

Review of the Banking Sector of the Russian Federation Methodological Commentary on the Tables

(Issue 21)
(Internet version)

Comments refer to the tables of the Review of the Banking Sector of the Russian Federation (Internet version) beginning with Issue 205

Overview of the banking sector¹ The banking sector in the Russian economy

Table 1

Macroeconomic indicators of the Russian banking sector

General provisions

The table ‘Macroeconomic indicators of the Russian Banking sector’ contains aggregate indicators of credit institutions’ performance characterising the role of the banking sector in the economy. The table shows the development of banking sector indicators relative to macroeconomic indicators for the Russian Federation.

Characteristics of individual indicators

Banking sector total assets (liabilities) – refer to the comment on ‘Banking sector assets (liabilities) – total’ in Table 12 ‘Bank assets grouped by investment’.

Banking sector capital – unbound property of credit institutions.

Beginning with the statements as of 1 October 2018, capital is calculated in accordance with Bank of Russia Regulation No. 646-P, dated 4 July 2018, ‘On the Methodology for Measuring Credit Institution Capital (Basel III)’; Bank of Russia Regulations Nos. 395-P and 215-P apply to earlier statements.

Loans to non-financial organisations and households, including overdue loans – refer to the comment on the respective indicator in Table 12 ‘Bank assets grouped by investment’.

Loans to households, including overdue loans – refer to the comment on the respective indicator in Table 12 ‘Bank assets grouped by investment’.

Bank loans in fixed capital investments of all types of businesses (excl. small businesses) – loans extended to enterprises and organisations to finance expenses on the creation, reproduction and acquisition of fixed assets.

The data are taken from the report ‘Social and Economic Situation in Russia’ of the Federal State Statistics Service of the Russian Federation. Current statistics may be updated as new data come in.

¹ All the data of the Review of the Banking Sector of the Russian Federation refer to operating credit institutions as listed in the State Register of Credit Institutions. Vnesheconombank is excluded from this list.

Securities acquired by credit institutions – refer to the comment on the respective indicator in Table 12 ‘Bank assets grouped by investment’.

Household deposits – refer to the comment on the respective indicator in Table 13 ‘Bank liabilities grouped by source of funds’.

Deposits and funds in accounts of non-financial and financial organisations (other than credit institutions) – refer to the comment on the respective indicator in Table 13 ‘Bank liabilities grouped by source of funds’.

Characteristics of indicators included as memo item

Gross domestic product (GDP) – final result of resident producers’ production activity in the reporting period. GDP in the Table is calculated using the production method as the difference between the overall output of goods and services in the country on the one hand and intermediate consumption on the other hand, or as the total of value added created in the economy.

The data are taken from the report ‘Social and Economic Situation in Russia’ of the Federal State Statistics Service. Current statistics may be updated as new data come in.

Fixed capital investments of all types of businesses (excl. small businesses) – total expenses used to create, reproduce and acquire fixed assets (new construction, expansion, reconstruction and technical improvement of facilities, acquisition of buildings, facilities, machinery, equipment, tools and implements, herd formation, perennial planting, etc.).

The data are taken from the report ‘Social and Economic Situation in Russia’ of the Federal State Statistics Service of the Russian Federation. Current statistics may be updated as new data come in.

Household money income – income of entrepreneurs, paid out wages (accrued wages, adjusted for changes in debt) of employees, pensions, benefits, scholarships and other social transfers, interest on deposits and securities, dividends and other income.

The data are taken from the report ‘Social and Economic Situation in Russia’ of the Federal State Statistics Service of the Russian Federation. Current statistics may be updated as new data come in.

Indicators from the ‘Memo item’ section are calculated as a total for the four quarters ending on the reporting date.

Table 2

Growth in banking sector indicators (% over the period)

General provisions

The table ‘Growth in banking sector indicators (% over the period)’ shows nominal growth in the reporting month and for the 12 months before the reporting date (that is, year on year) of a number of key banking sector indicators (assets, capital, loans and other funds extended to non-financial organisations and households, household deposits and funds raised from organisations).

The data are taken from the monthly statements of operating credit institutions of the Russian Federation under Form 0409101 ‘Trial Balance of a Credit Institution’ and Form 0409134 ‘Capital Calculation’.

Characteristics of individual indicators

Assets – refer to the comment on ‘Banking sector assets (liabilities) – total’ in Table 12 ‘Bank assets grouped by investment’.

Capital – refer to the comment on ‘Banking sector capital’ in Table 1 ‘Macroeconomic indicators of the Russian banking sector’.

Loans to non-financial organisations – refer to the comment on the respective indicator in Table 12 ‘Bank assets grouped by investment’.

Loans to households – refer to the comment on the respective indicator in Table 12 ‘Bank assets grouped by investment’.

Household deposits – refer to the comment on the respective indicator in Table 13 ‘Bank liabilities grouped by source of funds’.

Deposits and funds in accounts of non-financial and financial organisations (other than credit institutions) – refer to the comment on the respective indicator in Table 13 ‘Bank liabilities grouped by source of funds’.

Table 3

Growth in banking sector indicators (% over the year)

General provisions

The table ‘Growth in banking sector indicators (% over the year)’ shows annual nominal growth in a number of key banking sector indicators (assets, capital, loans to non-financial organisations, household loans, household deposits, funds raised from organisations).

The data are taken from the monthly statements of operating credit institutions of the Russian Federation under Form 0409101 ‘Trial Balance of a Credit Institution’ and Form 0409134 ‘Capital Calculation’.

Characteristics of individual indicators

Assets – refer to the comment on ‘Banking sector assets (liabilities) – total’ in Table 12 ‘Bank assets grouped by investment’.

Capital – refer to the comment on ‘Banking sector capital’ in Table 1 ‘Macroeconomic indicators of the Russian banking sector’.

Loans to non-financial organisations – refer to the comment on the respective indicator in Table 12 ‘Bank assets grouped by investment’.

Loans to households – refer to the comment on the respective indicator in Table 12 ‘Bank assets grouped by investment’.

Household deposits – refer to the comment on the respective indicator in Table 13 ‘Bank liabilities grouped by source of funds’.

Deposits and funds in accounts of non-financial and financial organisations (other than credit institutions) – refer to the comment on the respective indicator in Table 13 ‘Bank liabilities grouped by source of funds’.

Memo item. Gross domestic product – refer to the comment on the respective indicator in Table 1 ‘Macroeconomic indicators of the Russian banking sector’. Growth is calculated using GDP in market prices.

Table 4
Quantitative characteristics of Russian credit institutions

General provisions

The table ‘Quantitative characteristics of Russian credit institutions’ provides information about the number of credit institutions registered in the Russian Federation, operating credit institutions, credit institutions which have had their licences revoked (cancelled) since the beginning of the year and credit institutions which have been restructured since the beginning of the year.

Credit institutions are subject to registration in accordance with the Federal Law ‘On the State Registration of Legal Entities and Individual Entrepreneurs’ taking into account the procedure for the state registration of credit institutions established by the Federal Laws ‘On the Central Bank of the Russian Federation (Bank of Russia)’ and ‘On Banks and Banking Activity’.

The data are taken from the State Register of Credit Institutions.

Characteristics of individual indicators

Credit institutions registered by the Bank of Russia and other agencies – credit institutions which have the status of a legal entity as of the reporting date, including credit institutions that have lost the right to conduct banking operations but have not yet been liquidated as legal entities.

Operating credit institutions (credit institutions authorised to carry out banking operations) – credit institutions registered by the Bank of Russia or an authorised agency before 1 July 2002 and authorised to carry out banking operations.

Credit institutions that have been registered by the Bank of Russia but have yet to pay the authorised capital and receive a licence (within the time period established by law) – credit institutions the founders of which have received notification of state registration and must pay 100% of bank authorised capital indicated in the charter of the credit institution within one month of the receipt of the notification.

Bank with a universal licence – a bank authorised to carry out bank transactions stipulated in Part 1, Article 5 of Federal Law No. 395-1 ‘On Banks and Banking Activity’.

Bank with a basic licence – a bank authorised to carry out bank transactions stipulated in Part 1, Article 5 of Federal Law No. 395-1, taking into account the restrictions stipulated in Article 5.1.

Non-bank credit institution – a credit institution authorised to carry out specific bank transactions stipulated by Federal Law No. 395-1.

Credit institutions which have their licences revoked (cancelled) since the year start – credit institutions which have had their banking licences revoked since the beginning of the year by a Bank of Russia order in accordance with the Federal Law ‘On the Central Bank of the Russian

Federation (Bank of Russia)' based on the grounds stipulated by the Federal Law 'On Banks and Banking Activities'.

Credit institutions which have been restructured since the year start – through merger or acquisition in accordance with the procedure established by federal laws and Bank of Russia regulations adopted in pursuance thereof.

Table 5
Operating credit institutions by federal district

General provisions

The table 'Operating credit institutions by federal district' provides information about the number of credit institutions operating in federal districts (by the registered location of the head office) and their share in the total number of credit institutions operating in the Russian Federation.

The data are taken from the State Register of Credit Institutions.

Table 6
Credit institutions' branches and internal structural divisions by federal district

General provisions

The table 'Credit institutions' branches and internal structural divisions by federal district' provides information about the number of branches and internal structural divisions of credit institutions operating in the region. Information about credit institutions registered in the region, their branches and internal structural divisions, as well as branches and internal structural divisions of credit institutions registered in other regions is provided separately.

In addition to the data for federal districts, Tables 6 and 8 provide data for Moscow and the Moscow Region, which are considered separate regions in these tables.

The data are taken from the State Register of Credit Institutions.

Table 7
Asset concentration in the Russian banking sector

General provisions

The table 'Asset concentration in the Russian banking sector (operating credit institutions)' shows the total assets of credit institutions ranked by assets in descending order and grouped by rank in total assets of the Russian banking sector.

The data are taken from the monthly statements of operating credit institutions of the Russian Federation under Form 0409101 'Trial Balance of a Credit Institution'.

Table 8

Asset concentration of operating credit institutions by federal district (assets of a district's top-5 credit institutions by assets to total assets of the district's operating credit institutions)

General provisions

The table 'Asset concentration of operating credit institutions by federal district (assets of a district's top-5 credit institutions by assets to total assets of the district's operating credit institutions)' shows the level of concentration of bank assets in federal districts based on the share of the top-5 operating credit institutions by assets registered in a district in the total assets of the district's credit institutions.

The data are taken from the monthly statements of operating credit institutions of the Russian Federation under Form 0409101 'Trial Balance of a Credit Institution'.

Characteristics of individual indicators

Assets of operating credit institutions of a federal district – total assets (refer to the comment on 'Banking sector assets (liabilities) – total' in Table 12 'Bank assets grouped by investment') **of operating credit institutions registered in the constituent territories of the Russian Federation included in the federal district.**

Table 9

Assets of operating credit institutions (broken down by group and change over the period)

General provisions

The table 'Assets of operating credit institutions (broken down by group and change over the period)' shows changes over the reporting period in the grouping of operating credit institutions by their assets.

For the purposes of analysis, credit institutions which submitted their balance sheet statements as of the start date of the period are ranked by assets (in descending order) and split into five groups (1–5) by rank (Group 1 – ranks 1–5; Group 2 – ranks 6–20; Group 3 – ranks 21–50; Group 4 – ranks 51–200; Group 5 – ranks 201+). The first three columns of the table show the group number, title and the number of credit institutions in each group.

Operating credit institutions which submitted their balance sheet statements as of the end date of the period are also split into five groups in accordance with the above algorithm.

The analysis of these lists allows the creation of a matrix G_{ij} ($i=1.2 \dots 6, j=1.2 \dots 6$) which shows the number of credit institutions included in group i as of the start date and in group j as of the end date. The elements of the matrix are presented at the intersection of line i and column j . For the sake of convenience, the table within the area of elements of the matrix is divided into 3 groups and shaded:

- credit institutions ranked into a higher group by assets ($i > j$);
- credit institutions which remained in the same group ($i = j$);
- credit institutions ranked into a lower group by assets ($i < j$).

In addition to the elements of the matrix, the table contains:

- the number of credit institutions which began operating after the start date of the period (hence, absent from the list as of the start date) in groups as of the period end date;
- the number of credit institutions which have had their licences revoked (cancelled) during the period or which were restructured (hence, absent from the list as of the start date) in groups as of the period end date;

The last three lines of the table show the aggregate data on credit institutions of different categories:

- the number of credit institutions which have had their licences revoked during the period or which have been restructured;
- the total number of operating credit institutions as of the start date of the period;
- the total number of operating credit institutions and the number of credit institutions in each group as of the end date of the period.

Credit institutions which have not submitted their statements as of the respective date are included only in the aggregate data.

Characteristics of indicators

Assets – refer to the comment on ‘Banking sector assets (liabilities) – total’ in Table 12 ‘Bank assets grouped by investment’.

Table 10

Individual indicators of credit institutions with foreign stakes in authorised capital vs indicators of operating credit institutions

General provisions

The table ‘Indicators of credit institutions with foreign stakes in authorised capital vs indicators of operating credit institutions’ shows the percentage share of a number of performance indicators of credit institutions with foreign stakes in their authorised capital in the respective indicators of operating credit institutions in the banking sector as a whole. In that, the performance indicators are compiled for two groups of credit institutions: credit institutions with a foreign stake over 50%, including 100% foreign-owned credit institutions.

The data are taken from the monthly statements of operating credit institutions of the Russian Federation under Form 0409101 ‘Trial Balance of a Credit Institution’.

Characteristics of individual indicators

Assets – refer to the comment on ‘Banking sector assets (liabilities) – total’ in Table 12 ‘Bank assets grouped by investment’.

Capital – refer to the comment on ‘Banking sector capital’ in Table 1 ‘Macroeconomic indicators of the Russian banking sector’.

Correspondent accounts with non-resident banks – refer to the comment on ‘Correspondent accounts with credit institutions’ in Table 12 ‘Bank assets grouped by investment’.

Loans to non-financial organisations – refer to the comment on the respective indicator in Table 12 ‘Bank assets grouped by investment’.

Loans to households – refer to the comment on the respective indicator in Table 12 ‘Bank assets grouped by investment’.

Loans to credit institutions – refer to the comment on the respective indicator in Table 12 ‘Bank assets grouped by investment’.

Household deposits – refer to the comment on the respective indicator in Table 13 ‘Bank liabilities grouped by source of funds’.

Deposits and funds in accounts of non-financial and financial organisations (other than credit institutions) – refer to the comment on the respective indicator in Table 13 ‘Bank liabilities grouped by source of funds’.

Current year profit (loss) – refer to the comment on the respective indicator in Table 30 ‘Financial result of operating credit institutions’.

Memo item. Number of credit institutions, units – shows the number of resident credit institutions with foreign participation over 50% (including 100%) of the capital or wholly foreign-owned credit institutions (100%).

Table 11.

Individual indicators of credit institutions undergoing bankruptcy prevention measures

General provisions

The table shows changes in the individual performance indicators of credit institutions undergoing bankruptcy prevention measures in accordance with Bank of Russia regulations.

The number of the said credit institutions and their share in the banking sector are provided in the memo item.

The data are taken from the statements of operating credit institutions of the Russian Federation under Form 0409101 ‘Trial Balance of a Credit Institution’ and Form 0409134 ‘Capital Calculation’.

Characteristics of individual indicators

The characteristics of the indicators included in the table is similar to the characteristics of the respective indicators in Table 12 ‘Bank assets grouped by investment’ and Table 13 ‘Bank liabilities grouped by source of funds’, while the characteristics of ‘Capital’ and ‘Deposits and funds in accounts of non-financial and financial organisations (other than credit institutions)’ is similar to that of the respective indicators in Table 1 ‘Macroeconomic indicators of the Russian Banking Sector’ and Table 13 ‘Bank liabilities grouped by source of funds’.

Credit institutions' performance
Main trends

Table 12
Bank assets grouped by investment

General provisions

The table shows changes in the structure of the assets of credit institutions broken down by investment: cash, correspondent accounts, securities, loans, etc.

For details of individual indicators in this table, such as operations in Russian rubles and foreign currency by sectors of the economy, legal entities and households, residents and non-residents, refer to the tables 'Main characteristics of credit operations of the banking sector', 'Credit institutions' investments in securities', 'Credit institutions' investments in promissory notes', etc.

Assets are unadjusted for created provisions.

The data are taken from the monthly statements of operating credit institutions of the Russian Federation under Form 0409101 'Trial Balance of a Credit Institution'.

Characteristics of indicators

Money, precious metals and gemstones – a credit institution's cash holdings in Russian rubles and foreign currency, payment documents in foreign currency, precious metals in the vaults of a credit institution or transferred to other banks' vaults or in transit, coins and commemorative medals, natural gemstones held by a credit institution or transferred for sale under concluded contracts or for delivery as goods made on commission under certain orders and in transit.

Money (cash vaults, cheques, money in transit, cash in ATMs) – a credit institution's cash holdings in Russian rubles and foreign currency in the tills of the credit institution, ATMs or in transit, payment documents in foreign currency (cheques, including traveller's cheques).

Accounts with the Bank of Russia – funds in the correspondent accounts of credit institutions and cash settlement centres of the exchange securities market; credit institutions' required reserves in accounts in Russian rubles and foreign currency, deposited with the Bank of Russia, the accumulation accounts of credit institutions when issuing shares, accounts of credit institutions (branches) to provide cash facilities for their structural divisions, funds of authorised banks, deposited with the Bank of Russia; currency transaction reserves transferred to the Bank of Russia; deposits and other placements of credit institutions with the Bank of Russia.

Credit institutions' correspondent accounts with the Bank of Russia – funds in the accounts of a credit institution, opened in the divisions of the Bank of Russia settlement network used in the credit institution's settlements of customer orders and in its own operations.

Required reserves of credit institutions in accounts with the Bank of Russia – one of the major instruments of the Bank of Russia's monetary policy used for managing the liquidity of the banking system. Required reserves are established to contain the lending capacity of credit institutions and to prevent the unlimited expansion of the money supply. Should a banking license be revoked, the required reserves deposited with the Bank of Russia are used in accordance with

the procedure established by federal laws and Bank of Russia regulations adopted in pursuance thereof.

Pursuant to Article 38 of the Federal Law ‘On the Central Bank of the Russian Federation (Bank of Russia)’ the amount of required reserves as a percentage of a credit institution’s liabilities and the procedure for their deposit with the Bank of Russia are established by the Bank of Russia Board of Directors.

Deposits and other funds placed with the Bank of Russia – funds placed with the Bank of Russia in accordance with the conditions and procedure stipulated by the contract (deal) between the credit institution and the Bank of Russia.

Correspondent accounts with credit institutions – total – funds for operations under correspondent relations between credit institutions (of correspondent banks with respondent banks), in Russian rubles, foreign currency and precious metals, as well as funds in settlement participants’ accounts with non-bank credit institutions.

Correspondent bank – a credit institution that opens a correspondent account (Loro account) for another credit institution and operates this account in accordance with the terms of the contract.

Respondent bank – a credit institution that opens a correspondent account in another credit institution and manages it.

Loro correspondent account – a correspondent account opened by a correspondent bank for a respondent bank; by means of this account the correspondent bank executes outgoing and incoming payments in accordance with the relevant legislation and the contract.

Investments in securities – total – the value of securities, including the acquisition price and incremental costs (expenses), directly attributed to the acquisition, and the value of acquired (discounted) promissory notes in Russian rubles and foreign currency. Investments in securities are evaluated (revaluated) at current (fair) value or by creating loss provisions from the initial recognition until derecognition.

Current (fair) value of securities – the amount at which a security can be sold in a transaction between knowledgeable parties willing to close an arm’s length transaction. Methods for the assessment of the current (fair) value of securities should be stipulated in the accounting policy of a credit institution.

Revaluation of securities – negative and positive differences between the book value of securities and their current (fair) value. Subject to revaluation are all securities at fair value through profit or loss and securities at fair value through other comprehensive income, the current (fair) value of which can be determined in a reliable manner.

Adjustments increasing (reducing) the cost of securities or changes in the fair value of equity securities upon initial recognition – adjustment account transactions (starting from the statements as of 1 February 2019) which increase (decrease) the value of securities or a change in fair value upon the initial recognition of equity securities are carried out in accordance with Bank of Russia Regulation No. 606-P.

Debt investment – the value of credit institutions’ investment in debt securities in accordance with Russian legislation (debt securities of the Russian Federation, the Bank of Russia,

constituent territories of the Russian Federation and local authorities, resident credit institutions, Russian residents other than credit institutions, debt securities transferred to counterparties under reverse transactions which have not been derecognised, non-residents' debt securities (excl. promissory notes) which are recognised as securities in accordance with the legislation of the country of issue). Debt securities include debt securities at fair value through profit or loss, debt securities at fair value through other comprehensive income, debt securities at amortised cost and overdue debt securities denominated in Russian rubles or foreign currency. Moreover, debt securities at fair value through profit or loss and debt securities at fair value through other comprehensive income are adjusted for revaluation.

Equity investment – investment in shares, investment units and other securities which guarantee the right to the organisation's property and (or) net assets (assets net of all liabilities) in accordance with the legislation of the country of issue.

Investment in equity securities includes equity securities at fair value through profit or loss and equity securities at fair value through other comprehensive income denominated in Russian rubles or foreign currency.

Discounted promissory notes – the total value of promissory notes acquired (discounted) by credit institutions, including overdue promissory notes (contested and non-contested), and the amount of interest income at maturity in Russian rubles and foreign currency.

Stakes in authorised capital – funds transferred by credit institutions to acquire shares (stakes) in the authorised capital of subsidiary and affiliated joint-stock companies and other resident and non-resident legal entities in Russian rubles and foreign currency.

Of which: revaluation (starting from the statements as of 1 February 2019) – positive/negative differences calculated in accordance with Bank of Russia Regulation No. 606-P as an excess of the fair/book value over the book/fair value of securities of the said issue (issuer).

Stakes in subsidiary and affiliated joint-stock companies and unit investment funds – funds invested in the shares of subsidiary and affiliated resident and non-resident joint-stock companies in an amount that guarantees control over the issuer or considerable influence on the activity of the joint-stock company.

Other stakes in authorised capital – funds transferred by credit institutions to acquire stakes in the authorised capital of resident and non-resident legal entities in Russian rubles and foreign currency.

Derivatives providing economic benefits – the fair value of derivatives which are assets¹ if the overall estimated value of contractual claims on a counterparty exceeds the corresponding overall estimated value of contractual liabilities on the same counterparty and a credit institution expects an increase in future economic benefits resulting from the receipt of assets (cash and other property), the exchange of assets or the redemption of liabilities under potentially favourable conditions for the credit institution.

¹ In accordance with Bank of Russia Regulation No. 372-P, dated 4 July 2011, 'On the Procedure for Accounting Derivatives'.

Loans including revaluation and value adjustment of issued (placed) funds – total – outstanding debt (including revaluation and adjustment of issued (placed) funds) of resident and non-resident legal entities (including the Ministry of Finance of Russia, financial agencies and organisations, extra-budgetary funds, organisations of various forms of incorporation and ownership, and credit institutions), individual entrepreneurs and other individuals, and foreign states on loans, deposits and other placements in Russian rubles, foreign currency and precious metals, and the financing of capital investments, individual government programmes and events at the expense of the Ministry of Finance of Russia and from the federal budget on a repayable basis, settlements under factoring and forfeiting operations, letters of credit on foreign operations, financial leasing, purchased receivables, and amounts paid on provided guaranties and sureties.

Factoring operations – operations conducted under finance agreements against the assignment of receivables, in accordance with which one party (financial agent) transfers or commits to transfer monetary funds to the other party (customer) against a monetary claim of the customer (creditor) against a third party (debtor) arising from goods, work or services delivered by the customer to the third party, while the customer concedes or commits to concede this monetary claim to the financial agent.

Forfeiting operations – forfeiting – financing of export through the acquisition of commercial papers without recourse to the seller; the form of financing of exporters (sellers) used most often in international trade. A bank (forfeiter) redeems from an exporter (seller) the monetary obligation of an importer (buyer) to pay for purchased goods immediately upon delivery of the goods and prepays the total or partial value of the goods to the exporter. Subsequently, being notified that the payment was made for the importer by the forfeiter, the importer (buyer) pays for the goods to the forfeiter bank. The forfeiter bank charges the exporter interest for the prepayment.

Operations of financial leasing – funds (investment expenditures) on the acquisition of a leasing asset and the fulfilment of the other obligations of the lessor under a financial leasing contract.

Transactions on adjustment and revaluation accounts (starting from the statements as of 1 February 2019) which increase (reduce) the value of issued (placed) funds are carried out in accordance with Bank of Russia Regulation No. 605-P.

Loans (excluding revaluation and value adjustment of issued (placed) funds – total – loans issued net of transactions on adjustment and revaluation accounts.

Of which: overdue debt (here and elsewhere) – overdue loans, deposits or other placements extended to resident and non-resident legal entities and individuals, and foreign states, as well as transactions with precious metals in Russian rubles and foreign currency. Amounts of overdue interest are excluded from the calculation of overdue debt indicators.

Loans to non-financial organisations – outstanding debt (including overdue debt) of resident and non-resident non-financial organisations (including individual entrepreneurs) to credit institutions on all loans and other placements in Russian rubles and foreign currency.

Loans to financial institutions (except banks) – outstanding debt (including overdue debt) of resident financial institutions (other than banks) to credit institutions on all loans and other placements in Russian rubles and foreign currency.

Loans to public financial authorities and extra-budgetary funds – outstanding debt (including overdue debt) of public financial authorities and extra-budgetary funds to credit institutions on all loans and other placements in Russian rubles and foreign currency.

Loans to households – outstanding debt (including overdue debt) of resident and non-resident households to credit institutions on all loans and other funds in Russian rubles and foreign currency. Loans to individual entrepreneurs are excluded from this indicator.

Loans to credit institutions – outstanding debt (including overdue debt) on loans, deposits and other placements issued to credit institutions and non-resident banks in Russian rubles and foreign currency.

Acquired claims (excluding overdue loans) – investment in (expenses on) the acquisition of claims against third parties for the discharge of obligations in monetary form on the following contracts: provision (placement) of funds and funds backed by mortgages, both with a letter of hypothecation and without, under finance agreements against the assignment of claims.

Fixed assets, other real estate, intangible assets and inventories of a credit institution – fixed assets in operation, stock, temporarily closed down facilities, rented facilities, land plots and other natural resource facilities in the ownership of a credit institution, as well as capital investment in rented items of fixed assets; expenses of a credit institution on construction (building), creation (making) and acquisition of fixed and intangible assets; property provided under financial lease (leasing), if according to the contract of financial lease (leasing) it is accounted on the balance sheet of the lessee; real estate temporarily unused in core activity; property of a credit institution classified as intangible assets in accordance with legislation (including goodwill arising from the acquisition of property (in whole or in part); and inventories. Fixed assets (including property received on financial lease), certain real estate and intangible assets are recorded net of depreciation.

Real estate temporarily unused in core activities – property (land plots, buildings or their parts) owned by a credit institution (received in the ordinary course of business) to earn rental (except financial lease contracts) and appreciation income, rather than for use in the provision of services or for administrative purposes, as well as in cases stipulated by specifications, and which is not intended for sale within one year from the date of classification as real estate temporarily unused in core activities.

Other assets – total – placements excluded from the above indicators, including float, funds transferred in accordance with the reserve requirements of the authorised agencies of foreign countries, overdue interest on loans, deposits and other placements and on operations with precious metals, receivables, assets transferred to trust management and disposition of profits.

Float – funds to finalise settlements on clearing by non-bank credit institutions, claims of a credit institution on outstanding accounts (including payment card transactions), settlements with branches, settlements on the organised securities market, settlements of guarantor credit institutions on broker transactions with securities and other financial assets; customer offsetting settlements, settlements with currency and stock exchanges, settlements with customers on foreign currency purchases and sales, on conversion and futures transactions, sales transactions and payment of lotteries, claims of payment on acquired and sold commemorative coins, amount

written down from correspondent accounts, cash settlements with organisations, other receivables of credit institutions.

Debtors – outstanding debt to credit institutions on budget settlements on taxes and levies in accordance with fiscal legislation and Bank of Russia regulations, payroll advances or advance payments under individual labour contracts (agreements), imprest amounts, and shortages of funds and other valuables which result from cash miscalculations, embezzlements and other frauds, if the responsible person is identified, with contractors, suppliers and recipients (buyers and customers) on business and other transactions, as well as on amounts payable to a credit institution on equities and shares in authorised capital.

Disposition of profits – accrued income tax (including advance payments) as well as payments made from net income after tax, particularly allocation of profit to dividends and the reserve fund throughout the year.

Of which: profit tax – accrued income tax (including advance payments).

Claims on accrued interests (except accrued interest (coupons) on securities) – accrued but not redeemed interest on transactions with precious metals and on issued (placed) funds.

Total assets – total assets (liabilities) of operating credit institutions, excluding Vnesheconombank data (individual account balances, including those reflecting the interbank transactions of credit institutions, and transactions on adjustment and revaluation accounts are included in assets (liabilities) on a net basis).

Table 13
Bank liabilities grouped by source of funds

General provisions

The table shows changes in the structure of the liabilities of credit institutions broken down by source of funds: settlement and deposit account balances of legal entities, household deposits, interbank loans and deposits, issued debts and bank correspondent accounts.

For details of individual indicators in this table, such as operations in Russian rubles and foreign currency, refer to the tables: ‘Movements of core corporate funds raised by credit institutions’, ‘Household deposits’ and ‘Main characteristics of loans issued by other banks’.

The data are taken from the monthly statements of operating credit institutions of the Russian Federation under Form 0409101 ‘Trial Balance of a Credit Institution’.

Characteristics of individual indicators

Bank funds and profits – total are calculated by adding up the authorised capital of a credit institution (reduced by the amount of treasury shares in authorised capital (shares), bought out by the credit institution), additional Tier 1 capital, reserve funds and profit (loss) of the previous year, including profit that has not been allocated among shareholders (participants), and uncovered loss.

Authorised capital (except stocks/shares repurchased by a credit institution) is formed:

– by a credit institution incorporated as a joint-stock company following the issue and placement of ordinary and preferred shares, net of treasury shares bought by the credit institution;

– by a credit institution incorporated as a limited liability company following the payment of stakes by the founders (participants), net of treasury shares bought by the credit institution.

Share premium is formed:

– by the difference between the face value of shares (stakes) and their offer price (nominal value of stakes as recorded in the authorised capital),

and (or)

– by the difference that arises in the case that shares (stakes) are paid in foreign currency between the value of shares (stakes) calculated based on the exchange rate of the foreign currency established by the Bank of Russia as of the date when the funds are included in the authorised capital and the face value of shares (stakes) established in the decision to issue shares (pay the stakes in foreign currency).

Reserve fund of a credit institution formed in compliance with Article 35 of Federal Law No. 208-FZ, dated 26 December 1995, ‘On Joint-stock Companies’ and Article 30 of the Federal Law ‘On Limited Liability Companies’ in accordance with the procedure established by the charter of the credit institution from retained earnings of prior years.

Accumulated profit (loss) before tax is formed by adding up the income net of expenses (before tax and payments from profit) of a credit institution over the year, profit (loss) of the previous year, determined as the result of the previous year to be approved at the annual shareholders’ (participants’) meeting, profit that has not been distributed to shareholders (participants) and retained at the credit institution’s disposal by the decision of the annual shareholders’ meeting (excluding amounts transferred to the reserve fund) net of losses of a credit institution, recorded in the annual report until it is covered in accordance with the legislation of the Russian Federation and Bank of Russia regulations.

Current year profit (loss) is formed by summing up the income net of expenses (before tax and payments from profit) of a credit institution over the year.

Bank of Russia loans – outstanding debt (including overdue debt) on loans, deposits and other funds received by credit institutions from the Bank of Russia.

Accounts of credit institutions – total – funds in correspondent accounts of resident credit institutions and non-resident banks in Russian rubles, foreign currency and precious metals, and bank accounts (including special accounts) of non-resident banks in Russian rubles.

Correspondent account of resident credit institutions – funds in correspondent accounts of resident credit institutions in rubles, foreign currency and precious metals.

Correspondent accounts of non-resident banks – funds in correspondent accounts of non-resident banks in rubles, foreign currency and precious metals, including type K accounts (convertible) and type N accounts (non-convertible).

Loans from other credit institutions – total – outstanding debt (including overdue debt) on loans, deposits and other funds raised from resident credit institutions and non-resident banks in Russian rubles, foreign currency and precious metals.

Overdue debt – debt not redeemed upon maturity under the contract and supplementary contracts on loans, deposits and other funds raised from resident credit institutions and non-

resident banks in Russian rubles, foreign currency and precious metals. Amounts of overdue interest are excluded from the calculation of overdue debt indicators.

Customer funds – total – monetary funds, deposits and other funds in Russian rubles and foreign currency deposited with a credit institution under certain conditions by residents and non-residents, legal entities and individuals, in cash and cashless form, including outstanding contractual obligations to raise customer funds and certificates of deposit and savings certificates issued by credit institutions.

Certificate of deposit/savings certificate – a time deposit which is a security certifying the amount deposited with a bank and the right of the depositor (certificate holder) to receive upon maturity the deposited amount and interest indicated in the certificate from the issuer of the certificate or its branch. Certificates are issued in Russian rubles.

Deposits and funds placed with non-financial and financial organisations (other than credit institutions) – funds in settlement and other accounts, deposits and other funds raised from resident and non-resident financial organisations (other than credit institutions), commercial and non-commercial organisations (including funds in accounts of individual entrepreneurs) in Russian rubles and foreign currency, deposited with a credit institution under contractual conditions (call, time), including certificates of deposit issued by credit institutions and outstanding liabilities on deposit agreements and other raised funds of legal entities; funds raised by credit institutions on a repayable basis under agreements other than bank deposit agreements.

Funds of organisations – funds in settlement and other accounts of resident and non-resident financial organisations (other than credit institutions), commercial and non-commercial organisations (including funds in accounts of individual entrepreneurs) in Russian rubles and foreign currency. Funds written off from customer accounts but not passed through a credit institution's correspondent account due to insufficiency of funds are excluded from this indicator and recorded in 'Customer funds – total'.

Deposits and budget funds, public and other extra-budgetary funds – funds in settlement and other accounts, deposits and other funds raised from public budgets at all levels, the Ministry of Finance, financial authorities of Russian constituent territories and local authorities, public extra-budgetary funds, extra-budgetary funds of Russian constituent territories and local authorities.

Budget funds, public and other extra-budgetary funds in accounts – funds of public budgets at all levels, public and other extra-budgetary funds, extra-budgetary funds of the executive authorities of Russian constituent territories and local authorities in settlement accounts.

Customer float – customer funds on outstanding settlement transactions, accounts of settlement participants with non-bank settlement credit institutions, on broker operations with securities and other financial assets, as well as on certain specific settlement transactions provided by Bank of Russia regulations on settlement arrangements; liabilities under letters of credit for foreign transactions.

Household deposits – personal accounts for accounting household funds opened under a bank account agreement, deposits and other funds of households raised by a credit institution under a bank account agreement, including passbook savings accounts, savings certificates issued

by a credit institution, and outstanding liabilities on deposits and other funds raised from resident and non-resident households in Russian rubles and foreign currency. Funds of individual entrepreneurs are excluded from the calculation of this indicator.

Customer funds in factoring and forfeiting operations – funds incoming to customer accounts for payment of invoices on factoring and promissory notes on forfeiting operations.

Bonds – the value of bonds issued by a credit institution at face value to raise funds in Russian rubles or foreign currency in ruble terms, as well as issued bonds for redemption (i.e. bonds to be redeemed at the expiration of the circulation term and (or) at maturity; callable bonds not paid on the day of presentation for payment).

Bond – a security that certifies the holder's right to receive, in due time, the face value of the bond or some other equivalent in property. Bonds also provide for fixed interest on their face value or some other equivalent in property.

Promissory notes and bank acceptances – the value of promissory notes and bank acceptances at face value (at the moment of placement) issued by a credit institution in order to raise funds in Russian rubles and foreign currency in ruble terms and the amount of interest to be paid on promissory notes over their face value.

Promissory note – direct financial liability that is completed in a legally prescribed form and given by the issuer to the billholder and which gives the latter an unconditional right to make claims to the issuer in terms of specific amount, time and place.

Bank paper – a promissory note that is mainly used for raising funds by a bank.

Acceptance – an agreement on the repayment of a promissory note that imposes an obligation on the acceptor.

Bank acceptance – a promissory note secured by a bank's unconditional obligation to pay a specific amount after a certain period (as accepted by the bank).

Derivatives reducing economic benefits – fair value of derivatives which constitute liabilities.²

A derivative is a liability if the overall estimated value of a credit institution's contractual obligations from a counterparty exceeds the corresponding overall estimated value of contractual claims on the same counterparty and the credit institution expects a decrease in future economic benefits resulting from the withdrawal of assets (cash and other property), the exchange of assets or the liabilities' redemption on conditions potentially unfavourable for the credit institution.

Loss provisions, including adjustment – provisions created by credit institutions for possible losses on loans, loan and similar debt, which comprise monetary claims and claims arising from transactions with financial instruments, provided to resident and non-resident legal entities of all forms of ownership and to individuals, as well as loss provisions created on the basis of professional judgment on the risk of operations with on-balance-sheet assets that may entail the risk of losses (excluding loans, loan and similar debt), contingent credit and non-credit liabilities recorded in off-balance-sheet accounts; interest income claims under credit claims; forward

² In accordance with Bank of Russia Regulation No. 372-P, dated 4 July 2011, 'On the Procedure for Accounting Derivatives'.

transactions; other losses including the adjustment of loss provisions to estimated loan loss provisions (starting from statements as of 1 February 2019).

Adjustment of loss provisions to estimated loan loss provisions – operations on accounts for loss provision adjustments are recorded in accordance with Chapters 2-4 of Bank of Russia Regulation No. 605-P, dated 2 October 2017, and Chapter 11 of Bank of Russia Regulation No. 606-P, dated 2 October 2017.

Loss provisions, excluding adjustment – loss provisions created by credit institutions excluding accounts for adjustment to estimated loan loss provisions.

Other liabilities – total – float, loans, funds of a lessee credit institution payable under a contract of financial lease (leasing), income of future periods, accrued but unpaid interest on interbank loans, deposits and other raised funds.

Transactions on funding cost adjustment accounts (starting from statements as of 1 February 2019) are carried out in accordance with Bank of Russia Regulation No. 604-P.

Settlements of credit institutions upon certain operations – liabilities of a credit institution on outstanding settlements (including payment card transactions), settlements with branches, settlements on the organised securities market, settlements with issuers for servicing securities issues, with the Ministry of Finance of Russia on securities, settlements with currency and stock exchanges, settlements with customers on foreign currency purchases and sales, on conversion and futures transactions, as well as sales transactions and payment of lotteries, payment on acquired and sold commemorative coins, sums in correspondent accounts prior to clarification, cash settlements with organisations, other receivables of credit institutions.

Creditors – amounts accrued and payable as taxes and duties to the budget, wages and payroll charges, compensation payments to bank employees and imprest amounts, to providers and suppliers and advances from buyers on business transactions, dividends payable to shareholders and other operations.

Accrued interest liabilities (including interest/coupons on securities issued) – overdue interest on interbank loans, deposits and other raised funds; accrued interest on bank accounts, deposits and other funds raised from resident and non-resident legal entities and individuals; and outstanding liabilities on interest on customer deposits and other raised funds unpaid (not transferred) on the day of a customer's demand or contractual maturity; interest income and discount on debt liabilities and discounted promissory notes accrued before their sale or repayment, if the respective income is recognised as uncertain; liabilities on interest and coupons on issued securities payable.

Total liabilities – refer to the comment on 'Banking sector assets (liabilities)' in Table 12 'Bank assets grouped by investment'.

Table 14
Bank assets grouped by investment (as % of assets)

General provisions

The table shows the structure of assets grouped by investment and recorded in Table 12 ‘Bank assets grouped by investment’, as a percentage of the total assets of the banking sector.

Table 15
Bank liabilities grouped by source of funds (as % of liabilities)

General provisions

The table shows the structure of liabilities grouped by source of funds and recorded in Table 13 ‘Bank liabilities grouped by source of funds’, as a percentage of the total liabilities of the banking sector.

Table 16
Main characteristics of credit operations of the banking sector

General provisions

The table shows information about credit exposure by economic sector and borrower, in Russian rubles and foreign currency, which provides additional details for the indicators in Table 12 ‘Bank assets grouped by investment’.

The data are taken from the monthly statements of operating credit institutions of the Russian Federation under Form 0409101 ‘Trial Balance of a Credit Institution’.

Characteristics of individual indicators

Loans (excluding revaluation and value adjustment of issued (placed) funds) – total – refer to the comment on ‘Loans, deposits and other placements’ in Table 12 ‘Bank assets grouped by investment’.

Overdue loans – refer to the comment on the respective indicator in Table 12 ‘Bank assets grouped by investment’.

Loans to resident non-financial organisations – outstanding debt (including overdue debt) on loans and other placements issued to resident non-financial organisations and individual entrepreneurs in Russian rubles and foreign currency.

Loans to individual entrepreneurs – outstanding debt (including overdue debt) on loans and other funds issued to individual entrepreneurs in Russian rubles and foreign currency.

Loans to non-resident legal entities (other than banks) – outstanding debt (including overdue debt) on loans and other funds issued to non-resident legal entities in Russian rubles and foreign currency.

Loans to the financial sector – outstanding debt (including overdue debt) on loans, deposits and other placements issued to resident credit institutions, financial organisations under federal or

public (other than federal) ownership, or non-public financial organisations in Russian rubles, foreign currency and precious metals.

Loans to non-resident banks – outstanding debt (including overdue debt) on loans, deposits and other placements issued to non-resident banks in precious metals, Russian rubles and foreign currency.

Loans to public financial authorities and extra-budgetary funds – refer to the comment on the respective indicator in Table 12 ‘Bank assets grouped by investment’.

Acquired claims (except overdue loans) – refer to the comment on the respective indicator in Table 12 ‘Bank assets grouped by investment’.

Loans to resident individuals – outstanding debt (including overdue debt) payable to credit institutions on all types of loans and other funds issued to Russian citizens (excluding individual entrepreneurs) in Russian rubles and foreign currency.

Loans to non-resident individuals – outstanding debt (including overdue debt) payable to credit institutions on all types of loans and other funds issued to non-resident individuals in Russian rubles and foreign currency.

Characteristics of indicators included as memo item

Loan loss provisions – provisions for possible losses on loans, deposits and other placements issued to legal entities of all forms of ownership and resident and non-resident individuals, created by credit institutions in accordance with Bank of Russia Regulation No. 590-P, dated 28 June 2017, ‘On the Procedure for Credit Institutions to Make Loss Provisions for Loans, Loan and Similar Debts’.

Adjustment of loss provisions to estimated loan loss provisions (starting from statements as of 1 February 2019) is recorded in accordance with Chapters 2-4 of Bank of Russia Regulation No. 605-P, dated 2 October 2017, and Chapter 11 of Bank of Russia Regulation No. 606-P, dated 2 October 2017.

Loan loss provisions, excluding adjustment – refer to the comment on the respective indicator in Table 13 ‘Bank liabilities grouped by source of funds’.

Loans overdue for more than 90 days – outstanding debt on loans overdue for more than 90 days.

Assets are recognised as overdue in full scope under a loan agreement (credit line agreement) if the principal repayment has not been made when due and are calculated using bank reporting Form 0409115.

Overdue interest on loans issued that are accounted for in balance-sheet accounts – overdue interest on loans, deposits and other placements with resident and non-resident customers (legal entities and individuals), foreign states, as well as on operations with precious metals, in Russian rubles and foreign currency recorded in balance-sheet accounts.

Investments of credit institutions in residents’/non-residents’ promissory notes – refer to the comment on ‘Discounted promissory notes’ in Table 12 ‘Bank assets grouped by investment’.

Table 17**Main characteristics of credit operations of the banking sector (as % of total loans and as % of total assets)****General provisions**

The table shows the structure of credit operations of the banking sector listed in Table 16 ‘Main characteristics of credit operations of the banking sector’ as a percentage of the total loans and of the total assets of the banking sector.

Table 18**Credit institutions’ investments in securities****General provisions**

The table shows the value of credit institutions’ investments in securities (other than cheques, warehouse certificates, bearer savings books, promissory notes and securities acquired as ‘stakes in subsidiary and affiliated joint-stock companies’).

The data are taken from the monthly statements of operating credit institutions of the Russian Federation under Form 0409101 ‘Trial Balance of a Credit Institution’.

Given the considerable amendments to the securities accounting principles (Bank of Russia Regulation No. 606-P, dated 2 October 2017, ‘On the Procedure for Credit Institutions to Account Securities Transactions’) adequate time series for Tables 18-20 can only be created using statements as of 1 February 2019 and later.

Characteristics of individual indicators

Investments – total – credit institutions’ investments in securities (other than discounted promissory notes and ‘stakes in subsidiary and affiliated joint-stock companies’) recognised in accounting records as ‘at fair value through profit or loss’, ‘at fair value through other comprehensive income’ and ‘at amortised cost’ in Russian rubles and foreign currency.

After initial recognition, securities are recognised in accounting records at amortised cost, at fair value through other comprehensive income or at fair value through profit or loss in compliance with IFRS 9, except in the cases stipulated in Clause 4.1.5 of IFRS 9, based on the following:

- the business model used by a credit institution to manage securities,
- features of securities associated with cash flows provided for by the issuing conditions.

Securities at amortised cost – securities which meet both conditions:

- the securities are managed based on a business model that aims to receive the cash flows provided for by the issuing conditions;
- the issuing conditions of the securities provide for the receipt on the said date of cash flows which are repayments of the principal and interest on the outstanding amount of the principal.

Securities at fair value through other comprehensive income – securities which meet both conditions:

- the securities are managed based on a business model that aims both to receive the cash flows provided for by the issuing conditions and to sell the securities;
- the issuing conditions of the securities provide for the receipt on the said date of cash flows which are repayments of the principal and interest on the outstanding amount of the principal.

Securities at fair value through profit or loss – securities not classified by a credit institution as securities at amortised cost or securities at fair value through other comprehensive income, including securities available for sale.

Characteristics of indicators included as memo item

Revaluation of securities – refer to the comment on the respective indicator in Table 12 ‘Bank assets grouped by investment’.

Adjustments increasing (reducing) the cost of securities or changes in the fair value of equity securities upon initial recognition – refer to the comment on the respective indicator in Table 12 ‘Bank assets grouped by investment’.

Provisions for losses on securities – loss provisions are created for securities at amortised cost if their current (fair) value cannot be calculated adequately and there are signs of their depreciation; for securities at fair value through other comprehensive income; and overdue debt.

Adjustment of loss provisions to estimated loss provisions – refer to the comment on the respective indicator in Table 13 ‘Bank liabilities grouped by source of funds’.

Provisions for losses on securities, excluding provisions adjustment – refer to the comment on ‘Loss provisions, excluding adjustment’ in Table 13 ‘Bank liabilities grouped by source of funds’.

Table 19
Credit institutions’ debt investments

General provisions

The table shows the value of credit institutions’ investment in debt recognised as securities by Russian civil and budgetary law, laws on government and municipal securities and laws on securities market. Indicators are broken down by issuer of debt denominated in Russian rubles or foreign currency; this breakdown disaggregates the indicator ‘Debt investment’ in Table 12 ‘Bank assets grouped by investment’.

The data are taken from the monthly statements of operating credit institutions of the Russian Federation under Form 0409101 ‘Trial Balance of a Credit Institution’.

Characteristics of individual indicators

Debt investments – total – refer to the comment on ‘Debt investment’ in Table 12 ‘Bank assets grouped by investment’.

Investments in debt securities at balance-sheet value (excluding revaluation and value adjustment) – credit institutions’ investment in the debt securities of (resident and non-resident) legal entities denominated in Russian rubles and foreign currency. Total investments in debt securities, including by type of investment, are recognised at book value excluding revaluation

and adjustment. Credit institutions' debt investment portfolios contain securities of the following issuers:

debt securities of the Russian Federation – all debt securities of the Russian Federation denominated in Russian rubles or foreign currency;

debt securities of the Bank of Russia – debt securities issued by the Bank of Russia which are placed with credit institutions and circulate among them;

debt securities of Russian constituent territories and local governments – debt securities issued by Russian constituent territories and local governments;

debt securities of resident credit institutions – debt securities issued by Russian resident credit institutions;

debt securities of other residents – debt securities issued by Russian resident legal entities other than credit institutions and not recognised in previous items.

foreign sovereign debt – debt securities issued by foreign states;

debt securities of non-resident banks – debt securities issued by non-resident banks;

debt securities of other non-residents – debt securities issued by other non-resident legal entities;

investment in non-residents' debt (other than promissory notes) – debt recognised as securities in compliance with the law of the country of their issue;

debt securities transferred without derecognition – securities transferred to counterparties under reverse transactions, which have not been derecognised;

overdue debt securities – costs associated with the acquisition of debt securities and the interest (coupon) income previously recognised as income, if the issuer of securities fails to redeem them when due.

Characteristics of indicators included as memo item – refer to the comment on the respective indicator in Table 18 'Credit institutions' investments in securities'.

Table 20

Credit institutions' equity investments

General provisions

The table 'Credit institutions' equity investments' shows the value of credit institutions' investments in equity securities 'at fair value through profit or loss' and 'at fair value through other comprehensive income' broken down by issuer, denominated in Russian rubles and foreign currency. The data are taken from the monthly statements of operating credit institutions of the Russian Federation under Form 0409101 'Trial Balance of a Credit Institution'.

Characteristics of individual indicators

Equity investments – total – refer to the comment on 'Equity investment' in Table 12 'Bank assets grouped by investment'.

Investments in equity securities at balance-sheet value (excluding revaluation and changes in fair value at initial recognition) – credit institutions' investment in the equity securities of (resident and non-resident) legal entities denominated in Russian rubles and foreign

currency. Total investments in equity securities, including by type of investment, are recognised at book value excluding revaluation and changes in fair value at initial recognition.

Equity securities transferred without derecognition – refer to the comment on ‘Debt securities transferred without derecognition’ in Table 19 ‘Credit institutions’ debt investments’.

Characteristics of indicators included as memo item – refer to the comment on the respective indicator in Table 18 ‘Credit institutions’ investments in securities’.

Table 21

Credit institutions’ investments in promissory notes

General provisions

The table ‘Credit institutions’ investments in promissory notes’ contains information about the value of promissory notes discounted by credit institutions ‘at fair value through profit or loss’, ‘at fair value through other comprehensive income’ and ‘at amortised cost’ in Russian rubles and foreign currency.

The data are taken from the monthly statements of operating credit institutions of the Russian Federation under Form 0409101 ‘Trial Balance of a Credit Institution’.

Characteristics of individual indicators

Discounted promissory notes in a credit institution’s portfolio in rubles/foreign currency – refer to the comment on ‘Discounted promissory notes’ in Table 12 ‘Bank assets grouped by investment’.

Table 22

Credit institutions’ investments in promissory notes

General provisions

The table shows the structure of the total value of promissory notes discounted by credit institutions denominated in Russian rubles and foreign currency broken down by issuer.

The data are taken from the monthly statements of operating credit institutions of the Russian Federation under Form 0409101 ‘Trial Balance of a Credit Institution’.

Characteristics of individual indicators

Discounted promissory notes, total – refer to the comment on ‘Discounted promissory notes’ in Table 12 ‘Bank assets grouped by investment’.

Discounted promissory notes by issuer category – discounted promissory notes by issuer:

- promissory notes of federal executive authorities;
- promissory notes of the executive authorities of Russian constituent territories and local governments;
- promissory notes of resident credit institutions;
- promissory notes of other residents;
- promissory notes of foreign governments and local authorities;
- promissory notes of non-resident banks;

- promissory notes of other non-residents.

Issuer – the entity obliged to pay on an issued promissory note.

Characteristics of indicators included as memo item – refer to the comment on the respective indicator in Table 18 ‘Credit institutions’ investments in securities’.

Table 23

Real estate temporarily unused in core activities

General provisions

The table ‘Real estate temporarily unused in core activities’ shows changes in the indicators characterising credit institutions’ investments in real estate temporarily unused in core activities, including leased out real estate, and construction (building) of this real estate, as well as non-current inventories. The data are taken from the monthly statements of operating credit institutions of the Russian Federation under Form 0409101 ‘Trial Balance of a Credit Institution’.

In addition, the table provides data on loss provisions calculated based on assets listed in Clause 2.7 of Bank of Russia Regulation No. 611-P, dated 23 October 2017, ‘On the Procedure for Credit Institutions to Make Loss Provisions’.

Characteristics of individual indicators

Real estate temporarily unused in core activities – refer to the comment on ‘Real estate temporarily unused in core activities’ in Table 12 ‘Bank assets grouped by investment’.

Real estate temporarily unused in core activities includes:

- land plots of undetermined purpose;
- a building assigned for temporary possession and use or for temporary possession under one or more lease contracts, except financial lease (leasing);
- a building intended to be assigned for temporary possession and use or for temporary possession under one or more lease contracts, except financial lease (leasing);
- property under construction (building) or reconstruction intended to be assigned for temporary possession and use or for temporary possession under one or more lease contracts, except financial lease (leasing).

Non-current inventories – property acquired under an agreement on compensation or a pledge agreement, prior to a credit institution’s decision to sell it, use it in its activity or transfer to real estate temporarily unused in core activities, as well as property previously recognised as real estate temporarily unused in core activities, the value of which has been transferred from the respective account after the decision to sell it.

Clause 2.7 of Bank of Russia Regulation No. 611-P, dated 23 October 2017, ‘On the Procedure for Credit Institutions to Make Loss Provisions’ lists assets used in the calculation of loss provisions,³ which include, among other things, the residual value (book value less

³ Other assets include real estate; property other than real estate; claims on equity construction agreements received by a credit institution under an agreement on compensation or a pledge agreement following the sale of the right for collateral on loans issued by the credit institution, loan and similar debt, calculated in accordance with Bank of Russia Regulation No. 590-P; assets received by a bank following the restructuring of receivables.

depreciation) of real estate and land plots unused in banking activities, stipulated in Article 5 of the Federal Law ‘On Banks and Banking Activity’. Loss provisions for these assets increase depending on the term of their recognition on the balance sheet of a credit institution – from no less than 10% (for a term of one to two years) to no less than 75% (for a term of five or more years).

Table 24
Movements of core corporate funds raised by credit institutions

General provisions

The table contains data characterising fund raising by credit institutions from the Ministry of Finance of Russia, the financial authorities of Russian constituent territories and local governments, resident and non-resident legal entities in Russian rubles and foreign currency into settlement and other accounts, as well as funds in budget accounts, customer funds in factoring and forfeiting operations, float, funds written off from customer accounts but not passed through the credit institution’s correspondent account, deposits and other funds raised from legal entities broken down by maturity.

The data on funds raised by credit institutions is broken down by maturity of deposits and other raised funds with due account of all additional contracts.

The data included in the main indicators that characterise the funds of non-resident organisations raised by credit institutions is provided in the ‘Memo item’ section.

The data are taken from the monthly statements of operating credit institutions of the Russian Federation under Form 0409101 ‘Trial Balance of a Credit Institution’.

Characteristics of individual indicators

Corporate funds raised – total – cash, deposits and other funds raised from resident and non-resident legal entities and individual entrepreneurs, transferred to a credit institution’s vaults in cash or non-cash form under certain conditions, funds in budget accounts and funds written off from customer accounts but not passed through the credit institution’s correspondent account due to insufficiency of funds, outstanding liabilities on deposits and other funds raised from legal entities, and certificates of deposit issued by credit institutions.

Deposits and funds in accounts of non-financial and financial organisations (other than credit institutions) – refer to the comment on the respective indicator in Table 13 ‘Bank liabilities grouped by source of funds’.

Corporate funds in accounts – refer to the comment on the respective indicator in Table 13 ‘Bank liabilities grouped by source of funds’.

Funds of individual entrepreneurs – funds of unincorporated individual entrepreneurs in Russian rubles and foreign currency.

Certificates of deposit – refer to the comment on Table 13 ‘Bank liabilities grouped by source of funds’.

Outstanding liabilities on deposit agreements and other raised funds – amounts of liabilities on the deposits of legal entities (other than credit institutions and non-resident banks) and other raised funds outstanding as of the date of the customer’s demand or the due date.

Deposits and funds of the Ministry of Finance, local governments, budgets, public and other extra-budgetary funds – refer to the comment on the respective indicator in Table 13 ‘Bank liabilities grouped by source of funds’.

Budget funds, public and other extra-budgetary funds – refer to the comment on the respective indicator in Table 13 ‘Bank liabilities grouped by source of funds’.

Corporate float – refer to the comment on the respective indicator in Table 13 ‘Bank liabilities grouped by source of funds’.

Customer funds in factoring and forfeiting operations – refer to the comment on the respective indicator in Table 13 ‘Bank liabilities grouped by source of funds’.

Table 25

Main characteristics of debt issued by the banking sector (billions of rubles)

General provisions

The table ‘Main characteristics of debt issued by the banking sector’ contains data on funds raised by credit institutions in Russian rubles and foreign currency through the issue of debt securities. Certificates of deposit, savings certificates, bonds and promissory notes issued by credit institutions at face value are broken down by maturity: up to one year and more than one year. Lack of data on debt securities with certain maturities means that no funds were raised using securities with this maturity during the period indicated in the table. The table excludes interest and coupon obligations on issued securities.

The data are taken from the monthly statements of operating credit institutions of the Russian Federation under Form 0409101 ‘Trial Balance of a Credit Institution’.

Characteristics of individual indicators

Certificate of deposit/savings certificate – funds raised by credit institutions through the issue of certificates of deposit and (or) savings certificates.

Certificate of deposit/savings certificate – a time deposit which is a security certifying the amount deposited with a credit institution and the right of the depositor (certificate holder) to receive upon maturity the deposited amount and the interest indicated in the certificate from the issuer of the certificate or its branch. Certificates are issued in Russian rubles. For detail of certificates of deposit and savings certificates, refer to Bank of Russia Regulation No. 645-P, dated 3 July 2018, ‘On Savings Certificates and Certificates of Deposit of Credit Institutions’. In Table 13 ‘Bank liabilities grouped by source of funds’, certificates of deposit and savings certificates are included in household and corporate deposits respectively.

Bonds – the value of bonds issued by a credit institution at face value to raise funds in Russian rubles or foreign currency in ruble terms, as well as issued bonds for redemption (i.e. bonds to be redeemed at the expiration of the circulation term and (or) at maturity; callable bonds not paid on the day of presentation for payment).

Bond – a security that certifies the holder’s right to receive, in due time, the face value of the bond or some other equivalent in property. Bonds also provide for a fixed interest on their face value or some other equivalent in property.

Promissory notes and bank acceptances – the value of promissory notes and bank acceptances at face value (at the moment of placement) issued by a credit institution in order to raise funds in Russian rubles and foreign currency in ruble terms and the amount of interest to be paid on promissory notes over their face value.

Promissory note – direct financial liability that is completed in a legally prescribed form and given by the issuer to the billholder and gives the latter an unconditional right to make claims to the issuer in terms of specific amount, time and place.

Bank paper – a promissory note that is mainly used for raising funds by a bank.

Acceptance – an agreement on the repayment of a promissory note that imposes obligation on the acceptor from the moment of acceptance.

Bank acceptance – a promissory note secured by a bank's unconditional obligation to pay a specific amount after a certain period (as accepted by the bank).

Table 26

Household deposits

General provisions

The table contains data on all types of household deposits (raised from residents and non-residents in Russian rubles and foreign currency): sight deposits, household time deposits and savings certificates grouped by maturity, and other funds in household accounts.

The data included in the main indicators that characterise the funds of non-resident households raised by credit institutions is provided in the 'Memo item' section.

The data are taken from the monthly statements of operating credit institutions of the Russian Federation under Form 0409101 'Trial Balance of a Credit Institution'.

Characteristics of individual indicators

Household deposits – refer to the comment on the respective indicator in Table 13 'Bank liabilities grouped by source of funds'.

Table 27

Main characteristics of loans issued by other credit institutions

General provisions

The table contains data on loans, deposits and funds raised from resident credit institutions and non-resident banks, and overdue interbank loans, deposits and other funds raised in Russian rubles and foreign currency.

Characteristics of individual indicators

Loans from other credit institutions – total – refer to the comment on the respective indicator in Table 13 'Bank liabilities grouped by source of funds'.

Overdue loans – refer to the comment on the respective indicator in Table 13 'Bank liabilities grouped by source of funds'.

Table 28
Budget funds in settlement accounts by bank group

General provisions

The table 'Budget funds in settlement accounts by bank group' contains indicators which show the distribution of credit institutions by weight of budget funds in settlement accounts in liabilities.

The table is compiled as of the reporting date.

The data are taken from the monthly statements of operating credit institutions of the Russian Federation under Form 0409101 'Trial Balance of a Credit Institution'.

Characteristics of individual indicators

Budget funds in settlement accounts, millions of rubles – funds of budgets of all levels in settlement accounts. Funds of public and other extra-budgetary funds are excluded from this indicator.

Bank assets – refer to the comment on 'Banking sector assets (liabilities) – total' in Table 12 'Bank assets grouped by investment'.

Table 29.
Funds raised from and placed with non-residents

General provisions

The indicators in the table 'Funds raised from and placed with non-residents' show changes in the value of funds raised from and placed with non-residents (including non-resident banks) and their share in the liabilities (assets) of the banking sector, and characterise the trends in relations between Russian credit institutions and non-residents in terms of fund raising and placement.

The data are taken from the monthly statements of operating credit institutions of the Russian Federation under Form 0409101 'Trial Balance of a Credit Institution' and Form 0409401 'Authorised Bank's Report on Overseas Operations'.

Characteristics of individual indicators

The overview of the indicators used in the Raised Funds section of the table corresponds to the overview of similar indicators in Table 13 'Bank liabilities grouped by source of funds' taking into account the following specifics:

the indicators '*Customer funds (other than funds of credit institutions) – total*', '*Funds in corporate accounts*', '*including deposits and other raised funds*', '*Household deposits*' and '*including deposits and other raised funds*' exclude data on the value of certificates of deposit and savings certificates issued by non-residents, as such accounts are not included in the chart of accounts of credit institutions.

Funds in other accounts reflect the funds of non-resident customers (other than non-resident banks) in precious metals on broker operations with securities and other financial assets, the funds of non-resident legal entities and individuals in accounts of type S, K and N, and in special bank accounts of non-residents in Russian rubles.

Loans raised from foreign governments/extended to foreign governments – loans raised/extended in accordance with intergovernmental agreements with foreign governments, including overdue loans extended to foreign governments.

Funds raised – total – the sum of ‘Customer funds (other than funds of credit institutions) – total’, ‘Funds in bank correspondent accounts’, ‘Loans raised from banks’ and ‘Loans raised from foreign governments’.

Characteristics of indicators in the Funds Placed section: ‘*Credit exposure – total*’, ‘*Loans to banks*’, ‘*Loans to legal entities*’, ‘*Funds in correspondent accounts with banks*’, ‘*Discounted promissory notes*’ and ‘*Stakes in authorised capital*’ correspond (in terms of placed funds of non-residents) to the overview of similar indicators in Table 12 ‘Bank assets grouped by investment’ taking into account the following specifics:

investment in *debt and equity* securities includes investment in foreign government debt, debt of non-resident banks and debt of other non-residents. Revaluation of debt and equity securities of non-residents is not taken into account as revaluation of non-resident securities is not included in the chart of accounts for credit institutions

Funds placed – total – the sum of ‘Credit exposure – total’, ‘Funds in correspondent accounts with other banks’, ‘Investments in securities’ ‘Stakes in authorised capital’ and ‘Loans raised from foreign governments’.

Characteristics of indicators included as memo item

Authorised banks’ liabilities to non-residents on debt securities issued – total – data on the value of short-term and long-term current debt securities (bonds, certificates of deposit, savings certificates and promissory notes) issued by a reporting bank and acquired by non-residents.

Overdue interest on credit institutions’ liabilities – overdue interest on interbank loans, deposits and other funds raised from non-resident banks, and outstanding liabilities on interest on deposits and other funds raised from non-resident legal entities and individuals.

Overdue interest on credit institutions’ assets – overdue interest on non-resident transactions with precious metals with non-residents, on interbank loans, deposits and other placements with non-resident banks, on loans to foreign governments, on loans and other placements to non-resident legal entities and individuals.

Financial standing of credit institutions

Table 30

Financial result of operating credit institutions

General provisions

The table ‘Financial result of operating credit institutions’ contains the indicators characterising the financial performance of operating credit institutions (before tax) year to date and shows the number of profit-making (loss-making) operating credit institutions in the current year, and changes in the financial performance of the banking sector. The financial result of the last year is factored out.

The data are taken from the statements of operating credit institutions of the Russian Federation under Form 0409101 ‘Trial Balance of a Credit Institution’.

Characteristics of individual indicators

Current year profit (+)/loss (–) is calculated as the sum of earned income net of expenses of operating credit institutions in the reporting period. Profit (loss) is calculated on an accrual basis.

Current year profit (+) of profit-making credit institutions is calculated as the sum of earned income net of expenses of profit-making credit institutions or credit institutions with zero profit in the reporting period. Profit is calculated on an accrual basis.

Current year loss (–) of loss-making credit institutions is calculated as the sum of earned income net of expenses of loss-making credit institutions in the reporting period. Loss is calculated on an accrual basis.

Characteristics of indicators included as memo item

Disposition of current year profit – the allocation of current year profit by operating credit institutions to pay income tax (including advance payments) and to make payments from profit after tax: allocation of profit to pay dividends and create (replenish) the reserve fund by decision of the general meeting of shareholders (participants) or in accordance with the charter of the credit institution.

Table 31

Income and expense structure of operating credit institutions

General provisions

The table ‘Income and expense structure of operating credit institutions’ shows income and expenses depending on the nature and types of operations of credit institutions.

The data are taken from the statements of operating credit institutions of the Russian Federation under Form 0409102 ‘Income Statement of a Credit Institution’.

The structure of the respective table has been revised to approach the structure of Form 0409102 since August 2019, Issue No. 202 (internet version) of the Review of the Banking Sector of the Russian Federation.

Characteristics of individual indicators

Comprehensive income – the sum of interest and operating income received.

A credit institution's income is an increase in its economic benefits that leads to an increase in its capital, excluding the following proceeds:

- from founders, shareholders, participants and owners of a credit institution in the form of deposits, contributions, funds and other property used to form the authorised fund, grant financing, or contributions to the assets of a limited liability company;
- from a counterparty to a middleman or agent as part of their services on a commission basis or agency services, except the payment for such services;
- from counterparties received and (or) recovered and subject to transfer to third parties;
- as a difference between actual expenses for redemption of treasury shares or stakes and their book value.

Income is recognised in accounting if the following conditions are met:

- a credit institution's right to receive the income arises out of an agreement or is otherwise confirmed;
- the amount of income can be determined;
- there is no uncertainty over the acquisition of the income;
- as a result of an asset delivery (sale) transaction, works or services, a credit institution has transferred to the buyer the control over the delivered (sold) asset, the customer has accepted the work or the service has been provided.

Interest income – includes income accrued as interest, coupon, discount (premium) on interest income-bearing transactions.

Operating income – includes income (other than interest income) from transactions:

- with issued loans and other placements;
- with acquired debt securities;
- with acquired equity securities;
- with foreign currency and precious metals and their revaluation;
- commission and similar income;
- other operating income;
- a credit institution's business-related income, including that associated with the entire organisation and not connected with each transaction and (or) deal.

Comprehensive expenses – the sum of interest and operating expenses paid.

Expenses of a credit institution mean a reduction of economic benefits that leads to a decrease in the credit institution's capital (excluding the distribution of profit to shareholders or participants, and (or) the reduction of deposits at the decision of shareholders or participants) that takes the following forms:

- disposal of assets (e.g., as a result of a property loss or damage);
- a decrease in the value of assets as a result of revaluation (excluding the revaluation (markdown) of fixed assets, intangible assets, financial assets at fair value through other comprehensive income, and the reduction of claims to pay long-term post-employment benefits after revaluation recognised as a decrease in additional Tier 1 capital) or depreciation;

- the creation or increase of loss provisions, the creation or increase of reserves – contingent non-credit liabilities;
- a decrease in assets as a result of asset delivery (sale) transactions, fulfilment of works and provision of services;
- an increase in liabilities (excluding an increase in liabilities to pay long-term post-employment benefits after revaluation recognised as a decrease in additional Tier 1 capital) not associated with the receipt (creation) of the respective asset.

Interest expenses include expenses accrued as interest, coupon, discount (premium) on interest income-bearing transactions.

Operating expenses include expenses (other than interest income) from transactions:

- with issued loans and other placements;
- with acquired debt securities;
- with acquired equity securities;
- with obtained loans and other borrowed funds and issued debt securities;
- with foreign currency and precious metals and their revaluation;
- commission and similar expenses;
- other operating expenses;
- credit institution's business-related expenses, including those associated with the entire organisation and not connected with each transaction and (or) deal.

Financial result before tax – refer to the comment on 'Current year profit (+)/loss (-)' in Table 30 'Financial result of operating credit institutions'.

Memo item: aggregates show indicators of net income broken down by type, constituting a difference between earned income and incurred expenses.

Tables 32–39

Individual indicators of bank operations with assets and liabilities by federal district and Russian constituent territory

General provisions

The tables contain individual indicators of bank operations with assets and liabilities broken down by federal district and Russian constituent territory: assets and liabilities of credit institutions (including balancing of certain accounts); securities purchased by banks; data on loans, deposits and other placements in rubles and foreign currency; data on overdue loans, deposits and other placements; customer funds in rubles and foreign currency; loans, deposits and other funds received from other banks.

The tables provide indicators of credit institutions registered in the region. The data are taken from the statements of operating credit institutions of the Russian Federation under Form 0409101 'Trial Balance of a Credit Institution'.

Characteristics of indicators

For the characteristics of the indicators included in these tables, refer to the comments to the respective indicators in Table 12 ‘Bank assets grouped by investment’ and Table 13 ‘Bank liabilities grouped by source of funds’.

Table 40
Individual financial stability indicators of the banking sector (%)

General provisions

The table ‘Individual financial stability indicators of the banking sector (%)’ contains aggregate performance indicators of credit institutions which characterise their financial stability and liquidity. The table shows changes in capital adequacy, risks accepted by credit institutions in banking operations, bank asset liquidity and the financial results of credit institutions in the reporting year.

Characteristics of individual indicators

Capital adequacy (N1.0) – the ratio of a bank’s capital to risk-weighted assets. The indicator characterises a bank’s capability to offset possible financial losses at its own expense and without detriment to its customers. The minimum value of the N1.0 ratio is set equal to 8 per cent.

Tier 1 capital adequacy ratio (N1.2) – the ratio of a bank’s core capital to risk-weighted assets. The minimum value of the N1.2 ratio is set equal to 6 per cent.

Credit risk-weighted assets (the N1.0 denominator) relative to total assets shows the level of credit risk.

Problem and loss loans in total loans – shows the ratio of total problem and loss loans to the total loans issued by credit institutions.

The indicator is calculated based on bank reporting Form 0409115 ‘Asset Quality of a Credit Institution’. **Problem and loss loans** – loans on which the probability of losses caused by the non-fulfilment or improper fulfilment of obligations by a borrower on a loan leads to its depreciation as follows:

on problem loans – from 51% to 100% (high credit risk),

on loss loans – no possibility of repayment due to the inability or refusal of the borrower to meet obligations on a loan that leads to the total (100%) depreciation of the loan.

Loan quality (the possibility of loan depreciation) is determined in accordance with Bank of Russia Regulation No. 590-P, dated 28 June 2017, ‘On the Procedure for Making Loss Provisions by Credit Institutions for Loans, Loan and Similar Debts’.

Created loan loss provisions as percentage of total loans issued – shows the ratio of the total loan loss provisions created by credit institutions to the total loans issued by credit institutions.

The indicator is calculated based on bank reporting Form 0409115 ‘Asset Quality of a Credit Institution’. **Loan loss provisions** – provisions created due to credit risks in the operations of credit institutions. Provisions are created within the amount of the principal debt (book value of a loan) in Russian rubles irrespective of the loan currency. The principal debt excludes: payments

as interest, commissions, or forfeits on loans conditioned by the law, common business practice or the loan contract, and other payments to credit institutions that arise from the loan contract.

Total insider exposure relative to capital (N10.1) – determines the maximum ratio of total insider exposure to a bank’s capital and regulates (limits) the bank’s cumulative credit risk with respect to all insiders, that is, individuals capable of influencing the bank’s credit decisions.

Total large credit exposure relative to capital – shows the ratio of banks’ total large credit exposure to their total capital.

Large credit exposure – banks’ total large credit exposure net of estimated loss provisions on respective exposures in accordance with Bank of Russia Regulation No. 590-P, dated 28 June 2017, and Bank of Russia Regulation No. 611-P, dated 23 October 2017, weighed for the risk ratio established for the respective assets by Bank of Russia Instruction No. 180-I, dated 28 June 2017.

Geographical distribution of extended interbank loans and placed deposits – shows the value of extended interbank loans and placed deposits in Russian rubles, foreign currency and precious metals with resident credit institutions and non-resident banks broken down by location of borrower banks.

The indicator is calculated based on bank reporting Form 0409501 ‘Interbank Loans and Deposits’.

Highly liquid assets relative to total assets – shows the level (share) of highly liquid assets in the total assets of the banking sector.

Highly liquid assets – financial assets which must be received on the next day and (or) can be immediately claimed and (or) sold by the bank to immediately receive funds, including funds in correspondent accounts with the Bank of Russia, in accounts with banks in developed countries, in the International Bank for Reconstruction and Development, International Finance Corporation and the European Bank for Reconstruction and Development, and funds in the tills of a credit institution. The indicator is calculated in accordance with Bank of Russia Instruction No. 180-I, dated 28 June 2017, ‘On Banks’ Required Ratios’. The indicator for the banking sector as a whole is calculated as the sum of highly liquid assets calculated by credit institutions.

Liquid assets relative to total assets – the level (share) of liquid assets in the total assets of the banking sector.

Liquid assets – financial assets which a bank can receive and (or) recover within the next 30 days and (or) sell, if necessary, within 30 days to obtain monetary funds in due time. The indicator is calculated in accordance with Bank of Russia Instruction No. 180-I, dated 28 June 2017, ‘On Banks’ Required Ratios’. The indicator for the banking sector as a whole is calculated as the sum of liquid assets calculated by credit institutions.

Highly liquid assets relative to sight liabilities (N2) – shows the liquidity risk of credit institutions over one business day.

Liabilities of credit institutions in sight accounts – sight liabilities on which a depositor and/or creditor can make claim for immediate repayment. The indicator is calculated in accordance with Bank of Russia Instruction No. 180-I, dated 28 June 2017, ‘On Banks’ Required Ratios’. The

indicator for the banking sector as a whole is calculated as the sum of sight liabilities calculated by credit institutions.

Minimum total balances in accounts of legal entities (other than credit institutions) and individuals – an indicator for the reporting period calculated as the sum of balances as of the first day of each month of the reporting period within 0.1% of the average of total balances in corresponding accounts of legal entities and individuals over the reporting period.

Liquid assets relative to short-term liabilities (N3) – shows the liquidity risk of credit institutions over the 30 calendar days nearest to the indicator calculation date.

Liabilities of credit institutions in sight accounts and with a maturity of 30 days – sight liabilities on which a depositor and (or) creditor can make claim for immediate repayment and bank liabilities to creditors (depositors) with a maturity of 30 days. The indicator is calculated in accordance with Bank of Russia Instruction No. 180-I, dated 28 June 2017, ‘On Banks’ Required Ratios’. The indicator for the banking sector as a whole is calculated as the sum of sight liabilities calculated by credit institutions.

Long-term (more than 365 or 366 days) claims relative to capital adjusted for the minimum short-term (up to 365 or 366 days) customer account balances (N4) – regulates (limits) a bank’s risk of loss of liquidity arising from investment in long-term assets and determines the highest ratio of a bank’s credit claims with remaining maturity of more than 365 or 366 calendar days to the bank’s capital and liabilities with remaining maturity of more than 365 or 366 calendar days, adjusted for the minimum aggregate balance of accounts due within a period of up to 365 calendar days and sight accounts of individuals and legal entities (other than credit institutions), determined in accordance with Bank of Russia Instruction No. 180-I, dated 28 June 2017.

Customer funds relative to total loans – shows the rate of outstanding loan coverage with customer funds as the main source of credit institutions’ funding.

Customer funds – funds in current, settlement and deposit accounts and other funds raised from organisations of all forms of ownership (including funds of budgets at all levels, government and other extra-budgetary funds), individuals, customer funds on broker transactions with securities and other financial assets, residents and non-residents, in precious metals, Russian rubles and foreign currency, as well as outstanding contractual obligations to raise customer funds, float, customer funds in outstanding settlement transactions, customer funds in factoring and forfeiting operations, funds written off from customer accounts but not passed through the credit institution’s correspondent account.

Total loans – the value of loans, deposits and other placements provided by organisations of all forms of ownership to resident and non-resident individuals in Russian rubles, foreign currency and precious metals, including overdue loans, deposits and other placements, monetary claims of credit institutions on deals of financing under cession of monetary claim (factoring), claims on purchased receivables (cession of claims), investment in operations of financial leasing and loans to foreign states, financing of certain programmes and arrangements from the federal budget on a repayment basis and financing of capital investment at the expense of the Ministry of Finance.

Market risk (relative to total capital) – the ratio of total market risk calculated by credit institutions using the formula $MR=12.5 \times (IRR + SMR + FER + CR)$ to the total capital of credit institutions that calculate market risk.

The data are taken from the monthly statements of operating credit institutions of the Russian Federation under Form 0409135 ‘Required Ratios and Other Performance Indicators of a Credit Institution’.

Foreign exchange risk – refer to the comment on ‘Foreign exchange risk (FER)’ in Table 57 ‘Market risk structure in the banking sector’.

Interest rate risk – refer to the comment on ‘Interest rate risk (IRR)’ in Table 57 ‘Market risk structure in the banking sector’.

Stock market risk – refer to the comment on ‘Stock market risk (SMR)’ in Table 57 ‘Market risk structure in the banking sector’.

Commodity risk – refer to the comment on ‘Commodity risk (CR)’ in Table 57 ‘Market risk structure in the banking sector’.

Bank investments in other legal entities’ shares (stakes) relative to capital (N12) – defines the maximum ratio of a bank’s investments in the shares (stakes) of other legal entities to capital and regulates (limits) the aggregate risk of investments in the shares (stakes) of other legal entities. The N12 ratio factors in a bank’s investments in the shares (stakes) of legal entities acquired to receive investment income or for other purposes (including those transferred into its asset pool), excluding the receipt of profits from sales in the short term, including shares (stakes) transferred to asset management, excluding investments for which market risk is calculated; investments that reduce sources of common equity Tier 1 capital, additional Tier 1 capital and Tier 2 capital calculated in accordance with Sub-clauses 2.2.9 and 2.4.3, Clause 2 and Sub-clause 3.2.3, Clause 3 of Bank of Russia Ordinance No. 646-P; excluding investments that account for less than 5 per cent of the authorised capital of the organisation (in which the bank is a participant (shareholder)) registered in accordance with the established procedure as of the day the bank’s capital was calculated.

Banks’ financial result in the reporting period – refer to the comment on ‘Current year profit (+)/loss (–)’ in Table 30 ‘Financial result of operating credit institutions’:

banks’ financial result in the reporting period as % of banking sector assets is calculated as the ratio of the financial result (before tax) in the reporting period to the average chronological value of credit institutions’ assets in the same period;

banks’ financial result in the reporting period as % of banking sector capital is calculated as the ratio of the financial result (before tax) in the reporting period to the average chronological value of credit institutions’ capital in the same period;

Return on assets is calculated as the ratio of the financial result (before tax) for the 12 months before the reporting date to the average chronological value of credit institutions’ assets in the same period.

Return on capital is calculated as the ratio of the financial result (before tax) for the 12 months before the reporting date to the average chronological value of credit institutions’ capital in the same period.

Capital adequacy

Table 41
Credit institutions by capital

General provisions

The table ‘Credit institutions by capital’ contains indicators characterising changes in total capital, as well as the number of small, medium and large credit institutions by capital in Russia as a whole. Capital is calculated in accordance with Bank of Russia Regulation No. 646-P, dated 4 July 2018, ‘On the Methodology for Measuring Credit Institution Capital (Basel III)’.

Data on the number of credit institutions undergoing bankruptcy prevention measures and their capital is provided in a separate column.

Capital is broken down into intervals which indicate the number of small, medium and large credit institutions in Russia as a whole.

The data are taken from the statements of operating credit institutions of the Russian Federation under Reporting Form 0409123 ‘Capital Calculation (Basel III)’.

Characteristics of individual indicators

Capital – refer to the comment on the respective indicator in Table 1 ‘Macroeconomic indicators of the Russian banking sector’.

Capital adequacy ratio – shows the aggregate capital adequacy ratio calculated as the sum of credit institutions’ indicators, grouped by capital, as of the reporting date (in %).

The capital adequacy ratio (N1.0) regulates (limits) the risk of a bank’s insolvency and defines the minimum capital a bank needs to cover credit and market risks. The capital adequacy of a bank is calculated as the ratio of its capital to its total risk-weighted assets. The indicator is calculated in accordance with Bank of Russia Instruction No. 180-I, dated 28 June 2017, ‘On Banks’ Required Ratios’.

Table 42
Capital and capital adequacy of the banking sector (Basel III)

General provisions

The table contains indicators which reflect changes in the capital and capital adequacy of the banking sector (Basel III).

The data are taken from the statements of credit institutions under Form 0409123 ‘Capital Calculation (Basel III)’.

Table 43
Effect of individual factors on banking sector capital

General provisions

The table contains indicators which increase or decrease the capital of the banking sector.

The data are taken from the statements of credit institutions under Form 0409123 'Capital Calculation (Basel III)'.

Table 44
Credit risk-weighted assets of credit institutions for calculation of capital adequacy (N1.0) (billions of rubles)

General provisions

The table contains data on the credit risk-weighted assets of the banking sector.

The data are taken from the statements of credit institutions under Form 0409135 'Required Ratios and Other Performance Indicators of a Credit Institution'.

Table 45
Banking sector capital adequacy dynamics and structure

General provisions

The table contains data on the structure of the credit risk-weighted assets of the banking sector. The data are taken from the statements of credit institutions under Form 0409135 'Required Ratios and Other Performance Indicators of a Credit Institution'.

Table 46
Operating credit institutions by capital adequacy (N1.0)

General provisions

The table 'Operating credit institutions by capital adequacy (N1.0)' contains data on the number of credit institutions grouped by capital adequacy ratio (N1.0) (within the established values). It also shows the share of the assets of a group of banks in banking sector assets.

The data are taken from the statements of credit institutions under Form 0409135 'Required Ratios and Other Performance Indicators of a Credit Institution'.

Credit risk

Table 47
Outstanding loan structure of the banking sector
(share of loans classified into quality categories and loan loss provisions as
percentage of total loans issued)

General provisions

The table contains indicators which reflect changes in the share of loans classified into quality categories by credit risk as percentage of total loans issued. The table shows changes in the share of estimated and actual loan loss provisions, including those adjusted for collateral, in total loans issued and in the estimated loan loss provisions.

Loans and claims grouped into homogeneous loan and claim portfolios are excluded from this table. Claims on individual entrepreneurs are classified as claims on legal entities.

The data are taken from reports by credit institutions under Form 0409115 'Asset Quality of a Credit Institution', Section 1 'Quality of Assets Assessed for the Purpose of Loss Provisioning'.

Characteristics of individual indicators

Loans – the indicator (for the purposes of this table) includes monetary claims and claims on transactions with financial instruments recognised as loans listed in Appendix 1 to Bank of Russia Regulation No. 590-P, dated 28 June 2017, 'On the Procedure for Making Loss Provisions by Credit Institutions for Loans, Loan and Similar Debts'.

Standard loans – loans included in quality category I (top quality) bearing no credit risk (zero probability of financial losses caused by the non-fulfilment or improper fulfilment of obligations by the borrower);

Substandard loans – loans included in quality category II bearing moderate credit risk (the probability of financial losses caused by the non-fulfilment or improper fulfilment of obligations by the borrower results in its impairment by 1-20%);

Doubtful loans – loans included in quality category III bearing considerable credit risk (the probability of financial losses caused by the non-fulfilment or improper fulfilment of obligations by the borrower results in its impairment by 21-50%);

Problem loans – loans included in quality category IV bearing high credit risk (the probability of financial losses caused by the non-fulfilment or improper fulfilment of obligations by the borrower results in its impairment by 51-100%);

Loss loans – loans included in quality category V (lowest) for which there is no possibility of repayment due to the inability or refusal of the borrower to meet obligations on the loan that leads to the total (100%) depreciation of the loan.

Loan loss provisions – reflect provisions to be made by a credit institution in case of impairment of a loan (loans), i.e. if a borrower fails to fulfil or improperly fulfils its obligations or there is a real threat of such non-fulfilment (improper fulfilment), to protect a loan against credit risk.

Provisions are made within the principal amount (the book value of the loan). Principal debt excludes: payments as interest, commissions, or forfeits on loans conditioned by the law, common business practice or the loan contract, and other payments to credit institutions that arise from the loan contract (hereinafter, loan interest).

Provisions are made on an individual loan or a portfolio of homogeneous loans, i.e. loans with similar credit risk grouped for provision making (hereinafter, the portfolio of homogeneous loans) as a result of credit risk caused by the activity of an individual borrower or group of borrowers whose loans have been included in the portfolio of homogeneous loans.

Estimated loan loss provisions – provisions against a credit institution’s losses on a loan that should be recognised in compliance with the established procedure for the assessment of credit risk factors, without taking into consideration collateral on the loan.

Created loan loss provisions – loan loss provisions created by a credit institution. The value of created loss provisions on loans of quality categories II–V is calculated with due consideration of collateral of quality categories I–II. Collateral means a pledge, a bank guarantee, a surety, or a guaranteed deposit (account) included in any of the two collateral quality categories.

Table 48

Structure of homogeneous loan and claim portfolios

General provisions

The table ‘Structure of homogeneous loan and claim portfolios’ contains indicators reflecting changes in outstanding claims and loans grouped into homogeneous loan portfolios. The table also shows changes in the ratio of created loss provisions on claims and loans grouped into portfolios to total claims and loans grouped into portfolios of homogeneous claims and loans. Credit institutions are responsible for defining the evidence of homogeneity.

The data are taken from the statements of credit institutions under Form 0409115 ‘Asset Quality of a Credit Institution’, Section 2 ‘Homogeneous Corporate Claims and Loans Grouped into Portfolios’ and Section 3 ‘Homogeneous Household Claims and Loans Grouped into Portfolios’.

Characteristics of individual indicators

Outstanding loans grouped into homogeneous loan portfolios – total – include homogeneous loans broken down by borrower (legal entities, individuals, credit institutions) with the amount of a loan being up to 0.5% of the capital of a credit institution with a universal licence or up to 1.5% of the capital of a credit institution with a basic licence.

Outstanding claims grouped into homogeneous claim portfolios – total – reflect claims grouped into portfolios of homogeneous claims (contingent credit liabilities) to legal entities and individuals. The amount of each claim shall not exceed 0.5% of the capital of a credit institution with a universal licence or 1.5% of the capital of a credit institution with a basic licence.

Outstanding loans grouped into homogeneous loan portfolios relative to total outstanding loans and similar debt – reflect the share of outstanding loans grouped into homogeneous loan portfolios in total outstanding loans and similar debt.

Table 49
Outstanding homogeneous corporate claims and loans
and created loss provision

General provisions

The table ‘Outstanding homogeneous corporate claims and loans and created loss provision’ contains indicators reflecting outstanding claims and loans, including breakdown by quality category, issued by credit institutions to other legal entities, including small businesses, grouped into homogeneous loan portfolios, and the created loss provisions on loans and claims.

The data are taken from the statements of credit institutions under Form 0409115 ‘Asset Quality of a Credit Institution’, Section 2 ‘Homogeneous Corporate Claims and Loans Grouped into Portfolios’.

Characteristics of individual indicators

Outstanding loans to legal entities (other than credit institutions) grouped into homogeneous loan portfolios – refer to the comment on ‘Outstanding loans grouped into homogeneous loan portfolios – total’ of the methodological commentary to Table 48 ‘Structure of homogeneous loan and claim portfolios’.

Credit institutions classify portfolios of homogeneous loans into the following quality categories:

Quality category I – portfolios of homogeneous loans with zero provisions (no losses on a portfolio of homogeneous loans);

Quality category II – portfolios of homogeneous loans with provisions of no more than 3% of the total book value of the loans included in the portfolio;

Quality category III – portfolios of homogeneous loans with provisions of more than 3% and up to 20% of the total book value of the loans included in the portfolio;

Quality category IV – portfolios of homogeneous loans with provisions of more than 20% and up to 50% of the total book value of the loans included in the portfolio;

Quality category V – portfolios of homogeneous loans with provisions of more than 50% of the total book value of the loans included in the portfolio.

A credit institution classifies portfolios of homogeneous claims (contingent credit liabilities) into quality categories using methodology similar to that for the risk assessment of loans grouped into portfolios of homogeneous loans.

Created loss provisions for loans and claims grouped into homogeneous loan portfolios – provisions created for a portfolio of homogeneous loans, i.e. a group of loans with similar credit risk, grouped for provisioning due to credit risk caused by the activities of a group of borrowers.

A credit institution creates provisions for homogeneous loan portfolios in compliance with its own methodology for the assessment of the respective risk.

The exposure, as well as the provisions, on portfolios of homogeneous claims (contingent credit liabilities) are estimated based on professional judgment regarding the adequacy of the provisions. The procedure of credit risk assessment on portfolios of homogeneous claims

(contingent credit liabilities) is established by the internal documents of a credit institution that determine its credit policy.

Interest income claims – total – claims for interest on loans, commissions, forfeits and other payments to a credit institution that arise from a loan contract, including claims for overdue interest on loans and other placements, including interbank loans, deposits and other placements; for accrued interest (including overdue interest) on discounted promissory notes previously recognised as income; for accrued interest (including overdue interest) on debt securities previously recognised as income.

Interest income claims in homogeneous claims and loans with provisions of more than 20% – claims for interest income on homogeneous claims and loans with loss provisions made at a rate exceeding 20% of the book value of claims and loans grouped into such portfolios.

Table 50

Outstanding homogeneous household claims and loans and created loss provisions

General provisions

The table ‘Outstanding homogeneous household claims and loans and created loss provision’ contains indicators reflecting outstanding claims and loans broken down by overdue payment on loans and by quality category, including housing loans, housing mortgage loans, car loans and other consumer loans grouped into portfolios of homogeneous loans, as well as created loss provisions on loans and claims.

The data are taken from the statements of credit institutions under Form 0409115 ‘Asset Quality of a Credit Institution’, Section 3 ‘Homogeneous Household Claims and Loans Grouped into Portfolios’.

Characteristics of individual indicators

Outstanding household loans grouped into homogeneous loan portfolios – total – refer to the comment on ‘Outstanding loans grouped into homogeneous loan portfolios – total’ of the methodological commentary to Table 48 ‘Structure of homogeneous loan and claim portfolios’.

Including:

by loan type:

housing (other than mortgage) loans, total – household housing loans unsecured with real estate;

mortgage loans, total – household housing loans secured with real estate (mortgage) and defined as mortgage loans in accordance with Federal Law ‘On Mortgage (Pledge of Real Estate)’;

car loans, total – household car loans secured by the vehicle;

other consumer loans, total – household loans for the purchase of goods for personal, family, domestic and other use not related to entrepreneurship, and for payments for various personal expenses (education, medical care, etc.).

Outstanding household loans grouped into homogeneous loan portfolios broken down by overdue payment on loans – household loans broken down by overdue payments on loans are grouped into one of the following portfolios of secured (mortgage, car loans) and other loans:

- portfolio of loans which are not overdue;
- portfolio of loans overdue for one to 30 days;
- portfolio of loans overdue for 31 to 90 days;
- portfolio of loans overdue for 91 to 180 days;
- portfolio of loans overdue for 181 to 360 days;
- portfolio of loans overdue for more than 360 days.

Credit institutions may group loans which are not overdue and loans overdue for one to 30 days in one portfolio.

Outstanding household loans grouped into homogeneous loan portfolios broken down by quality category – reflects the breakdown of homogeneous household loan portfolios by quality category in accordance with a credit institution’s methodology for risk assessment on respective homogeneous loan portfolios. For the methodology for creating homogeneous loan portfolios broken down by quality category, refer to the section ‘Individual indicator overview’ of the methodological commentary to Table 49 ‘Outstanding homogeneous corporate claims and loans and created loss provision’.

Outstanding homogeneous claims grouped into homogeneous claim portfolios – refer to the methodological commentary to ‘Outstanding claims grouped into homogeneous claim portfolios – total’ of the summary methodology to Table 48 ‘Structure of homogeneous loan and claim portfolios’. A credit institution classifies portfolios of homogeneous claims (contingent credit liabilities) into quality categories using a methodology similar to that for the risk assessment of loans grouped into portfolios of homogeneous loans.

Interest income claims – total – refer to the comment on a similar indicator in the methodological commentary to Table 49 ‘Outstanding homogeneous corporate claims and loans and created loss provision’.

Interest income claims in homogeneous claims and loans with provisions of more than 20% – refer to the comment on a similar indicator in the methodological commentary to Table 49 ‘Outstanding homogeneous corporate claims and loans and created loss provision’.

Loss provisions for loans and claims grouped into homogeneous loan portfolios – refer to the comment on a similar indicator in the methodological commentary to Table 49 ‘Outstanding homogeneous corporate claims and loans and created loss provision’.

Table 51
Characteristics of loan loss provisions by credit risk group

General provisions

The table ‘Characteristics of loan loss provisions by credit risk group’ contains indicators which show the ratio of created loan loss provisions by loan quality category to total loss provisions and to the outstanding loans in the corresponding risk groups.

The data are taken from the statements of credit institutions under Form 0409115 ‘Asset Quality of a Credit Institution’, Section 1 ‘Quality of Assets Assessed for the Purpose of Loss Provisioning’.

Characteristics of individual indicators

Share of actual total provisions in the group, % – shows the share of the actual loss provisions on loans of a certain quality category in the total created loan loss provisions.

Actual loan loss provisions as percentage of outstanding loans of the respective quality category – shows the percentage ratio of actual provisions by loan quality category to the outstanding loans of that quality category.

Table 52**Dynamics and structure of overdue loans, deposits and other placements****General provisions**

The table ‘Dynamics and structure of overdue loans, deposits and other placements’ contains key performance indicators of credit institutions which characterise the materialised credit risk in the form of overdue loans. The indicators in the table give an overview of overdue debt relative to total loans issued. The indicators are broken down by loans in Russian rubles and foreign currency.

Characteristics of individual indicators

Overdue loans, deposits and other placements extended to organisations, credit institutions and individuals – refer to the comment on ‘Overdue loans’ in Table 11 ‘Bank assets grouped by investment’.

Table 53**Credit institutions by overdue loans in their loan portfolios****General provisions**

The table ‘Credit institutions by overdue loans in their loan portfolios’ provides indicators which show changes in credit institutions’ distribution by the share of overdue debt in the total loans, deposits and other placements of credit institutions.

The data are taken from the monthly statements of operating credit institutions of the Russian Federation under Form 0409101 ‘Trial Balance of a Credit Institution’.

Characteristics of individual indicators

Overdue loans to organisations, credit institutions and individuals – refer to the comment on the respective indicator in Table 12 ‘Bank assets grouped by investment’.

Credit institutions’ share in total banking sector assets, % – shows changes in the share of credit institutions whose share of overdue loans in total loans issued holds within the established range (0-5%, 5-10%, etc.).

Table 54
Credit risks of the banking sector

General provisions

The table ‘Credit risks of the banking sector’ shows changes in large credit exposures and their share in banking sector assets.

The data are taken from the monthly statements of operating credit institutions of the Russian Federation under Form 0409118 ‘Credit Risk Concentration’.

Characteristics of individual indicators

Total large credit exposures in the banking sector – banks’ total credit claims on borrowers (group of related borrowers) which present maximum credit risk.

Share of large credit exposures in banking sector assets, % – the ratio of banks’ total large credit claims on borrowers to total banking sector assets.

Market risk

Table 55
Market risk structure in the banking sector

General provisions

The table ‘Market risk structure in the banking sector’ contains indicators characterising the market risk accepted by the banking sector. Market risk and its components are calculated in compliance with Bank of Russia Regulation No. 511-P, dated 3 December 2015, ‘On the Procedure for Calculating Market Risk by Credit Institutions.’ The table shows the trends and structure of market risk, and the ratio of market risk and its components to credit institutions’ capital. The data are taken from the statements of credit institutions under Reporting Form 0409135 ‘Required Ratios and Other Performance Indicators of a Credit Institution’.

Characteristics of individual indicators

Market risk (MR) – the risk that a credit institution may suffer losses following a change in the current (fair) value of financial instruments indicated in Regulation No. 511-P ‘On the Procedure for Calculating Market Risk by Credit Institutions’ and in foreign exchange rates and (or) prices for precious metals.

Market risk is calculated for the following financial instruments:

securities at fair value through profit or loss and purchased for sale in the short term defined in accordance with the credit institution’s internal documents, or securities at fair value through other comprehensive income if the credit institution intends to sell them in the short term as recorded in its internal documents, including securities transferred in reverse transactions and transferred for trust management or acquired by a trust manager on behalf of the credit institution for the purpose of purchase transactions in the short term;

commitments for redelivery of securities obtained in reverse transactions if these securities have been sold under a security purchase agreement and if these securities have been transferred in reverse transactions where a counterparty failed to deliver on its redelivery commitments, or if they were transferred in reverse transactions or used as collateral on funds raised for a term that exceeds the initial maturity;

financial instruments denominated in foreign currency and (or) precious metal and financial instruments in Russian rubles whose value depends on the exchange rate of foreign currency established by the Bank of Russia against the Russian ruble and (or) prices of precious metals;

forward transactions (forward agreements (contracts)) with an underlying asset in the form of securities with market quotations, an index calculated using the aggregate prices of securities (hereinafter, a stock index), and contracts under which the respective assets and (or) liabilities are calculated based on interest rates, foreign exchange rates or prices of precious metals;

exchange-traded commodities, in the form of on-balance-sheet assets and liabilities denominated in precious metals (other than gold) or in rubles, the value of which depends on prices established by the Bank of Russia for precious metals (other than gold), in the form of off-balance-sheet claims and obligations to deliver commodities, including precious metals (other than gold), under agreements where the effective date differs from the execution date, as well as in the form of collateral for on-balance-sheet assets and (or) off-balance sheet liabilities, including in the form of precious metals (other than gold).

Aggregate market risk is calculated using the following formula: $MR = 12.5 \times (IRR + SMR + FER + CR)$.

Interest rate risk (IRR) – market risk on financial instruments sensitive to interest rate movements.

Stock market risk (SMR) – market risk on financial instruments sensitive to movements in the current (fair) value of equity securities.

Foreign exchange risk (FER) – market risk on positions in foreign currencies and precious metals opened by a credit institution.

Commodity risk (CR) – market risk on commodities, including precious metals (other than gold), and derivatives sensitive to commodity price movements.

Table 56

FX assets and liabilities in banking sector total assets and liabilities

General provisions

The table ‘FX assets and liabilities in banking sector total assets and liabilities’ shows changes in the share of the FX component in the assets and liabilities of the banking sector, and the ratio of FX assets to FX liabilities in percentage points for the banking sector as a whole and for the top-20 credit institutions by assets.

The data are taken from the monthly statements of operating credit institutions of the Russian Federation under Form 0409101 ‘Trial Balance of a Credit Institution’.

Characteristics of individual indicators

FX assets (liabilities) – assets (liabilities) of operating credit institutions on transactions in foreign currency. All bank transactions conducted by credit institutions in foreign currency are recorded in the balance sheet in rubles only.

Table 57
On-balance-sheet and off-balance-sheet FX assets and liabilities in the banking sector

General provisions

The table ‘On-balance-sheet and off-balance-sheet FX assets and liabilities in the banking sector’ contains information about credit institutions’ FX assets and liabilities recognised in on-balance-sheet accounts of the balance sheet and about credit institutions’ FX liabilities and assets on forward transactions, including settlement (non-deliverable) forwards, to purchase and sell various financial assets (precious metals, securities, foreign currency and monetary funds) for which the settlement date does not coincide with the transaction date, recognised in the accounts of Chapter D ‘Forward transactions’ of the Chart of Accounts for credit institutions.

The data are taken from the monthly statements of operating credit institutions of the Russian Federation under Form 0409101 ‘Trial Balance of a Credit Institution’ (Chapter A ‘On-balance-sheet Accounts’ and Chapter D ‘Forward Transactions’).

Characteristics of individual indicators

On-balance-sheet positions – performance indicators of credit institutions recognised in Chapter A ‘On-balance-sheet Accounts’ of the Chart of Accounts for credit institutions.

Assets – balances in accounts on the FX asset transactions of credit institutions which reflect contractual relations with credit institutions, financial and non-financial organisations, and households.

Liabilities – balances in accounts on the FX liability transactions of credit institutions which reflect contractual relations with credit institutions, financial and non-financial organisations, and households.

Excess of assets over liabilities – the difference between the balances of credit institutions’ investments and the balances of raised FX funds.

Off-balance-sheet positions⁴ – performance indicators of credit institutions recognised in Chapter D ‘Forward Transactions’ of the Chart of Accounts for credit institutions.

Assets – FX assets receivable from counterparties (residents and non-residents), which arise from agreements to purchase or sell various financial assets and to deliver foreign currency, rubles, precious metals and securities in accordance with concluded agreements, from the transaction date to the first settlement date, and negative unrealised foreign exchange differences (expenses) on concluded transactions.

Liabilities – FX liabilities payable to counterparties (residents and non-residents), which arise from agreements to purchase or sell assets and to deliver monetary funds, precious metals

⁴ For the purposes of this table.

and securities in accordance with concluded agreements, from the transaction date to the first settlement date, and positive unrealised foreign exchange differences (income) on concluded transactions.

Table 58

Bank compliance with the open currency position (OCP) requirements

General provisions

The table ‘Bank compliance with the open currency position (OCP) requirements’ contains information about the number of credit institutions which have violated OCP limits during the quarter, including the top-20 credit institutions, and about the share of credit institutions holding a forex licence in banking sector assets.

The data on OCPs are taken from the statements of operating credit institutions of the Russian Federation under Form 0409634 ‘Statement of Open Currency Positions’.

Characteristics of individual indicators

Open currency position – refer to the comment on ‘Open currency position’ in Table 59 ‘Open currency positions in the banking sector’.

In accordance with Bank of Russia Instruction No. 178-I, dated 28 December 2016, ‘On Establishing Values (Limits) of Open Currency Positions, Methodology for their Calculation and Specifics of Supervision over their Compliance by Credit Institutions’, the following values (limits) of open currency position have been established to limit the foreign exchange risk of credit institutions:

- the daily total of all long (short) open currency positions in individual foreign currencies and individual precious metals should not exceed 20% of a credit institution’s capital;
- any long (short) open currency positions in individual foreign currencies and individual precious metals and the balancing position in rubles should not exceed 10% of a credit institution’s capital daily.

Credit institutions *licensed by the Bank of Russia to carry out bank transactions in rubles and foreign currency and (or) to raise in deposits and hold precious metals* should comply with the value (limits) of open currency positions starting from the date of the first transaction (deal) with financial instruments denominated in foreign currency or precious metals and in rubles the value of which depends on the movements of the foreign exchange rate established by the Bank of Russia or the price of a precious metal established by the Bank of Russia, and also on FX payment of authorised capital.

Credit institutions *not licensed by the Bank of Russia to carry out bank transactions in rubles and foreign currency and (or) to raise in deposits and hold precious metals* should comply with the value (limits) of open currency positions starting from the date of receipt of foreign currency to the authorised capital and (or) transactions with government FX bonds and (or) transactions with financial instruments in rubles the value of which depends on movements in the foreign exchange rate and in the price of precious metals.

Table 59
Open currency positions in the banking sector

General provisions

The table ‘Open currency positions in the banking sector’ shows the ruble value of credit institutions’ total on-balance-sheet and total off-balance-sheet positions denominated in foreign currencies and precious metals, the value of open currency positions and the percentage ratio of net position to capital. This information is provided separately for credit institutions with long and short positions respectively.

The calculation of open currency positions includes transactions (deals) with financial instruments denominated in foreign currency and (or) precious metals and in rubles the value of which depends on movements in the foreign exchange rate and (or) prices of precious metals established by the Bank of Russia, and also to FX payment of authorised capital. Financial instruments used in the calculation are net of created loss provisions.

The data are taken from the statements of operating credit institutions of the Russian Federation under Form 0409634 ‘Statement of Open Currency Positions’ submitted by credit institutions as of the first day of the month following the reporting month.

Characteristics of individual indicators

Number of credit institutions – the number of credit institutions licensed by the Bank of Russia to carry out bank transactions in rubles and foreign currency, and (or) to raise in deposits and hold precious metals recorded depending on currency position.

Credit institutions with net short or net long positions – credit institutions (banking (consolidated) groups) having positions in foreign currencies (including securities denominated in foreign currencies) and (or) precious metals, and credit institutions (banking (consolidated) groups) having position in rubles the value of which depends on movements in the foreign exchange rate against the ruble (hereinafter, the foreign exchange rate) and (or) prices of precious metals established by the Bank of Russia.

Total on-balance-sheet position – the total on-balance-sheet position for each foreign currency and precious metal (the total of the net on-balance-sheet position and the net spot position, taking into account the sign of positions to calculate the values (limits) of open currency positions).

Total off-balance-sheet position is calculated for each foreign currency and each precious metal (the total of the net forward position, net option position, net guarantee (bank guaranty) position, sureties and letters of credit, taking into account the sign of positions and balances in foreign currencies and precious metals recognised in off-balance-sheet accounts for unearned interest on interbank loans, deposits and other placements and unearned interest on loans and other placed funds (other than interbank) extended to customers. Unearned interest in foreign currencies and precious metals recognised in the said off-balance-sheet accounts are also included in the total off-balance-sheet positions in the amount calculated using the formula provided in Bank of Russia Instruction No. 178-I, dated 28 December 2016, ‘On Establishing Values (Limits) of Open Currency Positions, Methodology for their Calculation and Specifics of Supervision over their

Compliance by Credit Institutions’.

Open currency position – the value of open currency positions in individual foreign currencies and individual precious metals calculated as the sum of the net on-balance-sheet position, net spot position, net forward position, net option position and net position on guarantees (bank guarantees), sureties and letters of credit, taking into account the sign of positions.

Net short position is included in the calculation of open currency positions in individual foreign currencies and individual precious metals as a negative result of calculation (with a ‘–’ sign).

Net long position is included in the calculation of open currency positions in individual foreign currencies and individual precious metals as a positive result of calculation (with a ‘+’ sign).

Net open currency position is calculated as the difference between the total of all long open currency positions and the total of all short open currency positions of liabilities.

Capital – refer to the comment on ‘Banking sector capital’ in Table 1 ‘Macroeconomic indicators of the Russian banking sector’.

Net bank open currency position as percentage of capital – an indicator used to estimate the value of open currency positions to limit the foreign exchange risk of credit institutions.

Table 60

Open currency positions in the banking sector by individual currency

General provisions

The table ‘Open currency positions in the banking sector by individual currency’ shows the value of net currency positions, the ruble value of total on-balance-sheet and total off-balance-sheet positions of credit institutions licensed by the Bank of Russia to carry out bank transactions with foreign currencies, and the percentage ratio of the net open position to capital. The data are broken down by individual foreign currency (US dollar, euro and pound sterling) for the banking sector as a whole.

The data are taken from the statements of operating credit institutions of the Russian Federation under Form 0409634 ‘Statement of Open Currency Positions’ submitted by credit institutions as of the first day of the month following the reporting month.

Characteristics of individual indicators

Refer to the comment on the respective indicator in Table 59 ‘Open currency positions in the banking sector’.

Bank liquidity

Table 61

Ratio between long-term assets and liabilities of the banking sector

General provisions

The table ‘Ratio between long-term assets and liabilities of the banking sector’ contains indicators characterising credit institutions’ liquidity in terms of the correspondence of long-term investments to their funding sources. The data are taken from the statements of credit institutions under Form 0409125 ‘Assets and Liabilities by Maturity’.

Indicators in the table are indicative of the changes in the share of the long-term component of the liquid assets and liabilities of credit institutions, and the use of short-term liabilities as a source of long-term liquid assets.

Characteristics of individual indicators

Liquid assets with maturity of more than one year include assets classified in quality category I in accordance with Bank of Russia Regulation No. 590-P, dated 28 June 2017, ‘On the Procedure for Credit Institutions to Make Loss Provisions for Loans, Loan and Similar Debts’ and Bank of Russia Regulation No. 611-P, dated 23 October 2017, ‘On the Procedure for Credit Institutions to Make Loss Provisions’. The value of assets and liabilities is increased (reduced) by the value of accrued interest (discount, coupon) income (expenses) receivable (payable) in the respective period of time.

Liabilities with maturity of more than one year – credit institutions’ liabilities with maturity of more than one year.

Use of short-term liabilities as a source of long-term liquid assets – the ratio of excess of long-term (more than one year) liquid assets over liabilities with maturity of more than one year relative to short-term liabilities (less than one year).

Table 62

Credit institutions by the use of short-term liabilities (less than one year) as a source of long-term assets (more than one year)

General provisions

The table ‘Credit institutions by the use of short-term liabilities (less than one year) as a source of long-term assets (more than one year)’ contains groupings of credit institutions by this indicator (refer to the comment on ‘Use of short-term liabilities as a source of long-term assets’ in Table 60 ‘Ratio between long-term assets and liabilities of the banking sector’).

The indicators in the table are indicative of the distribution of the number of credit institutions and the share of their assets in total banking sector assets depending on the use of short-term liabilities as a source of long-term liquid assets. The data are taken from the statements of credit institutions under Form 0409125 ‘Assets and Liabilities by Maturity’.

Table 63
Ratio between short-term assets and liabilities of the banking sector

General provisions

The table ‘Ratio between short-term assets and liabilities of the banking sector’ contains indicators characterising credit institutions’ liquidity in terms of the correspondence of short-term investments to their funding sources. The data are taken from the statements of credit institutions under Form 0409125 ‘Assets and Liabilities by Maturity’.

The indicators in the table are indicative of the core characteristics of the short-term component of liquid assets and liabilities of credit institutions and the deficit of liquid coverage.

Characteristics of individual indicators

Liquid assets with maturity of less than 30 days – include assets of credit institutions with maturity of less than 30 days classified in quality category I in accordance with Bank of Russia Regulation No. 590-P, dated 28 June 2017, ‘On the Procedure for Credit Institutions to Make Loss Provisions for Loans, Loan and Similar Debts’ and Bank of Russia Regulation No. 611-P, dated 23 October 2017, ‘On the Procedure for Credit Institutions to Make Loss Provisions’. The value of assets and liabilities is increased (reduced) by the value of accrued interest (discount, coupon) income (expenses) receivable (payable) in the respective period of time.

Liabilities with maturity of less than 30 days – credit institutions’ liabilities with maturity of less than 30 days. Demand and overnight liabilities also include overdue liabilities and expired liabilities and liabilities uncalled by creditors.

Liquidity gap is calculated as the ratio of the excess of liabilities with maturity of less than 30 days over liquid assets with similar maturity relative to these short-term liabilities.

Liquid assets include assets classified in quality category I in accordance with Bank of Russia Regulation No. 590-P, dated 28 June 2017, ‘On the Procedure for Credit Institutions to Make Loss Provisions for Loans, Loan and Similar Debts’ and Bank of Russia Regulation No. 611-P, dated 23 October 2017, ‘On the Procedure for Credit Institutions to Make Loss Provisions’. The value of assets and liabilities is increased by the value of accrued interest (discount, coupon) income (expenses) receivable (payable) in the respective period of time.

Liabilities – funds raised from credit institutions, customer funds, issued debt and other liabilities.

Table 64
Credit institutions by liquidity gap

General provisions

The table ‘Credit institutions by liquidity gap’ provides groupings of credit institutions by this indicator (refer to the comment on the respective indicator in Table 63 ‘Ratio between short-term assets and liabilities of the banking sector’).

The indicators in the table are indicative of the distribution of the number of credit institutions and the share of their assets in total banking sector assets depending on the liquid coverage deficit.