EBCI Vienna Initiative

CESEE Deleveraging and Credit Monitor[1]

November 20, 2018

Key Developments in BIS Banks' External Positions and Domestic Credit

Following emerging market pressures in mid-April 2018, Central, Eastern, and Southeastern Europe (CESEE) experienced about US$5 billion of portfolio outflows, but there were few signs of deleveraging of western banks in the region in the first half of 2018. Credit growth is picking up on the back of robust activity, with CESEE banks relying on growth in domestic deposits to fund their operations.

The CESEE Bank Lending Survey, for the period April 2018 to September 2018, detects an improving landscape wherein slightly upbeat expectations prevail. Although country differentiation remains significant, the appeal of the CESEE strategy for international banking groups is reflected in an increased regional profitability. Regional supply side conditions improved only very slightly. On the contrary, demand for loans was robust. Some signs of intensified volatility in the exposures to the region have been noticed lately.

Following emerging market pressures in late April, Central, Eastern, and Southeastern European (CESEE) countries experienced portfolio outflows of about US$5 billion. Data from the Emerging Portfolio Fund Research (EPFR Global) database shows that portfolio outflows from the CESEE region (stock and bond funds) have reached about US$5 billion (cumulatively) between April and end-Octobe this year (Figure 1). Pressures were most pronounced in Russian and Turkish bond markets as well as Polish and Russian equity markets. The outflows have broadly stabilized more recently.

[1] Prepared by the staff of the international financial institutions participating in the Vienna Initiative's Steering Committee. It is based on the BIS Locational Banking Statistics and the latest results of the EIB Bank Lending Survey for the CESEE region.

Despite the ongoing emerging market turmoil, there were few signs yet of deleveraging of western banks in CESEE in the first half of 2018. External positions of BIS reporting banks[2] vis-à-vis the region remained at about US$650 billion in 2018H1, broadly unchanged since 2017 (Figure 2 and Table 1). This exposure corresponded to 16 percent of the region's GDP, down from the peak of 22 percent of the region's GDP a decade ago. Excluding Russia and Turkey, exposure of BIS-reporting banks stayed around about US$355 billion in 2018H1, also in line with the 2017 levels.

Within CESEE, western banks remain mostly exposed to Turkey. Foreign bank funding to Turkey stood at US$190 billion in 2018Q2, or about a third of the BIS-reporting banks' exposure to CESEE (Figure 3 and Table 2). On consolidated basis, countries with the largest exposure to Turkey are Spain at US$80 billion and France at US$35 billion (Figure 4). Following Turkey, BIS-reporting banks are mostly exposed to the Czech Republic, Poland, and Russia at about US$100 billion each. Overall, foreign bank funding to these four countries accounts for about 75 percent of the total exposure to CESEE. Scaling by the size of receiving economy, foreign funding matters most in the Czech Republic (40 percent of GDP), followed by Croatia, Montenegro, and Turkey (about 30 percent of GDP each).

Most CESEE countries saw no major changes in foreign bank funding in 2018H1 (Figure 5). BIS reporting banks increased their external positions vis-à-vis CESEE countries by 0.2 percent of GDP in 2018H1. Overall, only Montenegro saw sizeable inflows of foreign bank funding of about 6 percent of GDP, reflecting a disbursement of a large syndicated bank loan to the government. For other countries, the changes in foreign bank funding were mostly driven by claims on banks.

The balance of payments (BoP) data paint marginally less positive picture than the BIS data in 2018Q1. Other investment flows in the BoP data, where cross-border bank financing is captured, remained unchanged in 2018Q1, while BIS banks' positions increased by 0.2 percent of GDP (Figure 6). For several countries, the difference between BoP flows and BIS banks' external exposure was sizeable, suggesting additional capital flows from sources other than BIS reporting banks (the Czech Republic, Latvia, and Slovenia; Figure 7). It is also worth noting that more sizeable portfolio outflows from emerging markets began only in mid-April 2018, so the BoP data likely represents an outdated story.

Credit growth is picking up on the back of robust activity (Figure 8). Total credit to private sector expanded at 8 percent year-on-year in July 2018, in line with above-potential real GDP

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[2] The sample includes banks in Australia, Austria, Bahrain, Belgium, Bermuda, Canada, Cayman Islands, Chile, China, Cyprus, Denmark, Finland, France, Germany, Greece, Guernsey, Hong Kong SAR, India, Indonesia, Ireland, Italy, Japan, Jersey, Korea, Luxembourg, Macao SAR, Malaysia, Mexico, Netherlands, Norway, Panama, Philippines, Portugal, Russia, Singapore, South Africa, Spain, Sweden, Switzerland, Taiwan Province of China, Turkey, the United Kingdom, and the United States.

growth driven by strong domestic demand. Lending to both households and nonfinancial corporations is increasing, though corporate credit growth is somehow less dynamic. Except for Latvia, all CESEE countries recorded positive credit growth in July 2018 (Figure 9). In Belarus, where household credit contracted substantially during the 2015–16 recession to less than 8 percent of GDP from 14 percent of GDP in 2010, lending to households rebounded strongly at about 30 percent year-on-year in July 2018.

Overall, CESEE banks relied on domestic deposit growth to fund the stronger credit activity in 2018H1 (excluding Russia and Turkey; Figure 10). CESEE banks finally tapped into foreign bank funding in 2017 after almost seven years of withdrawals. However, growth in domestic deposits became yet again the only source of higher bank funding in 2018. In 2018Q2, foreign funding decreased by about 0.2 percent of GDP (year-on-year) in CESEE excluding Russia and Turkey, mostly driven by outflows from the Baltic countries, Belarus, Poland, and Romania (Figure 11). At the same time, domestic deposits grew about 3 percent of GDP (year-on-year). As a result, average domestic loan-to-domestic deposit ratio for the region fell to just below 100 percent in August 2018 (Figure 12).

Key Messages - CESEE Bank Lending Survey[3]: 2018H2

Banking Groups' views:

- **About 30% of banking groups continued some restructuring activities at global level and capital increases have been achieved exclusively via sales of assets and branches. Fewer banking groups than in 2013-2017 have deleveraged, whilst on balance an equal number have been re-leveraging.** Less banking groups than in 2013-2017 continued restructuring activities. Capital has been raised only through sales of assets and branches and contributions to balance sheet strengthening are again expected to come mainly from sales of assets and branches. Deleveraging at the group level (Figure 13) has slowed significantly compared to the last four years. Overall, expected increases and decreases in Groups' LTD are evenly distributed, thus showing a tentative polarization in the (de)leveraging attitude of banking Groups' operating in the CESEE region.

- **A large majority of banking group strategies' is tilted toward an expansion-stability attitude. This is also supported by a RoA of CESEE operations described as being higher than that of the overall group. On the other hand, only 20 percent of banking groups report a combination of diminishing regional returns and intentions to reduce operations.** A large majority of international banking groups reported higher return on assets (RoA) of the CESEE operations than overall group operations over the last six months, reinforcing a positive trend emerged three years ago. Nonetheless, less than a fifth of groups report lower regional RoAs than their global RoAs, reflecting a persistent subset of banking groups which continue to point to positive, but diminishing, returns in the region versus the overall group global operations. Cross-border banking groups signal an intention to expand operations selectively in the region (Figure 14). Nevertheless, they continue to discriminate in terms of countries of operation as they reassess their country-by-country strategies.

- **The aggregate net balance of the total exposure to the CESEE region has been negative over the last six months. This scores a turnaround compared to the postive outcome recorded in the previous wave of the survey. It also suggests that developments should be interpreted with caution at the current stage of the economic and financial cycle.** The trend of total exposure to the CESEE region has plunged into negative territory over the past six months (Figure 15). The number of banks declaring a reduction in their exposure is only slightly higher than in H2 2017 whilst the number increasing it is significantly lower than in past waves of the survey. This is a rather ample reversal compared to the positive upturn recorded in the previous wave of the survey. The recent developments highlight a certain negative impact coming from an increased volatility in emerging markets. Therefore, negative

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[3] A full report with country chapters of the Autumn H2 2018 survey release will be published in November 2018 on the EIB website http://www.eib.org/about/economic-research/surveys.htm as well as on the Vienna Initiative webpage.

and positive developments should be interpreted with caution at the current stage of the economic and financial cycle.

Local banks / subsidiaries views:

- **CESEE subsidiaries and local banks report another robust increase in demand for credit whilst supply conditions essentially did not ease much. Investment contributed significantly to push up demand for loans. At the same time, almost no contribution was recorded from restructuring activities.**

    - **Demand** for loans and credit lines continued to increase robustly in net balances (Figure 16). These results mark the eleventh consecutive half-year of increased demand for credit. However, a slight disconnect between expectations and actual realization can be detected this time around. It might be a reflection of increased volatility and uncertainty, which partially limit banks' ability to predict more precisely demand. Nevertheless, this disconnect is way smaller than four years ago, when results disappointed expectations. Contributions to demand from investment exerted a significant positive impact, scoring increasingly higher than in previous releases of the survey. This indicates a robust economic cycle conducive to investment. Corporate and debt restructuring as well as M&A have been contributing less and less to propelling demand, and all currently stand near zero.
    - **Supply** conditions eased only very marginally over the past six months. Nevertheless, this represents the third timid easing over the past two years. Across the client spectrum, credit standards eased on SME lending and consumer credit, whilst they continued to tighten on mortgages. Supply conditions eased on short-term loans and only slightly on long-term loans, primarily in local currency. Aggregate supply conditions are not expected to ease further over the next six months. Optimism on the demand side is still frustrated by the legacy of protracted stagnation of supply-side conditions, leaving a noticeable perceived gap between demand and supply.

- **The domestic regulatory environment and group' NPLs are partially constraining supply conditions. However, their negative contributions have diminished over time. On the other hand, most of the other domestic and international factors are not a limit to supply anymore.** The number of domestic and international factors limiting supply has decreased substantially compared to 2013 (Figure 17). However, the H2:2018 survey release shows that volatility in the regulatory environment remained a primary limiting element at domestic level. As in previous surveys, neither access to domestic funding nor the domestic outlook are considered a constraint, nor are other factors previously weighing negatively, including domestic NPLs. Fewer international factors are playing a constraining role compared to 2013. Nonetheless, group NPLs and slightly the global market outlook are mentioned as having a limited negative effect on credit supply conditions.

- **Credit quality has continued to improve, albeit less than earlier on in the credit cycle.** In 2015, the CESEE Bank Lending Survey indicated a turning point in the negative spiral of NPL flows. Over the past six months, and for the eighth time, aggregate regional NPL ratios recorded an improvement in net balance terms (Figure 18).

Figure 1. CESEE: Cumulative Portfolio Flows

(Billions of US$; cumulative weekly flows since April 1, 2018)

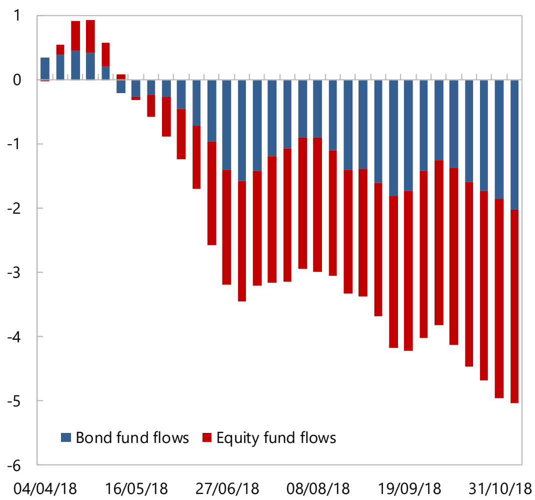


Figure 2. CESEE: External Positions of BIS-reporting Banks, 2003Q1-2018Q2

(Billions of US$, exchange-rate adjusted, vis-à-vis all sectors)

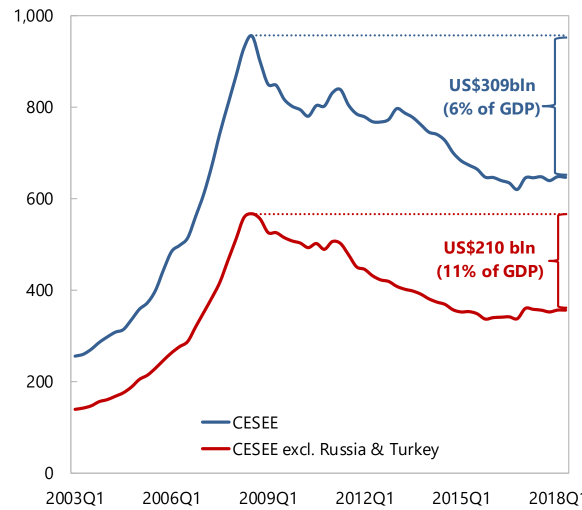


Figure 3. CESEE: External Positions of BIS-reporting Banks, 2018Q2

(Billions of US$; exchange-rate adjusted, vis-à-vis all sectors)

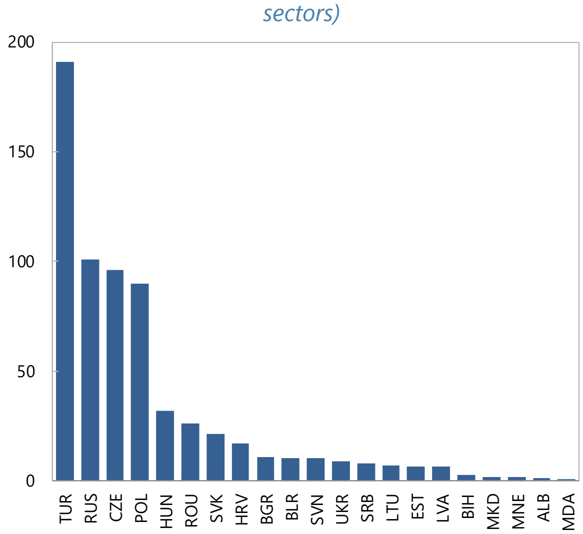
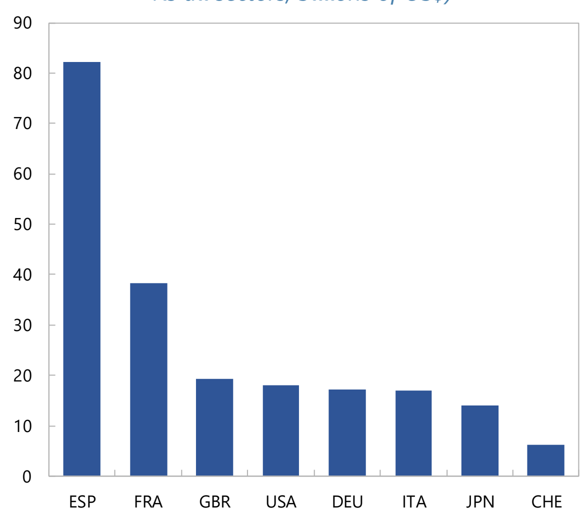


Figure 4. BIS Reporting Banks: Consolidated Exposure to Turkey, 2018Q1

(Total claims on intermediate counterparty basis, vis-à-vis all sectors; billions of US$)



Sources: BIS, Locational and Consolidated Banking Statistics; EPFR Global; and IMF, World Economic Outlook, and staff calculations.

Note: In Figure 1, fund flows are net inflows into EM-dedicated investment funds, including mutual funds and ETFs, as reported by EPFR Global. Data labels in the figures use International Organization for Standardization (ISO) country codes.

Figure 5. CESEE: External Positions of BIS-reporting Banks, 2018H1

(Change from the previous quarter; percent of 2018 GDP)

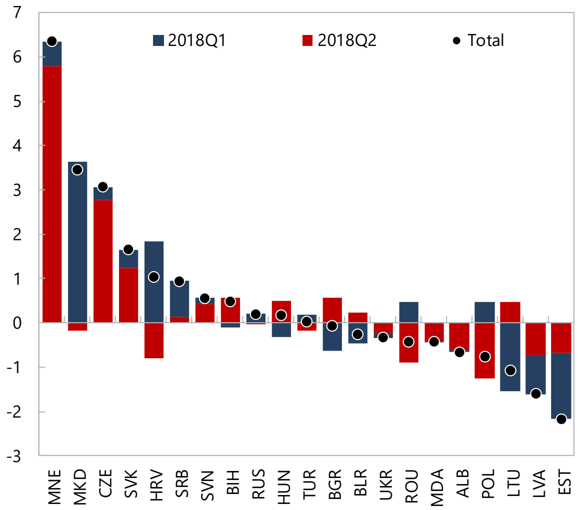


Figure 6. CESEE: Change in BIS External Positions and Other Investment Liabilities

(Billions of US dollars)

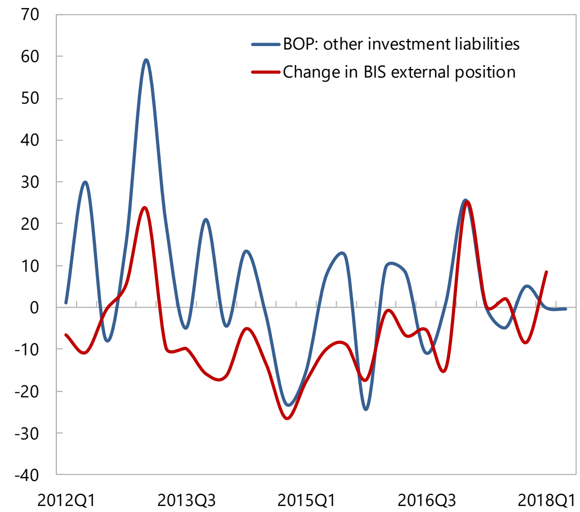


Figure 7. CESEE: Change in BIS External Positions and Other Investment Liabilities, 2018Q1

(Percent of GDP)

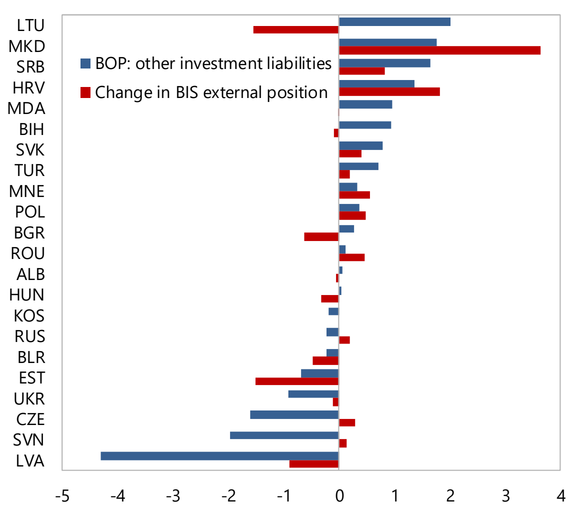
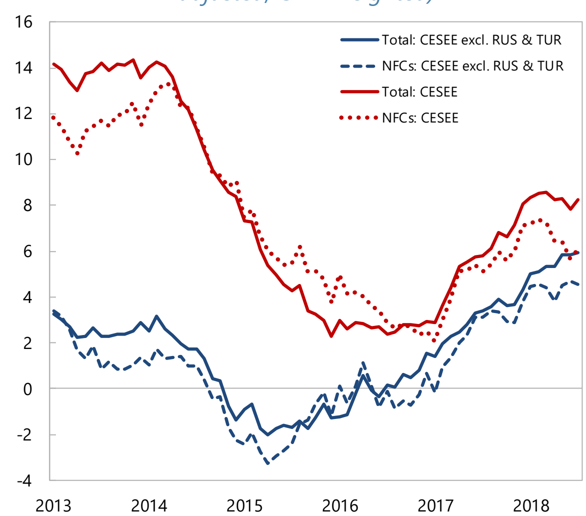


Figure 8. CESEE: Credit to Private Sector, January 2013–July 2018

(Percent change, year-over-year, nominal, exchange-rate adjusted, GDP-weighted)



Sources: BIS, Locational and Consolidated Banking Statistics; Haver Analytics; and IMF, World Economic Outlook, and staff calculations.

Note: Data labels in the figures use International Organization for Standardization (ISO) country codes.

Figure 9. CESEE: Growth of Credit to Households and Corporations, July 2018

(Percent, year-on-year, nominal, exchange-rate adjusted)

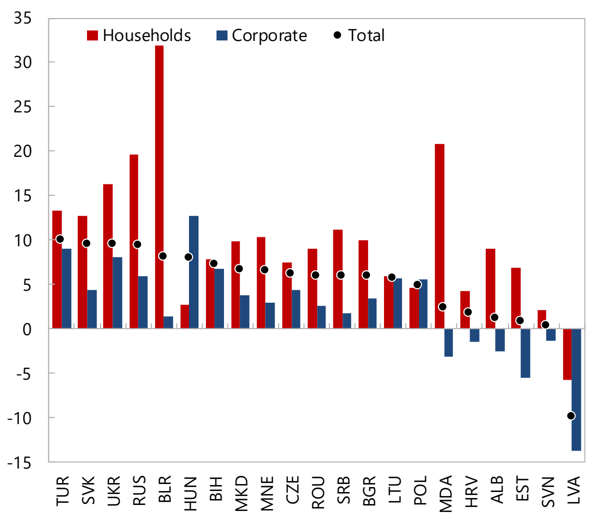


Figure 10. CESEE excl. Russia and Turkey: Main Bank Funding Sources, 2007Q1–2017Q4

(Percent of GDP, year-on-year, exchange-rate adjusted)

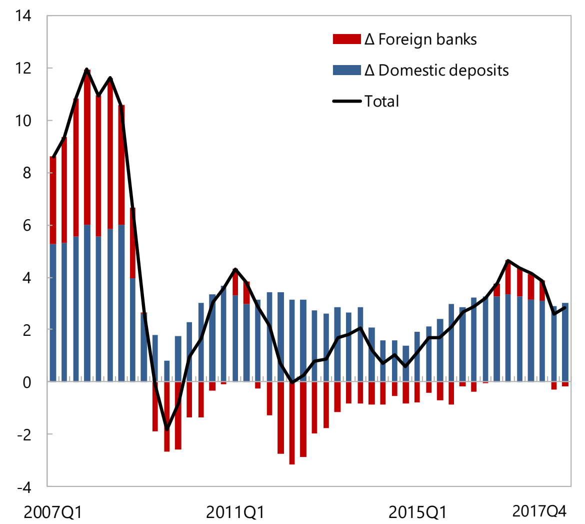


Figure 11. CESEE: Domestic Loan to Domestic Deposit Ratio, January 2007–July 2018

(Percent change, year-over-year, nominal, exchange-rate adjusted)

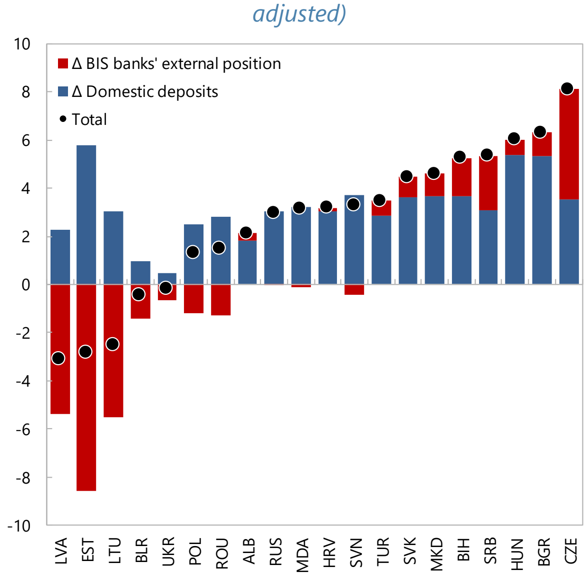
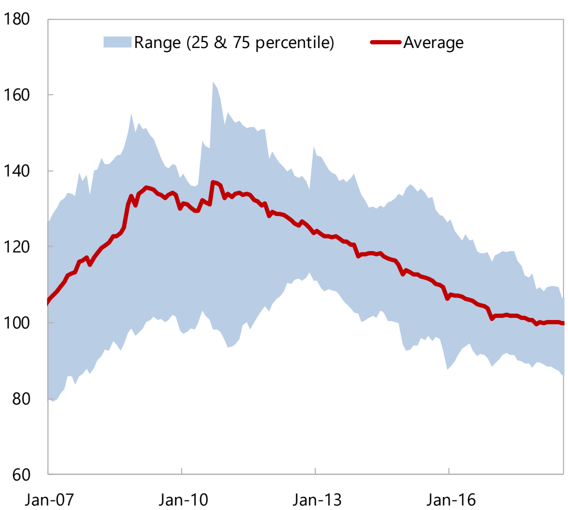


Figure 12. CESEE: Domestic Loan to Domestic Deposit Ratio, January 2007–July 2018

(Percent change, year-over-year, nominal, exchange-rate adjusted)



Sources: National authorities; BIS; ECB; EBRD; and IMF, Monetary and Financial Statistics, and staff calculations.

Note: Data labels in the figures use International Organization for Standardization (ISO) country codes.

Figure 13. Deleveraging: Loan-to-Deposit Ratio

(Percent, expectations over the next six months)

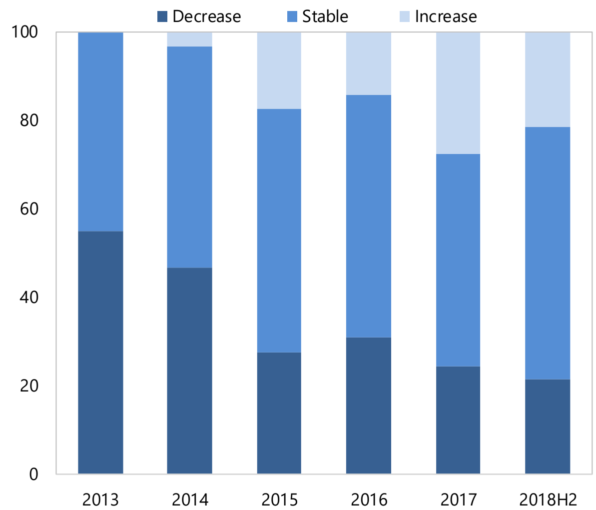


Figure 14. CESEE: Group-level Long-term Strategies

(Percent; beyond 12 months, triangles refer to average outcomes between 2013 and 2017)

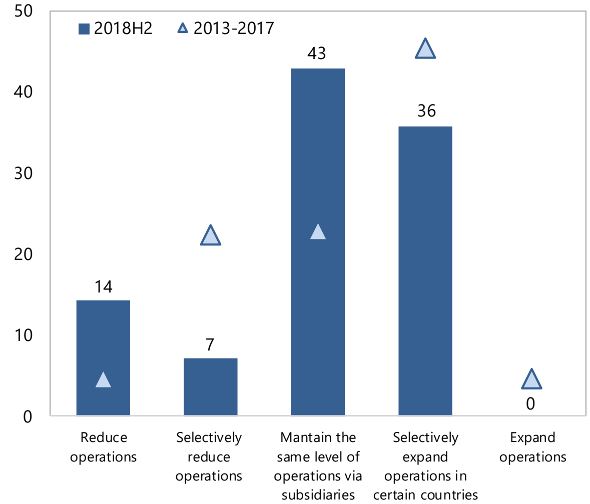


Figure 15. Groups' Total Exposure to CESEE: Cross-border Operations Involving CESEE Countries

(Net percentages; negative figures refer to decreasing total exposure to CESEE region)

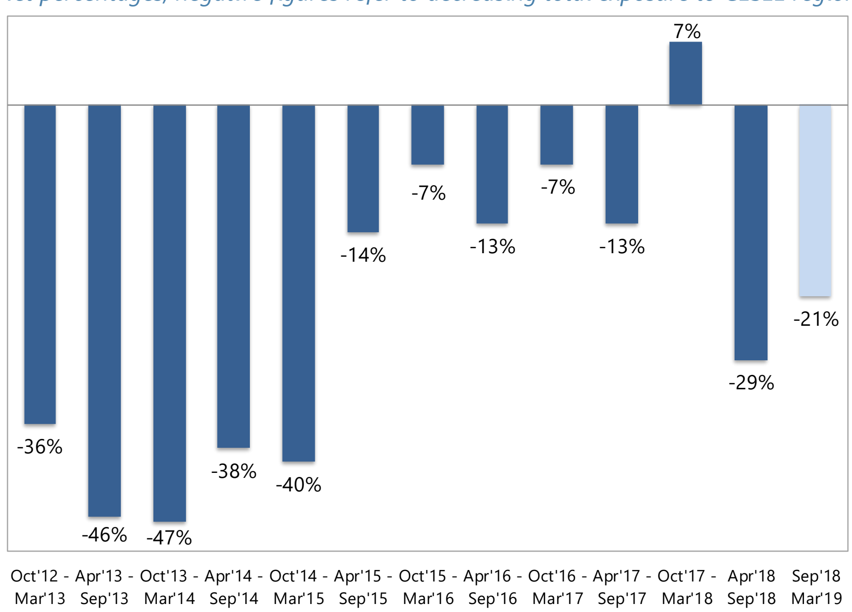
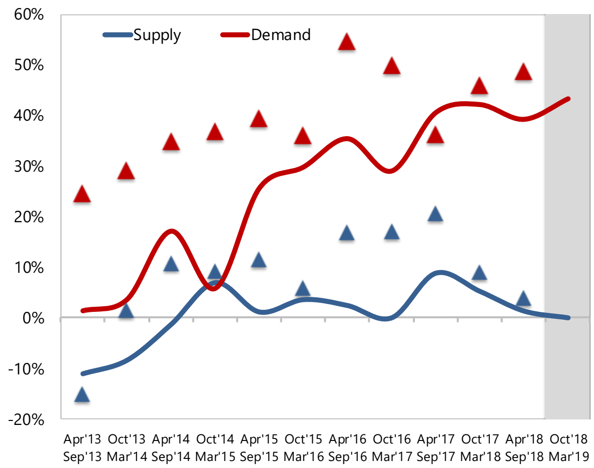
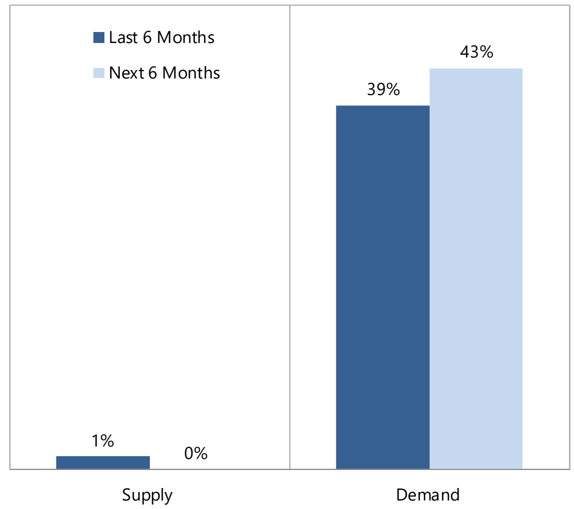


Figure 16. Total Supply and Demand, Past and Expected Developments

(Net percentages, positive figures refer to increasing (easing) demand (supply), triangles refer to expectations derived from previous runs of the survey, lines report actual values, and the shaded area reflects expectations in the last run of the survey)





Source: EIB, CESEE Bank Lending Survey.

Figure 17. Factors Contributing to Supply Conditions (Credit Standards)

(Net percentages, positive figures refer to a positive contribution to supply)

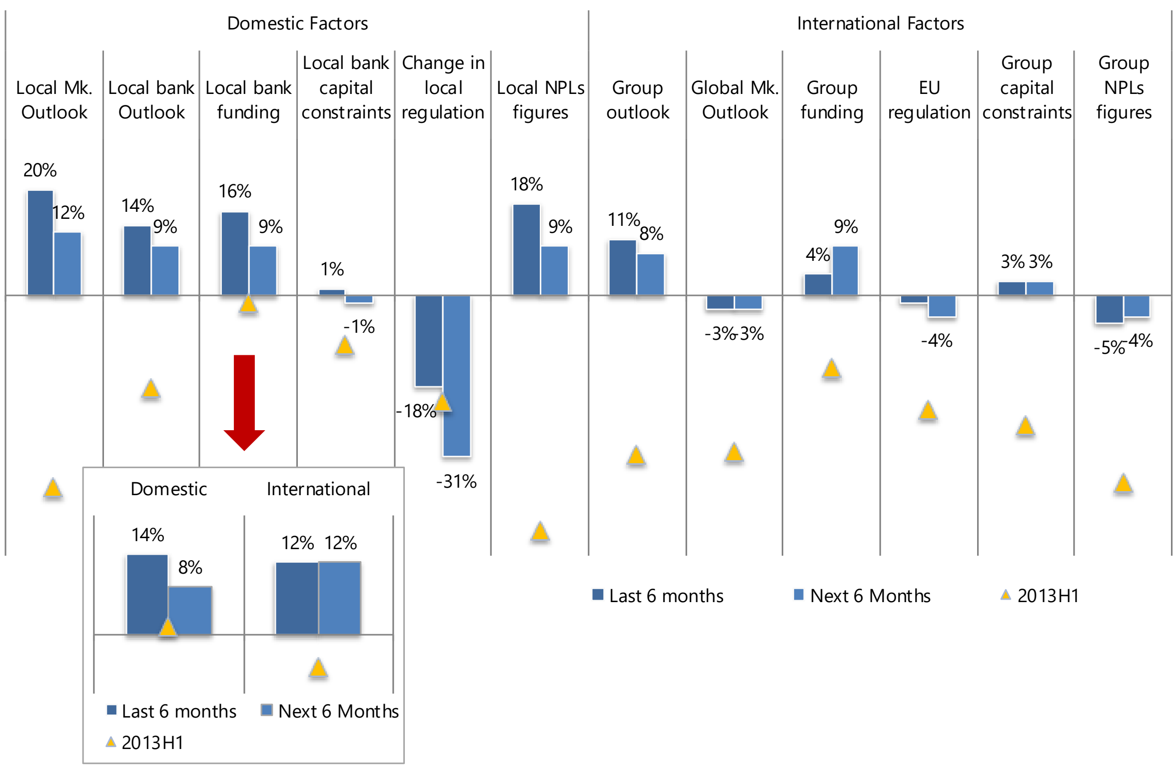
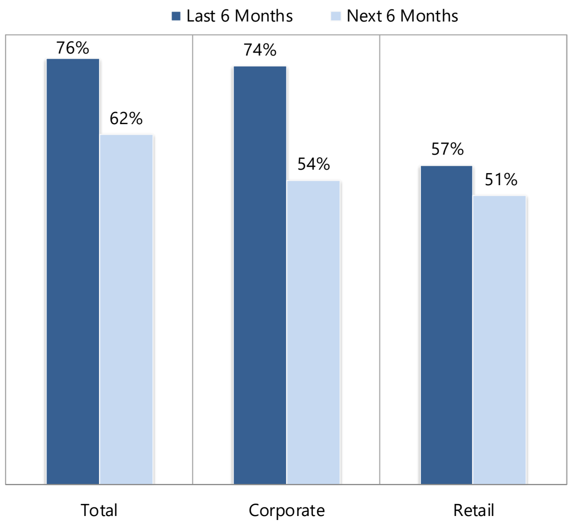


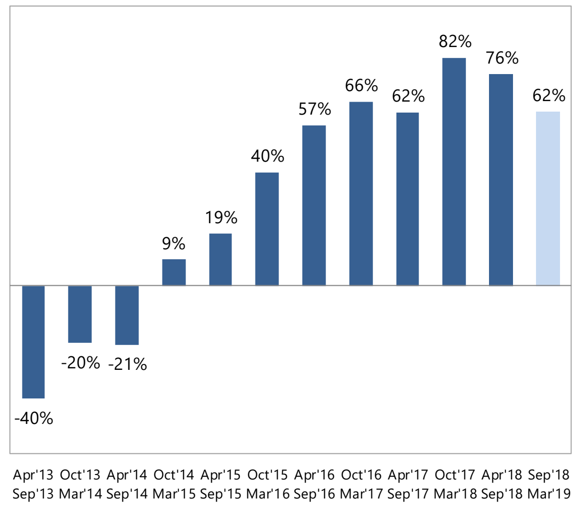
Figure 18. Non-performing Loan Ratios

(Net percentage; net balance is the difference between positive answers (decreasing NPL ratios) and negative answers (increasing NPL ratios))

Last Run of the Survey



Total NPLs



Source: EIB, CESEE Bank Lending Survey.

Table 1. CESEE: External Position of BIS-reporting Banks, 2016H1 – 2018H1

(Vis-à-vis all sectors, based on the full sample of BIS-reporting banks, except for 2018Q2 which is based on the partial sample)

	2018H1 stocks		Exchange-rate adjusted flows (US$m)					Exchange-rate adjusted flows (% change)					Exchange-rate adjusted flows (% of GDP)				
	US$ m	% of GDP	2016H2	2017H1	2017H2	2018H1	Total	2016H2	2017H1	2017H2	2018H1	Total	2016H2	2017H1	2017H2	2018H1	Total
Albania	1,219	8.1	135	15	-28	-100	22	11.3	1.1	-2.1	-7.6	1.8	1.1	0.1	-0.2	-0.7	0.4
Belarus	10,429	18.3	515	-378	-560	-142	-565	4.7	-3.3	-5.0	-1.3	-5.1	1.1	-0.7	-1.0	-0.2	-0.9
Bosnia-Herzegovina	2,313	11.6	190	-148	48	96	186	8.9	-6.4	2.2	4.3	8.7	1.1	-0.8	0.3	0.5	1.1
Bulgaria	10,485	16.5	-1,166	750	22	-49	-443	-10.7	7.7	0.2	-0.5	-4.1	-2.2	1.3	0.0	-0.1	-0.9
Croatia	16,910	28.2	-2,011	-1,057	-949	622	-3,395	-9.9	-5.8	-5.5	3.8	-16.7	-3.9	-1.9	-1.7	1.0	-6.5
Czech Republic	95,930	39.2	6,083	25,838	2,482	7,510	41,913	11.3	43.0	2.9	8.5	77.6	3.1	12.0	1.2	3.1	19.3
Estonia	6,539	22.1	333	-339	-1,257	-641	-1,904	3.9	-3.9	-14.9	-8.9	-22.6	1.4	-1.3	-4.8	-2.2	-6.9
Hungary	31,847	20.4	-1,160	3,075	39	269	2,223	-3.9	10.8	0.1	0.9	7.5	-0.9	2.2	0.0	0.2	1.5
Latvia	6,193	18.1	-211	744	-311	-553	-331	-3.2	11.8	-4.4	-8.2	-5.1	-0.8	2.5	-1.0	-1.6	-1.0
Lithuania	6,718	12.8	-399	672	-2,134	-564	-2,425	-4.4	7.7	-22.7	-7.7	-26.5	-0.9	1.4	-4.5	-1.1	-5.1
Macedonia	1,680	13.6	-328	345	-322	429	124	-21.1	28.1	-20.5	34.3	8.0	-3.0	3.0	-2.8	3.5	0.6
Moldova	207	1.8	-65	-3	39	-50	-79	-22.7	-1.4	17.9	-19.5	-27.6	-0.8	0.0	0.4	-0.4	-0.9
Montenegro	1,459	27.1	45	101	94	342	582	5.1	11.0	9.2	30.6	66.4	1.0	2.1	2.0	6.3	11.5
Poland	89,992	16.4	346	-7,343	340	-4,252	-10,909	0.3	-7.3	0.4	-4.5	-10.8	0.1	-1.4	0.1	-0.8	-2.0
Romania	26,163	10.9	-1,793	-287	-1,340	-1,044	-4,464	-5.9	-1.0	-4.7	-3.8	-14.6	-0.9	-0.1	-0.6	-0.4	-2.2
Russia	100,724	6.4	-5,610	5,817	-5,452	3,003	-2,242	-5.4	6.0	-5.3	3.1	-2.2	-0.4	0.4	-0.3	0.2	-0.2
Serbia	7,690	16.1	-167	27	934	451	1,245	-2.6	0.4	14.8	6.2	19.3	-0.4	0.1	2.3	0.9	2.8
Slovakia	21,424	20.0	-591	-1,890	-482	1,771	-1,192	-2.6	-8.6	-2.4	9.0	-5.3	-0.7	-2.0	-0.5	1.7	-1.5
Slovenia	10,201	18.6	-112	-119	-912	310	-833	-1.0	-1.1	-8.4	3.1	-7.5	-0.3	-0.2	-1.9	0.6	-1.8
Turkey	190,816	26.7	-10,550	-621	4,862	201	-6,108	-5.4	-0.3	2.6	0.1	-3.1	-1.2	-0.1	0.6	0.0	-0.7
Ukraine	8,526	6.7	-2,909	357	-1,316	-429	-4,297	-22.7	3.6	-12.8	-4.8	-33.5	-3.1	0.3	-1.2	-0.3	-4.3
CESEE 1/	647,465	15.6	-19,425	25,556	-6,203	7,180	7,108	-3.0	4.1	-1.0	1.1	1.1	-0.5	0.6	-0.1	0.2	0.2
Emerging Europe 2/	500,460	13.6	-24,528	650	-3,589	-653	-28,120	-4.6	0.1	-0.7	-0.1	-5.3	-0.7	0.0	-0.1	0.0	-0.8
CESEE ex. RUS & TUR	355,925	20.7	-3,265	20,360	-5,613	3,976	15,458	-1.0	6.0	-1.6	1.1	4.5	-0.2	1.2	-0.3	0.2	0.9
CESEE ex. Eastern Europe & TUR 3/	336,763	21.9	-806	20,384	-3,776	4,597	20,399	-0.3	6.5	-1.1	1.4	6.4	-0.1	1.3	-0.2	0.3	1.3

Sources: BIS; and IMF staff calculations.

1/ All countries listed above.

2/ CESEE excluding the Czech Republic, Estonia, Latvia, Lithuania, Slovakia, and Slovenia.

3/ Eastern Europe = Russia, Ukraine, Moldova and Belarus.

Table 2. CESEE: External Position of BIS-reporting Banks, 2016H2 – 2017H2

(Exchange rate adjusted flows, based on the full sample of BIS-reporting banks, except for 2018Q2 data which is based on the partial sample)

	2018H1		Assets - Banks					Assets - Non-banks					Loans - Banks					Loans - Non-Banks				
	US$ m	% of GDP	2016H2	2017H1	2017H2	2018H1	Total	2016H2	2017H1	2017H2	2018H1	Total	2016H2	2017H1	2017H2	2018H1	Total	2016H2	2017H1	2017H2	2018H1	Total
Albania	-100	-0.7	-13	58	50	-6	89	148	-43	-78	-94	-67	30	10	33	15	88	153	-43	-25	-88	-3
Belarus	-142	-0.2	544	-268	-797	-9	-1,211	-29	-110	237	-133	-35	-160	19	-317	173	-285	7	-213	237	-115	-84
Bosnia-Herzegovina	96	0.5	170	-41	180	141	285	20	-107	-132	-45	-264	99	84	170	82	435	21	-107	-132	-46	-264
Bulgaria	-49	-0.1	-616	1,014	373	240	1,200	-550	-264	-351	-289	-1,454	-47	207	133	260	553	-565	-263	-352	-160	-1,340
Croatia	622	1.0	-1,252	-102	-261	344	-1,575	-759	-955	-688	278	-2,124	-900	-1,996	-339	355	-2,880	-428	-959	-794	98	-2,083
Czech Republic	7,510	3.1	6,743	22,555	4,761	6,455	44,302	-660	3,283	-2,279	1,055	1,399	4,719	7,179	2,266	7,536	21,700	-352	1,395	-6	2,169	3,206
Estonia	-641	-2.2	228	-362	-2,077	-463	-2,691	105	23	820	-178	770	284	-1,222	-2,089	-439	-3,466	136	2	945	-203	880
Hungary	269	0.2	263	3,813	-33	1,047	6,094	-1,423	-738	72	-778	-2,867	-184	2,454	-715	908	2,463	-448	-531	-452	-309	-1,740
Latvia	-553	-1.6	-177	572	-1,108	-735	-2,064	-34	172	797	182	1,117	-140	-602	-833	-732	-2,307	-203	139	810	151	897
Lithuania	-564	-1.1	-382	317	-2,681	-224	-1,866	-17	355	547	-340	545	-354	-526	-2,236	-216	-3,332	54	83	462	145	744
Macedonia	429	3.5	-354	356	-283	400	428	26	-11	-39	29	5	-307	1	-297	387	-216	12	1	-52	42	3
Moldova	-50	-0.4	-59	49	7	-18	-23	-6	-52	32	-32	-58	-20	2	-2	-9	-29	-6	-53	32	-32	-59
Montenegro	342	6.3	8	50	-46	85	110	37	51	140	257	485	3	-21	-53	16	-55	56	90	149	278	573
Poland	-4,252	-0.8	-610	-8,199	-2,208	-4,345	-8,986	956	856	2,548	93	4,453	1,840	-6,714	-4,219	-4,170	-13,263	406	125	2,484	1,596	4,611
Romania	-1,044	-0.4	-2,063	-35	-927	-2,172	-6,713	270	-252	-413	1,128	733	-1,902	-871	-1,169	-1,935	-5,877	2	-158	-530	928	242
Russia	3,003	0.2	-561	4,034	-4,968	4,393	-4,346	-5,049	1,783	-484	-1,390	-5,140	-1,662	4,929	-5,778	3,412	901	-5,200	1,286	56	-2,663	-6,521
Serbia	451	0.9	5	27	842	226	679	-172	0	92	225	145	177	489	654	229	1,549	-69	-158	-37	189	-75
Slovakia	1,771	1.7	-328	-1,025	-446	1,376	-2,165	-263	-865	-36	395	-769	-246	-1,512	-716	1,384	-1,090	50	-447	273	-80	-204
Slovenia	310	0.6	-97	-204	-366	138	-794	-15	85	-546	172	-304	-213	-38	-200	42	-409	139	-321	-495	2	-675
Turkey	201	0.0	-10,000	542	5,404	-1,029	-11,189	-550	-1,163	-542	1,230	-1,025	-8,804	842	5,597	375	-1,990	271	-1,677	-348	2,493	739
Ukraine	-429	-0.3	-1,877	135	-445	-405	-2,225	-1,032	222	-871	-24	-1,705	-1,713	-670	-683	-386	-3,452	-992	144	-907	-216	-1,971
CESEE 1/	7,180	0.2	-10,428	23,286	-5,029	5,439	7,339	-8,997	2,270	-1,174	1,741	-6,160	-9,500	2,044	-10,793	7,287	-10,962	-6,956	-1,665	1,318	4,179	-3,124
Emerging Europe 2/	-653	0.0	-16,415	1,433	-3,112	-1,108	-27,383	-8,113	-783	-477	455	-8,918	-13,550	-1,235	-6,985	-288	-22,058	-6,780	-2,516	-671	1,995	-7,972
CESEE ex. RUS & TUR	3,976	0.2	133	18,710	-5,465	2,075	22,874	-3,398	1,650	-148	1,901	5	966	-3,727	-10,612	3,500	-9,873	-2,027	-1,274	1,610	4,349	2,658
CESEE ex. Eastern Europe & TUR 3/	4,597	0.2	1,525	18,794	-4,230	2,507	26,333	-2,331	1,590	454	2,090	1,803	2,859	-3,078	-9,610	3,722	-6,107	-1,036	-1,152	2,248	4,712	4,772

Sources: BIS; and IMF staff calculations.

1/ All countries listed above.

2/ CESEE excluding the Czech Republic, Estonia, Latvia, Lithuania, Slovakia, and Slovenia.

3/ Eastern Europe = Russia, Ukraine, Moldova and Belarus.