Comments refer to the data of “Review of the Banking Sector of the Russian Federation” since 121th Issue.

General Information on the Russian Banking Sector

Banking sector in the economy of Russia

Table 1
Macroeconomic indicators

General Provisions

The "Macroeconomic indicators" Table contains total indicators on operating credit institutions, characterising the role of the banking sector in the economy. The Table shows the development of the banking sector indicators relative to macroeconomic indicators of the Russian Federation.

Highlights of Individual Indicators

Banking sector assets — see comments to indicator "Banking sector assets" of Table 12 "Structure of assets, by type of investment".

Banking sector own funds (capital) – unbound property of credit institutions.

Data is taken from reporting of operating credit institutions of the Russian Federation by form 0409134 "Own Funds (Capital) Calculation".

Loans and other placements with non-financial organisations and individuals, including overdue claims – see comments to corresponding indicators of Table 12 "Structure of assets, by type of investment".

Loans and other funds provided to individuals including overdue claims - see comments to the corresponding indicator "Loans and other funds, provided to individuals" of Table 12 "Structure of assets, by type of investment".

Banking loans in fixed capital investment of organisations of all forms of ownership (except small businesses) – loans provided to enterprises and organisations to finance expenses on creation, reproduction and acquisition of fixed assets.

* Specification of the Summary Methodology for the indicator "Fixed assets (tangible and intangible) and inventories" of Table 12 "Structure of assets, by type of investment", for the indicators that characterise profit as well as the indicator "Loans, deposits and other funds received by credit institutions from the Bank of Russia" of Table13 "Structure of liabilities, by source of funds" are introduced in accounting of credit institutions from January 01, 2009, according to normative acts of the Bank of Russia. These changes have been recorded in reports of credit institutions after February 01, 2009.
Data is taken from reporting of the Federal State Statistics Service of the Russian Federation "Social-Economic Situation of Russia". Current statistic indicators may be specified, as new data comes in.

**Securities acquired by credit institutions** - see comments to the corresponding indicator of Table 12 "Structure of assets, by type of investment".

**Individual deposits** - see comments to the corresponding indicator of Table 13 "Structure of liabilities, by source of funds".

**Funds raised from organisations** – see comments to the corresponding indicator of Table 24 "Funds raised by credit institutions from organisations".

**Reference Data**

**Gross Domestic Product (GDP)** — final result of production of resident producers’ economic operations for the reporting period. GDP is calculated by the production method as a difference between overall output of goods and services across the country on the one hand and intermediate consumption on the other hand or as a sum total of values added that are created by the economy.

The data is taken from the reporting of the Federal State Statistics Service of the Russian Federation "Social-Economic Situation of Russia". Current statistic indicators may be specified, as new data comes in.

**Fixed capital investment of organisations of all forms of ownership (except small businesses)** – total expenses related to creation, reproduction and acquisition of fixed assets (new construction, expansion, reconstruction and technical re-equipment of establishments, acquisition of buildings, constructions, cars, equipment, toolware and inventories, formatting of herd, long-lived planting etc.).

The data is taken from the reporting of the Federal State Statistics Service of the Russian Federation "Social-Economic Situation of Russia". Current statistic indicators may be specified, as new data comes in.

**Income of the population** – income of entrepreneurs, paid out salary (accrued salary, net of change of debt) of hired employees, pensions, benefits, scholarships and other social transfers, income as interest on deposits and securities, dividends and other income.

The data is taken from the reporting of the Federal State Statistics Service of the Russian Federation "Social-Economic Situation of Russia". Current statistic indicators may be specified, as new data comes in.

**Table 2**

**Banking sector indicators; growth rates (percent over the period)**

**General Provisions**

The "Banking sector indicators; growth rates (percent over the period)" Table shows development of key banking sector indicators (assets, capital, loans to non-financial organisations, loans to individuals, individual deposits, funds raised from organisations) in
nominal terms over the reporting month and over 12 months prior to reporting date (relative to the corresponding date of the previous year).

Data is taken from monthly reporting of operating credit institutions of the Russian Federation by form 0409101 "The Turnover Balance Sheet of a Credit Institution" and form 0409134 "Own Funds (Capital) Calculation".

**Highlights of Individual Indicators**

**Assets** – see comments to the indicator "Banking sector assets" of Table 12 "Structure of assets, by type of investment".

**Own funds (capital)** – see comments to the indicator "Banking sector own funds (capital)" of Table 1 "Macroeconomic indicators".

**Loans and other placements with non-financial organisations** – see comments to the corresponding indicators of Table 12 "Structure of assets, by type of investment".

**Loans and other funds provided to individuals** - see comments to the corresponding indicator "Loans and other funds, provided to individuals" of Table 12 "Structure of assets, by type of investment".

**Individual deposits** - see comments to the corresponding indicator of Table 13 "Structure of liabilities, by source of funds".

**Funds raised from organisations** – see comments to the corresponding indicator of Table 24 "Funds raised by credit institutions from organisations".

**Table 3**
Banking sector indicators (annual growth rates, %)

**General Provisions**

“Banking sector indicators (annual growth rates, %)" Table depicts annual growth rates of key banking sector indicators (assets, capital, loans to non-financial organisations, loans to individuals, individual deposits, funds raised from organisations) in nominal terms.

Data is taken from monthly reporting of operating credit institutions of the Russian Federation by form 0409134 "Own Funds (Capital) Calculation".

**Highlights of Individual Indicators**

**Assets** – see comments to the indicator "Banking sector assets" of Table 12 "Structure of assets, by type of investment".

**Own funds (capital)** – see comments to the indicator "Banking sector own funds (capital)" of Table 1 "Macroeconomic indicators".

**Loans and other placements with non-financial organisations** – see comments to the corresponding indicator of Table 12 "Structure of assets, by type of investment".

**Loans and other funds provided to individuals** - see comments to the corresponding indicator "Loans and other funds, provided to individuals" of Table 12 "Structure of assets, by type of investment".
**Individual deposits** - see comments to the corresponding indicator of Table 13 "Structure of liabilities, by source of funds".

**Funds raised from organisations** – see comments to the corresponding indicator of Table 24 "Funds raised by credit institutions from organisations".

**Reference data**

**Gross Domestic Product (GDP)** – see comments to the corresponding indicator of Table 1 "Macroeconomic indicators".

### Table 4
**Number of Russian credit institutions**

**General Provisions**

The "Number of Russian credit institutions" Table provides information on the number of credit institutions registered in the Russian Federation, the number of operating credit institutions and credit institutions with their banking licenses being revoked (cancelled).

Credit institutions are to be registered according to the Federal Law "On the State Registration of Legal Entities and Private Entrepreneurs" with due account of the order of state registration of credit institutions established by Federal Laws "On the Central Bank of the Russian Federation (Bank of Russia)" and "On Banks and Banking Activities".

The "Book of State Registration of Credit Institutions" is used as source of information.

**Highlights of Individual Indicators**

**Credit institutions registered by the Bank of Russia and other authorities** – credit institutions being legal entities as of the reporting date, including credit institutions with their banking license revoked but not liquidated as legal entities.

**Operating credit institutions (credit institutions that have the right to conduct banking operations)** – credit institutions, registered by the Bank of Russia before 1.07.2002, or by authorised registrating authority, and having the right to conduct banking operations.

**Credit institutions that have been registered by the Bank of Russia but have not yet paid up authorised capital and have not received a license (within established legal period)** – credit institutions, the founders of which received the notification of state registration and have to pay up 100% of authorised capital declared in the charter of a credit institution within a month after the receipt of the notification.

**Credit institutions with their banking licenses being revoked (cancelled)** – credit institutions, with their banking licenses being revoked on the order of the Bank of Russia under the Federal Law "On the Central Bank of the Russian Federation (Bank of Russia)" on the grounds provided by the Federal Law "On Banks and Banking Activities".

### Table 5
**Operating credit institutions, by federal districts**

**General Provisions**
The "Operating credit institutions, by federal districts" Table provides information on the number of credit institutions operating in federal districts and their share in total number of operating credit institutions of the Russian Federation.

The "Book of State Registration of Credit Institutions" is used as source of information.

Table 6
Branches of credit institutions, by federal districts

General Provisions

The "Branches of credit institutions, by federal districts" Table provides the information on the number of branches of credit institutions operating in the given district. Credit institutions registered in the district and their branches as well as branches of credit institutions from other districts operating in the district are shown separately.

Moreover, credit institutions and branches operating in the given district, registered in the district, branches from other districts and total number of credit institutions and branches of Russia are compared in the Table.

In addition to the data by federal districts, the Tables 6 and 8 contain data on branches in the City of Moscow and Moscow Region, considered as separate region.

The "Book of State Registration of Credit Institutions" is used as source of information.

Table 7
Concentration of assets in the Russian banking sector (operating credit institutions)

General Provisions

The "Concentration of assets in the Russian banking sector (operating credit institutions)" Table characterises total assets of credit institutions, ranged by descending assets of credit institutions and grouped according to their ranks, and shares in total assets of the Russian banking sector.

Data is taken from monthly reporting of operating credit institutions of the Russian Federation by form 0409101 "The Turnover Balance Sheet of a Credit Institution".

Table 8
Concentration of assets of operating credit institutions by federal districts (assets of 5 largest credit institutions of a district relative to total assets of credit institutions operating in a district)

General Provisions

The "Concentration of assets of operating credit institutions by federal districts (assets of 5 largest credit institutions of a district relative to total assets of credit institutions operating in a district)" Table describes the level of banking sector assets’ concentration in federal districts by sorting out the share of assets of five largest operating credit institutions registered in a Federal district in total assets of operating credit institutions of a federal district.
Data is taken from monthly reporting of operating credit institutions of the Russian Federation by form 0409101 "The Turnover Balance Sheet of a Credit Institution".

**Highlights of Individual Indicators**

Assets of operating credit institutions of the federal district – total assets of operating credit institutions registered in the regions of a federal district (positions arisen from transactions between the head office of a credit institution and its branches are netted).

**Table 9**

Operating credit institutions ranged by assets (distribution and change over the period)

**General Provisions**

The "Operating credit institutions ranged by assets (distribution and change over the period)" Table provides changing distribution of operating credit institutions by groups according to the value of their assets over the reporting period.

For the purpose of analysis the list of operating credit institutions that have filed their balance sheet reporting as of the first date of the period is ranged by assets (descending) and divided into 6 groups (from 1 to 6) according to the rank of a credit institution in this list (the 1st group – places from 1 to 5; the 2nd group – from 6 to 20; the 3rd group – from 21 to 50; the 4th group – from 51 to 200; the 5th group – from 201 to 500; the 6th group – from 501). The number of the group, its name and quantity of credit institutions in each group are presented in the first 3 columns of the Table.

The list of operating credit institutions that have filed their balance sheet reporting as of the final date of the period is also divided into 6 groups according to the said algorithm.

The analysis of these lists allows to form matrix $G_{ij}$ ($i=1,2\ldots 6$, $j=1,2\ldots 6$), in which the quantity of credit institutions as of the first date of the period are in the group $i$, and as of the final date of the period – in group $j$. Elements of the matrix are presented at the intersection of $i$-line and $j$-column. For the sake of convenience the Table within the area of elements of the matrix is divided into 3 groups and shaded:

- credit institutions that moved up to a higher group by assets ($i>j$);
- credit institutions remaining in the same group ($i=j$);
- credit institutions that moved down to a lower group ($i<j$).

In addition to the elements of the matrix, the Table shows separately:

- number of credit institutions, that became operating after the first date of the reporting period (and, consequently, missing in the list on the initial reporting date), in groups as of the final date of the period;
- number of credit institutions with revoked (cancelled) banking licenses and reorganised credit institutions (and, consequently, missing in the list on the reporting date), in groups as of the first date of the period;

The last three lines of the Table present aggregate data on credit institutions of different categories:
• number of credit institutions with revoked (cancelled) banking licenses and reorganised credit institutions;
• total number of operating credit institutions as of the first date of the period;
• total number of operating credit institutions and number of credit institutions in each group as of the final date of the period.

**Highlights of Individual Indicators**

*Assets* — see comments to the indicator "Banking sector assets" in Table 12 "Structure of assets, by type of investment".

**Table 10**

Selected indicators of credit institution with foreign participation relative to indicators of operating credit institutions

**General Provisions**

The "Selected indicators of credit institution with foreign participation relative to indicators of operating credit institutions" Table shows the share (percent) of indicators of credit institutions with foreign participation in authorised capital in corresponding indicators of all credit institutions operating in Russia. Moreover, the indicators are compiled for two groups of credit institutions: credit institutions with foreign participation over 50% and 100% foreign-owned credit institutions.

Data is taken from monthly reporting of operating credit institutions of the Russian Federation by form 0409101 "The Turnover Balance Sheet of a Credit Institution " and form 0409134 "Own Funds (Capital) Calculation".

**Highlights of Individual Indicators**

*Assets* — see comments to indicator "Banking sector assets" in Table 12 "Structure of assets, by type of investment".

*Own funds (capital)* - see comments to indicator "Banking sector own funds (capital)" of Table 1 "Macroeconomic indicators".

*Correspondent accounts with non-resident banks* – see comments to the indicator "Correspondent accounts with credit institutions" of Table 12 "Structure of assets, by type of investment".

*Loans and other placements with non-financial organisations* – see comments to the corresponding indicator of Table 12 "Structure of assets, by type of investment".

*Loans, deposits and other placements with credit institutions* – see comments to the corresponding indicator of Table 12 "Structure of assets, by type of investment".

*Individual deposits* – see comments to the corresponding indicator of Table 13 "Structure of liabilities, by source of funds".

*Funds raised from organisations* – see comments to the corresponding indicator of Table 24 "Funds raised by credit institutions from organisations".
Profit (loss) of the current year – see comments to the corresponding indicator of Table 30 "Financial result of operating credit institutions".

Reference Data

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

Table 11

Selected indicators of credit institutions going through insolvency prevention measures

General Provisions

The Table shows selected indicators of credit institutions going, according to normative acts of the Bank of Russia, through insolvency prevention measures including credit institutions on which the decision on insolvency prevention was taken in September 2008, before the Federal Law No 175-FZ dated October 27, 2008 "On Additional Measures to Support the Financial System of the Russian Federation in the period up to December 31, 2011" came into affect.

The number of the said credit institutions and its share in the banking sector are given as reference data.

Data is taken from monthly reporting of operating credit institutions of the Russian Federation by form 0409101 "The Turnover Balance Sheet of a Credit Institution" and form 0409134 "Own Funds (Capital) Calculation".

Highlights of Individual Indicators

The indicators of the Table respond to indicators of Table 12 "Structure of assets, by type of investment" and Table 13 "Structure of liabilities, by source of funds" and the indicator "Own funds (capital)" responds to the indicator of Table 1 "Macroeconomic indicators"

Activities of Credit Institutions

Main Trends

Table 12
Structure of assets, by type of investment

General Provisions

The Table provides the structure of assets of credit institutions by type of investment: money, correspondent accounts, loans, etc.

More details on some indicators of this Table such as operations in national and foreign currency by sectors of economy, legal entities and individuals, residents and non-residents are in the following Tables: "Key characteristics of credit operations of the banking sector" (Table 16), "The structure of credit institutions' security portfolio" (Table 18), "Credit institutions' portfolio of discounted promissory notes" (Table 21), "The structure of credit institutions’ portfolio of discounted promissory notes" (Table 22) and others.
Data is taken from monthly reporting of operating credit institutions of the Russian Federation by form 0409101 "The Turnover Balance Sheet of a Credit Institution".

**Highlights of Individual Indicators**

*Money, precious metals and gemstones* – a credit institution’s cash holdings in national and foreign currency, payment documents in foreign currency, precious metals in own safe vaults of a credit institution or transferred to other banks’ safe vaults and in transit, coins and commemorative medals, natural gemstones of a credit institution or consigned for sale according to concluded contracts or for delivery as goods made on commission under certain orders and in transit.

*Money* - rubles and foreign currency in tills of a credit institution, ATMs of credit institution and in transit, payment documents in foreign currency (checks, including traveler checks).

*Accounts with the Bank of Russia and authorised agencies of other countries* – funds in correspondent accounts of credit institutions and cash settlement centers of the organised securities market; required reserves of credit institutions in accounts in rubles and foreign currency, deposited with the Bank of Russia, accumulation accounts of credit institutions when issuing shares, accounts of credit institutions (branches) to provide cash facilities for work units, funds transferred according to reserve requirements of authorised agencies of other countries, funds of authorised banks, deposited with the Bank of Russia; currency operation 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 accounts of a credit institution, opened in the divisions of the Bank of Russia settlement network by means of which the credit institution’s settlements by client orders and on own operations are realised.

*Required reserves of credit institutions deposited with the Bank of Russia* – one of major instruments of monetary policy of the Bank of Russia, used for banking system liquidity management. Required reserves are set in order to contain credit potential of credit institutions and to prevent the unlimited rise of money supply. In case of revocation of a banking license, the required reserves deposited with the Bank of Russia are used according to the order set by Federal laws and normative documents of the Bank of Russia.

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 as well as the order of depositing them with the Bank of Russia are set by the Board of Directors of the Bank of Russia.

*Deposits and other placements with the Bank of Russia* – funds placed with the Bank of Russia according to the order and conditions, provided by the contract (deal) between a credit institution and the Bank of Russia.

*Funds transferred according to the reserve requirements of authorised agencies of other countries* – funds of Russian credit institutions’ foreign branches, fulfilling the reserve requirements according to the order and norms established by authorised agencies of countries where these branches are located.
**Accounts with credit institutions** – funds for operations under correspondent relations between credit institutions (of correspondent banks with respondent banks), in rubles, foreign currency and precious metals, as well as funds in settlement and clearing accounts.

*Correspondent bank* – a credit institution that opens a correspondent account ("Loro" account) for other credit institution and operates this account according to the terms of the contract.

*Respondent bank* – a credit institution that opens a correspondent account in other 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 a correspondent bank executes outgoing and incoming payments according to the legislation and the contract.

**Securities acquired by credit institutions, total** – value of securities including the acquisition price and incremental costs (expenses), directly attributed to the acquisition, value of acquired (discounted) promissory notes in national and foreign currencies. Securities are evaluated (revaluated) at current (fair) value or by creating loss provisions from the initial recognition to derecognition.

*Current (fair) value of security* - the amount at which a security could be exchanged between knowledgeable, willing parties in an arm's length transaction. Methods of securities’ current (fair) value assessment should be stated in the accounting policy of a credit institution.

**Debt securities** – credit institutions’ debt securities that by the legislation of the Russian Federation are treated as securities (debt securities of the Russian Federation, of the Bank of Russia, of federal districts and local governments, of resident credit institutions, of residents of the Russian Federation that are not credit institutions; debt securities, transferred to counterparties on operations, conducted on the return basis, and that were not derecognised; non-resident debt securities (except promissory notes), that are considered as securities, according to the legislation (law) of the country of issue). Debt securities include debt securities evaluated at fair value through profit or loss; debt securities available-for-sale, held-to-maturity as well as overdue debt securities nominated in national and foreign currency. In this case debt securities evaluated at fair value through profit or loss and debt securities available-for-sale are booked in with due accounts of revaluation.

*Shares* – acquired shares, equities and any securities that, according to the legislation (law) of the country of their issue, set the right of ownership a part of property and (or) of net assets of an organisation (assets net of all liabilities).

"Shares" include shares evaluated at fair value through profit or loss and available-for-sale, nominated in national and foreign currency.

** Due to implementation of Bank of Russia Regulation No. 302-P dated March 26, 2007 "On Accounting rules for credit institutions based in the Russian Federation" securities under REPO agreements are excluded from indicators "Securities acquired by credit institutions", "Debt securities" and "Shares" before February 1, 2008 to provide correctness of time series (securities under REPO agreements are provided in paragraph 4a).
Discounted promissory notes – acquired by credit institutions (discounted) promissory notes, including overdue promissory notes (protested and unprotested), and an amount of accrued interests in rubles and foreign currency.

Shares in associates and subsidiaries – funds invested in shares of resident and non-resident, associates and subsidiaries in quantity, providing control over issuer entity or material influence on the activities of joint-stock companies.

Securities under REPO agreement – quoted and unquoted securities, acquired under agreements with obligation to sell them back.

Other participation in authorised capital – funds transferred by credit institutions for the acquisition of shares of participation in authorised capital of resident and non-resident legal entities in rubles and foreign currency.

Derivatives with fair value being an asset\(^1\) – derivative is an asset, if the overall estimated value of contractual claims on a counterparty exceeds corresponding contractual liabilities to the same counterparty and a credit institution expects an increase of future economic benefits resulting from receipt of the assets (cash or other property), exchange of assets or liabilities’ redemption on the potentially favourable conditions for the credit institution.

Loans, total – outstanding loans, deposits and other placements (including overdue claims) with legal entities (including the Ministry of Finance of the Russian Federation, financial authorities and organisations, extrabudgetary funds, organisations of all forms of ownership and credit institutions), individuals and individual entrepreneurs, residents and non-residents and other sovereigns in rubles, foreign currency and precious metals; as well as financing of capital investment, government programs and arrangements at the expense of the Ministry of Finance of the Russian Federation and Federal budget on the repayment basis, claims on clients related to factoring and forfeiting operations, letters of credit on foreign operations, financial leasing operations, purchased receivables, and amounts paid on provided guaranties and sureties.

Factoring operations – operations conducted on the contract of financing under concession of a monetary claim, according to which one party (financial agent) transfers or commits to transfer to the other party (client) money against the monetary claim of the client (creditor) to the third party (debtor), arisen from goods, work or services delivered by the client to the third party while the client concedes or commits to concede this monetary claim to the financial agent.

Forfeiting operations – forfeiting – crediting of export through acquisition of trade papers without the recourse to the seller; form of crediting of exporters (sellers), usually used in international trade. Bank (forfeiter) redeems from the exporter (seller) monetary obligation of the importer (buyer) to pay for goods bought immediately upon delivery of the goods and makes to the exporter prepayment of the total value of the goods or its part. Subsequently the importer (buyer), notified that the payment was made for the importer by the forfeiter, pays for the goods to the bank-forfeiter. The forfeiter bank charges the exporter the interest for the prepayment.

Operations of financial leasing – funds (investment expenditures) on the acquisition of subject of the leasing and fulfillment of other obligations of the lessor on financial leasing contract.

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\(^1\) According to the Bank of Russia’s Regulation No.372-P dated July 4, 2011 "On the Procedure for Accounting of Derivatives".
Purchased receivables - expenditures on acquisition of claims on third parties for discharge of obligation in monetary form on the following contracts: provision (placement) of monetary funds as well as funds backed by mortgages, both with a letter of hypothecation and without it; account receivables financing.

Loans, deposits and other placements – loans, deposits and other placements (including overdue claims) extended to legal entities (including the Ministry of Finance of the Russian Federation, financial agencies and institutions, extra-budgetary funds, organisations of different legal forms and of patterns of ownership, credit institutions, individual entrepreneurs) and individuals, resident and non-resident, of other countries in rubles, foreign currency and precious metals.

Overdue claims on loans, deposits and other placements with non-financial organisations, credit institutions and individuals – include overdue claims on loans, deposits and other placements with legal entities and individuals, resident and non-resident, foreign countries as well as on operations with precious metals in rubles and foreign currency. The amount of overdue interests is not included.

Loans and other placements with non-financial organisations – all types of loans and other placements (including overdue claims) extended to resident and non-resident non-financial organisations (including individual entrepreneurs) in rubles, foreign currency and precious metals.

Loans and other funds provided to individuals – all types of loans and other funds (including overdue claims) extended to resident and non-resident individuals, except individual entrepreneurs, in rubles and foreign currency.

Loans, deposits and other placements with credit institutions – loans (including overdue claims), deposits and other placements extended to credit institutions and non-resident banks in national and foreign currency.

Other placements – returnable funds and securities provided by credit institutions on the contracts other than credit contracts.

Fixed assets (tangible and intangible), other real estate and inventories of credit institution – fixed assets in operation, stock, temporary closed down, rented, land and other objects of nature in the ownership of credit institutions, capital investment in rented objects of fixed assets; expenses of credit institution on constructing (building), creating (making) and acquisition of tangible and intangible assets; property provided under financial lease (leasing) if according to the contract it is accounted on the balance of lessee; property of credit institutions classified as intangible assets, according to the legislation (including goodwill that arise from acquisition of property (in whole or in part); inventories. Fixed assets (including property received on financial lease) and intangible assets are booked in less accrued amortisation.

Real estate, temporarily out of use in operating activities – property (land, a building or a part of it) owned by a bank (received in the ordinary course of business) to earn rentals (except financial lease contracts), appreciation income rather than to use in 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 a real estate temporarily out of use in operating activities.
**Allocation of profit** – accrued income tax (including amounts to be paid in advance) as well as payments made from net income after tax, particularly allocation of profit to dividends and the reserve fund.

**Other assets, total** – float, overdue interest on loans, deposits and other placements and on operations with precious metals, debtors, assets transferred to the trusts, deferred expenses.

**Float** – funds to finalize settlements on clearing by non-bank credit institutions, claims of a credit institution on incomplete payments of a bank (including operations on payment cards), transactions between the head office of a credit institution and its branches, settlements on organised securities market, settlements of credit institutions-principals on broker operations with securities and other financial assets; settlements of clients on offsets, settlements with currency and stock exchanges, settlements with clients on buying and selling of foreign currency, on conversion operations, forward and futures transactions, operations on selling and payment of lottery, claims of payment on acquired and sold memorable coins, sums written down from correspondent accounts prior to clarification, settlements with organisations on cash, claims of credit institution on other operations.

**Receivables** – receivables of credit institutions on settlements with the budget on taxes and duties according to the legislation on taxes and duties and regulatory acts of the Bank of Russia, advances paid out on accounts of forthcoming payments on salaries or on accounts of some labor contracts, funds given on account for, as well as shortages of money and other valuables, arisen from cash miscalculation, embezzlements and other frauds, if the guilty person was identified, advances paid out on business and other transactions with contractors and suppliers, and receivables from recipients (buyers and customers) on general service operations as well as on amounts to a credit institution on equities and shares in authorised capital.

**Deferred expenses** – non-recurrent payments that are subjects to inclusion into expenses of the next reporting periods, in particular interests paid on credit operations referred to the future periods, as well as rent fees, subscriber fees, insurance premiums, sums paid for information-counseling services, program support, advertisement, subscription to periodicals and other similar payments.

**Banking sector assets** – total amount of assets of operating credit institutions (positions arisen from transactions between the head office of a credit institution and its branches are netted).

**Table 13**

**Structure of liabilities, by source of funds**

**General Provisions**

The Table provides the structure of liabilities of credit institutions by source of raised funds: balances in settlement accounts and deposits of legal entities, individual deposits, interbank loans and deposits, issued debt securities, funds in correspondent accounts of credit institutions.

More details on some indicators of the Table showing operations in rubles and foreign currency are provided in the following Tables: "Funds raised by credit institutions from organisations" (Table 24), "Individual deposit structure"(Table 26), "Key characteristics of loans, deposits and other funds raised from other credit institutions"(Table 27).

Data is taken from monthly reporting of operating credit institutions of the Russian Federation by form 0409101 "The Turnover Balance Sheet of a Credit Institution".
**Highlights of Individual Indicators**

*Funds and profit of credit institutions* – is calculated by summing up authorised capital of a credit institution (reduced by the amount of own stakes in authorised capital (shares), bought out by the credit institution), supplementary capital, reserve fund, profit (loss) of the previous year, including profit that has not been allocated among shareholders (participants) and uncovered loss.

*Funds of credit institutions* – sum of authorised capital of a credit institution (reduced by the amount of own share in the capital (shares), bought out by credit institution), supplementary capital and reserve fund.

*Profit (losses), including financial result of the previous year* – formed by summing up 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 a 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 annual shareholders’ meeting (excluding sums transferred to the reserve fund) net of losses of a credit institution, recorded in the books till its covering according to the legislation of the Russian Federation, including regulations of the Bank of Russia.

*Loans, deposits and other funds received by credit institutions from the Bank of Russia* – loans (including overdue debt), deposits and other funds raised by credit institutions from the Bank of Russia, including deposits received as a compensation of a part of loss (expenses) according to the Federal Law “On Additional Measures of Financial System of the Russian Federation Support”.

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

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

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

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

*Overdue debt* – debt unpaid when due under the contract and additional contracts on loans, deposits and other funds raised from credit institutions and non-resident banks in rubles, foreign currency and precious metals. Overdue interest is not included.

*Clients’ funds* – deposits and other funds of residents and non-residents, legal entities and individuals in rubles and foreign currency placed with the credit institution under certain conditions in cash and non-cash including unexecuted liabilities on contracts for raising clients’ funds and certificates of deposit issued by credit institutions and savings certificates.
Certificates of deposit, savings certificate – a kind of a time deposit, classified as a security that certifies the amount of deposit and the right of a depositor (holder of certificate) to get the deposit and interest indicated in the certificate from the bank that issued the certificate or any branch of the bank upon maturity; issued in rubles.

Budgetary funds in settlement accounts – funds of budgets of all levels in settlement accounts.

Government and other extra-budgetary funds in settlement accounts – government and other extra-budgetary funds of executive authorities of federal districts of the Russian Federation and funds of local governments in settlement accounts.

Funds of legal entities in settlement and other accounts – funds of financial institutions (excluding credit institutions), commercial and non-commercial organisations (including funds in individual entrepreneurs’ accounts), funds of residents and non-residents in rubles and foreign currency in settlement and other accounts. Funds written down from clients’ accounts but not entered in a credit institution's correspondent account because of shortage of funds are not included, but included in the indicator "Clients' funds, total".

Clients' float – clients’ funds on uncompleted settlement operations, accounts of participants of settlements with settlement non-bank credit institutions, on broker operations with securities and other financial assets, as well as on some specific settlement operations provided by regulations of the Bank of Russia on settlements’ organisation and realisation; liabilities on letters of credit for foreign operations.

Deposits and other funds raised from legal entities (except credit institutions) – funds of the Ministry of Finance of the Russian Federation, financial agencies of federal districts of the Russian Federation and local self-governance agencies, government and other extra-budgetary funds of the Russian Federation and local self-governance agencies in national and foreign currency, funds of financial institutions (excluding credit institutions), commercial and non-commercial organisations of all forms of ownership, non-resident legal entities (in rubles and foreign currency) placed with a credit institution under conditions of the contract (demand or time deposits) including certificates of deposit issued by credit institutions, unexecuted liabilities on deposits and other funds raised from legal entities; funds raised by a credit institution from clients on the return basis on contracts (other than bank deposits).

Individual deposits – deposits and other funds raised by a credit institution on the contract of bank deposit from individuals, including registered passbook savings accounts, savings certificates issued by credit institutions and unexecuted liabilities on deposits and other funds raised from individuals, residents and non-residents, in rubles and foreign currency. The calculation of the indicator does not include funds of individual entrepreneurs.

Clients’ funds in factoring and forfeiting operations – funds, incoming in clients’ accounts for payment on invoices on factoring and promissory notes on forfeiting operations.

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

Bond – a security that certifies the holder’s right to receive, in due time, the nominal value of the bond or some other tangible equivalents. Bonds also provide fixed interest or some other tangible equivalents.
Promissory notes and bank acceptances – the value of promissory notes and acceptances at nominal terms (at the moment of placement) issued by a credit institution in order to raise funds in rubles and foreign currency in ruble equivalent and the amount of interest to be paid on promissory notes over their nominal value.

Promissory note – an unconditional financial liability that is completed in a legally prescribed form and written out by a drawer to a holder of a promissory note and gives the latter unconditional right to make claims to the drawer in terms of specific amount, time and place.

Bank promissory note – a promissory note that is mainly used to raise funds by a credit institution.

Acceptance – a consent to payment on a promissory note; an obligation of the acceptor arise since the consent is accepted.

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

Other liabilities, total – provision made for possible losses on assets of credit institutions, float, payables, funds of a credit institution – lessee that are to be paid under the leasing contract, deferred income, overdue interests on received interbank loans, deposits and other raised funds.

Derivatives with fair value being a liability 2 – derivative is a liability, if the overall estimated value of contractual liabilities to a counterparty exceeds corresponding contractual claims on the same counterparty and a credit institution expects a decrease of future economic benefits resulting from retirement of the assets (cash or other property), exchange of assets or liabilities’ redemption on the potentially unfavourable conditions for the credit institution.

Provisions – provisions for possible losses on loans, loan and similar debts made by credit institutions, which include claims on deals with financial instruments, mentioned in the list of Appendix 1 to Bank of Russia Regulation No. 254-P dated March 26, 2004 "On the Procedure for Making Provisions by Credit Institutions for Possible Losses on Loans, Loans and Similar Debts", provided to legal entities of all forms of ownership and individuals, residents and non-residents, as well as provisions for possible losses that are made on the basis of expert judgment on the risk level of operations with balance sheet assets that bear the risk of losses (excluding loans, loan and similar debt); contingent credit liabilities in off-balance sheet accounts; claims on interest on loans; forwards and futures; other losses.

Float – liabilities of a credit institution on uncompleted settlements (including settlements on operations with payment cards), transactions between the head office of a credit institution and its branches, settlements in organised securities market, settlements with issuers on servicing of issue of securities, settlements with the Ministry of Finance of the Russian Federation on securities, currency and stock exchanges, with clients on buying and selling of foreign currency, on conversion operations, forward and futures transactions, operations on selling and payment of lottery, payments for acquired and realised memorable coins, sums, entered in correspondent account prior to clarification, settlements with organisations on cash, liabilities of credit institutions on other operations.

2 According to the Bank of Russia’s Regulation No.372-P dated July 4, 2011 "On the Procedure for Accounting of Derivatives".
Payables – amounts accrued and payable as taxes and duties to the budget, salaries and funds given on account for, payables to providers and suppliers and advances from buyers on business transactions on general service operations, dividends payable to shareholders and other operations.

Deferred income – funds received once and to be referred to expenses of the next reporting periods, in particular interests received from credit operations as advance payment for the future periods, as well as rent fees, sums received for information-counseling services and other similar payments.

Interest payable – interest on received interbank loans, deposits and other raised funds not paid when due by the contract; accrued interest on bank accounts, deposits and other raised funds of legal entities and individuals, residents and non-residents; as well as unexecuted on the day of clients’ demand or on the date set in the contract; interest income and discount on debt securities and discounted promissory notes accrued before their sale or repayment if respective income is recognized as uncertain; liabilities on interest and coupon on issued securities payable.

Overdue interest – overdue on received interbank loans, deposits and other raised funds, not paid when due by the contract; interest on clients’ deposits and other raised funds, not paid on the day of clients’ demand or on the date, set by the contract.

Banking sector liabilities – see comments to the indicator "Banking sector assets" of Table 12 "Structure of assets, by type of investment".

Table 14
Structure of assets, by type of investment (as percent of total assets)

General Provisions

The Table contains the structure of assets by type of investment mentioned in the Table 12 "Structure of assets, by type of investment", as percent of total assets of the banking sector.

Table 15
Structure of liabilities, by source of funds (as percent of total liabilities)

General Provisions

The Table contains the structure of liabilities by source of funds mentioned in the Table 13 "Structure of liabilities, by source of funds", as percent of total liabilities of the banking sector.

Table 16
Key characteristics of credit operations of the banking sector

General Provisions

The Table contains the information on credit operations by sectors of the economy by borrowers in rubles and foreign currency, with more detailed indicators of Table 12 "Structure of assets, by type of investment".

Data is taken from monthly reporting of operating credit institutions of the Russian Federation by form 0409101 "The Turnover Balance Sheet of a Credit Institution".
Highlights of Individual Indicators

Loans, deposits and other placements, total – see comments on the indicator "Loans, deposits and other placements" of Table 12 "Structure of assets, by type of investment".

Overdue claims – see comments on the respective indicator of Table 12 "Structure of assets, by type of investment".

Loans and other placements with non-financial resident organisations - loans (including overdue claims) and placements extended to resident non-financial organisations (including individual entrepreneurs) in rubles, foreign currency and precious metals, including placement of funds on factoring and forfeiting operations.

Loans and other funds to individual entrepreneurs – loans and other funds to individual entrepreneurs (including overdue claims) in national and foreign currency.

Loans and other placements with non-resident legal entities (except banks) – loans and other placements (including overdue claims) with non-resident legal entities in national and foreign currency.

Loans, deposits and other placements with financial sector – loans, deposits and other placements (including overdue claims) extended to resident credit institutions, federal- and government-owned financial institutions; non-government financial institutions in national and foreign currency and precious metals.

Loans, deposits and other placements with non-resident banks – loans, deposits and other placements (including overdue claims) extended to non-resident banks in national and foreign currency and precious metals.

Loans and other placements with government financial agencies and extra-budgetary funds – loans and other placements (including overdue claims) with the Ministry of Finance, financial agencies of federal districts and agencies of local self-governance, government and other extra-budgetary funds of the Russian Federation and agencies of local self-governance in national and foreign currency.

Loans and other funds to resident individuals – all types of loans and other funds, including overdue claims extended to resident individuals (except individual entrepreneurs), in rubles and foreign currency.

Loans and other funds to non-resident individuals – all types of loans and other funds, including overdue claims, extended to non-resident individuals in rubles and foreign currency.

Reference Data

Provisions on loans, deposits and other placements – credit institutions’ provisions for losses on loans, deposits and other placements with legal entities of all forms of ownership and individuals, residents and non-residents, made according to Bank of Russia Regulation No. 254-P dated March 26, 2004 "On the Procedure for Making Provisions by Credit Institutions for Possible Losses on Loans, Loans and Similar Debts".

Overdue interest on loans, deposits and other placements, recognized in the balance sheet accounts – interest on loans, deposits and other placements with resident and non-resident clients
(legal entities and individuals), foreign countries, as well as on operations with precious metals in rubles and foreign currency not paid when due.

Credit institutions’ portfolio of promissory notes of residents and non-residents – see comments to the indicator "Discounted promissory notes" of Table 12 "Structure of assets, by type of investment".

Table 17
Key characteristics of credit operations of the banking sector (as percent of total loans and percent of total assets)

General Provisions

The Table provides the structure of credit operations of the banking sector mentioned in the Table 16 "Key characteristics of credit operations of the banking sector" in percent of total loans and total assets.

Table 18
The structure of credit institutions’ security portfolio.

General Provisions

The Table provides the data on credit institutions’ security portfolios (except checks, warehouse certificates, bearer savings passbooks and promissory notes).

Data is taken from monthly reporting of operating credit institutions of the Russian Federation by form 0409101 "The Turnover Balance Sheet of a Credit Institution".

Highlights of Individual Indicators

Securities, total – security portfolio of credit institutions (except discounted promissory notes), grouped by aims of acquisition: "securities at fair value through profit or loss", "securities available for sale", "securities held-to-maturity", and "portfolio of participation in subsidiaries and affiliated joint-stock companies", in rubles and foreign currency.

Securities at fair value through profit or loss – securities with current (fair) value being reliably determined, classified at first recognition as "securities at fair value through profit or loss". Securities classified at acquisition as "securities at fair value through profit or loss", can not be reclassified, except those recognized as overdue debt securities, if an issuer has not redeemed the obligations when due.

The initial recognition of the securities is their recording in the books connected with acquisition of the right of property therein.

Securities available for sale – securities that were not classified as "securities at fair value through profit or loss" or "securities held-to-maturity".

Securities held-to-maturity – debt securities that credit institution intends to hold to maturity (unrelated to the period between the date of acquisition and the date of repayment).

Shares in associates and subsidiaries – see comments to corresponding indicator of Table 12 "Structure of assets, by type of investment".

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Reference Data

Revaluation of securities – negative and positive difference between the book value and the current (fair) value of securities. All securities "at fair value through profit or loss", and securities "available for sale", current (fair) value of which can be determined reliably are to be revaluated.

Provisions for losses on securities – provisions for possible losses on securities "available for sale" if the current (fair) value could not be reliably determined and there is an evidence of their impairment; loss provisions on securities "held-to-maturity"; on debt securities not duly redeemed and provisions on investment in resident and non-resident associates and subsidiaries.

Table 19
The structure of credit institutions' portfolio of debt securities

General Provisions

The Table provides information on credit institutions’ portfolios of debt securities that are classified as securities according to the civil and budget legislation of the Russian Federation, legislation of the Russian Federation on government and municipal securities and on securities market. The indicators are provided by issuers of debt securities nominated in rubles and foreign currency and detail the indicator "Debt securities" of Table 12 "Structure of assets, by type of investment".

Data is taken from monthly reporting of operating credit institutions of the Russian Federation by form 0409101 "The Turnover Balance Sheet of a Credit Institution".

Highlights of Individual Indicators

Debt securities held, total – see comments to the indicator "Debt securities" of Table 12 "Structure of assets, by type of investment".

Debt securities at book value held (without revaluation) – credit institutions’ portfolio of debt securities of legal entities (residents and non-residents) nominated in national and foreign currencies. Total portfolio of debt securities, as well as on the lines of investment, is recorded at the book value (without revaluation). The portfolio of credit institutions is divided by issuers of debt securities and includes:


Debt securities of the Bank of Russia – debt securities issued by the Bank of Russia that are placed and circulated is among credit institutions.

Debt securities of federal districts and local government – debt securities issued by federal districts and local governments.

Debt securities of resident credit institutions – debt securities issued by credit institutions, that are residents of the Russian Federation.
*Other debt securities of residents* – debt securities issued by legal entities – residents of the Russian Federation that are not credit institutions and are not included in the indicators mentioned above.

*Debt securities of other countries* – debt securities issued by other countries.

*Debt securities of non-resident banks* – debt securities issued by non-resident banks.

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

*Other debt securities of non-residents (except promissory notes)* – debt securities recognized as securities according to the legislation (law) of the country of the issue.

*Debt securities delivered without derecognition in the balance sheet* – securities delivered to counterparties on the REPO basis, recognition of which has not been discontinued.

*Overdue debt securities* – expenses on acquisition of debt securities and the sums of interest (coupon) income, earlier referred to income, if the issuer of securities has not paid when due.

**Table 20**

Structure of credit institutions' portfolio of shares

**General Provisions**

The "Structure of credit institutions' portfolio of shares" Table provides data on the volume of credit institutions’ portfolio of shares: "at fair value through profit or loss", "available for sale", grouped by subjects-issuers of securities, nominated in rubles and foreign currency. Data is taken from monthly reporting of operating credit institutions of the Russian Federation by form 0409101 "The Turnover Balance Sheet of a Credit Institution".

**Highlights of Individual Indicators**

*Shares held, total* – see comments to the indicator "Shares" of Table 12 "Structure of assets, by type of investment".

*Shares held at book value (without revaluation)* – credit institutions’ portfolio of shares of legal entities (resident and non-resident) nominated in rubles and foreign currency. Portfolio of shares total and by category is provided at book value without revaluation.

*Shares delivered without derecognition in the balance sheet* – see comments to the indicator "Debt securities delivered without derecognition in the balance sheet" of Table 19 "The structure of credit institutions' portfolio of debt securities".

**Table 21**

Credit institutions' portfolio of discounted promissory notes

**General Provisions**

The "Credit institutions' portfolio of discounted promissory notes" Table contains the information on the volume of promissory notes discounted by credit institutions, including promissory notes not paid when due (protested and unprotested) in rubles and foreign currency.
Data is taken from monthly reporting of operating credit institutions of the Russian Federation by form 0409101 "The Turnover Balance Sheet of a Credit Institution".

**Highlights of Individual Indicators**

*Portfolio of promissory notes discounted by a credit institution, in national and foreign currency* – see comments to the indicator "Discounted promissory notes" of Table 12 "Structure of assets, by type of investment".

*Promissory notes not paid when due, in national and foreign currency* – amounts payable on promissory notes discounted by credit institutions not paid by primary debtor when due, protested, i.e. demand for payment and its non-receipt were notarized, as well as unprotested promissory notes.

*Total* – the sum of indicators mentioned above is equal to the indicator "Discounted promissory notes" of Table 12 "Structure of assets, by type of investment".

### Table 22
The structure of credit institutions’ portfolio of discounted promissory notes

**General Provisions**

The Table contains the structure of total promissory notes discounted by credit institutions, nominated in rubles and foreign currency grouped by drawers.

Data is taken from monthly reporting of operating credit institutions of the Russian Federation by form 0409101 "The Turnover Balance Sheet of a Credit Institution".

**Highlights of Individual Indicators**

*Discounted promissory notes, total* – see comments to the indicator "Discounted promissory notes" of Table 12 "Structure of assets, by type of investment".

*Discounted promissory notes by drawers* – the amount of discounted promissory notes grouped by drawers:

- promissory notes of federal governments and promissory notes avalized by them;
- promissory notes of regional and local governments and promissory notes avalized by them;
- promissory notes of resident credit institutions and promissory notes avalized by them;
- other promissory notes of residents;
- promissory notes of authorised agencies of other countries and promissory notes avalized by them;
- promissory notes of non-resident credit institutions and promissory notes avalized by them;
- other promissory notes of non-residents.

*Drawer* – the person obliged to pay on a drawn promissory note.

### Table 23
Real estate temporarily out of use in operating activities
**General Provisions**

The Table «Real estate temporarily out of use in operating activities» presents dynamics of banking investment in real estate temporarily out of use in operating activities including the leased out property, construction of the aforementioned real estate, as well as non-current inventories. Data are taken from monthly reporting of operating credit institutions of the Russian Federation by form 0409101 «The Turnover Balance Sheet of a Credit Institution».

Besides, the Table provides information on the provisions calculated on the basis of assets, listed in point 2.7 of Bank of Russia Regulation No. 283-P dated March 20, 2006 «On the Loss Provisioning Procedure for Credit Institutions».

**Highlights of Individual Indicators**

**Real estate temporarily out of use in operating activities** – see comments to this indicator in a Table 12 "Structure of assets, by type of investment».

Items of real estate temporarily out of use in operating activities include:
- land held for a currently undetermined future use;
- a building leased out under one or more operating leases, except for finance lease;
- a building intended to be leased out under one or more operating leases, except for finance lease;
- property that is being constructed or developed (to be leased out under one or more operating leases, except for finance lease).

**Non-current inventories** - property acquired as datio in solutum\(^3\) or under collateral agreement prior to decision of credit institution to sell it, use in operating activity or transfer it into a category of real estate temporarily out of use in operating activities, as well as assets, initially classified as real estate temporarily out of use in operating activities and recognized as non-current after the decision to sell it.

**Point 2.7 of Bank of Russia Regulation No. 283-P dated March 20, 2006 «On the Loss Provisioning Procedure for Credit Institutions»** specifies assets as the basis for calculation of loss provisions\(^4\), including residual value (book value less amortization) of real estate and land out of use for banking activity according to Article 5 of Federal Law «On Banks and Banking Activities». Provisioning rate for these assets is increased depending on the term of their recognition in the balance sheet of a credit institution – from no less than 10% (for the term of more than 1 year) to no less than 75% (for the term of more than 5 years).

**Table 24**

**Funds raised by credit institutions from organisations**

**General Provisions**

The Table contains data on funds raised by credit institutions in settlement and other accounts from the Federal Treasury, Ministry of Finance of the Russian Federation, financial agencies of federal districts of the Russian Federation and local government, legal entities, residents and non-residents, funds on factoring and forfeiting operations, float, funds written down from the clients’ accounts but not entered in the correspondent account of a credit institution, deposits and other raised funds from legal entities by maturity, in rubles and foreign currency.

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

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\(^3\) Datio in solutum - agreed discharge of a debt by giving something different (a movable or immovable).

\(^4\) Other assets include real estate; objects, other than real estate; claims according to agreements of share participation in construction, acquired by a credit institution as datio in solutum or collateral on the secured loans; assets, acquired through restructuring of receivables.
The data included in the main indicators that characterise funds of non-resident organisations raised by credit institutions is provided in the section "Reference data".

Data is taken from monthly reporting of operating credit institutions of the Russian Federation by form 0409101 "The Turnover Balance Sheet of a Credit Institution".

**Highlights of Individual Indicators**

*Funds raised from organisations, total* – cash, deposits and other funds raised from legal entities, residents and non-residents, individual entrepreneurs, transferred to credit institutions’ safe vaults in cash and non-cash form under certain conditions, and funds written down from clients’ accounts but have not entered in the correspondent account of a credit institution because of shortage of funds; unexecuted liabilities on contracts of deposit and other raised funds of legal entities, as well as certificates of deposit issued by credit institutions.

*Funds of legal entities in settlement and other accounts* – see comments to the corresponding indicator of Table 13 "Structure of liabilities, by source of funds".

*Funds of individual entrepreneurs* – funds of individual entrepreneurs operating without setting up legal entities, in rubles and foreign currency.

*Government and other extra budgetary funds in settlement accounts* - see comments to the corresponding indicator of Table 13 "Structure of liabilities, by source of funds".

*Float* - see comments to the corresponding indicator of Table 13 "Structure of liabilities, by source of funds".

*Deposits and other funds raised from legal entities (except credit institutions)* – see comments to the corresponding indicator of Table 13 "Structure of liabilities, by source of funds".

*Deposits and other raised funds from the Federal Treasury, Ministry of Finance, financial agencies and extra budgetary funds of the Russian Federation, federal districts and authorities of local self-governance* - funds of the Ministry of Finance, financial agencies and extra budgetary funds of Russian Federation, federal districts and authorities of local self-governance raised under agreements for a certain period.

*Certificates of deposit* – see comments to the corresponding indicator of Table 13 "Structure of liabilities, by source of funds".

*Unexecuted liabilities on contracts of deposit and other raised funds* – amounts of liabilities on deposits and funds raised from clients-legal entities that are not fulfilled on any reason on the day of a client’s demand or date of payment set by the contract (except credit institutions and non-resident banks).

*Clients' funds in factoring and forfeiting operations* - see comments to the corresponding indicator of Table 13 "Structure of liabilities, by source of funds".

*Funds written down from clients' accounts but not entered in the correspondent account of a credit institution* – funds written down from clients' settlement (current) accounts according to their payment orders and other presented payment documents if there is shortage of funds in the correspondent account of a credit institution.
Table 25

Main features of issued debt obligations of the banking sector

**General provisions**
The “Main features of issued debt obligations of the banking sector” Table contains funds, raised by credit institutions through issuance of debt obligations in rubles and in foreign currency. Amounts of deposit and savings certificates, bonds and promissory notes are broken down by maturity: up to 1 year and more than 1 year. Lack of data on some obligations with certain maturities means that there is no funding with this maturity. The Table does not include obligations on interest and coupon obligations on issued bonds. Data are taken from monthly reporting of operating credit institutions of the Russian Federation by form 0409101 “The Turnover Balance Sheet of a Credit Institution”.

**Highlights of Individual Indicators**

**Certificate of deposit, savings certificate** – funds raised by credit institutions through the issue of deposit and/or savings certificates. Certificate of deposit, savings certificate – a kind of a time deposit, classified as a security that certifies the amount of deposit and the right of a depositor (holder of certificate) to get the deposit and interest indicated in the certificate or from any branch of the bank upon maturity; a certificate is issued in rubles. For more detailed information on certificates of deposit and savings certificate see in Regulation “About certificates of deposit and savings certificate”, approved by Ordinance of Bank of Russia dated August 31, 1998 № 333-U. In the Table 13 “Structure of liabilities, by source of funds” certificates of deposit and savings certificate are included in retail and corporate deposits.

**Bonds** –nominal value of bonds issued by credit institution in order to raise funds in rubles or in foreign currency in ruble equivalent, as well as issued bonds for redemption (i.e. bonds to be redeemed at the expiration of the circulation term and/or at maturity; bonds taken for prepayment but not paid on the day of presentation for payment). Bond – a security that certifies the holder’s right to receive, in due time, the nominal value of the bond or some other property equivalents. Bonds also provide fixed interest or some other property rights.

**Promissory notes and bank acceptances** – the value of promissory notes and acceptances at face value (at the moment of placement) issued by a credit institution in order to raise funds in rubles or foreign currency in ruble equivalent and the amount of interest to be paid on promissory notes over their face value. *Promissory note* – an unconditional financial liability that is completed in a legally prescribed form and written out by a drawer to a holder of a promissory note and gives the latter unconditional right to make claims to the drawer in terms of specific amount, time and place. *Bank promissory note* – a promissory note that is mainly used to raise funds by a credit institution. *Acceptance* – a consent to pay on a promissory note with obligation of the acceptor arising after the consent is accepted. *Bank acceptance* – a promissory note secured by a credit institution’s absolute unconditional obligation to pay a specific amount after a certain period (as accepted by the credit institution).
Table 26
Individual deposit structure

General Provisions

The Table contains data on all types of deposits of individual (residents and non-residents, in rubles and foreign currency): demand deposits, time deposits of individuals and savings certificates, grouped by maturities and other funds in individuals’ accounts.

The data included in the main indicators that characterise funds of non-resident individuals raised by credit institutions is provided in the section "Reference data".

Data is taken from monthly reporting of operating credit institutions of the Russian Federation by form 0409101 "The Turnover Balance Sheet of a Credit Institution".

Highlights of Individual Indicators

Individual deposits – see comments to the corresponding indicator of Table 13 "Structure of liabilities, by source of funds".

Table 27
Key characteristics of loans, deposits and other funds raised from other credit institutions

General Provisions

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

Highlights of Individual Indicators

Loans, deposits and other funds raised from other credit institutions, total - see comments to the corresponding indicator of Table 13 "Structure of liabilities, by source of funds".

Overdue debt – see comments to the corresponding indicator of Table 13 "Structure of liabilities, by source of funds".

Table 28
Distribution of budgetary funds in settlement account by groups of credit institutions

General provisions
The Table “Distribution of budgetary funds in settlement account by groups of credit institutions” contains indicators which show distribution of credit institutions by weight of budgetary funds in settlement accounts in liabilities.
The Table is calculated as of reporting date.
Data is taken from monthly reporting of operating credit institutions of the Russian Federation by form 0409101 "The Turnover Balance Sheet of a Credit Institution".

Highlights of Individual Indicators
**Budgetary funds in settlement accounts** (in mln. rubles) – budgetary funds of all levels in settlement accounts. Government and other extra-budgetary funds are not included.

**Assets of credit institutions** – see comments to the indicator "Banking sector assets" of Table 12 "Structure of assets, by type of investment".

**Table 29**

**Funds raised from and placed with non-residents**

**General Provisions**

The Table "Funds raised from and placed with non-residents" shows changes in funds raised from and placed with non-residents (including non-resident banks), their share in assets (liabilities) of the banking sector and characterizes trends in relations between Russian credit institutions and non-residents in funds’ placement and raising.

Data is taken from monthly reporting of operating credit institutions of the Russian Federation by form 0409101 "The Turnover Balance Sheet of a Credit Institution" and form 0409401 "Report of Authorised Credit Institution on Foreign Operations".

**Highlights of Individual Indicators**

The indicators of the Table respond to similar indicators of Table 13 "Structure of liabilities, by source of funds" with following peculiarities:

- The indicators "Clients' funds (except credit institutions)", "Funds in accounts of legal entities", "of which deposits and other raised funds", "Individual deposits", "of which deposits and other raised funds" do not include certificates of deposit and saving certificates issued by non-residents as such accounts are not distinguished in the chart of accounts.

- **Funds in other accounts** show funds of non-resident clients (except non-resident banks) in precious metals, broker operations with securities and other financial assets; funds of non-resident legal entities and individuals in accounts of type "S", "K" and "N", in special accounts of non-residents in rubles.

- **Loans from other countries/ provided to other countries** – loans received/ provided according to intergovernmental agreements with other countries (including overdue claims/debts).

- **Raised funds, total** – the indicator is calculated by summing up "Clients' funds (except credit institutions)", "Funds in correspondent and other accounts of credit institutions", "Loans, deposits and other funds raised from credit institutions" and "Loans from other countries".

The indicators of the section "Placed funds": "Loans, total", "Loans, deposits and other placements", "Loans and other placements with legal entities", "Loans and other funds provided to individuals", "Correspondent accounts with banks", "Discounted promissory notes" and "Shares in associates and subsidiaries" respond to the indicators of Table 12 "Structure of assets, by type of investment” with following peculiarities:

- **Debt securities and shares** include debt securities of other countries, non-resident banks and other debt securities of non-residents recorded in accounts "At fair value through profit or
loss"; "Debt securities available-for-sale", "Held-to-maturity". Herewith revaluation of debt securities and shares recorded at fair value through profit or loss as well as available-for-sale securities is not taken into account as the data on revaluation of securities of non-residents could not be distinguished from revaluation of other securities in the chart of accounts.

Placed funds, total - the indicator is calculated by summing up "Loans, total", "Correspondent accounts with banks", "Securities acquired by credit institutions, total", "Shares in associates and subsidiaries" and "Loans provided to other countries".

Reference Data

Liabilities of authorized banks to non-residents on issued debt securities – total – short-term and long-term debt securities (bonds, saving certificates and certificates of deposit, promissory notes) issued by the authorized bank and acquired by non-residents, excluding overdue liabilities.

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

Overdue interest on claims of credit institutions – overdue interest on operations with precious metals with non-residents, on interbank loans, deposits and other placements with non-resident banks, on loans provided to other countries, on loans and other placements with non-resident legal entities and individuals.

Financial Condition

Table 30
Financial result of operating credit institutions

General Provisions

The "Financial result of operating credit institutions" Table contains indicators that characterise financial result of operating credit institutions (before tax) for the period from the beginning of the current year, indicates a number of operating credit institutions that have made a profit (suffered a loss) in the current year and provides the financial result of the banking sector as a whole. Financial result of the previous year is not considered herewith.

Data is taken from monthly reporting of operating credit institutions of the Russian Federation by form 0409101 "The Turnover Balance Sheet of a Credit Institution".

Highlights of Individual Indicators

Profit (+) / loss (-) of the current year – is formed by summing up income of operating credit institutions net of expenses of these credit institutions over the reporting period. Profit (loss) is calculated as progressive total.

Current year’s profit (+) of profit-making credit institutions – is formed by summing up income net of expenses of profit-making credit institutions or credit institutions with profit at zero over the reporting period. Profit is calculated as progressive total.
Current year’s loss (-) of loss-making credit institutions – is formed by summing up income net of expenses of loss-making credit institutions over the reporting period. Loss is calculated as progressive total.

Reference Data

Allocation of profit of the current year – profit of the current year used by credit institutions to pay income tax (including amounts to be paid in advance) as well as payments made from net income after tax: allocation of profit to dividends and the reserve fund by a decision of the shareholders’ (participants’) meeting or according to the charter of a credit institution.

Table 31

Structure of operating credit institutions' income and expenses

General Provisions

The "Structure of operating credit institutions' income and expenses" Table provides shares of income and expenses depending on type and character of credit institutions’ activities in total income and expenses. After the 90th Issue the Table also contains amounts of income and expenses on respective types of operations of credit institutions.

Data is taken from monthly reporting of operating credit institutions of the Russian Federation by form 0409102 "Profit and Loss Reporting of Credit Institutions ".

Highlights of Individual Indicators

Income of credit institution, total – an increase in economic benefits that leads to increase of credit institutions’ own funds (capital) (excluding contributions of shareholders and participants) and resulted from the following:

a) inflow of assets;

b) increased value of assets as a result of revaluation (excluding revaluation of fixed assets (tangible and intangible) and securities "available for sale", attributed to the increase of supplementary capital) or decrease of provision for possible losses;

c) increase in assets as a result of certain operations on delivery (realisation) of assets, work done, services provided;

d) decrease of liabilities, not connected with a reduction or disposal of corresponding assets.

Interest income on placements with legal entities (except income on securities) – includes interest income on loans, deposits and other placements with legal entities and interest on operations of cash placement in bank accounts (including those in correspondent accounts).

Interest income on loans to individuals – income on loans provided to individuals (residents and non-residents).

Income on securities – includes interest income on debt securities and discounted promissory notes, income on operations with securities acquired and issued, dividends on shares (including associates and subsidiaries and positive revaluation of securities).
**Income on operations with foreign currency** – income on purchase/sale of foreign currency for rubles in cash and non-cash form adjusted for positive revaluation of funds in foreign currency.

**Commissions** – income of credit institution as payments for operations, transactions and services (in particular, commission for opening and operating of bank accounts, for cash-settlement service provided to clients; for conducting of operations with currency valuables; income on bank guarantees and sureties provided), as well as payments for intermediary services provided on broker contracts, contracts of commission, agency and other similar contracts.

**Recovery of loss provision** – decrease, due to reduction of risks, of provision for possible losses on loans, similar debts and other assets.

**Other income** – income on redemption and realisation of purchased receivables; consulting and information services; renting of special indoors and safes for documents’ and valuables custody; from trust operations; operations with precious metals and gemstones, leasing; income on embedded derivatives instruments not separated from the main contract; income on participation in economic entities (other than joint-stock companies), affiliates and subsidiaries; income on non-deliverable forward and futures; income of the previous years, recognised in the reporting year; fines, penalties, forfeits received; other income.

**Fines, penalties, forfeits** – fines, penalties, forfeits received on operations of funds’ raising and placement, on other bank operations and deals, on other (economic) operations. They are to be referred to income (expenses) in amounts, imposed by the court or recognised by the debtor on the day of adjudication (judgment of the court coming into force) or recognition.

**Expenses of credit institution, total** – reduction of economic benefits that leads to decrease of credit institutions’ own funds’ (capital) (excluding its distribution among shareholders and participants) and resulted from the following:

a) disposal of assets;

b) decrease of assets’ value caused by revaluation (excluding revaluation of fixed assets (tangible and intangible) and securities "available for sale", attributed to supplementary capital reduction), making (increasing) provisions for possible losses or depreciation;

c) decrease of assets caused by specific operations on assets’ delivery (realisation), works and services;

d) increase of liabilities, not connected with receipt (creation) of respective assets.

**Interest expenses on funds raised from legal entities (except expenses on securities)** – interest expenses on loans from the Bank of Russia, credit institutions, non-resident banks, other creditors; on funds of legal entities in bank accounts; on deposits and other funds raised from legal entities.

**Interest expenses on funds raised from individuals** – interest expenses on funds in individual bank accounts and on deposits and other funds raised from individuals.

**Expenses on operations with securities** – interest expenses on issued debt securities, expenses on operations with acquired and issued securities, negative revaluation of securities.
Expenses on operations with foreign currency – expenses on purchase/sale of foreign currency in cash and non-cash form net of negative revaluation of funds in foreign currency.

Commissions – payments for cash-settlement service and for bank accounts’ opening and operating according to contracts with credit institutions, in which bank accounts are opened, including correspondent accounts; for services of Russian and international payment systems on money transfers, including those on individual transfers without opening bank accounts; payment for received guarantees and sureties; for the conduct of operations with currency valuables; for intermediary services provided on broker and similar contracts and other operations.

Expenses on loss provision – increase, due to growth of risks, of provision for possible losses on loans, similar debts and other assets.

Management expenses (including personnel costs) – expenses on remuneration including premiums and compensations; taxes and duties charged on salaries, paid out by employer according to the legislation of the Russian Federation; expenses, on displacement of personnel (excluding salaries); other expenses on employees; organisation and management expenses (training and retraining of personnel, business trips, guarding, advertising, representative expenses, services of communication, telecommunication and informational systems, judicial and arbitral costs, audit, publication of reports, insurance premiums, taxes and duties treated as expenses under legislation of the Russian Federation, other organisation and management expenses.

Other expenses – fines, penalties, forfeits paid out; expenses on embedded derivatives instruments not separated from the main contract; expenses on non-deliverable forward and futures; expenses on redemption and realisation of purchased receivables; on trust operations, on operations with precious metals and gemstones; depreciation; expenses on maintenance (operation) and disposal of property; expenses of the previous years recognised in the reporting year; other expenses.

Tables 32-39

Some indicators that characterise assets and liabilities of credit institutions by federal districts and subjects of the Russian Federation

General Provisions

Tables contain some indicators that characterise assets and liabilities of credit institutions by federal districts and subjects of the Russian Federation: assets and liabilities of credit institutions (with balancing of some accounts), securities, acquired by banks, loans, deposits and other placements in rubles and foreign currency, overdue claims on loans, deposits and other placements, funds of clients in ruble and foreign currency; loans, deposits and other funds raised from other credit institutions.

In Tables 32-39 indicators of credit institutions registered in the same region are marked by index 1. Data is taken from reporting of operating credit institutions of the Russian Federation by form 0409101 "The Turnover Balance Sheet of a Credit Institution"

In Tables 32-39 indicators of credit institutions and their branches located in the same region, as well as branches, with head-offices located outside of this region, are marked by index 2. The information is formed on the basis of total balance-sheets of regions, calculated according to the
data of monthly reporting, provided by head offices and branches of credit institutions according to Instruction of Bank of Russia No. 65 dated September 11, 1997 "On the Order of Implementation of Control over Banks that have Branches".

**Highlights of Individual Indicators**

Specification of indicators of mentioned Tables is provided in comments to the corresponding indicators of Table 12 "Structure of assets, by type of investment" and Table 13 "Structure of liabilities, by source of funds".

**Table 40**

Some indicators of the banking sector financial soundness (percent)

**General Provisions**

The "Some indicators of the banking sector financial soundness (percent)" Table contains total indicators of credit institutions’ activities that characterise the level of their financial soundness and liquidity. The Table provides indicators of capital adequacy, risks taken by credit institutions on bank operations, liquidity of banking assets and financial results in the reporting year.

**Highlights of Individual Indicators**

*Ratio of own funds (capital) to risk-weighted assets* – indicates the ratio of total own funds (capital) of banks to their risk-weighted assets.

*Own funds (capital)* – see comments to the indicator "Banking sector own funds (capital)" of Table 1 "Macroeconomic indicators".

*Risk-weighted assets* – see comments to the corresponding indicator of Table 45 "Own funds (capital) adequacy ratio of the banking sector".

*Ratio of core capital to risk-weighted assets* – indicates the ratio of total credit institutions’ core capital to total credit institutions’ risk-weighted assets.

*Core capital* – is defined an adjusted sum of sources of core capital calculated according to Bank of Russia Regulation No 215-P dated February 10, 2003 "On the Methodology of Determining a Credit Institution’s Own Funds (Capital)".

*Ratio of the value of credit risk on balance sheet assets to total assets* – indicates the ratio of total credit institutions’ value of credit risk on balance sheet assets to total assets of the banking sector.

*The value of credit risk on balance sheet assets* – see comments to the corresponding indicator of Table 44 "The value of credit risk on balance sheet assets of the banking sector.

*Total assets* – see comments to the indicator "Banking sector assets" of Table 1 "Macroeconomic indicators ".

*Share of problem and bad loans *** in total loans* – indicates the ratio of total problem and bad loans (IV and V quality categories) to total loans, provided by credit institutions.
The indicator is calculated according to the data of bank reporting by form 0409115 "Information on Credit Institution’s Assets’ Quality".

*** in issues 25-27 of “Review of the Banking Sector of the Russian Federation" for data before October 1, 2004 was used the indicator “Share of doubtable, problem and bad loans in total loans”

**Problem and bad loans (IV and V quality categories)** – loans on which the probability of losses caused by non-fulfillment or improper fulfillment of obligations by a debtor on loan leads to its depreciation as follows:

- on problem loans (IV quality category) – from 51 to 100% (high credit risk),
- on bad loans (V quality category) – no possibility of repayment due to inability or refusal of a debtor to meet obligations on loan that leads to total (100%) depreciation of a loan.

The loan quality is determined (determination of possibility of loan depreciation) according to Bank of Russia Regulation No. 254-P dated March 26, 2004 "On the Procedure for Making Provisions by Credit Institutions for Possible Losses on Loans, Loans and Similar Debts" (starting from reporting as of September 1, 2004).

**Total loans** – total monetary claims and claims that derive from deals with financial instruments that are recognised as loans, the list of which is provided in Appendix 1 to Bank of Russia Regulation No. 254-P dated March 26, 2004 "On the Procedure for Making Provisions by Credit Institutions for Possible Losses on Loans, Loans and Similar Debts".

**Loan loss provisions made as percent of total loans** – provides the ratio of loan loss provisions made by credit institutions to total loans provided by credit institutions.

The indicator is calculated on the basis of bank reporting by form 0409115 "Information on Credit Institution’s Assets’ Quality".

**Loan loss provision** – a provision caused by credit risks in credit institutions’ activities. The provision is made within the amount of the principal (book value of a loan) in rubles irrespective of the currency of a loan. The amount of the principal does not include: payments as interest, commissions, forfeits on loans conditioned by the law, common practice of business or loan contract and other payments to credit institutions that arise from a loan contract.

**Loan loss provisions made** – indicates all loan loss provisions actually made according to Bank of Russia Regulation No. 254-P dated March 26, 2004 "On the Procedure for Making Provisions by Credit Institutions for Possible Losses on Loans, Loans and Similar Debts".

**Ratio of loans, bank guarantees and sureties granted by a bank to its owners (shareholders) to own funds (capital) (N9.1)** – determines the maximum ratio of loans, bank guarantees and sureties granted by a bank to its owners (shareholders) to the bank’s own funds (capital) and regulates (limits) credit risk with respect to the bank’s owners (shareholders). The indicator is published after the 90th Issue.

**Ratio of a bank’s aggregate claims on insiders to own funds (capital) (N10.1)** - determines the maximum ratio of bank insider aggregate credit risk to a bank’s own funds (capital) and regulates (limits) a bank’s aggregate credit risk with respect to all insiders, that is, individuals capable of influencing the bank’s credit decision. List of individuals related to a bank’s insiders
is determined by official explanations of the Bank of Russia No. 31-OR as of December 17, 2004.

The indicator is published after the 90th Issue.

**Ratio of total large credit risks to own funds (capital) (N7)** – indicates the ratio of total large credit risks to total own funds (capital).

*Large credit risk* – total amount of large credit risks of credit institutions net of provisions calculated on corresponding credit claims according to Bank of Russia Regulation No. 254-P dated March 26, 2004 and Bank of Russia Regulation No. 283-P dated March 20, 2006, adjusted for risk factor set for corresponding assets by Bank of Russia Instruction No. 110-I dated January 16, 2004.

**Distribution of loans provided by credit institutions** – provides the share of loans provided to resident non-financial organisations by sectors of the economy as well as to individuals in total loans.

The indicator is calculated on the basis of reporting by form 0409302 "Data on Placed and Raised Funds of Credit Institutions". Starting from April 1, 2005 structure of outstanding debt takes into account changes made in reporting by Bank of Russia Regulation No. 1481-U dated July 27, 2004. Since April 1, 2005 the calculation of loans provided to individuals does not include loans provided to individual entrepreneurs.

**Geographical distribution of interbank loans and deposits** – shows interbank loans and deposits provided by resident credit institutions and non-resident banks in rubles, foreign currency and precious metals by countries of borrowers institutions incorporation.

The indicator is calculated on the basis of banking reporting by form 0409501 "Data on Interbank Loans and Deposits".

**Ratio of high liquid assets to total assets** – provides the level (share) of high liquid assets in total assets of the banking sector.

*High liquid assets* – financial assets to be received on the next day and (or) sold by the bank to get money immediately, including funds in correspondent accounts of the Bank of Russia, in accounts of banks in developed countries, in International Bank for Reconstruction and Development, International Finance Corporation and European Bank for Reconstruction and Development, funds in the tills of a credit institution. Is calculated under Bank of Russia Instruction No. 110-I dated January 16, 2004 "On Banks’ Required Ratios". High liquid assets of the banking sector are calculated by summing up high liquid assets of all credit institutions.

**Ratio of liquid assets to total assets** – provides the level (share) of liquid assets in total banking sector assets.

*Liquid assets* – financial assets that can be received by bank and (or) can be claimed within next 30 calendar days and (or) if necessary can be sold by bank within next 30 calendar days in order to get money within an indicated term. It is calculated under Bank of Russia Instruction No. 110-I dated January 16, 2004 "On Banks’ Required Ratios". Liquid assets of the banking sector are calculated by summing up liquid assets of all credit institutions.
**Ratio of high liquid assets to demand liabilities (N2)** – shows the liquidity risk of credit institutions over one business day.

*Liabilities of credit institutions in demand accounts* – demand liabilities, on which a depositor and/or creditor can make claim of immediate repayment. Indicator is calculated according to Bank of Russia Instruction No. 110-I dated January 16, 2004 "On Banks’ Required Ratios". Liabilities in demand accounts of the banking sector are calculated by summing up liabilities in demand accounts of all credit institutions.

Starting from the reporting as of May 1, 2008, liabilities of credit institutions in demand accounts are reduced by 50% of the minimum total balances in demand accounts of individuals and legal entities (except credit institutions).

*Minimum total balances in accounts of legal entities (excluding credit institutions) and individuals* - provides indicator over the reporting period calculated by summing up balances as of the first day of each month of the reporting period within 0,1% of average of total balances of funds in corresponding accounts of legal entities and individuals over the reporting period.

**Ratio of liquid assets to short-term liabilities (N3)** – provides the liquidity risk of credit institutions over 30 calendar days, next to the date of calculation of the ration.

*Liabilities of credit institutions in demand accounts and accounts with maturity up to 30 days* – demand liabilities on which the depositor and (or) creditor can make a claim of immediate repayment and liabilities of credit institutions to creditors (depositors) with maturity up to 30 calendar days. Calculated according to Bank of Russia Instruction No. 110-I dated January 16, 2004 "On Banks’ Required Ratios". On banking sector as a whole the indicator is calculated as summed up demand liabilities of all credit institutions.

Starting from the reporting as of May 1, 2008, liabilities of credit institutions in demand accounts and accounts with maturity up to 30 days are reduced by 50% of amount of the minimum total balances in demand accounts and accounts with maturity up to 30 calendar days of legal entities (except credit institutions) and individuals.

**Ratio of long-term (over 365 or 366 days) claims to own funds (capital) adjusted for the minimum balance of short-term (up to 365 or 366 days) clients’ accounts (N4)** - regulates (limits) the risk of losing liquidity by a bank as a result of investment in long-term assets and determines the highest permissible ratio of the bank’s credit claims with the remaining maturity of more than 365 or 366 calendar days to a bank’s own funds (capital) and liabilities with the remaining maturity of more than 365 or 366 calendar days adjusted for the minimum aggregate balance of accounts due within the period of up to 365 calendar days and demand accounts of individuals and corporations (other than credit institutions), determined according to the Point 3.7 of Bank of Russia Regulation No. 110-I, dated January 16, 2004 (per version Bank of Russia Regulation No. 2254-U, dated June 26, 2009).

The indicator is published after the 90th Issue.

**Ratio of clients' funds to total loans** – provides the level of covering of loans by clients’ funds as the main source of credit institutions’ funding.

*Clients' funds* – funds in current, settlement, deposit accounts and other raised funds of organisations of all forms of ownership (including funds in accounts of budgets of all levels, government and extra budgetary funds), individuals, clients’ funds on broker operations with
securities and other financial assets, residents and non-residents, in precious metals, rubles and foreign currency, as well as unexecuted liabilities on contracts on raising of clients’ funds; float, clients’ funds on uncompleted settlement operations, clients’ funds for settlement on factoring and forfeiting operations, funds written off from clients’ accounts but not entered in the correspondent account of a credit institution.

**Total loans** – loans, deposits and other placements with organisations of all forms of ownership, individuals, residents and non-residents, in rubles, foreign currency and precious metals including overdue claims on 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 provided to other sovereigns, financing of certain programs and arrangements at the expense of Federal budget on the repayment basis and financing of capital investment at the expense of the Ministry of Finance.

**Market risk to total own funds (capital)** – ratio of total market risk calculated by credit institutions by formula \( MR=10,0\times(IRR+EPR)+FER \) (for data before 1.08.2010: \( MR = 12,5\times (IRR + EPR) + FER \)) to total own funds (capital) of credit institutions that calculate market risk.

The source of information is monthly reporting of operating credit institutions of the Russian Federation by form 0409153 "Total Report on Market Risk".

**Foreign exchange risk** – see comments to the indicator "Foreign exchange risk (FER)" of Table 57 "Structure of market risk of the banking sector".

**Interest rate risk** – see comments to the indicator "Interest rate risk (IRR)" of Table 57 "Structure of market risk of the banking sector".

**Equity position risk** - see comments to the indicator "Equity position risk (EPR)" of Table 57 "Structure of market risk of the banking sector".

**Ratio of investments in shares of other legal entities to own funds (capital) (N12)** - defines the maximum ratio of investments in shares of other legal entities to own funds (capital) and regulates (limits) the aggregate risk of investments in shares of other legal entities.

Ratio N12 contains the bank’s investments in shares of legal entities acquired with the purpose to get investment income, including shares transferred into asset management, excluding investments that reduce the own funds (capital) of the credit institution under points 2.2.6 and 2.2 of Regulation No. 215-P, less investments that account for less than 5% of the authorized capital of the organization (the bank is the owner (shareholder) of such organization) registered in accordance with the established procedure as of the day the credit institution’s own funds (capital) were calculated.

The indicator is published after the 90th Issue.

**Banks’ financial result over the reporting period** - see comments to the indicator "Profit (+) / loss (-) of the current year" of Table 30 "Financial result of operating credit institutions":

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banks’ financial result over the reporting period as percent of the banking sector assets is calculated as financial result (before tax) over the reporting period to average amount of assets of credit institutions over the same period;

banks’ financial result over the reporting period as percent of the banking sector own funds (capital) is calculated as financial result (before tax) over the reporting period to average amount of own funds (capital) of credit institutions over the same period.

Return on assets – is calculated as the ratio of financial result (before tax) over the reporting period to the average amount of credit institutions’ assets;

Return on equity – is calculated as the ratio of financial result (before tax) over the reporting period to the average amount of own funds (capital) of credit institutions.

Capital adequacy

**Table 41**

Distribution of credit institutions by own funds (capital)

**General Provisions**

Table 41 "Distribution of credit institutions by own funds (capital)" contains indicators that characterise total own funds (capital), as well as the number of small, medium and large credit institutions (by the amount of capital) in the Russian banking sector. From April 1, 2003 own funds (capital) are calculated according to Bank of Russia Regulation No 215-P dated February 10, 2003 "On the Methodology of Determining a Credit Institution’s Own Funds (Capital)".

Data on the credit institutions going through insolvency prevention measures including credit institutions on which the decision on insolvency prevention was taken in September 2008, before the Federal Law No. 175-FZ dated October 27, 2008 "On Additional Measures to Support the Financial System of the Russian Federation in the period up to December 31, 2011" came into affect are shown separately.

The value of own funds (capital) is broken down into intervals rendering certain understanding of the number of small, medium and large credit institutions over the territory of the Russian Federation. With due account of the changes into Art.11 of the Federal Law “On Banks and Banking Activities” made on February 28, 2009 (No. 28-FZ) intervals are set in the currency of the Russian Federation, beginning from the Review of the Banking Sector of the Russian Federation №79 (May 2009), earlier- in rouble equivalent of euros.

Data is taken from reporting of operating credit institutions of the Russian Federation by form 0409134 "Own Funds (Capital) Calculation".

**Highlights of Individual Indicators**

Own funds (capital) of credit institutions – see comments to the corresponding indicator of Table 1 "Macroeconomic indicators".

Capital adequacy ratio – provides a capital adequacy ratio calculated for credit institutions ranged by groups depending on the amount of own funds (capital) as of reporting date (percent).
Capital adequacy ratio of credit institutions (N1) regulates the risk of credit institution’s insolvency and sets the minimum own funds (capital) charge, necessary and sufficient to cover credit and market risks. Capital adequacy ratio of credit institution is calculated as ratio of own funds (capital) of credit institution to its risk-weighted assets according to Bank of Russia Instruction No. 110-I dated January 16, 2004 "On Banks’ Required Ratios" (with additions and alterations).

Capital adequacy ratio for groups of credit institutions is calculated only for credit institutions with positive capital.

Table 42
Relation of authorised capital and own funds (capital) of credit institutions

General Provisions

Data of "Relation of authorised capital and own funds (capital) of credit institutions" Table characterises the role of authorised capital in credit institutions’ own funds’ (capital) formation.

Data is taken from reporting of operating credit institutions of the Russian Federation by form 0409134 "Own Funds (Capital) Calculation".

Highlights of Individual Indicators

Authorised capital of credit institutions, included in own funds’ calculation – since April 1, 2003 the indicator is calculated according to Bank of Russia Regulation No 215-P dated February 10, 2003 "On the Methodology of Determining a Credit Institution’s Own Funds (Capital)".

Banking sector own funds (capital) – see comments to the corresponding indicator of Table 1 "Macroeconomic indicators".

Table 43
Structure of own funds (capital) of the banking sector

General Provisions

The "Structure of own funds (capital) of the banking sector" Table contains indicators that characterise changes in the sources of banking sector own funds’ (capital) formation. Calculated according to Bank of Russia Regulation No 215-P dated February 10, 2003 "On the Methodology of Determining a Credit Institution’s Own Funds (Capital)".

Highlights of Individual Indicators

Factors of own funds (capital) increase: sources of own funds (percent of total own funds (capital)), summed up.

Factors of own funds (capital) decrease: amounts that reduce own funds’ (capital) (percent of total own funds (capital)), summed up.

Some indicators of the Table are aggregate indicators calculated according to the corresponding indicators of credit institutions’ reporting by form 0409134 "Own Funds (Capital) Calculation".
Table 44
The value of credit risk on balance sheet assets of the banking sector

General Provisions

"The value of credit risk on balance sheet assets of the banking sector" Table provides the structure of assets dependent on the level of risk of the balance sheet items as well as total credit risk of the said items. The calculation of assets by risk groups is made according to Bank of Russia Instruction No. 110-I dated January 16, 2004 "On Banks’ Required Ratios".

Highlights of Individual Indicators

The value of credit risk on balance sheet assets – is calculated by summing up of credit risks on assets in balance sheet accounts. Credit institution’s assets are divided into 5 groups by the level of risk and possible deterioration, risk coefficients are set for each group. Weighting of assets by level of risk is made by multiplication of balances in the corresponding balance sheet accounts (or their part), net of loan loss provisions and provisions for other possible losses, by corresponding risk factor (percent).

Risk coefficients of assets classification have been changed since 1 of July, 2010. These changes are connected with adoption of Simplified Standardized Approach to credit risk within the framework of Basel II and aimed to assets’ risk-weighing for calculation of the capital adequacy (N1) ratio.

1st group of assets without adjustment to credit risk coefficients – total assets defined as 1st group of assets by Bank of Russia Instruction No. 139-I dated December 3, 2012 "On Banks’ Required Ratios" without adjustment for corresponding credit risk coefficients (0%).

Table 45
Own funds (capital) adequacy ratio of the banking sector

General Provisions

"Own funds (capital) adequacy ratio of the banking sector" Table provides indicators that characterize different types of risks of credit institutions, total risk, the level of its coverage with own funds (capital) of credit institutions and capital adequacy ratio of credit institutions.

The source of information is reporting of operating credit institutions of the Russian Federation by form 0409135 "Information on Required Ratios" and form 0409153 "Total Report on Market Risk".

Highlights of Individual Indicators

Banking sector own funds (capital) – see comments to the indicator "Banking sector own funds (capital)" of Table 1 "Macroeconomic indicators".

The capital adequacy (N1) ratio regulates (limits) a bank’s insolvency risk and determines requirements to a minimum amount of a bank’s own funds (capital) necessary to cover credit risk, operational risk and market risk. It is calculated as an amount of own funds (capital) divided by risk-weighted assets.
The capital adequacy (N1) ratio includes the following:

**The value of credit risk on balance sheet assets** – calculated by summing up made risk–weighted assets of credit institutions net of loan loss provision and provisions for other possible losses.

**Risk-weighted claims on counterparties related to a bank (code 8957)**

**The amount of mortgage loans and accrued (accumulated) interest claims (code 8807)**

**The value of credit risk on contingent credit liabilities** – calculated by Methodology of credit risk calculation on contingent credit liabilities (Appendix 2 to the Bank of Russia Instruction No. 110-I dated January 16, 2004 "On Banks’ Required Ratios").

Contingent credit liabilities are liabilities determined by paragraph 1 of Appendix 2 to the Bank of Russia Instruction No. 110-I dated January 16, 2004 "On Banks’ Required Ratios". To calculate credit risk contingent credit liabilities include liabilities to pay in case of counterparties’ non-fulfillment of their liabilities to other creditors, liabilities of credit institution to provide funds on the repayment basis.

**The value of credit risk on forward and futures transactions net of provisions** – calculated by Methodology of calculation of credit risk of forward and futures deals (Appendix 3 to the Bank of Russia Instruction No. 110-I dated January 16, 2004 "On Banks’ Required Ratios").

Credit risk is evaluated on forward and futures transactions in off-balance sheet accounts, treated as forward and futures deals by the Bank of Russia Regulation No. 302-P the payment on which is made not earlier than the third business day since its conclusion.

Credit risk (current and potential) is not calculated on forwards and futures concluded before August 17, 1998 with expired value date, recognized in off-balance.

The value of credit risk on forward and futures transactions is determined as a sum of current risk and potential risk.

The obtained value of credit risk is weighed under the certain counterparty. The applied weights are equal to weights of balance sheet assets distributed to this counterparty.

**The value of provisions for forward and futures transactions** - provisions built up according to requirements of Chapter 4 of the Bank of Russia Regulation No. 283-P dated March 20, 2006 "On the Loss Provisioning Procedure for Credit Institutions" (code 8992).

**The value of operational risk** is calculated according to the requirements of the Bank of Russia Regulation № 346-P dated October 3, 2009 “The procedure of calculation of operational risk value”.

Operational risk is a risk of losses resulted from the deficiency in a compliance of internal arrangement as well as the processes of banking transactions and other deals with a scale of credit operations, pattern of activity and/or requirements of existing legislation. It includes risks of rules requirement violation by employees and other individuals (in consequence of

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5 See detailed definition of risk-weighted assets included in calculation of the denominator of capital adequacy ratio (N1) in Annex 1 to Bank of Russia Instruction No. 139-I dated December 3, 2012 "On Banks’ Required Ratios".
incompetence, unpremeditated or premeditated actions or negligence), discrepancy (inadequacy) in functionality (characteristics) or malfunction of informational, technological and other systems used by a credit organization, and an impact of external factors.

**Market risk** – calculated according to the requirement of the Bank of Russia normative act on order of credit institutions’ calculation of market risk. See comments to the indicator "Market risk (MR)" of Table 57 "Structure of market risk of the banking sector".

**Credit claims of clearing participants (codes 8847 and 8852)**

**Higher – risk transactions** are determined according to the Bank of Russia Instruction No. 110-I dated January 16, 2004 "On Banks' Required ratio" and used for the calculation of capital adequacy ratio of bank⁶.

**Corrective coefficient of own funds (capital) adequacy ratio’s denominator which eliminates double counting of credit claims on higher-risk transactions.** See Annex 1 to Bank of Russia Instruction No. 139-I dated December 3, 2012 "On Banks’ Required Ratios" (i.2.3).

**Table 46**

**Distribution of credit institutions grouped by capital adequacy ratio (N1)**

**General Provisions**

"Distribution of credit institutions grouped by capital adequacy ratio (N1)" Table provides data on the number of credit institutions grouped by capital adequacy ratio N1. The share of assets of groups of banks with different capital adequacy ratio N1 in total assets of the banking sector is also provided.

Data is taken from reporting of operating credit institutions of the Russian Federation by form 0409134 "Own Funds (Capital) Calculation".

**Highlights of Individual Indicators**

**Capital adequacy ratio (N1)** – capital adequacy ratio (N1) of operating credit institutions (see comments to the corresponding indicator of Table 41 "Distribution of credit institutions by own funds (capital)").

**Credit risk**

**Table 47**

**Structure of loans of the banking sector**

*(share of loans by quality categories and loan loss provisions as a percent of total loans)*

**General provisions**

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⁶ A higher – risk factor (1,5) on these transaction is introduced into the calculation of capital adequacy ratio by the Bank of Russia Ordinance No. 2613-U dated April 20, 2011 «On the Amendment of Bank of Russia Instruction No.110-I dated January 16,2004 "On Banks' Required ratio”». 
Table “Structure of loans of the banking sector” depicts the dynamics of loans classified by quality categories as a percentage of the total amount of extended loans. Table contains data on ratios of loan loss provisions, both estimated and made, including loan loss provisions adjusted for collateral, to total loans as well as to estimated loan loss provisions.

Loans and claims grouped into portfolios of homogeneous loans and other claims are not included in the Table. Claims to individuals – private entrepreneurs are classified as claims to legal entities.

The source of information is credit institutions’ reporting by form 0409115 “Information on Credit Institution’s Assets' Quality”, part 1 “Information on assets quality assessed for making provisions”.

**Highlights of Individual Indicators**

**Loans** – loans, loan and similar debts, which include claims on deals with financial instruments, mentioned in the list of Appendix 1 to Bank of Russia Regulation No. 254-P dated March 26, 2004 "On the Procedure for Making Provisions by Credit Institutions for Possible Losses on Loans, Loans and Similar Debts".

With the view of determining the estimated amount of provisions related to credit risk factors loans are classified, based on the professional judgment, into one of five quality categories.

**I (top category) quality category (standard loans)** – no credit risk (probability of losses caused by the non-fulfillment or improper fulfillment of obligations by a debtor is zero);

**II quality category (substandard loans)** – moderate credit risk (probability of losses caused by the non-fulfillment or improper fulfillment of obligations by a debtor leads to its impairment from 1 to 20%);

**III quality category (doubtful loans)** – significant credit risk (probability of losses caused by the non-fulfillment or improper fulfillment of obligations by a debtor leads to its impairment from 21 to 50%);

**IV quality category (problem loans)** – high credit risk (probability of losses caused by the non-fulfillment or improper fulfillment of obligations by a debtor leads to its impairment from 51 to 100%);

**V (lowest) quality category (loss loans)** – no possibility of repayment due to the inability or refusal of a debtor to meet obligations that leads to total (100%) impairment of the loan.

**Loan loss provisions** reflect provisions to be made by a credit institution in case of a loan (loans) impairment, i.e. in case of the non-fulfillment or improper fulfillment of obligations
by a debtor or any real threat of such a non-fulfillment (improper fulfillment), as a credit risk protection for loans.

Provisions are made within the principal amount (the book value of a loan). The principal amount does not include: interest payments, commissions, forfeits on loans conditioned by law, common practice of business or a loan contract and other payments to credit institutions that arise from a loan contract (further – interest on loan).

Provisions are made on an individual loan or a portfolio of homogeneous loans, i.e. loans with similar credit risk grouped for provision making (further – a portfolio of homogeneous loans) as a result of credit risk caused by activity of an individual debtor or a group of debtors with loans grouped into a portfolio of homogeneous loans.

*Loan loss provisions estimated* – provisions against credit institution's losses on a loan that should be recognized through the compliance with set procedure of credit risk factor assessment, without taking into consideration a collateral on the loan.

*Loan loss provisions made* – loan loss provisions actually made by a credit institution. Loan loss provisions actually made on loans of the II – V quality categories are formed with due consideration of a collateral of the I and II quality categories. Collateral means a pledge, a bank guarantee, a guarantee deposit treated as one of two collateral quality categories.

Table 48

**Structure of loans and claims grouped into homogeneous portfolios**

**General Provisions**

The «Structure of loans and claims grouped into portfolios of homogeneous loans» Table depicts the dynamics of claims and loans grouped into portfolios of homogeneous loans. Table also includes the ratio of provisions made on loans and claims grouped into portfolios to loans and claims grouped into portfolios of homogeneous loans. The evidence of homogeneity is fixed by a credit institution on its own.

The source of information is credit institutions’ reporting by form 0409115 «Information on Credit Institution’s Assets’ Quality», part 2 «Information on loans and claims to legal entities grouped into homogeneous portfolios» and part 3 «Information on loans and claims to individuals grouped into portfolios of homogeneous loans».

**Highlights of Individual Indicators**
Loans grouped into portfolios of homogeneous loans - total – loans with evidence of homogeneity by type of borrowers: legal entities, individuals, credit institutions with the amount of a loan being up to 0,5 percent of credit institution's own funds (capital).

Claims grouped into portfolios of homogeneous claims – total – claims grouped into portfolios of homogeneous claims (contingent credit liabilities) to legal entities and individuals. The amount of each claim does not exceed 0,5% of credit institution’s own funds (capital).

Loans grouped into portfolios of homogeneous loans as a share of total loans and similar debts – the ratio of loans grouped into portfolios of homogeneous loans to total loans and similar debts.

Table 49

Homogeneous loans and claims to legal entities and provisions made

General Provisions

Table «Homogeneous loans and claims to legal entities and provisions made» contains data on loans and claims (including classification by quality category) extended to credit institutions, other legal entities, including small business, grouped into portfolios of homogeneous loans as well as provisions made on loans and claims.

The source of information is credit institutions’ reporting by form 0409115 «Information on Credit Institution’s Assets' Quality» part 2 «Information on loans and claims to legal entities grouped into homogeneous portfolios».

Highlights of Individual Indicators

Loans to legal entities (except credit institutions) grouped into portfolios of homogeneous loans – see highlights of the indicator «Loans grouped into portfolios of homogeneous loans – total» in the methodological comments to Table 48 «Structure of loans and claims grouped into homogeneous portfolios».

A credit institution classifies portfolios of homogeneous loans into the following loan quality categories:

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

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

III quality category – portfolios of homogeneous loans with provisions over 3% and up to 20% of the total book value of loans included in the portfolio;
IV quality category – portfolios of homogeneous loans with provisions over 20% and up to 50% of the total book value of loans included in the portfolio;

V quality category – portfolios of homogeneous loans with provisions over 50% of the total book value of loans included in the portfolio.

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

Provisions made on loans and claims grouped into homogeneous portfolios – provisions made on portfolios of homogeneous loans, i.e. loans with similar credit risk grouped for provision making due to credit risk caused by activities of a group of borrowers.

A credit institution makes provisions on portfolios of homogeneous loans in compliance with its own methodology of a corresponding risk assessment.

The exposure as well as provisions on portfolios of homogeneous claims (contingent credit liabilities) are estimated based on the professional judgment regarding the adequacy of provisions. The procedure of credit risk assessment on portfolios of homogeneous claims (contingent credit liabilities) is set by internal documents of a credit institution that determine its credit policy.

Claims for interest payments – 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) on discounted promissory notes previously recognized as income; for accrued interest (including overdue) on debt securities previously recognized as income.

Claims for interest payments on homogeneous claims and loans with provisions over 20% - claims for interest payments on homogeneous claims and loans with provisions made at the rate exceeding 20% of the book value of claims and loans grouped into such portfolios.

Table 50
Homogeneous loans and claims to individuals and provisions made

General Provisions

Table “Homogeneous loans and claims to individuals and provisions made” contains data on claims and loans classified by duration of past dues as well as by quality category, including loans on residential real estate, mortgage, car loans, other consumer loans grouped into portfolios of homogeneous loans, and provisions made on loans and other claims.
The source of information is credit institutions’ reporting by form 0409115 «Information on Credit Institution’s Assets’ Quality» part 3 «Information on loans and claims to individuals grouped into homogeneous portfolios».

**Highlights of Individual Indicators**

**Loans to individuals grouped into portfolios of homogeneous loans – total** – please, see highlights of the indicator “Loans grouped into portfolios of homogeneous loan - total” in the methodological comments to Table 48 “Structure of loans and claims grouped into homogeneous portfolios”.

The Table includes the following data by loan type:

- *loans for residential real estate purchase (except mortgage loans), total* – loans to individuals for the residential real estate purchase not collateralized by real estate;
- *residential real estate (mortgage) loans, total* – loans to individuals for a residential real estate purchase collateralized by real estate, defined as mortgage by the Federal Law “On Mortgage (Real Estate Collateral)”;
- *car loans, total* – loans to individuals for a car purchase collateralized by the car acquired;
- *other consumer loans, total* – loans to individuals for a purchase of goods for personal, family, domestic and other use not related to the entrepreneurship and payments for various personal expenses (payments for education, medical care, etc.).

**Loans to individuals grouped into homogeneous loan portfolios by duration of past dues** – loans to individuals classified by period of overdue loan payments grouped into one of the following portfolios of collateralized (mortgage, car loans) and other loans:

- a portfolio of loans without overdue payments;
- a portfolio of loans with payments being overdue from 1 to 30 calendar days;
- a portfolio of loans with payments being overdue from 31 to 90 calendar days;
- a portfolio of loans with payments being overdue from 91 to 180 calendar days;
- a portfolio of loans with payments being overdue more than 180 calendar days.

Credit institutions may aggregate loans without overdue payments and loans with payments overdue from 1 to 30 calendar days in one portfolio.

**Loans to individuals grouped into portfolios of homogeneous loans distributed by quality categories** – classification of portfolios of homogeneous loans to individuals by quality category according to the risk assessment methodology applied by a credit institution to corresponding portfolios of homogeneous loans. For the methodology of portfolios of homogeneous loans classification by quality categories, please, see “Highlights of Individual
Indicators” of the methodological comments to Table 49 “Homogeneous loans and claims to legal entities and provisions made”.

**Homogeneous claims grouped into portfolios** – please, see highlights of the indicator “Homogeneous claims grouped into portfolios - total” in the methodological comments to Table 48 “Structure of loans and claims grouped into homogeneous portfolios”. A credit institution classifies portfolios of homogeneous claims (contingent credit liabilities) by quality category similar to the risk assessment methodology applied to loans grouped into portfolios of homogeneous loans.

**Claims for interest payments – total** – please, see highlights of the similar indicator in the methodological comments to Table 49 “Homogeneous loans and claims to legal entities and provisions made”.

**Claims for interest payments on homogeneous claims and loans with provisions over 20%** - please, see highlights of the similar indicator in the methodological comments to Table 49 “Homogeneous loans and claims to legal entities and provisions made”.

**Provisions made on loans and claims grouped into portfolios of homogeneous loans** – please, see highlights of the similar indicator in the methodological comments to Table 49 “Homogeneous loans and claims to legal entities and provisions made”.

**Table 51**

*Loan loss provisions by credit risk categories*

**General Provisions**

Table “Loan loss provisions by credit risk categories” contains ratios of provisions made on loans by quality categories to total provisions as well as to loans of the corresponding quality categories.

The source of information is credit institutions’ reporting by form 0409115 «Information on Credit Institution’s Assets' Quality», part 1 «Information on assets quality assessed for making provisions».

**Highlights of Individual Indicators**

**Provisions made on loans of the corresponding quality categories as a share of total, in %** - share of provisions actually made on loans of corresponding quality categories in total loan loss provisions made.

**Ratio of provisions made to loans of the corresponding quality categories, in %** - the percentage of loan loss provisions actually made in loans of corresponding quality categories.
Table 52
The value and structure of overdue claims on loans, deposits and other placements

General Provisions

"The value and structure of overdue claims on loans, deposits and other placements" Table contains the main indicators of operating credit institutions activities that characterise credit risk materialized in overdue claims. Indicators of the Table show data on overdue claims relative to total loans. The indicators are provided by loans in rubles and foreign currency.

Highlights of Individual Indicators

Overdue claims on loans, deposits and other placements – see comments to the corresponding indicator of Table 12 "Structure of assets, by type of investment".

Table 53
Distribution of credit institutions by share of overdue claims in credit portfolio

General Provisions

“Distribution of credit institutions by share of overdue claims in credit portfolio” Table depicts the dynamics of distribution of credit institutions depending on the share overdue claims in total loans, deposits, and other placements.

Data is taken from monthly reporting of operating credit institutions of the Russian Federation by form 0409101 "The Turnover Balance Sheet of a Credit Institution"

Highlights of Individual Indicators

Loans, deposits, and other placements – see comments to the corresponding indicator of Table 12 "Structure of assets, by type of investment".

Overdue claims on loans, deposits and other placements with non-financial organisations, credit institutions and individuals – see comments to the corresponding indicator of Table 12 "Structure of assets, by type of investment".

Share in total assets of the banking sector, % – the indicator depicts the dynamics of the share in total banking sector assets of credit institutions past dues of which fall into a given range of this indicator (for example, 0 to 5%, 5 to 10%, etc.).

Table 54
Credit risks of the banking sector

General Provisions
“Credit risks of the banking sector” Table depicts the dynamics of the value and share in total assets of the banking sector of large credit risks.

Data is taken from monthly reporting of operating credit institutions of the Russian Federation by form 0409118 "Data on the credit risk concentration".

**Highlights of Individual Indicators**

**Large credit risks of the banking sector total** – total amount of credit claims to a borrower (or a group of related borrowers) containing maximum credit risk.

**Share of large credit risks in the banking sector assets, %** – the ratio of total volume of large credit risks to total assets of the banking sector.

**Table 55**

Structure of large credit exposures grouped by types of collateral

**General Provisions**

This table includes information regarding large credit exposures featuring loans in accordance with classification of collateral quality (I and II category) and type of collateral.

The data represents 30 largest loans granted to borrowers - legal entities, which are not credit institutions, including loans to individual entrepreneurs. Total amount of such loans is around 25% of the banking sector credit exposure. For that reason the data should be considered a reference. Data are taken from monthly reporting of operating credit institutions of the Russian Federation by form 0409117 "Data on large loans".

**Highlights of Individual Indicators**

**Large loans, total** – total amount of 30 largest loans provided by the credit institution to borrowers - legal entities, which are not credit institutions, including loans to individual entrepreneurs.

**Loans** – loans, loan and similar debts, which include claims on transactions with financial instruments, listed in Appendix 1 to Bank of Russia Regulation No. 254-P dated March 26, 2004 "On the Procedure for Making Provisions by Credit Institutions for Possible Losses on Loans, Loans and Similar Debts".

At the same time loans grouped into portfolios of homogeneous loans are not included into list of the largest loans.

**Loans with collateral** – total amount of the largest loans with collateral of I and II category of quality listed in Appendix 1 to Bank of Russia Regulation No. 254-P dated March 26, 2004 "On the Procedure for Making Provisions by Credit Institutions for Possible Losses on Loans, Loans and Similar Debts".

Collateral of I and II category of quality – total amount of collateral of I and II category of quality which is taken into account when provisions for possible losses on loans are made. List of collateral is mentioned in the paragraphs 6.2 and 6.3 of Bank of Russia Regulation No. 254-P dated March 26, 2004 "On the Procedure for Making Provisions by Credit Institutions for Possible Losses on Loans, Loans and Similar Debts".

**Listed securities issued by legal entities** – amount of listed securities issued by legal entities with investment rating not lower than “BBB” according to classification of Standard & Poor's credit rating agency or a similar rating of the Fitch Ratings, Moody's.
**Collateral of right of claim on real estate** - liquid collateral irrelevant to I grade, which, given every reason, allows to consider that corresponding rights can be realized within 180 days after accrual of cause of enforcement on collateral provided that official papers on the collateral are registered in such a way that there are no circumstances which may impede exercise of mortgage rights.

**Collateral of securities issued by legal entities** – amount of securities referring to II quality category issued by legal entities with rating no lower than “CCC” according to classification of a Standard & Poor's credit rating agency or a similar rating by Fitch Ratings or Moody's. Besides securities issued by legal entities are considered as a collateral if return on equity of these entities for the last year is not lower than 5% and within 50% of audited amount of capital (net assets) of the entities.

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**Table 56**

Solvency and financial soundness indicators of borrower enterprises, by types of economic activity

**General Provisions**

"Solvency and financial soundness indicators of borrower enterprises grouped by types of economic activity" Table contains some total indicators of financial condition of non-financial organisations and enterprises (further - enterprises).

Indicators of Table are calculated on the basis of limited sample of enterprises participating in monitoring, conducted by the Bank of Russia according to Bank of Russia Regulation No. 186-P dated March 19, 2002 "On Monitoring of Enterprises by the Bank of Russia".

**Highlights of Individual Indicators**

**Self-financing ratio** – share of own capital in the balance sheet total. It shows the role of own capital as the source of operations of an enterprise: calculated as a share of net assets in the balance sheet total.

**Current liquidity ratio (coverage)** – characterises the coverage of current liabilities by circulating assets, or level of possible redemption of current liabilities at the expense of funds that theoretically could be received, at book value, through sale of circulating assets. Overdue receivables are not included.

**Share of liabilities to credit institutions in total organisations' liabilities** – calculated as the ratio of liabilities on loans received from credit institutions to total liabilities of enterprises.

**Return on assets** – characterizes effectiveness of enterprise's activities. It is calculated as the ratio of profit (loss) before tax to average assets over the period.

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**Market Risk**

**Table 57**

Structure of market risk of the banking sector
General Provisions

"Structure of market risk of the banking sector" Table contains indicators that characterise market risk, assumed by the banking sector. Market risk and its components are calculated according to Bank of Russia Regulation No. 313-P dated November 14, 2007 "On Order of Market Risk Calculation by Credit Institutions". The Table provides the structure of market risk, ratios of total market risk and its components to capital of credit institutions. The source of information is reporting of credit institutions of the Russian Federation by form 0409153 "Total Report on Market Risk".

Highlights of Individual Indicators

**Market risk (MR)** – risk of financial losses resulted from changes in current (fair) value of financial instruments mentioned in Regulation No. 313-P "On order of market risk calculation by credit institutions" as well as fluctuations of foreign exchange rates and (or) accounting prices of precious metals.

Market risk is calculated on the following financial instruments:

- securities (equities and debt instruments) that have current (fair) value and acquired by credit institution in order to sell in the short-term perspective (held for trading) or available for sale;

- financial instruments nominated in foreign currency and (or) precious metal as well as financial instruments in rubles, the value of which depends on fluctuations of exchange rates of foreign currencies to ruble set by the Bank of Russia and (or) accounting prices of precious metals;

- forward and futures deals (contract) the underlying assets of which are listed securities, index calculated on the basis of prices on securities (further – stock market index) as well as contracts with conditions that corresponding claims and (or) liabilities are calculated on the basis of interest rates, foreign exchange rates, accounting prices of precious metals.

Total market risk is calculated as: $MR = 10.0 \times (IRR + EPR) + FER$ (for data before 1.08.2010 - as: $MR = 12.5 \times (IRR + EPR) + FER$).

**Interest rate risk (IRR)** - market risk on financial instruments sensitive to changes in interest rates.

**Equity position risk (EPR)** - market risk on financial instruments sensitive to changes in current (fair) value of equities.

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

Table 58

| Share of assets and liabilities in foreign currency in total assets and liabilities of the banking sector |

General Provisions
“Share of assets and liabilities in foreign currency in total assets and liabilities of the banking sector” Table depicts the dynamics of the share of foreign exchange position in total assets and liabilities of the banking sector and the ratio of assets to liabilities in foreign currency in percentage points for the banking sector as a whole and 20 largest credit institutions ranged by assets.

Data is taken from monthly reporting of operating credit institutions of the Russian Federation by form 0409101 "The Turnover Balance Sheet of a Credit Institution".

**Highlights of Individual Indicators**

**Assets (liabilities) in foreign currency** – total volume of assets (liabilities) of operating credit institutions on operations conducted in foreign currency. All operations conducted by credit institutions in foreign currency are booked in the balance sheet in rubles only.

**Table 59**

Claims and liabilities on balance and off-balance sheet foreign exchange positions of the banking sector

**General Provisions**

«Claims and liabilities in foreign currency on balance sheet and off-balance positions of the banking sector» table presents information regarding amount of claims and liabilities of credit institution in foreign currency which are reflected on balance sheet, as well as amount of claims and liabilities in foreign currency of forward purchase & selling transactions including settlement (non-deliverable) transactions, financial assets (precious metals, securities, foreign currency and cash assets) with settlement date not coinciding with the contract date and booked on accounts in Section D «Forward transactions» of credit institutions’ Chart of Accounts.

Data is taken from monthly reporting of operating credit institutions of the Russian Federation by form 0409101 "The Turnover Balance Sheet of a Credit Institution" (Section А. «Balance accounts» and Section D «Forward transactions»)

**Highlights of Individual Section D Indicators**

**Balance positions** – the data taken from Section A «Balance accounts» of credit institutions’ chart of accounts.

**Claims** – balances in foreign exchange asset accounts on a bank’s balance-sheet arising from contractual relations with banks, other financial institutions, non-financial firms and individuals.

**Liabilities** – balances of funds in foreign exchange liability accounts on a Bank’s balance-sheet arising from the banks, contracts with other financial institutions, non-financial firms and individuals.

**Balance of claims and liabilities** – position which shows the difference between balances of assets and liabilities accounts in foreign currency.

**Off-balance sheet positions** – data taken from Section D «Forward transactions» of credit institutions’ chart of accounts.

**Claims** – volume of foreign currency claims on counterparties originating from purchase or sale of financial assets, foreign currency, precious metals, bonds and equities in accordance with corresponding contracts from contract date till the first settlement day as well as unrealized exchange difference (expenditures) on the signed contracts.
Liabilities – volume of financial obligations in foreign currency to counterparts originating from purchase or sale of financial assets, foreign currency, precious metals, bonds and equities in accordance with corresponding contracts from contract date till the first settlement day as well as negative unrealized exchange difference (gains).

Table 60
Compliance with open foreign exchange position (OFXP) requirements

General Provisions
The Table «Compliance with open foreign exchange position (OFXP) requirements» contains the information on the number of credit institutions (including ranking among 20 largest credit institutions) that exceeded the OFXP limits in a quarter of a year and on the share of credit institutions licensed to conduct FX operations in total banking sector assets.

Data are taken from the reporting of operating credit institutions of the Russian Federation by form 0409634 «Open foreign exchange position report».

Highlights of Individual Indicators
Open foreign exchange position – see comments to this indicator in a Table 61 «Information on open foreign exchange positions of the banking sector».

In order to regulate the foreign exchange risk assumed by credit institutions the Bank of Russia Instruction № 124-I, dated July 15, 2005 «On Setting Open Foreign Exchange Position Limits, Methods of their Calculation and Monitoring their Observance by Credit Institutions» sets limits on open foreign exchange positions in foreign currencies and precious metals (as of the end of each business day) at:

- 20% of capital for the aggregate ruble-denominated value of all open currency positions of a credit institution;
- 10% of capital for individual foreign currencies and precious metals of a credit institution.

Credit institutions licensed by the Bank of Russia to conduct banking operations in foreign currency or take deposits and place funds in precious metals should comply with the limits on open foreign exchange positions, starting from the date of the first operation with the financial instruments in foreign currency or precious metal or in rubles if their value depends on the official exchange rate of foreign currency against the ruble or reference price of precious metal set by the Bank of Russia, or a receipt of foreign currency contribution to the authorized capital of a credit institution.

Credit institutions without licenses to conduct banking operations in foreign currency or take deposits and place funds in precious metals should comply with the limits on open foreign exchange positions, starting from the receipt of foreign currency contribution to the authorized capital of a credit institution or execution of operations with the Russian Government bonds issued in foreign currency or ruble-denominated financial instruments if their value depends on the official exchange rate of foreign currency against the ruble or reference price of precious metal.

Table 61
Information on open foreign exchange positions of the banking sector

General Provisions
The «Information on open foreign exchange positions of the banking sector» Table shows ruble equivalent of the credit institutions’ total balance sheet and off-balance sheet positions in foreign currencies and precious metals, aggregate amount of open foreign exchange positions, as well as percentage ratio of net open position to total own funds (capital). The Table provides, separately, information on credit institutions holding long and short open positions.

Open foreign exchange positions include operations (transactions) with financial instruments in a foreign currency and (or) precious metals, as well as in rubles, if their value depends on the movement of official exchange rates of foreign currencies against the ruble set by the Bank of Russia and (or) reference prices for precious metals, as well as payment of authorized capital in foreign currencies. To calculate open foreign exchange positions the financial instruments are taken less provisions.

Data is taken from the form 0409634 «Open foreign exchange position report» reported by operating credit institutions of the Russian Federation as of the first day of each month following the reporting date.

**Highlights of individual indicators**

**Number of credit institutions** – number of credit institutions with licences granted by the Bank of Russia to conduct operations in rubles and foreign currency and (or) to take on deposit and place precious metals depending on the condition of foreign exchange position.

**Credit institutions, holding net short or net long positions** - credit institutions (banking (consolidated) groups), holding positions in foreign currencies (including securities nominated in foreign currencies) and (or) precious metals, as well as credit institutions (banking (consolidated) groups), holding positions in rubles, if their value depends on the movement of official exchange rate of foreign currencies against the ruble set by the Bank of Russia (hereinafter - exchange rates of foreign currencies) and (or) reference prices for precious metals.

**Total balance sheet position** – aggregate balance-sheet position in each foreign currency and precious metal (the sum of net balance-sheet position and net spot position considering the sign of position in order to calculate the amounts (limits) of open exchange positions).

**Total off-balance sheet position** – is calculated in each foreign currency and precious metal (the sum of net forward position, net option position, net position in guarantees (banking guarantees), sureties and letters of credit considering the sign of position, as well as off-balance sheet outstanding amounts of receivable interest on interbank loans, deposits and other placements and loans, deposits and other placements with clients (other than banks) in foreign currencies and precious metals. The aggregate off-balance sheet position includes the amount of the above mentioned off-balance sheet positions in receivable interest in foreign currencies and precious metals, calculated according to the formula presented in the Bank of Russia instruction №124-I, dated July 15, 2005 «On Setting Open Foreign Exchange Position Limits, Methods of their Calculation and Monitoring their Observance by Credit Institutions».

**Open foreign exchange position** – value of net open foreign exchange positions in each foreign currency and precious metal, calculated as a sum of net balance sheet position, net spot position, net forward position, net option position and net positions in guarantees (banking guarantees), sureties and letters of credit with due account of the sign of the position.

**Net short position** is included in calculations of net open foreign exchange positions in each foreign currency and precious metal and represents a negative result of calculations (with sign “-”).

**Net long position** is included in calculations of net open foreign exchange positions in each foreign currency and separate precious metal and represents a positive result of calculations (with sign “+”).

**Net open foreign exchange position** is calculated as the difference between amounts of total long and total short open foreign exchange positions.

**Own funds (capital)** – see comments to indicator “Banking sector own funds (capital)” of Table 1 “Macroeconomic indicators”. 

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Ratio of net open foreign exchange position of credit institutions to own funds (capital) is an indicator used for assessment of open foreign exchange positions in order to limit foreign exchange risk of credit institutions.

### Table 62

**Open FX positions of the banking sector, by currency**

**General Provisions**

The Table «Open FX positions of the banking sector, by currency» reveals total amount of net open foreign exchange position of the banking sector, ruble equivalent of total balance and off-balance sheet positions of credit institutions licensed by the Bank of Russia to conduct banking operations in foreign currency as well as percentage ratio of net open foreign exchange position to banking capital. The aggregate information on the banking sector is split into buckets by currency (USD, EUR, GBP).

Data are taken from the reporting of operating credit institutions of the Russian Federation by form 0409634 «Open foreign exchange position report» as of the first day of each month following the reporting date.

**Highlights of Individual Indicators**

Please, see comments to this indicator in a Table 61 «Information on open foreign exchange positions of the banking sector».

### Liquidity of Credit Institutions

#### Table 63

**Relation of long-term assets and long-term liabilities of the banking sector**

**General Provisions**

"The relation of long-term assets and long-term liabilities of the banking sector" Table contains indicators that characterise liquidity of credit institutions by correspondence of long-term investment and sources of its funding. The source of information is reporting of credit institutions by form 0409125 "Information on Assets and Liabilities by Maturity".

The indicators of the Table provide information on the development of long-term component of liquid assets and liabilities of credit institutions as well as the indicator of the use of short-term liabilities to fund the long-term liquid assets.

**Highlights of Individual Indicators**

- **Liquid assets with maturity in excess of 1 year** – include assets classified into the 1st category of quality according to Bank of Russia Regulation No. 254-P dated March 26, 2004 "On the Procedure for Making Provisions by Credit Institutions for Possible Losses on Loans, Loans and Similar Debts". Herein the value of assets (liabilities) is increased (decreased) by the amount of accumulated interest (discount, coupon) income (expenses) to be received (paid out) in the corresponding period.

- **Liabilities with maturity in excess of 1 year** – liabilities of credit institutions with maturity in excess of 1 year.
**A measure of using short-term liabilities to fund long-term liquid assets** – the ratio of excess of long-term (in excess of 1 year) liquid assets over liabilities with maturity in excess of 1 year to short liabilities (less than 1 year).

### Table 64
**Distribution of credit institutions classified by use of short-term liabilities (less than 1 year) to fund long-term assets (in excess of 1 year)**

**General Provisions**

"Distribution of credit institutions classified by the share of using short-term liabilities (less than 1 year) to fund long-term assets (in excess of 1 year)" Table contains break down of credit institutions by the said indicator (see comments to the indicator "A measure of using short-term liabilities to fund long-term liquid assets" of Table 63 "The relation of long-term assets and long-term liabilities of the banking sector".

Indicators of the Table represent distribution of credit institutions and their share in total assets of the banking sector depending on the indicator of the use of short-term liabilities to fund the long-term liquid assets. The source of information is the reporting of credit institutions by form 0409125 "Information on Assets and Liabilities by Maturity".

### Table 65
**The relation of short-term assets and short-term liabilities of the banking sector**

**General Provisions**

"The relation of short-term assets and short-term liabilities of the banking sector" Table contains indicators that characterise liquidity of credit institutions from a position of correspondence between short-term investment and sources of funding. The source of information is the reporting of credit institutions by form 0409125 "Information on Assets and Liabilities by Maturity".

The indicators of the Table provide main characteristics of short-term component of liquid assets and liabilities of credit institutions as well as the indicator of liquidity coverage deficit.

**Highlights of Individual Indicators**

**Liquid assets with maturity up to 30 days** – include assets of credit institutions with maturity up to 30 days classified into the 1st category of quality according to Bank of Russia Regulation No. 254-P dated March 26, 2004 "On the Procedure for Making Provisions by Credit Institutions for Possible Losses on Loans, Loans and Similar Debts" and Bank of Russia Regulation No. 283-P dated March 20, 2006 "On the Loss Provisioning Procedure for Credit Institutions". Herewith the value of assets and liabilities is increased (decreased) by the amount of accumulated interest (discount, coupon) income (expenses) to be received (paid out) in the corresponding period.

**Liabilities with maturity up to 30 days** – credit institutions’ liabilities with maturity up to 30 days. Herewith demand liabilities and liabilities for 1 day include overdue liabilities as well as past due liabilities or liabilities not claimed by creditors.

**Liquidity coverage deficit** – is calculated as the ratio of excess of liabilities with maturity up to 30 days over liquid assets of the same maturity to total amount of the said short-term liabilities.
**Liquid assets** – assets classified into the 1<sup>st</sup> category of quality according to Bank of Russia Regulation No. 254-P dated March 26, 2004 "On the Procedure for Making Provisions by Credit Institutions for Possible Losses on Loans, Loans and Similar Debts" and Bank of Russia Regulation No. 283-P dated March 20, 2006 "On the Loss Provisioning Procedure for Credit Institutions" Herein the value of assets and liabilities is increased by the amount of accumulated interest (discount, coupon) income (expenses) to be received (paid out) in the corresponding period.

**Liabilities** – funds raised from credit institutions, clients’ funds, debt securities issued and other liabilities.

### Table 66

**Distribution of credit institutions classified by liquidity coverage deficit**

**General Provisions**

"Distribution of credit institutions classified by liquidity coverage deficit" Table contains breakdown of credit institutions by the said indicator (see comments to the corresponding indicator of Table 65 "The relation of short-term assets and short-term liabilities of the banking sector").

Indicators of the Table represent distribution of credit institutions and share of their assets in total assets of the banking sector depending on the level of liquidity coverage deficit.