



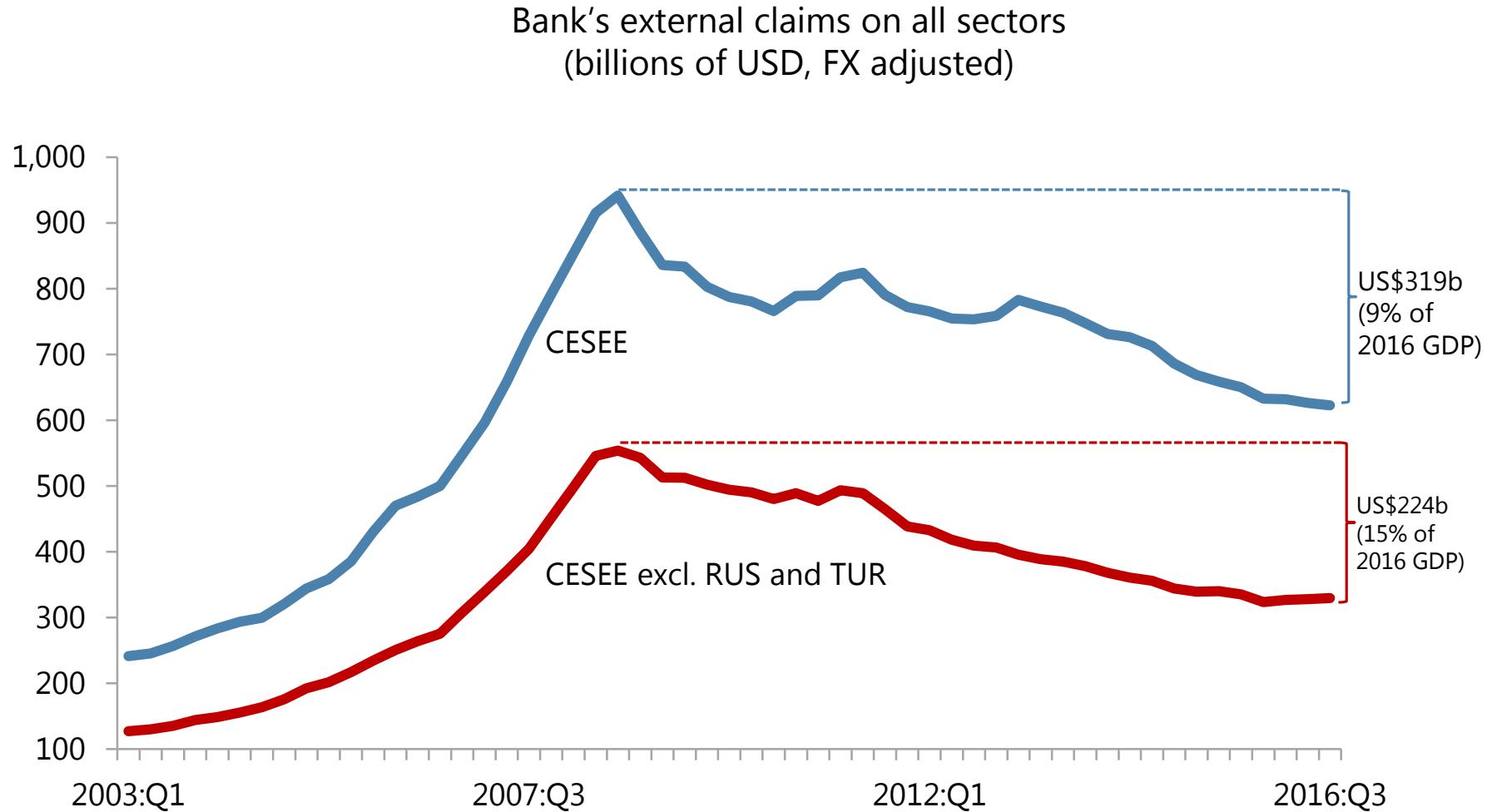
## Update on Foreign Banks Deleveraging



Vienna Initiative Plenary Meeting  
Luxembourg, March 6, 2017

Bas B. Bakker  
Senior Regional Resident Representative  
for Central and Eastern Europe

# The external position of BIS reporting banks in CESEE excl. Russia and Turkey appears to have stabilized...

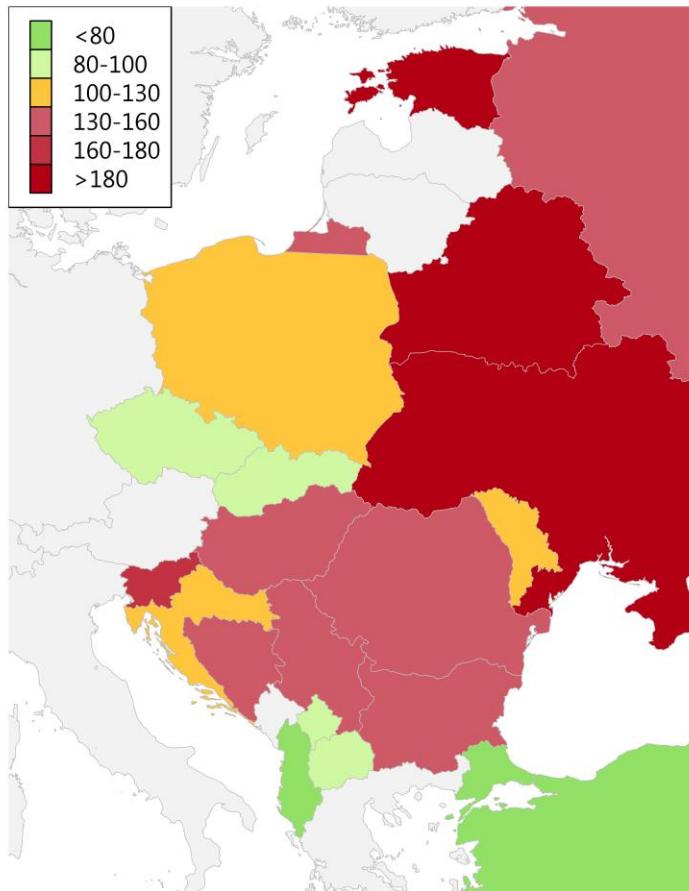


...as loan to deposit ratios in many countries have been reduced to much safer levels

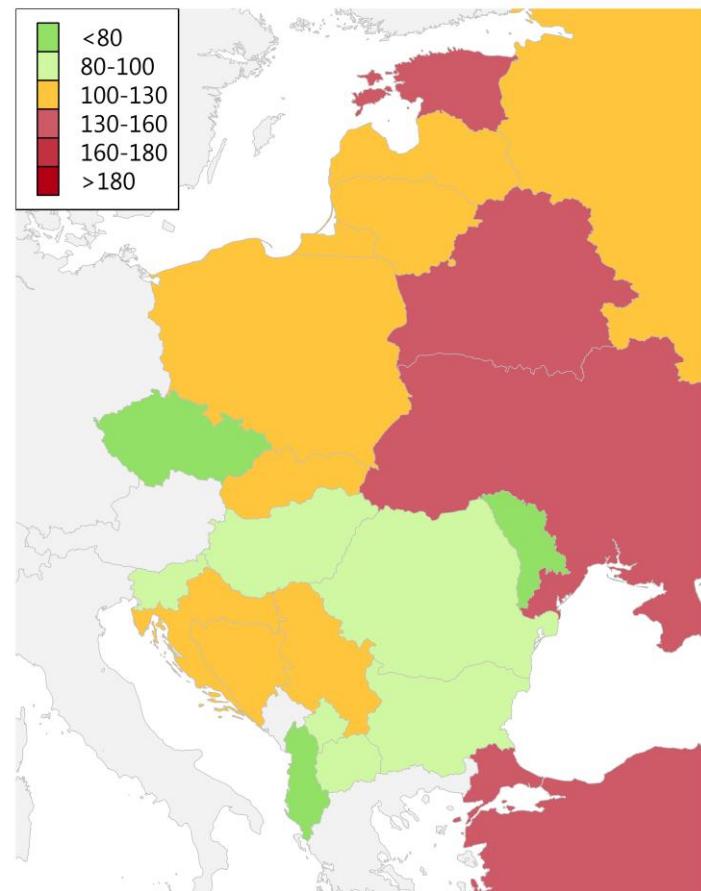


Domestic Loan to Domestic Deposit Ratio  
(Percent)

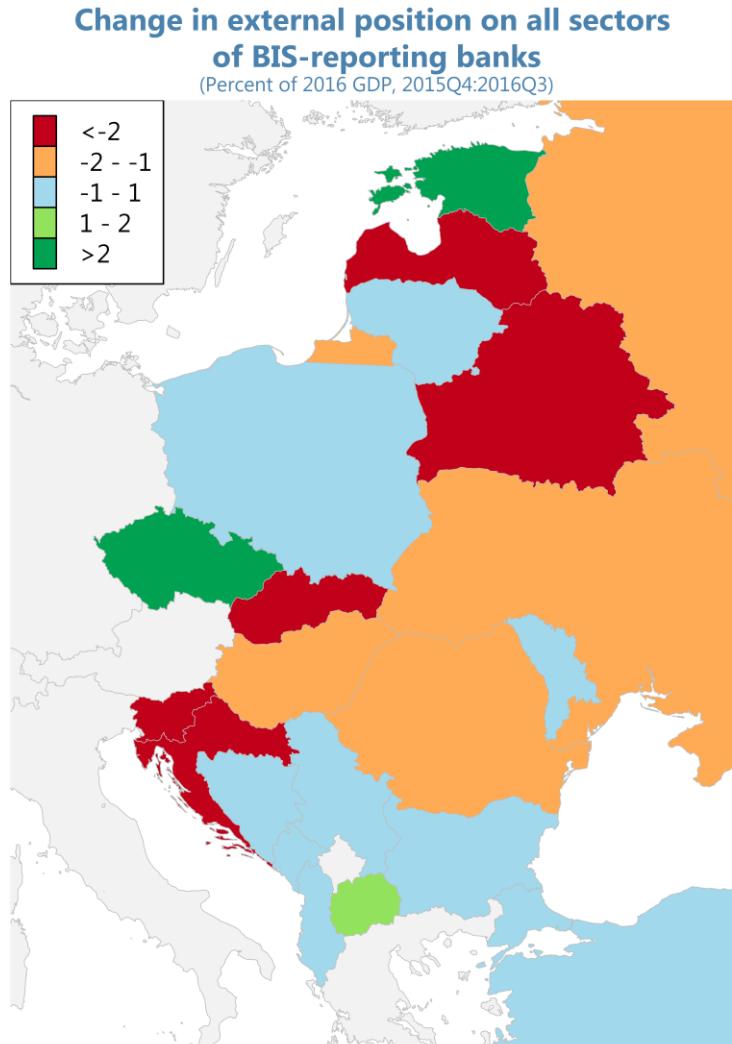
December 2008



November 2016



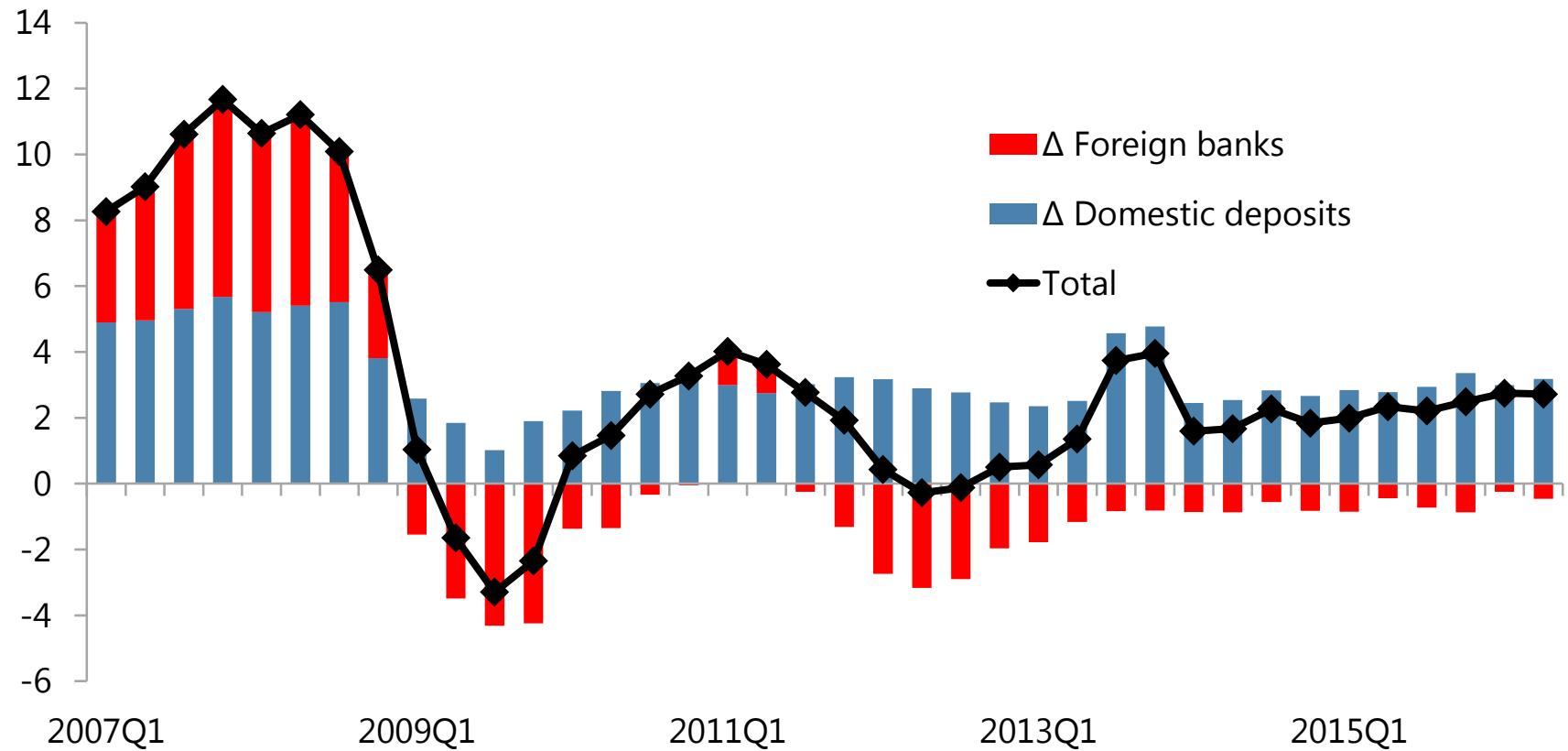
Between end 2015Q3 and 2016Q3, most countries saw only modest outflows—or inflows.



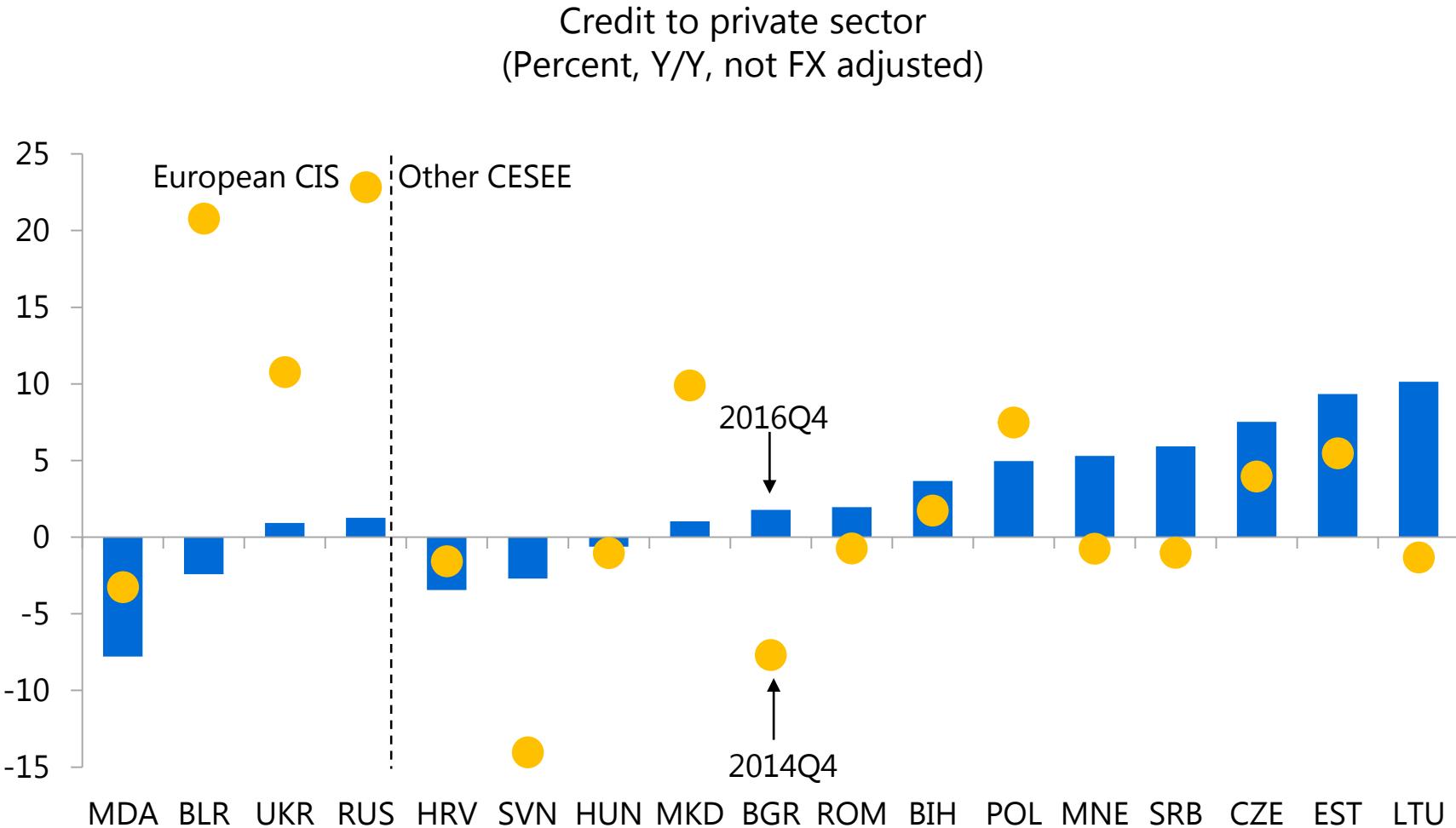
# Bank funding now increases by 3 percent of GDP annually, most from domestic deposits



Evolution of main bank funding sources in CESEE excl. RUS and TUR  
(Percent of GDP, Y/Y, FX adjusted)



# Credit growth has picked up since late 2014





# Thank you