

ISLE OF MAN
FINANCIAL SERVICES AUTHORITY

Lugħt-Reill Shirveishyn Argidoil Ellan Vannin

QUARTERLY STATISTICAL BULLETIN

Deposit Takers (Banks)

Class 1(1)

30 September 2017

Data for 30 September 2017

Data encapsulates business held in the Isle of Man offices only of licensed deposit takers (“banks”) holding Class 1(1) permissions. Where applicable, the data is expressed in £’millions. The data is taken from prudential returns submitted to the Authority by banks. One bank incorporated in the Isle of Man also operates overseas branches; the data excludes business undertaken in these branches.

The Isle of Man’s Alternative Banking Regime came into force on 1 August 2016. At the reporting date, no Class 1(2) banks or Class 1(3) rep offices had been licenced.

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Date issued: January 2018

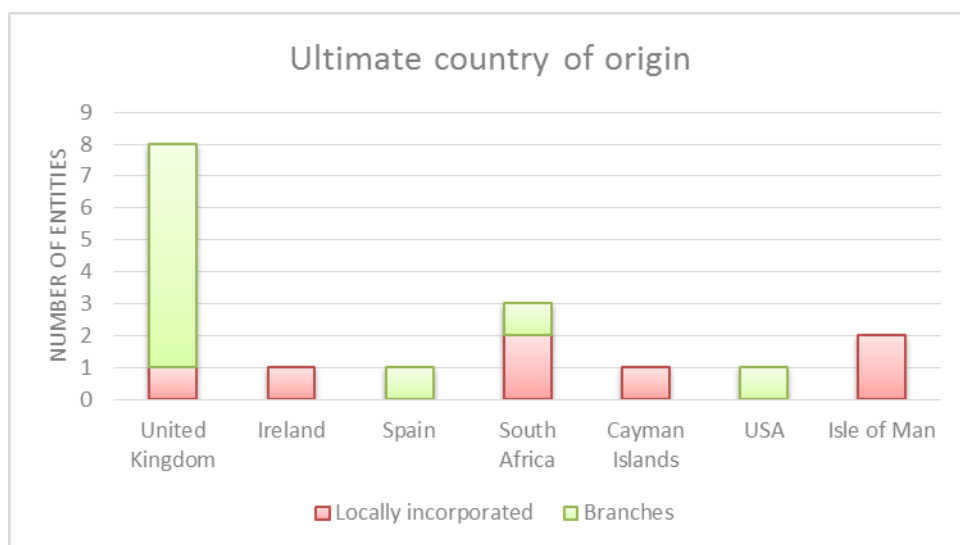
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1. High level summary

		Number of Class 1(1) banks	Retail deposits £'m	Total deposits £'m	Quarterly change	Total assets / liabilities £'m	Quarterly change
2010	Dec	34	19,680	51,658		54,627	
2011	Mar	34	19,106	49,914	-3.38%	52,793	-3.36%
	Jun	34	18,989	50,165	0.50%	53,149	0.67%
	Sept	33	18,931	50,790	1.25%	53,626	0.90%
	Dec	33	18,170	48,813	-3.89%	51,763	-3.47%
2012	Mar	33	18,194	49,325	1.05%	52,300	1.04%
	Jun	33	17,590	48,774	-1.12%	51,754	-1.04%
	Sept	33	17,645	48,807	0.07%	51,867	0.22%
	Dec	32	17,839	47,100	-3.50%	50,192	-3.23%
2013	Mar	32	18,580	50,734	7.72%	53,822	7.23%
	Jun	30	18,058	46,010	-9.31%	48,596	-9.71%
	Sept	30	17,695	43,939	-4.50%	46,457	-4.40%
	Dec	29	17,481	43,166	-1.76%	45,573	-1.90%
2014	Mar	28	17,848	43,142	-0.06%	45,424	-0.33%
	Jun	26	17,506	42,515	-1.45%	44,971	-1.00%
	Sept	25	17,320	42,868	0.83%	45,435	1.03%
	Dec	25	17,172	43,515	1.51%	45,710	0.61%
2015	Mar	23	17,546	44,226	1.63%	46,402	1.51%
	Jun	23	17,250	43,094	-2.56%	45,310	-2.35%
	Sept	23	17,162	43,056	-0.09%	45,105	-0.45%
	Dec	23	17,481	43,642	1.36%	45,724	1.37%
2016	Mar	22	18,010	43,208	-0.99%	45,262	-1.01%
	Jun	21	18,634	45,268	4.77%	47,260	4.41%
	Sept	20	19,095	47,129	4.11%	49,121	3.94%
	Dec	19	19,213	44,603	-5.36%	45,772	-6.82%
2017	Mar	19	18,663	41,752	-6.39%	43,050	-5.95%
	Jun	18	18,059	37,920	-9.18%	39,106	-9.16%
	Sept	17	17,536	38,674	1.99%	39,779	1.72%

2. Ultimate country of origin of banking groups operating in the Isle of Man



Notes for Editors:

- i) Information regarding the ownership structure for all banks in the Isle of Man and their home supervisory authorities is contained within the Authority's document "FAQs – banks" which is available from the consumers section of the Authority's website www.iomfsa.im
- ii) Included in "Isle of Man" is the licence granted to the liquidator of Kaupthing Singer & Friedlander (Isle of Man) Limited – in liquidation.
- iii) Nationwide Building Society, shown under "United Kingdom" above, has given notice of its intention to close and surrender the licence for its branch in the Isle of Man at the start of 2018.
- iv) Duncan Lawrie (IOM) Limited, formerly shown under "United Kingdom" above, surrendered its class 1 and class 2 licence with effect from 31 July 2017.
- vi) Permanent Bank International Limited, shown under "Ireland" above, surrendered its licence with effect from 15 December 2017.

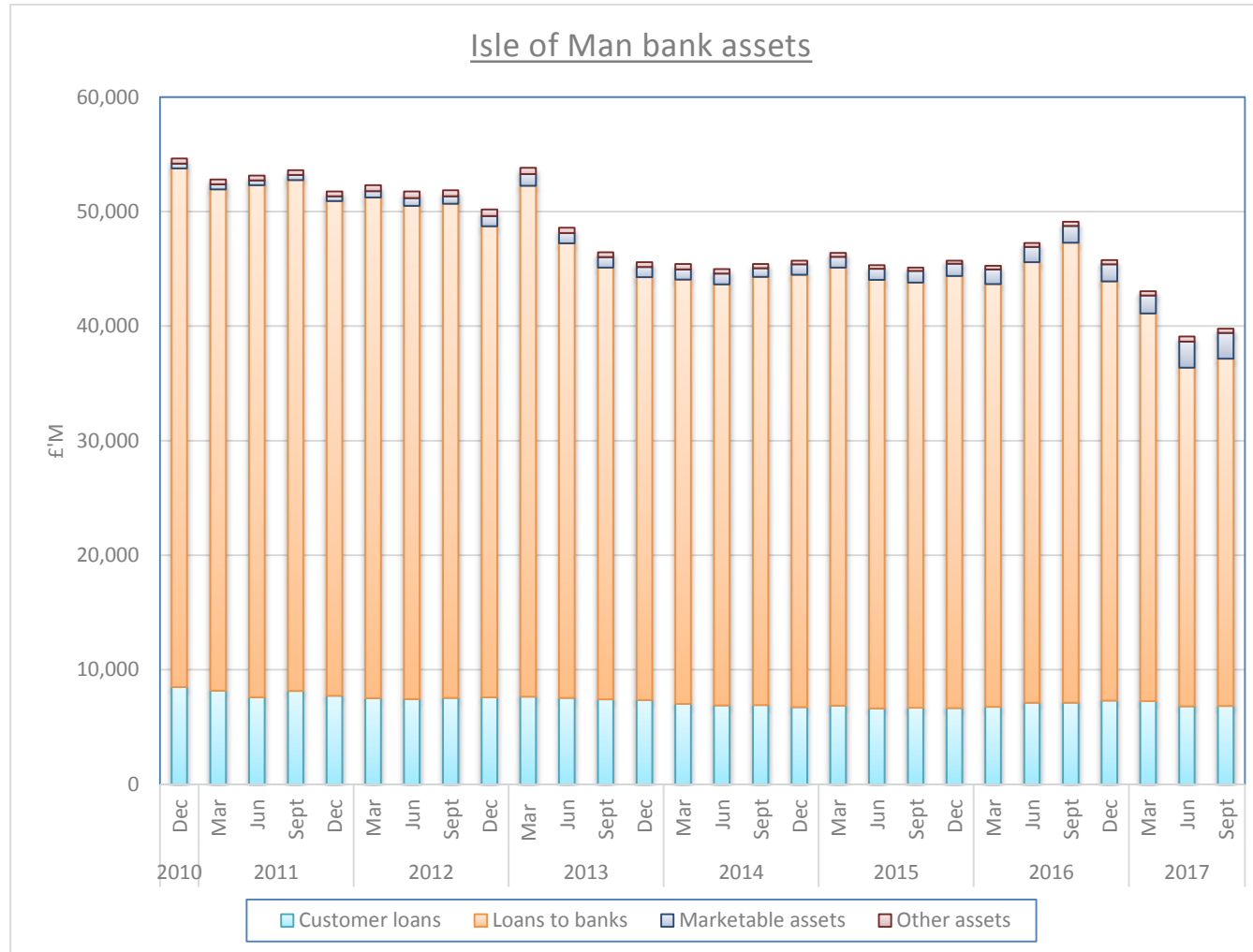
3. Assets and liabilities of licensed banks

a. Balance sheet

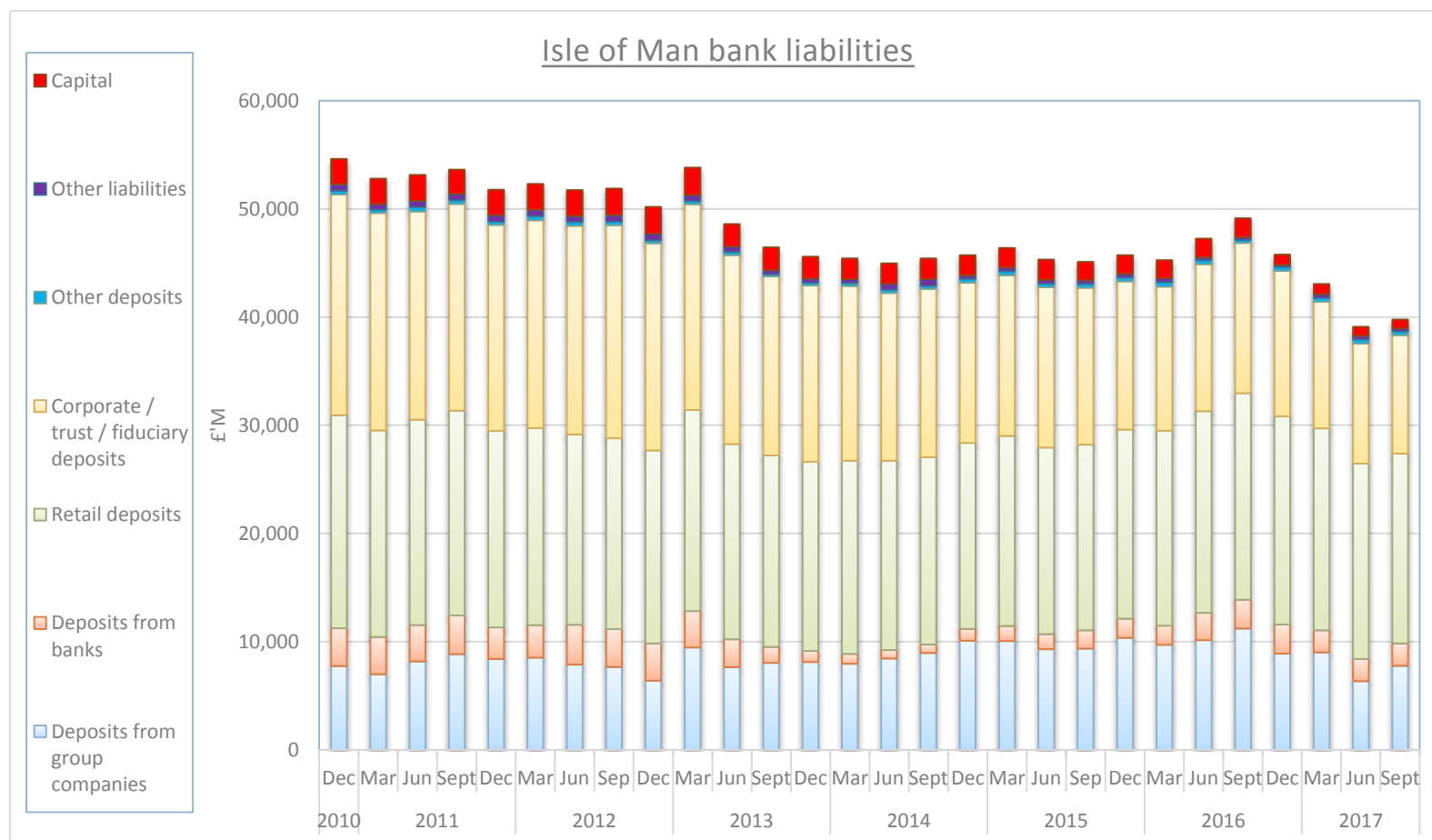
Total assets / liabilities of Isle of Man banks, not including those held in overseas branches of Isle of Man incorporated banks:

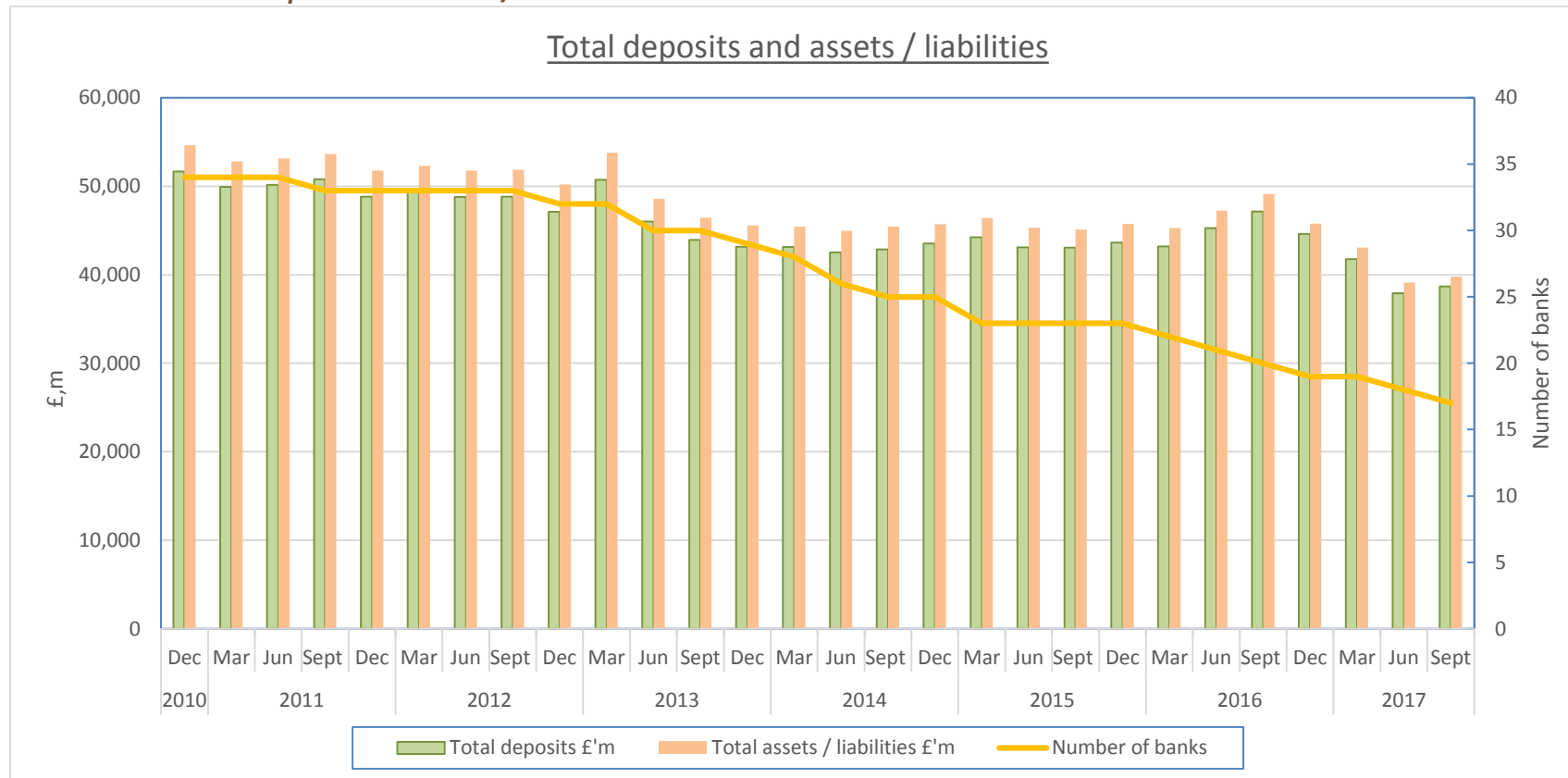
Assets		£'m	£'m
Loans to banks	Loans due from group	27,543	
	Loans due from other banks	2,776	
	Total loans to banks		30,319
Marketable Assets	Government & public sector debt	1,698	
	Group	0	
	Other banks	566	
	Other holdings	3	
	Total marketable assets		2,267
Loans, advances and assets leased			6,836
Investments			7
Other assets (including cash)			350
Total assets			39,779
Liabilities		£'m	£'m
Deposits	Due to group	7,770	
	Due to other banks	2,072	
	Retail	17,536	
	Corporate / trust / fiduciary	10,957	
	Other (including government)	339	
	Total deposits		38,674
CDs and other debt issued			0
Other liabilities			285
Capital and reserves			820
Total liabilities			39,779

The above data is taken from prudential returns SR-1A.

b. Breakdown of assets

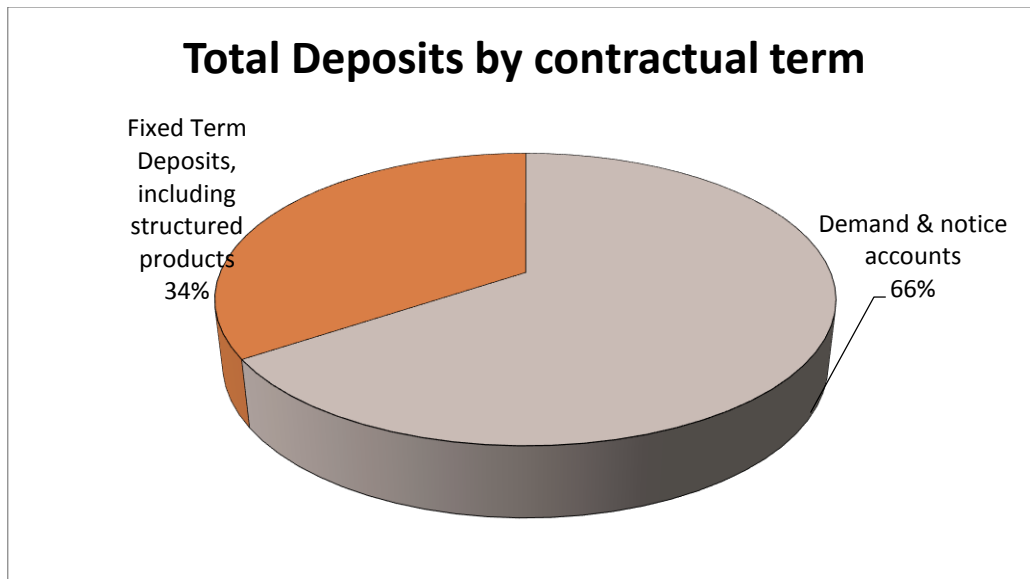
c. Breakdown of liabilities



d. Total deposits and assets / liabilities**Notes for Editors:**

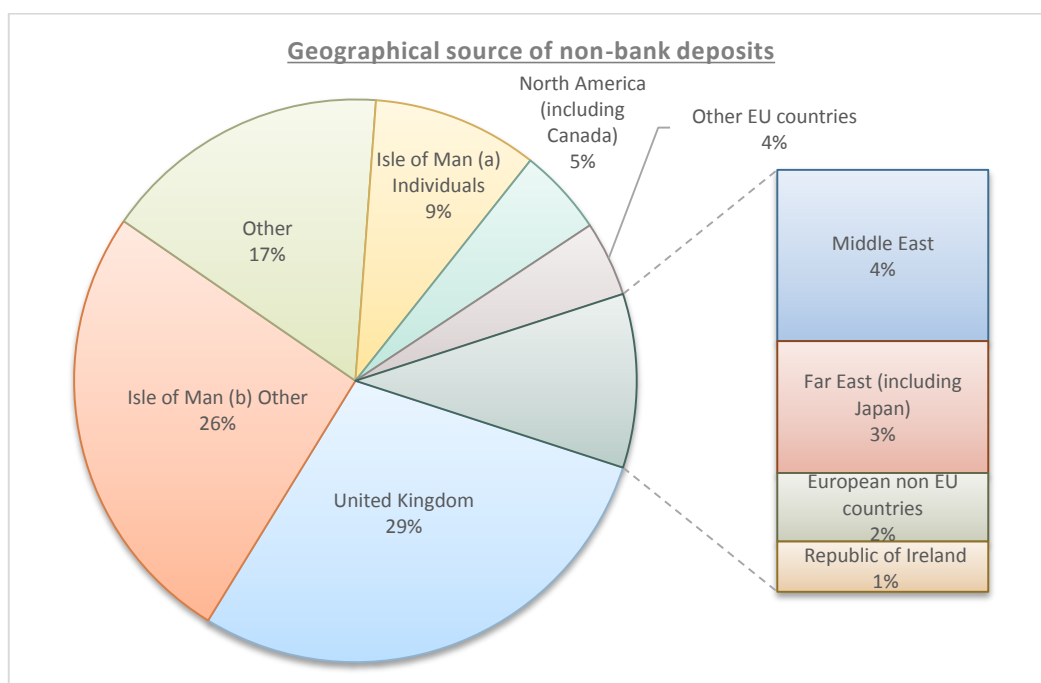
- i) The Authority also publishes a “deposit base” figure and press release for each quarter. The “deposit base” figure excludes interbank flows between banks in the Isle of Man. The press releases include commentary on any material quarterly movements.

e. Deposit term (including inter-IOM banks)



f. Geographical source of non-bank customer deposits

	% of total
Isle of Man (a) Individuals	9
Isle of Man (b) Other	26
United Kingdom	29
Republic of Ireland	1
Other EU countries	4
European non EU countries	2
Middle East	4
Far East (including Japan)	3
North America (including Canada)	5
Other	17



The above data is taken from prudential returns SR-3A.

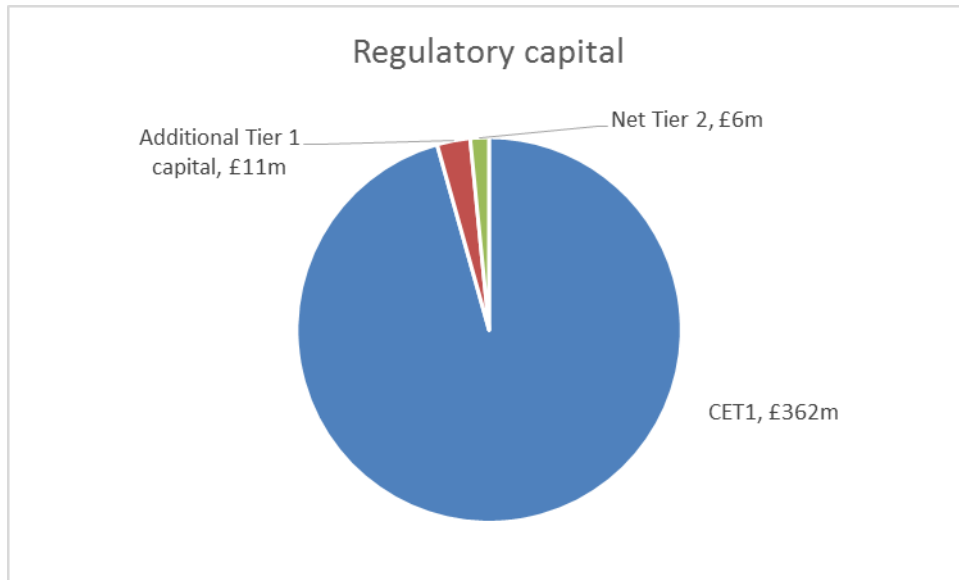
Notes for Editors:

- i) Residence of a deposit is classified according to the address to which the bank corresponds, if no better classification is available.

g. Customer loans

4. Capital adequacy

a. Regulatory capital



The above data is taken from prudential returns SR-2A.

Notes for Editors:

- i) The figures represent capital for Class 1(1) banks incorporated in the Isle of Man only.
- ii) With effect from 1 July 2017, minimum capital requirements are defined with reference to a licenholder's CET1 ratio, Tier 1 ratio and Total capital ratio.

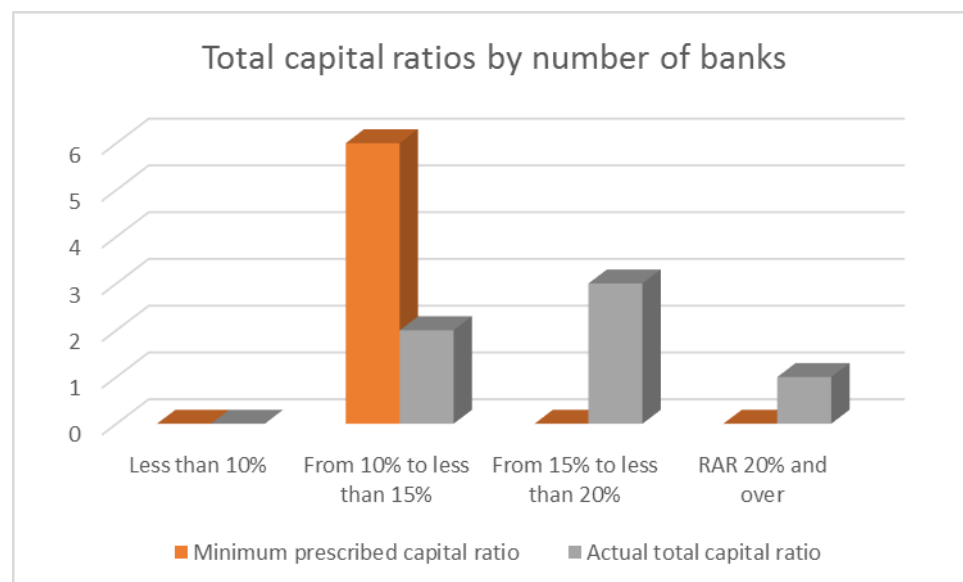
b. Capital ratios

"Minimum capital requirement" means

- (a) such CET1 ratio, Tier 1 ratio and Total capital ratio as the Authority may direct in the case of that licenceholder; or
- (b) where no such direction is given, a CET1 ratio of 8.5%, a Tier 1 ratio of 8.5% and a Total capital ratio of 10%.

All banks must notify the Authority if their ratio falls to within 1% (or higher) of their prescribed minimum Total capital ratio, i.e. a minimum notification level of at least 11% is set for banks with the prescribed minimum of 10%.

The figures exclude Kaupthing Singer & Friedlander (Isle of Man) Limited, in liquidation.



h. Appendix i - Deposit breakdown figures

£'m	Dec-08	Dec-09	Dec-10	Dec-11	Dec-12	Dec-13	Dec-14	Dec-15	Dec-16	Mar-17	Jun-17	Sept-17
Other deposits	451	706	331	310	288	247	313	353	328	342	368	339
Other deposit takers	3,271	3,606	3,509	2,918	3,437	1,007	1,107	1,761	2,692	2,047	2,041	2,072
Group depositors	7,053	8,382	7,737	8,399	6,392	8,124	10,084	10,359	8,903	9,017	6,357	7,770
Retail deposits	20,129	19,345	19,680	18,170	17,839	17,481	17,172	17,481	19,213	18,663	18,059	17,536
Corporate / trust / fiduciary deposits	27,229	22,213	20,401	19,016	19,144	16,307	14,839	13,688	13,467	11,683	11,095	10,957
Total deposits	58,133	54,252	51,658	48,813	47,100	43,166	43,515	43,642	44,603	41,752	37,920	38,674

For September 2017, the above figures include deposits / loans received from other Isle of Man credit institutions of £1,561m (£1,476m at June 2017).

The above data is taken from prudential returns SR-1A.

i. Appendix ii – Lending breakdown figures

£'m	Residential mortgage lending	Corporate lending	Other	Retail lending	Total lending
Dec-08	4,168	2,143	1,589	1,712	9,612
Dec-09	4,641	2,864	1,223	842	9,570
Dec-10	4,864	2,240	816	569	8,489
Dec-11	4,766	1,561	988	417	7,732
Dec-12	4,636	1,239	1,314	403	7,592
Dec-13	4,507	1,317	1,135	408	7,367
Dec-14	4,198	1,357	800	394	6,749
Dec-15	4,012	1,615	665	381	6,673
Dec-16	3,740	2,355	880	330	7,305
Mar-17	3,672	2,366	885	328	7,251
Jun-17	3,594	2,110	789	335	6,828
Sept-17	3,624	2,201	790	221	6,836

The above data is taken from prudential returns SR-1A. 'Other lending' includes lending to other non-bank group entities, sovereigns and public sector entities. All lending is shown net of impairment charges (bad debts) and excludes loans classified as past due (90 days have passed since a payment is missed).

Between 30 June 2017 and 30 September 2017 retail lending fell by £114m (34%); this included a fall of £96m in one bank which is winding down its business in the Isle of Man and sold a portion of its book during the period to a third party bank, as part of a group led disposal.