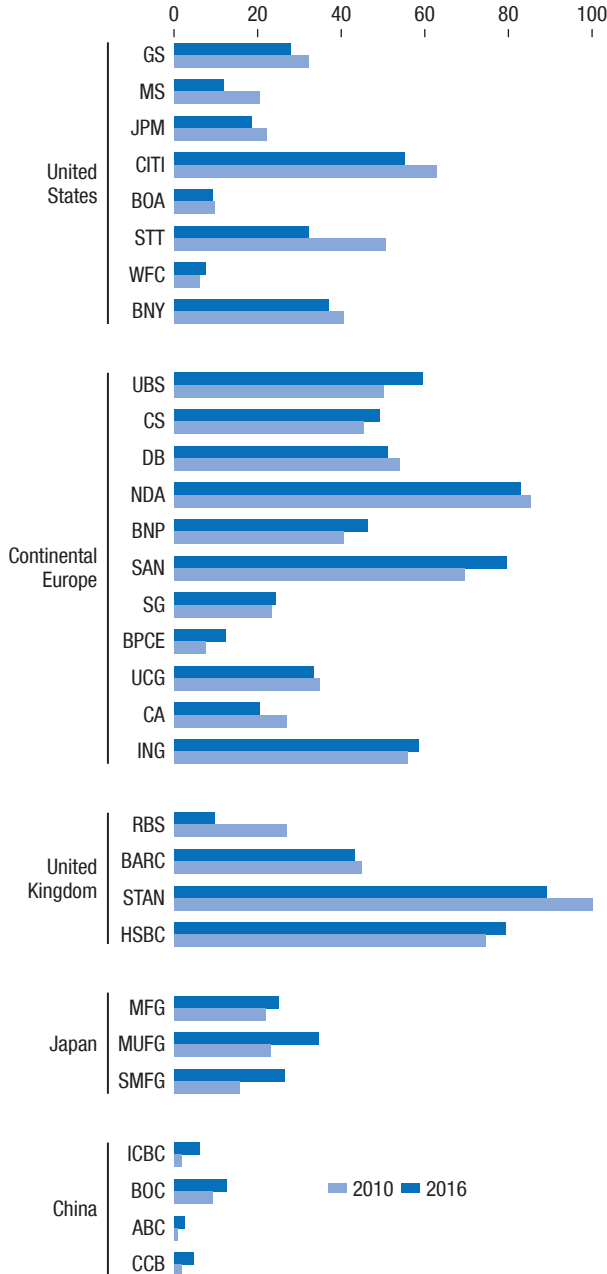


Figure 1.7. Global Systemically Important Banks' International Activity

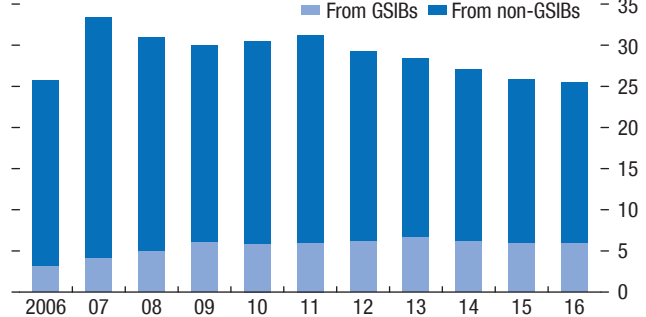
GSIBs' international activity has remained stable overall.

1. Degree of Internationality, 2010 and 2016
(Index, maximum degree = 100)



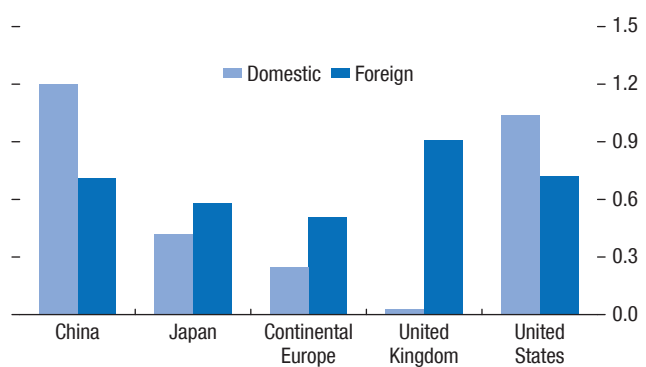
GSIBs are increasing their share in international lending despite an overall reduction.

2. International Loans
(Trillions of US dollars)



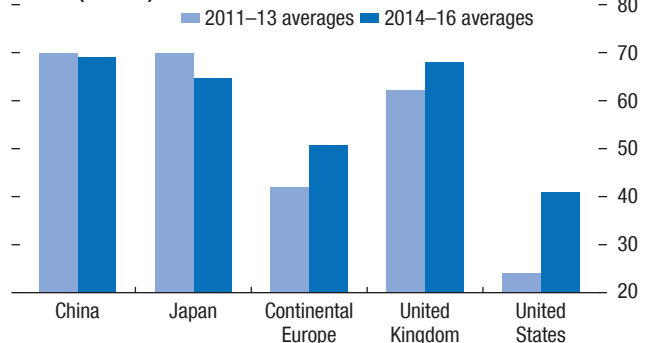
Foreign banking operations are more profitable than domestic entities for many banks.

3. GSIBs by Home Region: Average Return on Assets, Domestic and Foreign Banking Subsidiaries, 2014–16 Average
(Percent)



Subsidiaries of European and US GSIBs have increased their funding through local deposits.

4. GSIBs by Home Region: Overseas Subsidiaries' Deposits as Percent of Total Liabilities, 2011–13 and 2014–16 Averages
(Percent)



Sources: Bank financial statements; Basel Committee for Banking Supervision; Bloomberg Finance L.P.; European Central Bank; Federal Reserve Board; S&P Capital IQ; SNL Financial; and IMF staff estimates and analysis.

Note: Degree of internationality is an index scaled (1 to 100) of relative exposures across the 30 GSIBs over 2010 to 2016. Each exposure is based on an average of (1) percent of revenue from nonhome regions; (2) international loans divided by total loans (or international assets divided by total assets); and (3) foreign deposits divided by total deposits. For panel 2, see notes in Figure 1.6 for sample descriptions. In panel 3, subsidiary return on assets are based on reported earnings. The reported earnings of subsidiaries in the United Kingdom and the United States may be understated due to the booking of conduct charges in those jurisdictions. See footnote 1 in the text for an explanation of the abbreviations in panel 1. GSIBs = global systemically important banks.