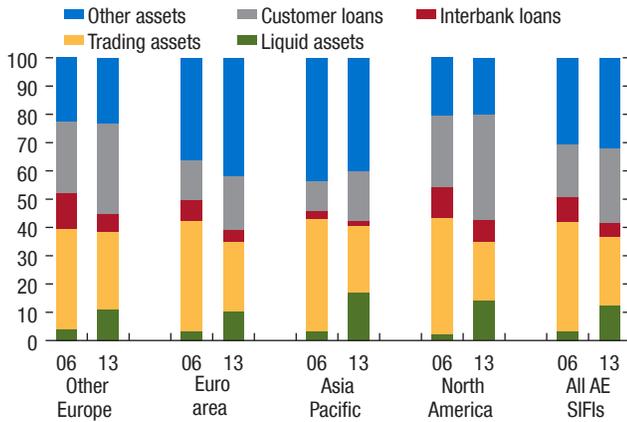


**Figure 1.17. Bank Balance Sheets and Profitability**

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

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

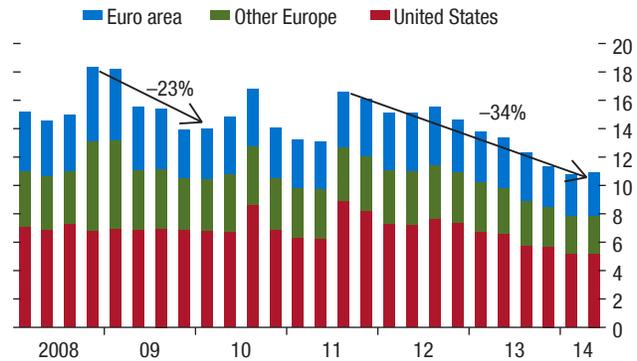


Sources: Bankscope; and IMF estimates.

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.

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

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

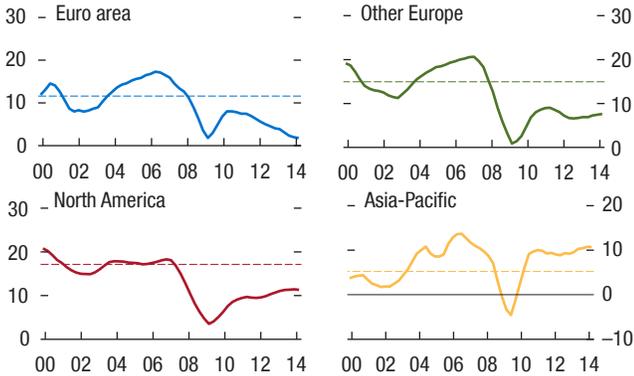


Sources: SNL Financial; and IMF staff estimates.

Note: Figure drawn for 27 advanced economy banks identified by the Bank for International Settlements as systemically important.

Return on equity is generally lower...

**3. Bank Return on Equity by Region  
(Percent)**

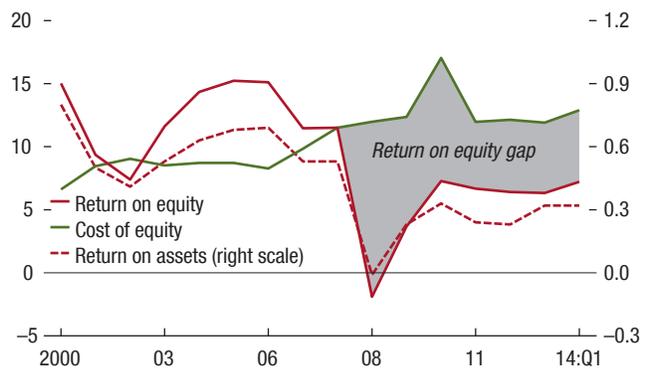


Sources: Bloomberg L.P.; and IMF staff estimates.

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.

...against a high cost of capital...

**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.