but in the aggregate exceed the 15% basket threshold. [3] Other includes adjustments related to investment in own shares, shortfall of provisions to expected losses, cash flow hedge reserves, cumulative changes in fair value due to changes in own credit risk, net pension fund assets, securitisation gains on sale, mortgage servicing rights and deductions from additional Tier 1 capital to the extent they exceed a bank's additional Tier 1 capital.

Source: Basel Committee on Banking Supervision.

Share of banks meeting the fully phased-in Basel III leverage ratio before and after capital raising to meet the risk-based target Tier 1 ratio

Group 1 banks, in per cent — Table B.4

		Target Tier 1 ratio binding (<8.5% + G-SIB surcharge)?		Total	Total after capital raising to meet **target** Tier 1 ratio
		Yes	No		
Leverage ratio binding (<3%)?	Yes	0.0	0.0	0.0	0.0
	No	0.0	100.0	100.0	100.0
	Total	0.0	100.0	100.0	100.0

Source: Basel Committee on Banking Supervision.

Share of banks meeting the fully phased-in Basel III leverage ratio before and after capital raising to meet the risk-based target Tier 1 ratio

Group 2 banks, in per cent

Table B.5

		Target Tier 1 ratio binding (<8.5% + G-SIB surcharge)?			Total after capital raising to meet **target** Tier 1 ratio
		Yes	No	Total	
Leverage ratio binding (<3%)?	Yes	0.0	3.7	3.7	3.7
	No	1.2	95.1	96.3	95.1
	Total	1.2	98.8	100.0	98.8

Source: Basel Committee on Banking Supervision.

Annex C: Statistical Annex

Transitional CET1, Tier 1 and total capital ratios

In per cent

Table C.1

	Group 1 banks			Of which: G-SIBs			Group 2 banks		
	CET1	Tier 1	Total	CET1	Tier 1	Total	CET1	Tier 1	Total
Max	32.4	32.4	37.4	19.2	21.5	24.6	54.0	65.5	65.5
75th percentile	14.5	16.1	19.1	14.1	16.1	20.3	19.7	19.9	22.2
Median	12.7	14.1	16.2	12.7	14.5	16.9	14.7	14.9	16.9
25th percentile	11.5	12.6	14.5	11.9	13.2	14.8	12.0	12.7	14.5
Min	7.5	8.1	10.6	10.5	11.1	13.2	7.7	10.1	11.5
Weighted average	12.6	13.9	16.3	12.5	14.0	16.2	14.9	15.5	17.9

Source: Basel Committee on Banking Supervision.

Fully phased-in Basel III CET1, Tier 1 and total capital ratios

In per cent

Table C.2

	Group 1 banks			Of which: G-SIBs			Group 2 banks		
	CET1	Tier 1	Total	CET1	Tier 1	Total	CET1	Tier 1	Total
Max	32.8	32.8	37.8	19.3	21.5	24.7	54.0	65.5	65.5
75th percentile	14.7	15.4	18.1	13.8	15.7	18.6	19.7	19.8	22.7
Median	12.7	13.6	15.1	12.6	14.0	16.4	14.7	15.1	16.3
25th percentile	11.3	12.4	13.7	11.7	12.9	14.0	12.0	12.1	14.2
Min	7.6	8.5	10.5	9.6	10.7	12.4	7.7	7.7	9.7
Weighted average	12.5	13.6	15.5	12.4	13.6	15.4	14.7	15.3	17.2

Source: Basel Committee on Banking Supervision.

Transitional CET1, Tier 1 and total capital ratios[1]

Consistent sample of banks, in per cent

Table C.3

	Group 1 banks				Of which: G-SIBs				Group 2 banks			
	Number of banks	CET1	Tier 1	Total	Number of banks	CET1	Tier 1	Total	Number of banks	CET1	Tier 1	Total
H1 2011	86	10.0	11.3	13.9	28	9.6	11.1	13.7	34	10.2	11.1	14.4
H2 2011	86	10.2	11.5	14.0	28	9.8	11.3	13.9	34	10.8	11.5	14.7
H1 2012	86	10.7	11.9	14.3	28	10.4	11.8	14.2	34	11.2	11.7	15.1
H2 2012	86	11.2	12.3	14.9	28	11.1	12.4	14.9	34	10.8	11.3	14.7
H1 2013	86	10.8	11.8	14.4	28	10.8	11.8	14.4	34	11.2	11.7	15.2
H2 2013	86	11.2	12.2	14.8	28	11.3	12.3	14.9	34	11.7	12.2	15.8
H1 2014	86	11.3	12.1	14.7	28	11.1	11.9	14.4	34	11.8	12.3	15.6
H2 2014	86	11.6	12.6	15.2	28	11.5	12.5	15.1	34	11.8	12.3	15.3
H1 2015	86	11.8	12.9	15.5	28	11.7	12.9	15.4	34	12.4	13.0	15.7
H2 2015	86	12.2	13.3	15.9	28	12.1	13.4	15.9	34	12.6	13.2	15.7
H1 2016	86	12.2	13.3	15.8	28	12.1	13.4	15.7	34	12.8	13.4	15.9
H2 2016	86	12.5	13.7	16.2	28	12.4	13.8	16.2	34	13.3	13.9	16.3
H1 2017	86	12.6	13.9	16.3	28	12.5	13.9	16.2	34	13.8	14.4	16.9

[1] Before the implementation of the Basel III framework, results have been calculated on the basis of the relevant national regulatory frameworks in place at the reporting dates.

Source: Basel Committee on Banking Supervision.

Transitional CET1, Tier 1 and total capital ratios, by region[1]

Consistent sample of Group 1 banks, in per cent

Table C.4

	Europe				Americas				Rest of the world			
	Number of banks	CET1	Tier 1	Total	Number of banks	CET1	Tier 1	Total	Number of banks	CET1	Tier 1	Total
H1 2011	26	10.2	12.0	14.4	19	9.7	11.2	13.7	41	10.0	10.7	13.7
H2 2011	26	10.1	11.8	14.1	19	9.9	11.6	13.9	41	10.5	11.1	14.0
H1 2012	26	10.9	12.6	14.7	19	10.6	12.1	14.2	41	10.6	11.1	14.0
H2 2012	26	11.2	12.8	15.1	19	11.5	12.9	15.1	41	11.0	11.5	14.5
H1 2013	26	11.7	13.0	15.7	19	10.9	12.3	14.3	41	10.1	10.7	13.5
H2 2013	26	12.2	13.6	16.5	19	11.3	12.7	14.7	41	10.5	11.0	13.7
H1 2014	26	11.3	12.6	15.6	19	11.5	12.3	14.1	41	11.0	11.5	14.3
H2 2014	26	12.0	13.3	16.4	19	11.7	12.7	14.7	41	11.3	12.0	14.8
H1 2015	26	12.3	13.7	16.8	19	12.2	13.3	15.4	41	11.3	12.1	14.6
H2 2015	26	12.7	14.3	17.6	19	12.2	13.3	15.4	41	11.8	12.7	15.1
H1 2016	26	12.7	14.3	17.6	19	12.1	13.4	15.6	41	11.9	12.7	14.9
H2 2016	26	13.3	15.0	18.5	19	12.5	13.9	16.0	41	12.1	12.9	15.1
H1 2017	26	13.5	15.3	18.6	19	12.7	14.3	16.4	41	12.0	12.9	14.9

[1] Before the implementation of the Basel III framework, results have been calculated on the basis of the relevant national regulatory frameworks in place at the reporting dates.

Source: Basel Committee on Banking Supervision.

Fully phased-in Basel III CET1, Tier 1 and total capital ratios

Consistent sample of banks, in per cent Table C.5

	Group 1 banks				Of which: G-SIBs				Group 2 banks			
	Number of banks	CET1	Tier 1	Total	Number of banks	CET1	Tier 1	Total	Number of banks	CET1	Tier 1	Total
H1 2011	86	7.2	7.5	8.8	28	6.8	7.2	8.6	34	7.6	8.0	10.1
H2 2011	86	7.8	8.1	9.4	28	7.4	7.7	9.1	34	7.6	8.0	10.0
H1 2012	86	8.6	8.9	10.0	28	8.3	8.6	9.9	34	8.0	8.7	10.3
H2 2012	86	9.2	9.5	10.7	28	9.0	9.3	10.6	34	7.7	8.2	9.7
H1 2013	86	9.5	9.8	11.0	28	9.3	9.5	10.9	34	7.8	8.4	10.2
H2 2013	86	10.2	10.5	11.8	28	10.1	10.4	11.7	34	9.4	10.1	11.8
H1 2014	86	10.8	11.3	12.5	28	10.6	11.1	12.3	34	11.1	11.3	13.0
H2 2014	86	11.1	11.7	13.2	28	10.9	11.6	13.1	34	11.1	11.3	12.7
H1 2015	86	11.5	12.3	13.9	28	11.3	12.2	13.9	34	12.1	12.4	13.7
H2 2015	86	11.8	12.7	14.4	28	11.7	12.7	14.5	34	12.3	12.6	14.0
H1 2016	86	12.0	12.9	14.7	28	11.8	12.9	14.6	34	12.6	13.0	14.5
H2 2016	86	12.3	13.4	15.3	28	12.2	13.5	15.3	34	12.9	13.4	14.9
H1 2017	86	12.5	13.6	15.4	28	12.4	13.6	15.3	34	13.7	14.3	16.3

Source: Basel Committee on Banking Supervision.

Fully phased-in Basel III CET1, Tier 1 and total capital ratios, by region

Consistent sample of Group 1 banks, in per cent Table C.6

	Europe				Americas				Rest of the world			
	Number of banks	CET1	Tier 1	Total	Number of banks	CET1	Tier 1	Total	Number of banks	CET1	Tier 1	Total
H1 2011	26	6.7	6.9	7.7	19	6.1	6.8	9.2	41	8.9	9.0	9.6
H2 2011	26	7.0	7.2	8.0	19	7.1	7.7	10.1	41	9.3	9.4	10.1
H1 2012	26	8.0	8.2	8.9	19	7.9	8.4	10.6	41	9.8	9.9	10.6
H2 2012	26	8.5	8.6	9.7	19	8.5	9.1	11.1	41	10.5	10.6	11.3
H1 2013	26	9.3	9.4	10.8	19	8.8	9.5	11.3	41	10.2	10.3	11.0
H2 2013	26	10.4	10.6	12.2	19	9.7	10.4	12.1	41	10.5	10.6	11.4
H1 2014	26	10.9	11.4	13.3	19	10.0	11.0	12.4	41	11.2	11.3	12.0
H2 2014	26	11.3	11.9	13.9	19	10.5	11.6	13.1	41	11.4	11.7	12.8
H1 2015	26	11.6	12.4	14.7	19	11.2	12.6	14.3	41	11.6	12.0	13.1
H2 2015	26	12.1	13.1	15.6	19	11.2	12.6	14.3	41	12.0	12.5	13.7
H1 2016	26	12.3	13.3	16.0	19	11.5	13.1	15.0	41	12.0	12.6	13.7
H2 2016	26	13.0	14.5	17.6	19	11.8	13.4	15.3	41	12.1	12.8	13.9
H1 2017	26	13.3	14.8	17.4	19	12.3	14.0	15.9	41	12.1	12.8	14.0

Source: Basel Committee on Banking Supervision.

Fully phased-in Basel III Tier 1 capital ratios and changes in RWA and Tier 1 capital

Consistent sample of banks, exchange rates as of 30 June 2017, in per cent | Table C.7

	Group 1 banks				Of which: G-SIBs				Group 2 banks			
			Change				Change				Change	
	Number of banks	Tier 1 ratio	RWA	Tier 1 capital	Number of banks	Tier 1 ratio	RWA	Tier 1 capital	Number of banks	Tier 1 ratio	RWA	Tier 1 capital
H1 2011	86	7.5			28	7.2			34	8.0		
H2 2011	86	8.1	–1.6	5.5	28	7.7	–3.0	4.6	34	8.0	0.5	0.9
H1 2012	86	8.9	–1.3	8.2	28	8.6	–2.2	8.9	34	8.7	–1.3	7.0
H2 2012	86	9.5	–1.5	5.2	28	9.3	–2.4	5.1	34	8.2	3.3	–3.1
H1 2013	86	9.8	1.9	5.1	28	9.5	1.5	4.8	34	8.4	–0.8	2.4
H2 2013	86	10.5	–0.1	7.8	28	10.4	–0.8	8.1	34	10.1	–2.5	16.5
H1 2014	86	11.3	0.4	7.1	28	11.1	0.5	6.9	34	11.3	0.1	12.2
H2 2014	86	11.7	1.4	5.8	28	11.6	1.4	6.6	34	11.3	–0.4	–0.2
H1 2015	86	12.3	1.9	6.4	28	12.2	1.2	6.3	34	12.4	1.6	10.7
H2 2015	86	12.7	0.9	4.4	28	12.7	0.1	4.2	34	12.6	1.3	3.6
H1 2016	86	12.9	1.7	3.6	28	12.9	1.9	3.3	34	13.0	–0.3	2.3
H2 2016	86	13.4	–0.1	3.7	28	13.5	–1.3	3.0	34	13.4	–1.7	1.3
H1 2017	86	13.6	1.5	3.1	28	13.6	1.6	2.6	34	14.3	0.9	7.8

Source: Basel Committee on Banking Supervision.

Fully phased-in Basel III Tier 1 capital ratios and changes in RWA and Tier 1 capital, by region

Consistent sample of Group 1 banks, exchange rates as of 30 June 2017, in per cent | Table C.8

	Europe				Americas				Rest of the world			
			Change				Change				Change	
	Number of banks	Tier 1 ratio	RWA	Tier 1 capital	Number of banks	Tier 1 ratio	RWA	Tier 1 capital	Number of banks	Tier 1 ratio	RWA	Tier 1 capital
H1 2011	26	6.9			19	6.8			41	9.0		
H2 2011	26	7.2	–1.3	3.2	19	7.7	–6.0	5.8	41	9.4	2.5	7.2
H1 2012	26	8.2	–4.8	8.2	19	8.4	–2.0	7.8	41	9.9	3.3	8.5
H2 2012	26	8.6	–4.5	0.4	19	9.1	–2.1	5.9	41	10.6	1.9	8.7
H1 2013	26	9.4	–3.3	5.5	19	9.5	–3.1	0.7	41	10.3	11.0	8.0
H2 2013	26	10.6	–3.1	8.8	19	10.4	–1.9	7.7	41	10.6	3.8	7.1
H1 2014	26	11.4	0.3	7.8	19	11.0	1.9	7.6	41	11.3	–0.7	6.3
H2 2014	26	11.9	–3.6	1.3	19	11.6	–0.2	4.9	41	11.7	6.2	9.8
H1 2015	26	12.4	0.1	3.7	19	12.6	–2.1	6.4	41	12.0	5.8	8.3
H2 2015	26	13.1	–3.4	1.9	19	12.6	2.9	3.1	41	12.5	2.4	6.9
H1 2016	26	13.3	0.6	2.8	19	13.1	0.8	4.7	41	12.6	2.8	3.5
H2 2016	26	14.5	–2.9	5.6	19	13.4	–1.4	1.4	41	12.8	2.4	4.1
H1 2017	26	14.8	–0.8	1.0	19	14.0	–0.4	3.6	41	12.8	4.0	4.1

Source: Basel Committee on Banking Supervision.

Estimated capital shortfalls at the minimum level

Fully phased-in Basel III standards, sample and exchange rates as at the reporting dates, in billions of euros

Table C.9

	Group 1 banks				Of which: G-SIBs				Group 2 banks			
	Number of banks	CET1	Add Tier 1	Tier 2	Number of banks	CET1	Add Tier 1	Tier 2	Number of banks	CET1	Add Tier 1	Tier 2
H1 2011	108	38.8	66.6	120.3	30	31.7	52.6	82.2	103	8.6	7.3	4.5
H2 2011	108	11.9	32.5	107.9	30	7.6	22.3	88.1	101	7.6	2.1	3.9
H1 2012	107	3.7	16.2	62.1	30	0.1	11.2	50.4	98	4.8	1.6	4.6
H2 2012	107	2.2	10.2	46.8	30	0.0	5.9	36.1	109	11.4	2.3	7.7
H1 2013	108	3.3	6.9	18.7	30	0.0	1.8	13.0	112	12.4	3.0	8.2
H2 2013	108	0.1	1.4	3.9	30	0.0	0.0	0.2	107	2.0	0.7	3.8
H1 2014	102	0.0	0.0	0.0	29	0.0	0.0	0.0	105	0.1	0.3	3.1
H2 2014	96	0.0	0.0	0.0	29	0.0	0.0	0.0	70	0.0	0.4	1.7
H1 2015	98	0.0	0.0	0.0	29	0.0	0.0	0.0	72	0.0	0.0	0.2
H2 2015	106	0.0	0.0	0.0	30	0.0	0.0	0.0	100	0.0	0.0	0.2
H1 2016	106	0.0	0.0	0.0	30	0.0	0.0	0.0	99	0.0	0.0	0.0
H2 2016	106	0.0	0.0	0.0	30	0.0	0.0	0.0	88	0.0	0.0	0.0
H1 2017	106	0.0	0.0	0.0	30	0.0	0.0	0.0	84	0.0	0.0	0.0

Source: Basel Committee on Banking Supervision.

Estimated capital shortfalls at the target level

Fully phased-in Basel III standards, sample and exchange rates as at the reporting dates, in billions of euros

Table C.10

	Group 1 banks				Of which: G-SIBs				Group 2 banks			
	Number of banks	CET1	Add Tier 1	Tier 2	Number of banks	CET1	Add Tier 1	Tier 2	Number of banks	CET1	Add Tier 1	Tier 2
H1 2011	108	485.9	222.6	224.3	30	416.6	159.2	155.1	103	32.1	15.4	10.6
H2 2011	108	384.6	227.0	231.6	30	334.1	169.9	167.0	101	21.2	11.1	9.0
H1 2012	107	197.9	198.0	224.7	30	171.6	153.2	156.3	98	16.0	6.4	11.2
H2 2012	107	115.3	160.3	172.1	30	97.5	122.5	115.5	109	25.2	5.9	13.8
H1 2013	108	57.5	105.3	143.8	30	41.8	81.0	99.2	112	27.7	6.7	12.2
H2 2013	108	15.4	49.4	95.2	30	11.8	41.7	65.8	107	9.2	6.3	8.6
H1 2014	102	4.1	22.3	74.9	29	3.9	17.1	64.2	105	1.6	4.7	6.8
H2 2014	96	0.1	6.8	38.8	29	0.0	3.8	29.6	70	1.4	5.2	6.2
H1 2015	98	0.0	3.5	12.2	29	0.0	0.0	11.6	72	0.2	2.1	6.1
H2 2015	106	0.0	3.9	4.5	30	0.0	0.0	1.8	100	0.2	0.9	5.5
H1 2016	106	0.0	1.6	2.9	30	0.0	0.0	0.9	99	0.0	0.8	4.4
H2 2016	106	0.0	0.0	0.3	30	0.0	0.0	0.0	88	0.0	1.1	1.2
H1 2017	106	0.0	0.0	0.0	30	0.0	0.0	0.0	84	0.0	0.1	0.1

Source: Basel Committee on Banking Supervision.

Level of capital after full phasing in of Basel III standards

Consistent sample of Group 1 banks, exchange rates as of 30 June 2017, in billions of euros — Table C.11

	Group 1 banks				Of which: G-SIBs				Group 2 banks			
	Number of banks	CET1	Add. Tier 1	Tier 2	Number of banks	CET1	Add. Tier 1	Tier 2	Number of banks	CET1	Add. Tier 1	Tier 2
H1 2011	88	1,982	84	337	29	1,372	73	279	35	86	5	23
H2 2011	88	2,101	76	337	29	1,451	61	262	35	87	6	22
H1 2012	88	2,288	69	301	29	1,590	57	239	35	91	8	18
H2 2012	88	2,416	63	315	29	1,679	50	244	35	90	6	18
H1 2013	88	2,537	65	334	29	1,758	51	258	35	91	7	20
H2 2013	88	2,720	83	348	29	1,887	66	247	35	107	7	20
H1 2014	88	2,877	123	349	29	1,989	98	227	35	125	3	19
H2 2014	88	3,009	167	402	29	2,087	139	281	35	124	3	15
H1 2015	88	3,172	209	446	29	2,195	172	314	35	138	3	15
H2 2015	88	3,285	245	478	29	2,267	201	338	35	142	4	16
H1 2016	88	3,387	274	496	29	2,335	218	336	35	145	5	18
H2 2016	88	3,473	326	525	29	2,380	252	357	35	146	6	17
H1 2017	88	3,588	327	514	29	2,450	251	343	35	157	6	23

Source: Basel Committee on Banking Supervision.

Level of capital after full phasing in of Basel III standards

Consistent sample of Group 1 banks, exchange rates as of 30 June 2017, in billions of euros Table C.12

	Europe				Americas				Rest of the world			
	Number of banks	CET1	Add. Tier 1	Tier 2	Number of banks	CET1	Add. Tier 1	Tier 2	Number of banks	CET1	Add. Tier 1	Tier 2
H1 2011	28	680	18	76	19	537	59	206	41	764	6	54
H2 2011	28	701	20	75	19	583	48	198	41	817	9	64
H1 2012	28	766	16	67	19	633	47	171	41	889	7	63
H2 2012	28	775	11	95	19	672	48	156	41	969	5	64
H1 2013	28	816	10	118	19	676	49	138	41	1,045	6	77
H2 2013	28	877	18	139	19	726	55	126	41	1,117	9	83
H1 2014	28	924	39	168	19	767	73	111	41	1,185	12	70
H2 2014	28	930	50	161	19	798	84	121	41	1,282	33	120
H1 2015	28	958	61	187	19	837	102	126	41	1,377	47	132
H2 2015	28	965	76	198	19	860	108	135	41	1,460	61	145
H1 2016	28	989	83	213	19	895	118	146	41	1,503	72	138
H2 2016	28	1,016	117	244	19	904	123	142	41	1,553	86	138
H1 2017	28	1,036	108	208	19	941	124	146	41	1,611	95	159

Source: Basel Committee on Banking Supervision.

Evolution of fully phased-in Basel III capital

Consistent sample of banks, exchange rates as of 30 June 2017, June 2011 = 100 — Table C.13

	Group 1 banks				Of which: G-SIBs				Group 2 banks			
	Number of banks	CET1	Add.Tier1	Tier 2	Number of banks	CET1	Add.Tier1	Tier 2	Number of banks	CET1	Add.Tier1	Tier 2
H1 2011	88	100.0	100.0	100.0	29	100.0	100.0	100.0	35	100.0	100.0	100.0
H2 2011	88	106.0	91.1	100.2	29	105.8	83.7	94.0	35	100.4	110.6	95.7
H1 2012	88	115.5	83.1	89.5	29	115.9	78.2	85.6	35	105.1	157.8	78.2
H2 2012	88	121.9	75.6	93.7	29	122.4	68.5	87.3	35	103.9	118.7	76.1
H1 2013	88	128.0	78.1	99.2	29	128.1	69.7	92.6	35	105.2	142.8	85.9
H2 2013	88	137.2	99.0	103.4	29	137.6	90.9	88.5	35	123.5	149.2	84.7
H1 2014	88	145.2	147.8	103.8	29	145.0	135.0	81.3	35	144.8	54.7	82.8
H2 2014	88	151.9	200.0	119.4	29	152.2	191.5	100.6	35	143.8	62.5	64.2
H1 2015	88	160.1	250.2	132.4	29	160.1	237.9	112.7	35	159.3	67.3	66.1
H2 2015	88	165.8	293.4	142.0	29	165.3	277.6	121.2	35	164.1	83.3	69.1
H1 2016	88	170.9	327.6	147.4	29	170.2	300.0	120.2	35	167.8	91.6	76.3
H2 2016	88	175.3	390.5	155.9	29	173.5	348.0	128.1	35	168.8	115.8	73.6
H1 2017	88	181.1	391.6	152.7	29	178.6	345.7	122.8	35	181.9	123.5	99.1

Source: Basel Committee on Banking Supervision.

Evolution of fully phased-in Basel III capital, by region

Consistent sample of Group 1 banks, exchange rates as of 30 June 2017, June 2011 = 100 Table C.14

	Europe				Americas				Rest of the world			
	Number of banks	CET1	Add. Tier 1	Tier 2	Number of banks	CET1	Add. Tier 1	Tier 2	Number of banks	CET1	Add. Tier 1	Tier 2
H1 2011	28	100.0	100.0	100.0	19	100.0	100.0	100.0	41	100.0	100.0	100.0
H2 2011	28	103.1	108.2	98.6	19	108.6	80.7	96.2	41	106.9	139.8	117.4
H1 2012	28	112.6	87.1	88.1	19	117.9	78.9	82.9	41	116.3	111.8	116.9
H2 2012	28	113.9	59.2	125.3	19	125.1	81.0	75.7	41	126.8	73.5	118.0
H1 2013	28	119.9	56.0	155.8	19	125.9	83.1	66.9	41	136.8	96.7	142.4
H2 2013	28	128.9	97.5	182.8	19	135.1	93.8	60.9	41	146.2	153.0	153.7
H1 2014	28	135.8	209.7	221.5	19	142.8	123.4	53.9	41	155.2	195.7	128.4
H2 2014	28	136.7	269.7	211.2	19	148.5	142.7	58.7	41	167.8	541.7	221.6
H1 2015	28	140.8	328.8	246.2	19	155.7	172.7	61.1	41	180.3	758.5	243.8
H2 2015	28	141.8	410.9	260.7	19	160.1	183.3	65.3	41	191.2	998.3	267.1
H1 2016	28	145.3	453.0	279.5	19	166.6	200.5	70.8	41	196.8	1,172.7	253.7
H2 2016	28	149.3	636.2	321.5	19	168.2	209.2	68.9	41	203.4	1,395.2	254.7
H1 2017	28	152.3	585.3	273.5	19	175.1	210.3	71.0	41	210.9	1,551.8	293.9

Source: Basel Committee on Banking Supervision.

Profits, dividends and dividend payout ratio[1]

Consistent sample of banks, exchange rates as of 30 June 2017, in billions of euros | Table C.15

	Group 1 banks					Of which: G-SIBs					Group 2 banks				
	Number of banks	Profit after tax	Common share dividend	Dividend payout ratio (%)		Number of banks	Profit after tax	Common share dividend	Dividend payout ratio (%)		Number of banks	Profit after tax	Common share dividend	Dividend payout ratio (%)	
				6m	12m				6m	12m				6m	12m
H1 2011	92	141.1	57.3	40.6		29	89.1	41.1	46.1		45	6.0	1.3	21.0	
H2 2011	92	112.5	32.1	28.5	35.2	29	77.3	17.4	22.6	35.2	45	4.0	1.4	35.6	26.8
H1 2012	92	136.3	58.6	43.0	36.5	29	88.0	40.7	46.2	35.2	45	4.4	1.3	28.9	32.1
H2 2012	92	161.8	28.8	17.8	29.3	29	103.0	13.4	13.1	28.3	45	5.2	1.3	24.6	26.6
H1 2013	92	171.6	76.1	44.4	31.5	29	112.3	53.7	47.8	31.2	45	4.2	1.1	26.1	25.3
H2 2013	92	138.8	28.2	20.3	33.6	29	90.7	13.2	14.5	32.9	45	5.2	1.2	22.5	24.1
H1 2014	92	153.3	85.5	55.8	38.9	29	92.8	63.2	68.2	41.7	45	6.1	1.5	24.2	23.4
H2 2014	92	185.0	42.8	23.1	37.9	29	120.7	20.0	16.6	39.0	45	5.1	1.2	22.5	23.4
H1 2015	92	212.7	87.9	41.3	32.9	29	145.4	60.8	41.8	30.4	45	7.5	1.9	25.9	24.6
H2 2015	92	199.0	46.4	23.3	32.6	29	130.4	22.3	17.1	30.1	45	8.7	1.1	13.0	19.0
H1 2016	92	184.0	91.2	49.5	35.9	29	127.7	63.7	49.9	33.3	45	4.9	2.3	47.0	25.3
H2 2016	92	184.2	43.6	23.7	36.6	29	114.4	20.0	17.5	34.6	45	7.1	2.0	28.2	35.9
H1 2017	92	212.8	99.1	46.6	36.0	29	139.8	65.5	46.9	33.6	45	7.8	2.7	33.9	31.2

[1] The dividend payout ratio is also calculated based on profits after tax and common share dividends for a full calendar year to improve comparability across countries with different dividend payment patterns.

Source: Basel Committee on Banking Supervision.

Profits, dividends and dividend payout ratio[1], by region

Consistent sample of Group 1 banks, exchange rates as of 30 June 2017, in billions of euros — Table C.16

	Europe					Americas					Rest of the world				
	Number of banks	Profit after tax	Common share dividend	Dividend payout ratio (%) 6m	Dividend payout ratio (%) 12m	Number of banks	Profit after tax	Common share dividend	Dividend payout ratio (%) 6m	Dividend payout ratio (%) 12m	Number of banks	Profit after tax	Common share dividend	Dividend payout ratio (%) 6m	Dividend payout ratio (%) 12m
H1 2011	32	54.5	17.2	31.5		20	34.9	8.4	24.2		40	51.7	31.6	61.2	
H2 2011	32	8.8	5.7	64.4	36.1	20	42.4	9.0	21.3	22.6	40	61.4	17.4	28.3	43.4
H1 2012	32	39.3	13.2	33.6	39.2	20	43.7	10.6	24.2	22.8	40	53.3	34.9	65.4	45.6
H2 2012	32	10.6	7.3	68.9	41.1	20	45.0	11.7	25.9	25.1	40	106.2	9.8	9.3	28.0
H1 2013	32	50.8	17.6	34.7	40.6	20	55.1	11.8	21.4	23.4	40	65.6	46.7	71.1	32.9
H2 2013	32	0.6	5.0	893.6	44.1	20	47.6	12.7	26.7	23.9	40	90.6	10.5	11.5	36.6
H1 2014	32	40.3	23.0	57.1	68.6	20	44.3	13.3	30.0	28.3	40	68.7	49.2	71.7	37.5
H2 2014	32	38.3	10.3	26.8	42.3	20	52.0	14.7	28.3	29.1	40	94.6	17.8	18.8	41.0
H1 2015	32	57.1	18.2	31.8	29.8	20	65.3	15.4	23.6	25.7	40	90.3	54.3	60.2	39.0
H2 2015	32	42.6	13.0	30.6	31.3	20	57.9	16.4	28.3	25.8	40	98.6	17.0	17.3	37.8
H1 2016	32	46.6	25.0	53.6	42.6	20	57.4	16.1	28.1	28.2	40	80.0	50.1	62.6	37.6
H2 2016	32	25.8	7.7	29.7	45.1	20	70.4	19.8	28.1	28.1	40	88.0	16.2	18.4	39.4
H1 2017	32	58.5	30.0	51.3	44.7	20	68.1	18.2	26.8	27.5	40	86.2	50.9	59.0	38.5

[1] The dividend payout ratio is also calculated based on profits after tax and common share dividends for a full calendar year to improve comparability across countries with different dividend payment patterns.

Source: Basel Committee on Banking Supervision.

Capital raised externally

Consistent sample of banks, exchange rates as of 30 June 2017, in billions of euros Table C.17

	Group 1 banks				Of which: G-SIBs				Group 2 banks			
	Number of banks	CET1	Add. Tier 1	Tier 2	Number of banks	CET1	Add. Tier 1	Tier 2	Number of banks	CET1	Add. Tier 1	Tier 2
H1 2011	92	36.5	4.8	12.6	29	13.4	1.6	7.1	45	3.3	1.5	2.6
H2 2011	92	25.8	5.1	4.5	29	10.4	3.6	1.1	45	5.2	0.1	4.1
H1 2012	92	28.4	3.4	11.0	29	18.9	1.0	3.2	45	1.4	1.5	0.3
H2 2012	92	29.6	6.6	13.8	29	14.7	3.9	7.9	45	1.8	0.0	2.0
H1 2013	92	25.6	8.2	13.0	29	13.2	5.4	11.4	45	0.6	0.0	1.9
H2 2013	92	30.4	22.3	30.3	29	12.5	17.7	18.4	45	1.1	0.9	0.3
H1 2014	92	33.3	41.7	48.3	29	18.1	30.5	15.6	45	2.8	1.3	1.3
H2 2014	92	19.4	47.2	52.1	29	5.5	43.3	37.0	45	3.5	0.7	1.2
H1 2015	92	20.6	42.6	46.7	29	11.6	35.0	34.7	45	1.7	0.3	1.6
H2 2015	92	20.4	31.5	50.3	29	10.0	26.1	31.5	45	0.6	0.8	1.6
H1 2016	92	12.2	27.4	44.4	29	9.9	17.0	22.6	45	0.8	0.6	1.4
H2 2016	92	23.4	25.1	32.2	29	17.9	11.9	20.2	45	2.8	0.9	2.0
H1 2017	92	17.0	20.4	26.7	29	10.5	12.5	15.4	45	0.7	0.9	2.6

Source: Basel Committee on Banking Supervision.

Capital raised externally, by region

Consistent sample of Group 1 banks, exchange rates as of 30 June 2017, in billions of euros Table C.18

	Europe				Americas				Rest of the world			
	Number of banks	CET1	Add. Tier 1	Tier 2	Number of banks	CET1	Add. Tier 1	Tier 2	Number of banks	CET1	Add. Tier 1	Tier 2
H1 2011	32	21.2	1.4	9.3	20	11.8	3.3	3.3	40	3.5	0.0	0.0
H2 2011	32	14.0	3.4	1.1	20	5.6	1.6	3.3	40	6.3	0.0	0.1
H1 2012	32	21.1	0.0	3.5	20	5.7	3.4	6.1	40	1.6	0.0	1.4
H2 2012	32	15.1	1.4	6.6	20	4.0	3.8	7.2	40	10.6	1.3	0.0
H1 2013	32	14.7	0.0	8.8	20	6.2	6.3	4.2	40	4.7	1.9	0.0
H2 2013	32	21.3	11.4	20.6	20	4.0	7.6	8.7	40	5.1	3.3	1.1
H1 2014	32	24.6	25.8	25.3	20	5.9	13.9	2.2	40	2.8	2.0	20.8
H2 2014	32	7.2	15.2	11.8	20	3.5	10.4	17.0	40	8.7	21.5	23.4
H1 2015	32	7.3	14.5	26.4	20	4.3	16.0	13.9	40	9.0	12.1	6.4
H2 2015	32	9.6	10.0	22.1	20	2.8	6.0	12.2	40	8.0	15.6	16.0
H1 2016	32	4.4	9.1	21.5	20	6.8	9.4	13.4	40	1.0	8.9	9.5
H2 2016	32	17.2	7.6	12.9	20	4.0	3.6	8.2	40	2.1	13.9	11.1
H1 2017	32	11.0	10.3	14.0	20	4.6	1.8	7.8	40	1.5	8.2	4.9

Source: Basel Committee on Banking Supervision.

Structure of regulatory capital under transitional Basel III rules[1]

Consistent sample of banks,[2] in per cent

Table C.19

	Group 1 banks			Of which: G-SIBs			Group 2 banks		
	CET1	Add. Tier 1	Tier 2	CET1	Add. Tier 1	Tier 2	CET1	Add. Tier 1	Tier 2
H1 2011	71.8	9.4	18.8	69.5	11.3	19.2	70.9	6.3	22.8
H2 2011	72.9	9.0	18.1	70.8	10.8	18.4	73.2	5.1	21.7
H1 2012	75.0	8.1	17.0	73.2	9.8	17.0	74.3	3.1	22.6
H2 2012	75.3	7.5	17.2	74.0	9.1	16.9	73.1	3.4	23.5
H1 2013	74.9	7.2	17.9	74.9	7.5	17.6	73.5	3.3	23.2
H2 2013	75.6	6.9	17.5	75.7	7.0	17.3	74.2	2.8	23.0
H1 2014	76.6	5.6	17.8	76.5	5.9	17.7	75.9	3.2	20.9
H2 2014	76.3	6.2	17.5	75.9	6.8	17.3	77.1	3.4	19.5
H1 2015	76.6	6.7	16.7	76.2	7.5	16.3	78.8	3.6	17.7
H2 2015	76.7	7.1	16.2	76.1	8.1	15.8	80.0	4.0	16.0
H1 2016	77.0	7.4	15.7	76.7	8.3	14.9	80.4	3.8	15.8
H2 2016	77.1	7.6	15.3	76.9	8.5	14.7	81.5	3.8	14.6
H1 2017	77.2	8.1	14.7	77.2	8.9	13.9	81.4	3.9	14.7

[1] Before the implementation of the Basel III framework, results have been calculated on the basis of the relevant national regulatory frameworks in place at the reporting dates. [2] Group 1 includes 92 banks, G-SIBs include 30 banks and Group 2 includes 58 banks.

Source: Basel Committee on Banking Supervision.

Structure of regulatory capital under fully phased-in Basel III standards

Consistent sample of banks,[1] in per cent

Table C.20

	Group 1 banks			Of which: G-SIBs			Group 2 banks		
	CET1	Add. Tier 1	Tier 2	CET1	Add. Tier 1	Tier 2	CET1	Add. Tier 1	Tier 2
H1 2011	83.3	3.3	13.4	80.2	4.1	15.7	75.4	4.4	20.2
H2 2011	84.1	2.9	13.0	82.4	3.4	14.3	76.3	4.7	19.0
H1 2012	86.5	2.5	11.1	84.8	2.9	12.3	78.5	6.5	15.0
H2 2012	86.8	2.1	11.1	85.5	2.4	12.1	79.8	5.1	15.2
H1 2013	86.5	2.1	11.4	85.2	2.3	12.4	77.2	6.0	16.8
H2 2013	86.4	2.5	11.1	85.9	2.8	11.2	79.5	5.7	14.8
H1 2014	85.8	3.6	10.6	86.0	4.1	9.9	84.9	1.9	13.1
H2 2014	84.1	4.6	11.3	83.3	5.5	11.3	87.2	2.3	10.5
H1 2015	82.9	5.4	11.7	81.8	6.4	11.8	87.9	2.3	9.8
H2 2015	81.9	6.2	11.9	80.7	7.2	12.1	87.4	2.7	9.9
H1 2016	81.5	6.6	11.9	80.8	7.5	11.6	86.7	2.8	10.6
H2 2016	80.4	7.6	12.1	79.6	8.5	11.9	86.5	3.4	10.1
H1 2017	81.0	7.4	11.6	80.5	8.2	11.3	84.4	3.3	12.3

[1] Group 1 includes 92 banks, G-SIBs include 30 banks and Group 2 includes 58 banks.

Source: Basel Committee on Banking Supervision.

Share of MRC by asset class[1]

Group 1 banks, consistent sample of banks, in per cent of total MRC — Table C.21

	Number of banks	Corporate	Bank	Sovereign	Retail	Partial use	Securitisation	Related entities	CVA	Market risk	Operational risk	Other	Total
H1 2011	34	31.0	3.5	1.1	18.6	2.8	7.2	10.4	0.0	6.2	7.8	11.4	100.0
H2 2011	34	30.7	3.2	1.1	18.3	2.2	5.8	11.5	0.0	9.6	8.1	9.5	100.0
H1 2012	34	31.8	3.4	1.2	18.2	2.0	4.4	11.9	0.0	10.1	8.6	8.5	100.0
H2 2012	34	31.9	3.4	1.2	17.9	1.4	3.9	12.8	0.0	8.3	9.8	9.4	100.0
H1 2013	34	32.5	3.6	1.4	17.9	1.8	3.7	6.7	0.2	9.4	11.0	11.7	100.0
H2 2013	34	32.4	3.5	1.3	17.5	1.7	4.1	7.2	0.2	8.5	11.9	11.7	100.0
H1 2014	34	34.7	4.2	2.5	16.5	1.7	2.6	1.6	3.1	7.7	13.3	12.1	100.0
H2 2014	34	34.8	3.8	2.5	16.2	1.7	2.4	1.5	3.2	7.2	14.0	12.9	100.0
H1 2015	34	35.5	3.5	2.6	16.1	1.6	2.1	1.4	2.9	6.9	14.3	13.1	100.0
H2 2015	34	36.6	3.3	2.6	15.7	1.4	1.9	1.5	2.8	6.1	16.2	12.0	100.0
H1 2016	34	37.2	3.2	2.8	15.8	1.3	1.8	1.6	3.0	5.6	16.3	11.5	100.0
H2 2016	34	36.5	2.9	2.6	16.5	1.1	1.7	1.5	2.5	5.3	16.4	12.9	100.0
H1 2017	34	36.6	2.9	2.5	17.0	1.2	1.8	1.6	2.1	5.4	16.1	12.7	100.0

1 The category "other" includes capital requirements for other assets; the current Basel I-based output floor; Pillar 1 capital requirements in member countries for risks not covered by the Basel framework; reconciliation differences; and additional capital requirements due to regulatory calculation differences and general provisions. The latter item can lead to negative capital requirements in cases where there is an excess in provisions which can be recognised in a bank's Tier 2 capital. Furthermore, for banks which apply the standardised approach, general provisions may to some extent be recognised as Tier 2 capital; consequently, MRC is reduced by this amount. The term "reconciliation differences" refers to the difference between MRC reported at the entire bank level and the sum of MRC reported for the individual portfolios.

Source: Basel Committee on Banking Supervision.

Share of credit exposure

Consistent sample of Group 1 banks, in per cent of total exposure — Table C.22

	Number of banks	Corporate	Retail	Sovereign	Bank	Other credit	Partial use	Securitisation	Total
H1 2011	36	27.8	27.6	12.4	10.7	12.9	4.9	3.6	100.0
H2 2011	36	28.2	27.4	13.5	9.8	13.3	4.4	3.5	100.0
H1 2012	36	28.3	27.6	14.3	9.7	12.7	4.2	3.3	100.0
H2 2012	36	28.5	28.3	14.9	9.2	11.4	4.6	3.1	100.0
H1 2013	36	28.5	28.0	15.4	9.0	11.7	4.5	2.9	100.0
H2 2013	36	28.7	28.7	15.9	8.7	10.8	4.5	2.7	100.0
H1 2014	36	30.2	28.3	17.9	8.8	10.2	2.0	2.7	100.0
H2 2014	36	30.3	27.9	18.3	8.4	10.5	1.9	2.6	100.0
H1 2015	36	30.7	27.8	18.3	8.1	10.5	1.9	2.7	100.0
H2 2015	36	31.1	28.1	18.8	7.5	10.1	1.6	2.8	100.0
H1 2016	36	30.8	27.8	19.3	7.1	10.2	2.0	2.8	100.0
H2 2016	36	30.6	28.4	19.6	6.7	9.9	1.9	2.8	100.0
H1 2017	36	30.3	28.9	20.7	6.7	8.7	1.9	2.7	100.0

Source: Basel Committee on Banking Supervision.

Exposure-weighted average PD for non-defaulted exposures by main asset classes

Group 1 IRB banks, in per cent — Table C.23

	Corporate			Sovereign			Bank			Retail		
	FIRB	AIRB	All	FIRB	AIRB	All	FIRB	AIRB	All	FIRB	AIRB	All
Number of banks	19	47	66	18	43	61	22	47	69	17	44	61
Max	2.36	2.81	2.81	0.18	0.25	0.25	0.60	1.07	1.07	1.70	7.43	7.43
95th percentile	1.75	1.79	1.84	0.10	0.18	0.18	0.22	0.70	0.64	1.66	4.61	3.51
75th percentile	1.37	1.26	1.29	0.02	0.08	0.07	0.15	0.26	0.23	1.24	1.87	1.65
Median	0.93	0.93	0.93	0.01	0.03	0.02	0.11	0.18	0.15	0.77	1.18	1.14
25th percentile	0.66	0.72	0.71	0.00	0.02	0.01	0.08	0.13	0.10	0.56	0.99	0.88
5th percentile	0.40	0.51	0.42	0.00	0.01	0.00	0.05	0.06	0.06	0.45	0.53	0.50
Min	0.35	0.17	0.17	0.00	0.00	0.00	0.05	0.03	0.03	0.42	0.35	0.35
Weighted average	1.00	0.92	0.93	0.01	0.04	0.03	0.13	0.24	0.21	1.22	1.51	1.49

Source: Basel Committee on Banking Supervision.

Exposure-weighted average LGD for non-defaulted exposures by main asset classes

Group 1 IRB banks, in per cent

Table C.24

	Corporate			Sovereign			Bank			Retail		
	FIRB	AIRB	All	FIRB	AIRB	All	FIRB	AIRB	All	FIRB	AIRB	All
Number of banks	19	47	66	18	43	61	22	47	69	17	44	61
Max	43.4	50.4	50.4	50.5	50.9	50.9	43.2	63.7	63.7	51.1	76.1	76.1
95th percentile	43.4	46.4	44.8	45.8	45.7	45.7	42.9	59.6	57.9	50.0	70.9	67.4
75th percentile	42.7	38.0	41.7	45.0	35.0	45.0	37.6	46.9	42.7	41.5	43.8	43.5
Median	41.8	33.8	36.3	45.0	23.0	33.5	34.6	37.3	36.0	30.5	28.6	29.6
25th percentile	39.3	31.4	31.9	44.5	8.8	13.5	25.6	24.2	24.9	20.0	21.2	21.0
5th percentile	33.3	25.7	27.0	41.5	4.1	4.2	18.7	14.0	14.7	17.5	16.6	16.6
Min	31.0	0.3	0.3	39.7	0.3	0.3	18.2	0.4	0.4	15.5	15.1	15.1
Weighted average	40.4	34.5	35.1	44.8	27.1	30.6	26.4	32.0	30.3	23.2	37.9	36.6

Source: Basel Committee on Banking Supervision.

Exposure-weighted average risk weights for non-defaulted exposures by main asset classes

Group 1 IRB banks, in per cent

Table C.25

	Corporate			Sovereign			Bank			Retail		
	FIRB	AIRB	All	FIRB	AIRB	All	FIRB	AIRB	All	FIRB	AIRB	All
Number of banks	19	47	66	18	43	61	22	47	69	17	44	61
Max	73.1	102.2	102.2	10.1	29.3	29.3	28.2	50.8	50.8	36.1	83.3	83.3
95th percentile	72.9	62.9	71.7	9.3	15.8	15.2	26.0	43.6	42.1	33.6	48.9	43.6
75th percentile	67.1	52.1	54.9	5.5	8.3	7.3	22.9	30.2	28.2	29.1	35.2	32.2
Median	53.8	47.1	48.0	2.5	3.0	2.7	19.4	24.5	22.2	18.9	21.7	21.0
25th percentile	44.7	43.2	43.2	1.5	1.8	1.5	16.8	16.3	16.3	17.2	17.8	17.2
5th percentile	37.5	30.6	30.6	0.8	0.7	0.7	12.9	7.5	8.2	13.8	12.0	12.5
Min	28.7	20.6	20.6	0.0	0.2	0.0	7.9	4.6	4.6	12.5	9.0	9.0
Weighted average	53.8	45.7	46.5	1.0	3.2	2.8	16.0	21.2	19.6	17.3	26.6	25.8

Source: Basel Committee on Banking Supervision.

Exposure-weighted average risk parameter values by sub-asset classes of retail exposures

Group 1 IRB banks, in per cent

Table C.26

	Number of banks	Average PD non-defaulted exposures	Share of defaulted exposures	Average LGD non-defaulted exposures
Retail residential mortgages	58	1.09	2.2	24.0
Other retail	61	2.35	3.0	44.8
Retail QRE	55	2.11	0.4	84.4

The results in this table include only banks from countries where data for defaulted exposures are available separately by retail sub-asset classes.

Source: Basel Committee on Banking Supervision.

Distribution of share of market risk MRC in total MRC

In per cent

Table C.27

	Group 1 banks	of which: G-SIBs	Group 2 banks
Max	27.6	23.0	29.0
95th percentile	13.0	13.0	15.6
75th percentile	5.0	7.1	2.4
Median	3.0	4.0	0.6
25th percentile	1.3	1.9	0.0
5th percentile	0.0	1.0	0.0
Min	0.0	0.8	0.0
Weighted average	4.0	4.3	2.4

[1] Group 1 includes 93 banks, G-SIB includes 30 banks and Group 2 includes 85 banks.

Source: Basel Committee on Banking Supervision.

Share of market risk MRC in total MRC

Consistent sample of banks, in per cent

Table C.28

	Number of banks	Group 1 banks	Number of banks	Of which: G-SIBs	Number of banks	Group 2 banks
H1 2011	36	5.9	14	7.6	20	2.6
H2 2011	36	9.1	14	11.9	20	3.0
H1 2012	36	9.5	14	11.9	20	2.6
H2 2012	36	7.9	14	10.2	20	2.4
H1 2013	36	8.9	14	11.5	20	2.7
H2 2013	36	8.1	14	10.5	20	3.1
H1 2014	36	7.8	14	9.8	20	2.6
H2 2014	36	7.2	14	8.9	20	3.4
H1 2015	36	6.8	14	8.5	20	3.3
H2 2015	36	6.0	14	7.3	20	3.1
H1 2016	36	5.6	14	6.7	20	3.1
H2 2016	36	5.3	14	6.5	20	2.0
H1 2017	36	5.4	14	6.7	20	2.4

Source: Basel Committee on Banking Supervision.

Components of minimum capital requirements for market risk under the current rules

Consistent sample of Group 1 banks, in per cent

Table C.29

		Standard measurement method				Internal models approach				
	Number of banks	General position risk	Specific position risk	FX and commodity risk	Unassigned	VaR and stressed VaR	Incremental risk charge	Unassigned	Correlation trading portfolios	Other and unassigned
H1 2015	107	5.9	7.5	7.5	0.7	48.8	10.5	1.6	15.1	2.3
H2 2015	107	6.5	7.0	7.6	0.8	50.9	9.4	1.7	13.1	2.9
H1 2016	107	7.0	6.8	8.6	0.8	53.2	9.5	1.4	9.7	2.9
H2 2016	107	6.3	7.0	9.1	0.6	54.1	8.7	2.1	9.3	2.8
H1 2017	107	5.0	8.5	8.1	0.7	54.3	9.4	1.5	9.6	2.9

Source: Basel Committee on Banking Supervision.

Components of minimum capital requirements for market risk under the current rules

Consistent sample of G-SIBs, in per cent

Table C.30

	Number of banks	Standard measurement method				Internal models approach			Correlation trading portfolios	Other and unassigned
		General position risk	Specific position risk	FX and commodity risk	Unassigned	VaR and stressed VaR	Incremental risk charge	Unassigned		
H1 2015	30	3.3	6.2	3.6	0.3	52.6	10.9	2.2	17.9	3.0
H2 2015	30	3.8	5.8	4.4	0.4	54.1	9.8	2.3	15.8	3.6
H1 2016	30	3.4	5.9	4.9	0.4	57.3	10.0	2.0	12.2	4.0
H2 2016	30	3.1	6.1	5.2	0.2	58.4	9.0	2.4	11.7	3.8
H1 2017	30	2.6	7.7	3.6	0.2	58.2	9.8	2.0	11.9	4.0

Source: Basel Committee on Banking Supervision.

Components of minimum capital requirements for market risk under the current rules

Consistent sample of Group 2 banks, in per cent

Table C.31

	Number of banks	Standard measurement method				Internal models approach			Correlation trading portfolios	Other and unassigned
		General position risk	Specific position risk	FX and commodity risk	Unassigned	VaR and stressed VaR	Incremental risk charge	Unassigned		
H1 2015	77	35.7	18.0	19.7	7.5	16.5	2.4	0.0	0.2	0.0
H2 2015	77	32.3	19.1	10.8	21.5	13.9	2.2	0.0	0.2	0.0
H1 2016	77	31.6	21.4	12.4	21.8	10.8	1.8	0.0	0.2	0.0
H2 2016	77	21.4	20.0	15.5	20.0	21.5	1.3	0.0	0.3	0.0
H1 2017	77	18.0	20.7	15.1	20.0	24.6	1.4	0.0	0.3	0.0

Source: Basel Committee on Banking Supervision.

Stressed value-at-risk in relation to current value-at-risk

Consistent sample of banks,[1] in per cent

Table C.32

	Group 1 banks	
	Banks reporting since end-2011	Banks reporting since June 2015
H2 2011	198.1	
H1 2012	170.7	
H2 2012	199.7	
H1 2013	191.2	
H2 2013	203.8	
H1 2014	247.9	
H2 2014	182.6	
H1 2015	214.9	197.0
H2 2015	193.3	171.7
H1 2016	211.8	215.9
H2 2016	289.0	248.1
H1 2017	244.4	238.8

[1] The consistent sample of banks reporting since end-2011 consists of 23 banks, while the consistent sample of banks reporting since June 2015 consists of 56 banks.

Source: Basel Committee on Banking Supervision.

Distribution of share of MRC for operational risk in total MRC under the current rules[1]

In per cent

Table C.33

	Group 1 banks	of which: G-SIBs	Group 2 banks
Max	41.2	41.2	95.5
95th percentile	29.5	37.6	30.8
75th percentile	14.4	24.4	10.4
Median	9.7	12.0	8.3
25th percentile	7.0	9.1	6.1
5th percentile	4.3	5.7	3.4
Min	2.6	4.9	2.3
Weighted average	13.7	15.4	8.3

[1] Group 1 includes 93 banks, G-SIB includes 30 banks and Group includes 85 banks.

Source: Basel Committee on Banking Supervision.

Total MRC for operational risk and share of approaches under the current rules

Consistent sample of Group 1 banks,[1] in per cent

Table C.34

	Total December 2010 = 100	Basic indicator approach	Standardised approach	Alternative standardised approach	Advanced measurement approach
H1 2011	100.0	2.9	36.7	2.0	58.4
H2 2011	110.6	2.7	35.7	1.9	59.7
H1 2012	114.4	3.5	33.1	1.9	61.5
H2 2012	121.1	3.4	31.1	1.7	63.9
H1 2013	151.1	18.9	23.9	0.9	56.3
H2 2013	159.2	19.4	22.0	0.8	57.9
H1 2014	173.0	1.9	35.5	0.9	61.8
H2 2014	194.5	2.4	35.9	1.7	60.0
H1 2015	211.3	1.9	35.1	0.7	62.3
H2 2015	226.8	2.0	32.7	0.5	64.8
H1 2016	226.9	2.0	30.3	2.2	65.6
H2 2016	234.9	2.1	27.3	3.0	67.5
H1 2017	225.5	3.4	27.2	2.4	67.0

[1] Group 1 includes 81 banks.

Source: Basel Committee on Banking Supervision.

Transitional and fully phased-in Basel III Tier 1 leverage ratios[1]

In per cent

Table C.35

	Group 1 banks		Of which: G-SIBs		Group 2 banks	
	Transitional	Fully phased-in	Transitional	Fully phased-in	Transitional	Fully phased-in
Max	16.0	16.0	7.9	7.9	20.8	21.0
75th percentile	7.0	6.9	6.6	6.6	7.1	7.2
Median	5.8	5.8	5.6	5.4	5.7	5.5
25th percentile	5.0	4.8	4.7	4.4	4.5	4.4
Min	3.5	3.2	3.6	3.2	1.6	1.6
Weighted average	5.9	5.8	5.9	5.7	5.7	5.6

[1] Group 1 includes 104 banks, G-SIB includes 30 banks and Group 2 includes 82 banks.

Source: Basel Committee on Banking Supervision.

Fully phased-in Basel III Tier 1 leverage ratios and component changes

Consistent sample of banks,[1] exchange rates as of 30 June 2017, in per cent — Table C.36

	Group 1 banks			Of which: G-SIBs			Group 2 banks		
		Change			Change			Change	
	Leverage ratio	Tier 1 capital	Exposure measure	Leverage ratio	Tier 1 capital	Exposure measure	Leverage ratio	Tier 1 capital	Exposure measure
H1 2011	3.6			3.5			3.7		
H2 2011	3.7	5.5	2.7	3.6	4.6	2.7	3.7	0.8	2.5
H1 2012	3.9	8.2	3.6	3.7	8.9	3.4	3.8	7.0	2.4
H2 2012	3.9	5.3	4.7	3.8	5.1	4.9	3.6	–3.0	3.3
H1 2013	4.1	5.1	–1.2	3.9	4.8	–0.3	3.9	2.4	–4.6
H2 2013	4.6	7.8	–2.9	4.5	8.1	–4.2	4.6	16.6	–2.2
H1 2014	4.8	7.1	2.4	4.7	6.9	1.6	5.1	12.1	1.9
H2 2014	5.1	5.8	–0.2	5.0	6.6	–1.0	5.0	–0.4	0.3
H1 2015	5.3	6.4	2.3	5.3	6.3	1.8	5.4	10.8	3.2
H2 2015	5.6	4.4	–1.1	5.6	4.2	–2.4	5.5	3.4	0.8
H1 2016	5.6	3.6	2.9	5.6	3.3	3.1	5.5	2.4	2.3
H2 2016	5.9	3.7	–0.6	5.9	3.0	–1.9	5.6	1.4	1.0
H1 2017	5.9	3.1	3.4	5.8	2.6	3.9	5.8	7.7	3.2

[1] Group 1 includes 87 banks, G-SIB includes 28 banks and Group 2 includes 34 banks.

Source: Basel Committee on Banking Supervision.

Fully phased-in Basel III leverage ratios and component changes, by region

Consistent sample of Group 1 banks,[1] exchange rates as of 30 June 2017, in per cent

Table C.37

	Europe			Americas			Rest of world		
		Change			Change			Change	
	Leverage ratio	Tier 1 capital	Exposure measure	Leverage ratio	Tier 1 capital	Exposure measure	Leverage ratio	Tier 1 capital	Exposure measure
H1 2011	2.7			3.5			3.8		
H2 2011	3.0	6.6	–2.2	3.7	16.4	9.0	4.3	19.9	3.8
H1 2012	3.2	9.5	2.9	4.0	10.5	2.3	4.5	9.5	5.4
H2 2012	3.0	–0.4	5.1	3.9	2.4	6.7	4.7	7.1	2.6
H1 2013	3.3	4.4	–4.2	3.9	1.2	0.2	4.8	3.1	1.3
H2 2013	3.8	7.8	–6.5	4.2	1.7	–4.6	4.7	1.2	2.4
H1 2014	4.1	8.6	0.8	4.5	7.5	0.3	4.7	5.9	5.7
H2 2014	4.3	3.8	–2.6	5.3	16.9	–0.9	5.5	18.3	2.5
H1 2015	4.7	7.7	0.0	6.0	14.5	0.1	6.0	16.1	6.0
H2 2015	5.0	1.3	–5.2	6.2	3.7	0.2	6.1	3.6	1.6
H1 2016	4.8	0.5	3.9	6.4	4.3	1.8	6.1	2.4	2.8
H2 2016	5.3	5.6	–4.4	6.7	5.1	–0.4	6.4	8.3	2.4
H1 2017	5.2	–0.5	1.9	6.3	–3.5	2.5	6.0	–1.4	5.1

[1] Group 1 includes 87 banks. Europe includes 26 banks, the Americas include 20 banks and the rest of the world includes 41 banks.

Source: Basel Committee on Banking Supervision.

Tier 1 capital, RWA, leverage ratio exposure and accounting total assets

Consistent sample of banks,[1] exchange rates as of 30 June 2017 Table C.38

	Group 1 banks				Of which: G-SIBs				Group 2 banks			
	Tier 1 capital	Risk-weighted assets	Leverage total exposure	Accounting total assets	Tier 1 capital	Risk-weighted assets	Leverage total exposure	Accounting total assets	Tier 1 capital	Risk-weighted assets	Leverage total exposure	Accounting total assets
H1 2011	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
H2 2011	105.5	98.4	102.7	102.5	104.6	97.0	102.7	102.0	100.8	100.6	102.5	103.2
H1 2012	114.1	97.2	106.4	106.4	113.9	94.9	106.1	105.5	107.9	99.4	104.9	105.3
H2 2012	120.2	95.7	111.4	106.5	119.7	92.6	111.3	105.1	104.6	102.7	108.3	107.8
H1 2013	126.3	97.6	110.1	108.3	125.4	94.0	111.0	106.4	107.2	101.9	103.4	108.4
H2 2013	136.2	97.5	106.8	107.4	135.6	93.2	106.3	104.5	125.0	99.4	101.1	106.8
H1 2014	145.9	97.9	109.4	111.5	145.1	93.7	108.1	108.2	140.1	99.6	103.0	108.3
H2 2014	154.3	99.2	109.2	114.2	154.6	95.0	107.0	110.6	139.6	99.2	103.3	110.6
H1 2015	164.2	101.1	111.7	116.9	164.3	96.1	108.9	112.8	154.7	100.9	106.6	113.2
H2 2015	171.4	102.0	110.5	116.1	171.3	96.2	106.3	110.5	160.0	102.1	107.4	113.7
H1 2016	177.6	103.7	113.7	121.7	177.0	98.1	109.6	116.5	163.8	101.9	109.9	116.7
H2 2016	184.2	103.6	113.1	120.8	182.4	96.8	107.5	114.4	166.0	100.1	110.9	117.0
H1 2017	189.9	105.2	116.9	123.7	187.2	98.3	111.8	117.3	178.8	100.8	114.5	120.2

[1] Group 1 includes 87 banks, G-SIB includes 28 banks and Group 2 includes 34 banks.

Source: Basel Committee on Banking Supervision.

Share of banks bound by the different constraints

Fully phased-in Basel III, consistent sample of Group 1 banks — Table C.39

	Risk-based Tier 1 minimum and leverage	Risk-based Tier 1 minimum only	Risk-based Tier 1 target and leverage	Risk-based Tier 1 target only	Leverage ratio only	None
H1 2011	16.3	0.0	0.0	36.0	0.0	47.7
H2 2011	9.3	0.0	0.0	39.5	0.0	51.2
H1 2012	5.8	0.0	0.0	37.2	0.0	57.0
H2 2012	3.5	0.0	0.0	37.2	0.0	59.3
H1 2013	2.3	0.0	0.0	30.2	0.0	67.4
H2 2013	0.0	0.0	0.0	19.8	0.0	80.2
H1 2014	0.0	0.0	0.0	10.5	0.0	89.5
H2 2014	0.0	0.0	0.0	8.1	0.0	91.9
H1 2015	0.0	0.0	0.0	3.5	0.0	96.5
H2 2015	0.0	0.0	0.0	4.7	0.0	95.3
H1 2016	0.0	0.0	0.0	2.3	0.0	97.7
H2 2016	0.0	0.0	0.0	0.0	0.0	100.0
H1 2017	0.0	0.0	0.0	0.0	0.0	100.0

Source: Basel Committee on Banking Supervision.

Share of banks bound by the different constraints

Fully phased-in Basel III, consistent sample of G-SIBs — Table C.40

	Risk-based Tier 1 minimum and leverage	Risk-based Tier 1 minimum only	Risk-based Tier 1 target and leverage	Risk-based Tier 1 target only	Leverage ratio only	None
H1 2011	28.6	0.0	0.0	50.0	0.0	21.4
H2 2011	17.9	0.0	0.0	57.1	0.0	25.0
H1 2012	14.3	0.0	0.0	60.7	0.0	25.0
H2 2012	7.1	0.0	0.0	64.3	0.0	28.6
H1 2013	3.6	0.0	0.0	53.6	0.0	42.9
H2 2013	0.0	0.0	0.0	32.1	0.0	67.9
H1 2014	0.0	0.0	0.0	14.3	0.0	85.7
H2 2014	0.0	0.0	0.0	7.1	0.0	92.9
H1 2015	0.0	0.0	0.0	0.0	0.0	100.0
H2 2015	0.0	0.0	0.0	0.0	0.0	100.0
H1 2016	0.0	0.0	0.0	0.0	0.0	100.0
H2 2016	0.0	0.0	0.0	0.0	0.0	100.0
H1 2017	0.0	0.0	0.0	0.0	0.0	100.0

Source: Basel Committee on Banking Supervision.

Share of banks bound by the different constraints

Fully phased-in Basel III, consistent sample of Group 2 banks

Table C.41

	Risk-based Tier 1 minimum and leverage	Risk-based Tier 1 minimum only	Risk-based Tier 1 target and leverage	Risk-based Tier 1 target only	Leverage ratio only	None
H1 2011	8.8	2.9	0.0	29.4	0.0	58.8
H2 2011	14.7	2.9	0.0	20.6	0.0	61.8
H1 2012	8.8	2.9	0.0	26.5	0.0	61.8
H2 2012	8.8	2.9	0.0	14.7	0.0	73.5
H1 2013	8.8	2.9	0.0	17.6	0.0	70.6
H2 2013	5.9	2.9	0.0	17.6	0.0	73.5
H1 2014	2.9	0.0	0.0	8.8	0.0	88.2
H2 2014	2.9	0.0	0.0	8.8	0.0	88.2
H1 2015	0.0	0.0	0.0	2.9	0.0	97.1
H2 2015	0.0	0.0	0.0	2.9	0.0	97.1
H1 2016	0.0	0.0	0.0	2.9	0.0	97.1
H2 2016	0.0	0.0	0.0	2.9	0.0	97.1
H1 2017	0.0	0.0	0.0	0.0	0.0	100.0

Source: Basel Committee on Banking Supervision.

Liquidity coverage ratio and net stable funding ratio

In per cent

Table C.42

	Liquidity coverage ratio			Net stable funding ratio		
	Group1	Of which: G-SIBs	Group 2	Group1	Of which: G-SIBs	Group 2
Max	466.2	227.4	1,356.1	156.4	152.8	381.5
75th percentile	147.1	139.3	225.4	120.7	122.2	128.4
Median	131.9	129.9	163.5	114.2	115.3	119.4
25th percentile	124.2	122.7	140.1	108.9	108.4	111.2
Min	99.2	110.0	101.0	94.2	100.9	88.0
Weighted average	134.0	130.8	174.9	116.9	119.3	117.6

Source: Basel Committee on Banking Supervision.

Composition of holdings of eligible liquid assets

In per cent Table C.43

	Group 1 banks		Of which: G-SIBS		Group 2 banks	
	Amount	Weighted amount	Amount	Weighted amount	Amount	Weighted amount
Level 1 cash and CB reserves	43.1	44.7	42.8	44.5	28.5	29.2
Level 1 securities	39.6	41.4	38.1	39.9	65.4	66.6
Level 2A	13.6	12.0	15.8	13.9	2.0	1.7
Level 2B	3.6	1.9	3.2	1.7	4.1	2.4
Total	100.0	100.0	100.0	100.0	100.0	100.0

Source: Basel Committee on Banking Supervision.

Comparison of pool of high-quality liquid assets and inflows to outflows and caps

In trillions of euros Table C.44

	Group 1 banks	Of which: G-SIBs	Group 2 banks
Total liquid assets and inflows			
Level 1 assets	9.85	7.01	0.50
Level 2A assets (post-factor)	1.36	1.16	0.01
Level 2B assets (post-factor)	0.22	0.14	0.01
Inflows (post-factor, after cap)	4.13	3.01	0.11
Total	15.56	11.32	0.63
Outflows and impact of cap			
Outflows (post-factor)	12.68	9.37	0.41
Cap	0.00	0.00	0.00
Total	12.67	9.36	0.41

Source: Basel Committee on Banking Supervision.

Aggregate available stable funding (ASF) by counterparty

In trillions of euros — Table C.45

	Group 1 banks		Of which: G-SIBs		Group 2 banks	
	Unweighted	Weighted	Unweighted	Weighted	Unweighted	Weighted
Capital	5.4	5.4	3.5	3.5	0.3	0.3
Retail and small business	19.1	17.6	12.1	11.1	1.7	1.6
Non-financial corporates	10.8	5.5	7.5	3.8	0.3	0.2
Central banks	1.7	0.7	1.1	0.5	0.2	0.2
Sovereigns/PSEs/MDBs/NDBs	2.6	1.5	1.7	1.0	0.2	0.1
Financials (other legal entities)	15.3	5.4	9.2	3.0	1.3	0.9
Other liabilities	6.3	1.5	4.3	0.9	0.4	0.2
Total	61.2	37.7	39.4	23.7	4.5	3.4

Source: Basel Committee on Banking Supervision.

Aggregate required stable funding (RSF) by category

In trillions of euros — Table C.46

	Group 1 banks		Of which: G-SIBs		Group 2 banks	
	Unweighted RSF	Weighted RSF	Unweighted RSF	Weighted RSF	Unweighted RSF	Weighted RSF
Cash and central banks reserves	7.2	0.0	5.2	0.0	0.2	0.0
Loans to financial institutions	6.8	2.1	4.9	1.5	0.3	0.2
HQLA	9.4	1.5	6.5	1.0	0.6	0.1
All residential mortgages	7.1	5.1	3.6	2.6	0.9	0.7
Loans, < 1 year	7.3	3.6	4.7	2.3	0.5	0.3
Other loans, > 1 year, risk weight < 35%	1.1	0.8	0.6	0.4	0.4	0.3
Loans, risk weights > 35%	12.0	10.2	7.2	6.1	0.8	0.7
Derivative	1.6	0.9	1.2	0.7	0.1	0.0
All other assets	9.2	7.7	6.1	5.1	0.7	0.6
Off balance sheet		0.5		0.3		0.0
Total	61.9	32.3	40.0	19.9	4.6	2.9

Source: Basel Committee on Banking Supervision.

LCR and related shortfalls at 100% minimum requirement

Consistent sample of banks, exchange rates as at the reporting dates — Table C.47

	Group 1 banks		Of which: G-SIBs		Group 2 banks	
	Ratio (%)	Shortfall (€ bn)	Ratio (%)	Shortfall (€ bn)	Ratio (%)	Shortfall (€ bn)
H2 2012	122.6	364.8	126.3	160.7	160.0	1.9
H1 2013	119.0	343.8	124.4	82.3	164.9	0.5
H2 2013	122.5	249.4	127.7	27.3	164.0	2.8
H1 2014	125.3	180.8	127.9	16.3	169.6	0.8
H2 2014	127.3	66.1	127.0	0.0	156.4	2.0
H1 2015	124.5	31.0	122.1	5.7	150.7	0.9
H2 2015	126.7	22.2	123.2	0.0	164.2	0.0
H1 2016	127.7	3.7	125.4	0.0	160.1	0.7
H2 2016	131.5	4.0	128.1	0.0	155.7	1.4
H1 2017	133.8	0.1	130.1	0.0	172.7	0.0

Source: Basel Committee on Banking Supervision.

NSFR and related shortfalls at 100% minimum requirement

Consistent sample of banks, exchange rates as at the reporting dates — Table C.48

	Group 1 banks		Of which: G-SIBs		Group 2 banks	
	Ratio (%)	Shortfall (€ bn)	Ratio (%)	Shortfall (€ bn)	Ratio (%)	Shortfall (€ bn)
H2 2012	99.8	1,655.2	101.8	974.7	101.5	98.4
H1 2013	100.0	1,613.9	102.9	907.9	102.3	94.8
H2 2013	111.8	603.4	115.1	336.4	115.1	12.2
H1 2014	111.3	454.6	114.3	253.0	114.5	18.1
H2 2014	111.6	413.5	114.1	228.9	114.0	24.6
H1 2015	111.8	316.9	114.4	187.6	115.4	15.1
H2 2015	113.9	173.8	116.6	78.2	117.0	4.4
H1 2016	113.9	98.3	116.6	27.3	117.0	6.5
H2 2016	115.4	25.2	117.4	0.0	116.6	16.2
H1 2017	116.7	15.1	119.4	0.0	118.7	2.6

Source: Basel Committee on Banking Supervision.

LCR and NSFR, by region

Consistent sample of Group 1 banks,[1] in per cent — Table C.49

	Europe		Americas		Rest of the world	
	LCR	NSFR	LCR	NSFR	LCR	NSFR
2012 H2	110.8	95.7	107.2	88.9	138.8	111.0
2013 H1	104.7	96.8	111.5	89.3	130.9	109.0
2013 H2	110.0	101.5	114.6	101.6	133.6	129.9
2014 H1	116.6	102.3	121.5	102.9	131.5	125.4
2014 H2	128.2	102.0	125.4	111.2	128.1	121.1
2015 H1	123.8	104.1	118.7	110.5	127.9	119.7
2015 H2	130.1	106.4	121.6	112.2	127.9	121.6
2016 H1	130.3	107.1	125.7	109.6	127.7	122.0
2016 H2	130.4	109.5	123.3	110.4	136.1	122.9
2017 H1	136.4	111.8	128.3	110.3	135.4	123.7

[1] For LCR Europe includes 38 banks, the Americas include 17 banks and the rest of the world includes 37 banks. For NSFR Europe includes 32 banks, the Americas include 17 banks and the rest of the world includes 40 banks.

Source: Basel Committee on Banking Supervision.

Share of banks meeting the LCR and NSFR requirements

Consistent sample of banks,[1] in per cent — Table C.50

	Group 1 banks			Of-which: G-SIBs			Group 2 banks		
	LCR	NSFR	Both	LCR	NSFR	Both	LCR	NSFR	Both
H2 2012	73.5	44.9	75.4	77.3	46.2	61.9	79.2	60.4	69.6
H1 2013	76.5	42.7	69.2	86.4	50.0	61.9	91.7	66.7	82.6
H2 2013	79.4	71.9	80.0	90.9	57.7	61.9	91.7	91.7	95.7
H1 2014	83.8	76.4	84.6	95.5	69.2	76.2	91.7	89.6	95.7
H2 2014	91.2	79.8	83.1	100.0	80.8	90.5	91.7	87.5	87.0
H1 2015	92.6	82.0	87.7	95.5	84.6	95.2	91.7	89.6	91.3
H2 2015	91.2	82.0	87.7	100.0	84.6	90.5	95.8	93.8	91.3
H1 2016	95.6	84.3	89.2	100.0	88.5	90.5	95.8	91.7	87.0
H2 2016	94.1	95.5	92.3	100.0	100.0	100.0	95.8	89.6	82.6
H1 2017	98.5	93.3	93.8	100.0	100.0	100.0	100.0	95.8	91.3

[1] Group 1 includes 68 banks reporting LCR, 89 reporting NSFR and 65 for both ratios. G-SIB includes 22 banks reporting LCR, 26 reporting NSFR and 21 for both ratios. Group 2 includes 24 banks reporting LCR, 48 reporting NSFR and 23 for both ratios.

Source: Basel Committee on Banking Supervision.

LCR and change in HQLA and net outflows

Consistent sample of banks,[1] exchange rates as of 30 June 2017, in per cent — Table C.51

	Group 1 banks			Of-which: G-SIBs			Group 2 banks		
		Change			Change			Change	
	LCR	HQLA	Net outflows	LCR	HQLA	Net outflows	LCR	HQLA	Net outflows
H2 2012	122.6			126.3			160.0		
H1 2013	119.0	2.1	5.1	124.4	2.2	3.7	164.9	1.2	–1.8
H2 2013	122.5	5.0	2.1	127.7	4.5	1.8	164.0	–1.7	–1.2
H1 2014	125.3	6.8	4.4	127.9	6.7	6.5	169.6	7.6	4.1
H2 2014	127.3	5.7	4.0	127.0	3.7	4.5	156.4	–8.8	–1.1
H1 2015	124.5	4.9	7.2	122.1	3.3	7.4	150.7	0.2	4.0
H2 2015	126.7	2.3	0.5	123.2	0.5	–0.4	164.2	7.7	–1.2
H1 2016	127.7	2.7	1.8	125.4	3.4	1.6	160.1	5.2	7.9
H2 2016	131.5	4.1	1.1	128.1	1.3	–0.8	155.7	–3.3	–0.6
H1 2017	133.8	4.7	2.9	130.1	6.3	4.7	172.7	19.7	7.9

1 Group 1 includes 68 banks, G-SIB includes 22 banks and Group 2 includes 24 banks.

Source: Basel Committee on Banking Supervision.

LCR and change in HQLA and net outflows, by region

Consistent sample of banks,[1] exchange rates as of 30 June 2017, in per cent — Table C.52

	Europe			Americas			Rest of the world		
		Change			Change			Change	
	LCR	HQLA	Net outflows	LCR	HQLA	Net outflows	LCR	HQLA	Net outflows
H2 2012	110.4			138.7			107.2		
H1 2013	104.2	–5.0	0.6	130.9	2.8	9.0	111.5	7.2	3.0
H2 2013	109.5	2.3	–2.6	133.5	3.8	1.8	114.6	9.8	6.8
H1 2014	116.2	4.0	–2.0	131.4	6.6	8.3	121.5	9.5	3.3
H2 2014	127.8	5.8	–3.8	128.1	4.8	7.5	125.4	7.3	4.1
H1 2015	123.4	4.6	8.3	128.0	9.4	9.5	118.7	–3.0	2.4
H2 2015	129.9	5.7	0.4	127.8	2.3	2.4	121.6	–0.3	–2.7
H1 2016	130.1	–0.5	–0.6	127.7	5.1	5.2	125.7	0.4	–2.8
H2 2016	130.4	9.9	9.6	136.1	3.4	–3.0	123.3	1.9	3.8
H1 2017	136.4	4.9	0.3	135.4	5.8	6.3	128.3	2.4	–1.6

[1] Europe includes 38 banks, the Americas include 17 banks and the rest of the world includes 37 banks.

Source: Basel Committee on Banking Supervision.

High-quality liquid assets and inflows versus outflows over time

Consistent sample of banks,[1] exchange rates as of 30 June 2017, in trillions of euros — Table C.53

	Group 1 banks		Of which: G-SIBs		Group 2 banks	
	HQLA and inflows (post-factor and after-cap)	Outflows (post-factor)	HQLA and inflows (post-factor and after-cap)	Outflows (post-factor)	HQLA and inflows (post-factor and after-cap)	Outflows (post-factor)
H2 2012	8.83	7.59	6.65	5.58	0.24	0.17
H1 2013	9.16	8.06	6.92	5.88	0.24	0.16
H2 2013	9.61	8.29	7.28	6.09	0.24	0.16
H1 2014	10.49	8.94	7.84	6.55	0.25	0.17
H2 2014	10.82	9.08	8.10	6.80	0.23	0.16
H1 2015	11.22	9.54	8.28	7.14	0.24	0.17
H2 2015	11.36	9.52	8.19	6.99	0.25	0.17
H1 2016	12.04	10.10	8.80	7.47	0.27	0.19
H2 2016	12.33	10.10	8.83	7.37	0.27	0.20
H1 2017	13.44	10.90	9.71	8.08	0.30	0.20

[1] Group 1 includes 68 banks, G-SIB includes 22 banks and Group 2 includes 24 banks.

Source: Basel Committee on Banking Supervision.

NSFR and change in ASF and RSF

Consistent sample of banks,[1] exchange rates as of 30 June 2017, in per cent — Table C.54

	Group 1 banks			Of which: G-SIBS			Group 2 banks		
		Change			Change			Change	
	NSFR	ASF	RSF	NSFR	ASF	RSF	NSFR	ASF	RSF
H2 2012	99.8			101.8			101.5		
H1 2013	100.0	2.7	2.5	102.9	3.4	2.3	102.3	–1.3	–2.1
H2 2013	111.8	14.6	2.5	115.1	16.0	3.7	115.1	11.0	–1.3
H1 2014	111.3	3.0	3.5	114.3	2.8	3.6	114.5	–0.3	0.2
H2 2014	111.6	1.7	1.4	114.1	1.4	1.5	114.0	–4.8	–4.4
H1 2015	111.8	3.9	3.7	114.4	4.5	4.2	115.4	6.0	4.8
H2 2015	113.9	1.9	0.0	116.6	1.5	–0.5	117.0	1.7	0.3
H1 2016	113.9	1.8	1.8	116.6	1.9	2.0	117.0	1.0	1.0
H2 2016	115.4	2.6	1.2	117.4	2.2	1.6	116.6	–0.1	0.2
H1 2017	116.7	3.2	2.1	119.4	3.6	1.9	118.7	3.9	2.1

[1] Group 1 includes 89 banks, G-SIB includes 26 banks and Group 2 includes 48 banks.

Source: Basel Committee on Banking Supervision.

NSFR and change in ASF and RSF, by region

Consistent sample of Group 1 banks,[1] exchange rates as of 30 June 2017, in per cent — Table C.55

	Europe			Americas			Rest of the world		
		Change			Change			Change	
	NSFR	ASF	RSF	NSFR	ASF	RSF	NSFR	ASF	RSF
H2 2012	95.7			89.0			111.1		
H1 2013	96.8	–0.8	–1.9	89.5	0.3	–0.3	109.1	7.3	9.2
H2 2013	101.4	9.9	4.9	101.7	25.1	10.1	130.1	14.6	–3.9
H1 2014	102.2	0.7	–0.1	102.6	2.6	1.6	125.5	4.9	8.7
H2 2014	101.9	–0.3	0.0	111.0	3.0	–4.7	121.0	2.8	6.7
H1 2015	104.0	3.7	1.6	110.2	2.0	2.6	119.8	5.0	6.1
H2 2015	106.3	0.4	–1.7	111.9	2.1	0.5	121.6	3.0	1.4
H1 2016	107.0	0.4	–0.3	109.4	1.6	3.9	122.2	3.1	2.6
H2 2016	109.5	2.0	–0.4	110.4	3.3	2.4	122.9	4.1	3.5
H1 2017	111.8	1.9	–0.2	110.3	1.9	2.0	123.7	4.4	3.7

[1] Europe includes 32 banks, the Americas include 17 banks and the rest of the world includes 40 banks.

Source: Basel Committee on Banking Supervision.

Average risk weight by approach

In per cent — Table C.56

	IRBA	ERBA	IAA	SA	Total
STC securitisations					
Current framework	20.1	12.6		29.8	21.0
Final standard	29.2	24.3		28.2	27.7
Non-STC securitisations					
Current framework	17.9	24.6	11.3	46.5	28.8
Final standard	31.1	39.8	29.6	54.7	42.1

Source: Basel Committee on Banking Supervision.

Previous monitoring reports published by the Basel Committee

December 2010	*Results of the comprehensive quantitative impact study*, December 2010, www.bis.org/publ/bcbs186.htm	
April 2012	*Results of the Basel III monitoring exercise as of 30 June 2011*, www.bis.org/publ/bcbs217.htm	
September 2012	*Results of the Basel III monitoring exercise as of 31 December 2011*, www.bis.org/publ/bcbs231.htm	
March 2013	*Results of the Basel III monitoring exercise as of 30 June 2012*, www.bis.org/publ/bcbs243.htm	
September 2013	*Basel III monitoring report*, www.bis.org/publ/bcbs262.htm	
March 2014	*Basel III monitoring report*, www.bis.org/publ/bcbs278.htm	
September 2014	*Basel III monitoring report*, www.bis.org/publ/bcbs289.htm	
	Main findings of the trading book hypothetical portfolio exercise	Diana Iercosan, Derek Nesbitt and Arnaud Sandrin
March 2015	*Basel III monitoring report*, www.bis.org/bcbs/publ/d312.htm	
	Analysis of the QIS for the fundamental review of the trading book	
September 2015	*Basel III monitoring report*, www.bis.org/bcbs/publ/d334.htm	
March 2016	*Basel III monitoring report*, www.bis.org/bcbs/publ/d354.htm	
	Comprehensive QIS on interest rate risk in the banking book	Ethan Goh, Kamil Pliszka and Davy Reinard
September 2016	*Basel III monitoring report*, www.bis.org/bcbs/publ/d378.htm	
	Results of the quantitative impact study on the large exposures review clause	Marie-Céline Bard, Ken Taniguchi and Lynnette Withfield
February 2017	*Basel III monitoring report*, www.bis.org/bcbs/publ/d397.htm	
	Impact of the revised minimum capital requirements for market risk	Scott Nagel
	Results of the survey on the interaction of regulatory instruments	Diana Hancock and Doriana Ruffino
September 2017	*Basel III monitoring report*, www.bis.org/bcbs/publ/d416.htm	
	Impact of the revised minimum capital requirements for market risk	Scott Nagel
	Impact of the revised securitisation framework	Bernardo D'Alessandro, Thomas Morck and Emanuela Piani