Figure 1.17. Bank Balance Sheets and Profitability

Bank balance sheets have moved in the same direction...

1. Bank Assets, 2006 and 2013
   (Percent of total assets)

<table>
<thead>
<tr>
<th>Year</th>
<th>Other assets</th>
<th>Customer loans</th>
<th>Interbank loans</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

   Sources: Bankscope; and IMF estimates.
   Note: Other assets include nongovernment securities in the banking book, reverse repo, and fixed assets. Based on 90 large banks. AE SIFI = advanced economy systemically important financial institution. See note to Figure 1.16 for the countries in each region.

Return on equity is generally lower...

2. Bank Trading Portfolios
   (Trillions of U.S. dollars)

   Sources: SNL Financial; and IMF staff estimates.
   Note: Figure drawn for 27 advanced economy banks identified by the Bank for International Settlements as systemically important.

...while trading books have declined since the crisis.

3. Bank Return on Equity by Region
   (Percent)

   Sources: Bloomberg L.P.; and IMF staff estimates.
   Note: Shows four-quarter asset-weighted averages. Based on a sample of about 300 large banks. Dotted line shows the 2000–05 average. See note to Figure 1.16 for the countries in each region.

4. Return on Equity and Cost of Equity
   (Percent)

   Sources: Bloomberg L.P.; and IMF staff calculations.
   Note: Cost of equity derived from the capital asset pricing model, with the risk-free rate plus the market risk premium multiplied by the nondiversifiable risk (beta). Shows asset-weighted averages. Based on a sample of about 300 large banks.