



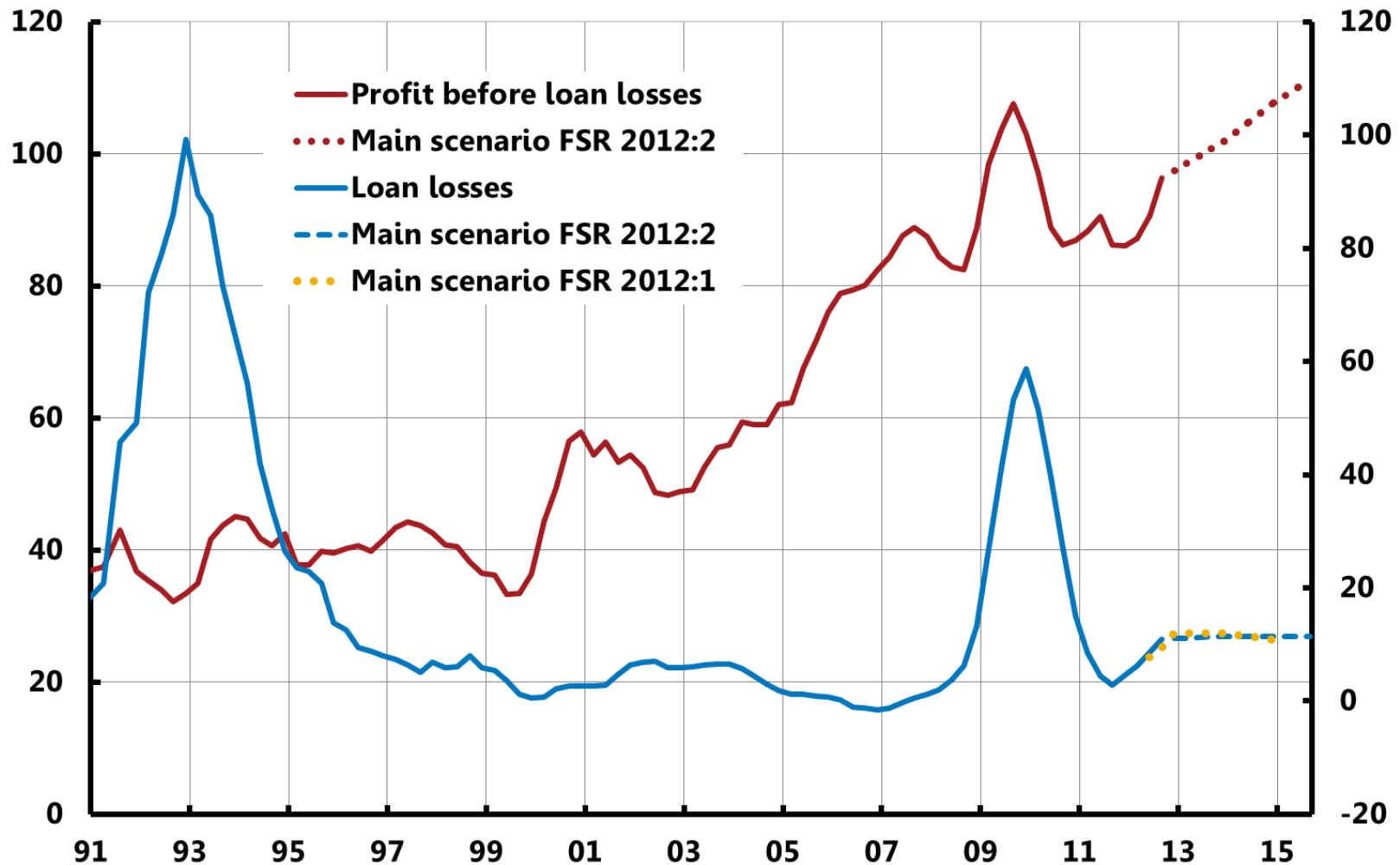
# Financial Stability Report Autumn 2012

2012-11-28

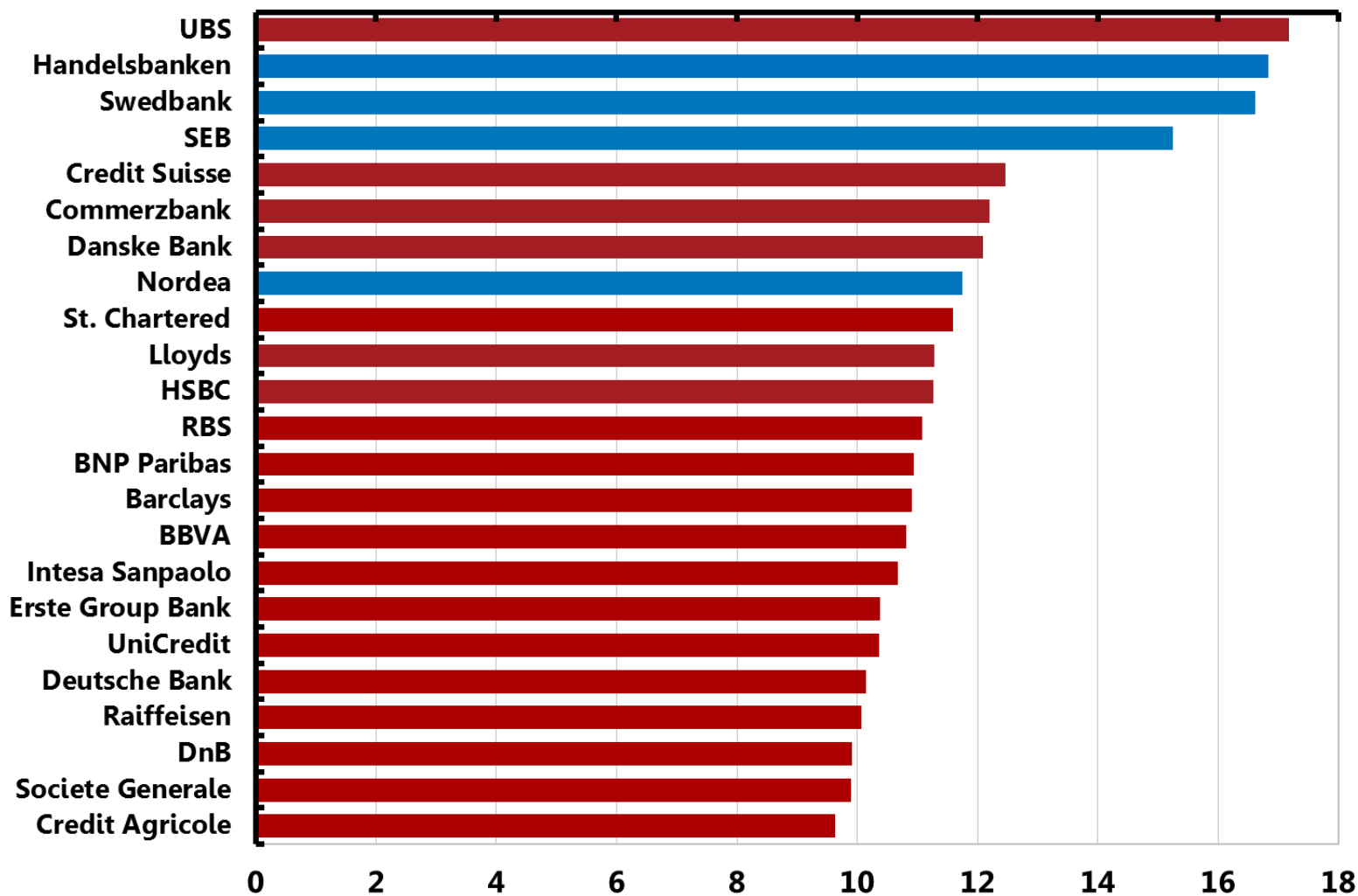
**The banks' resilience is good**

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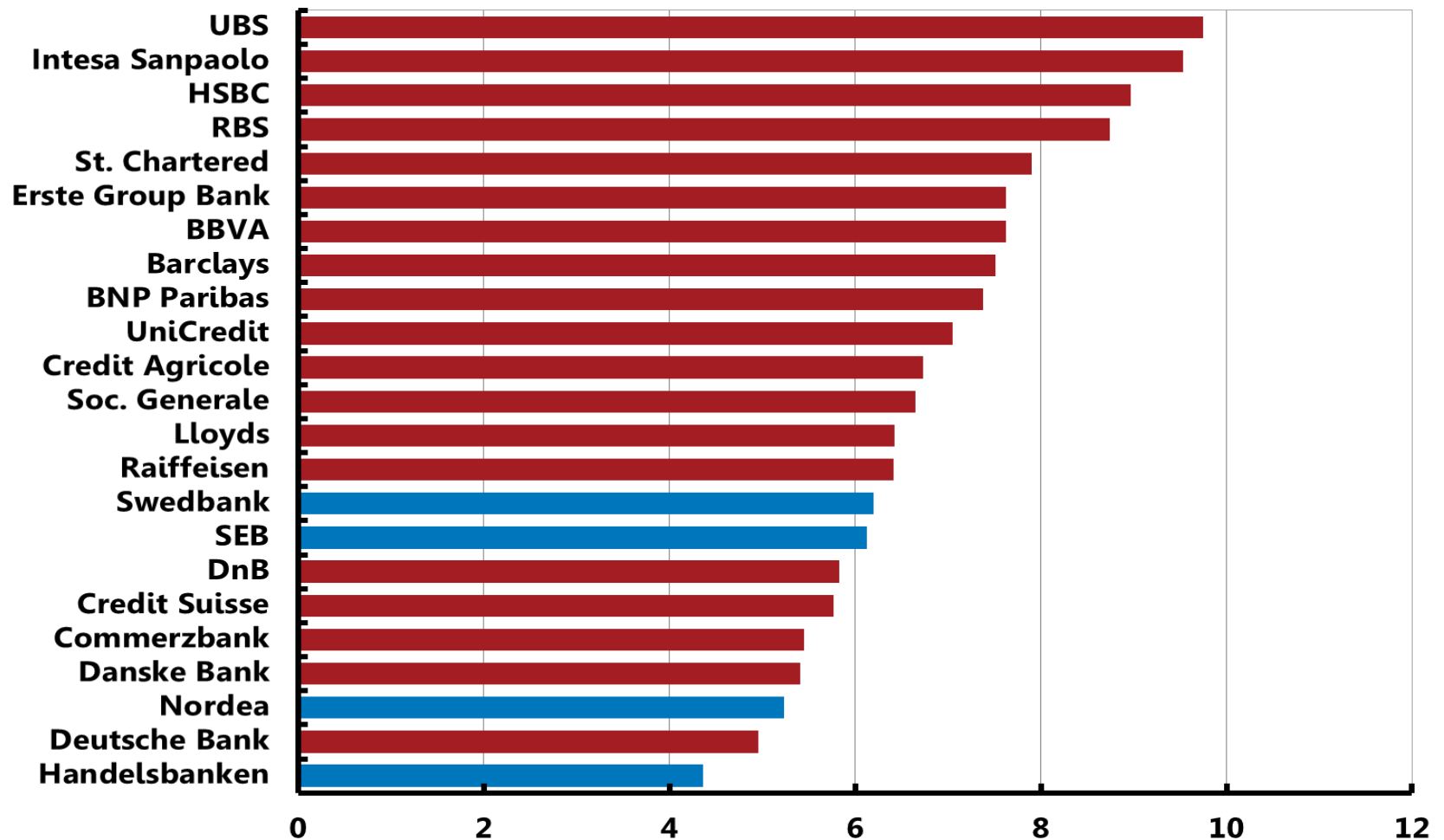
# Low loan losses



# The banks are well capitalised in an international perspective ...



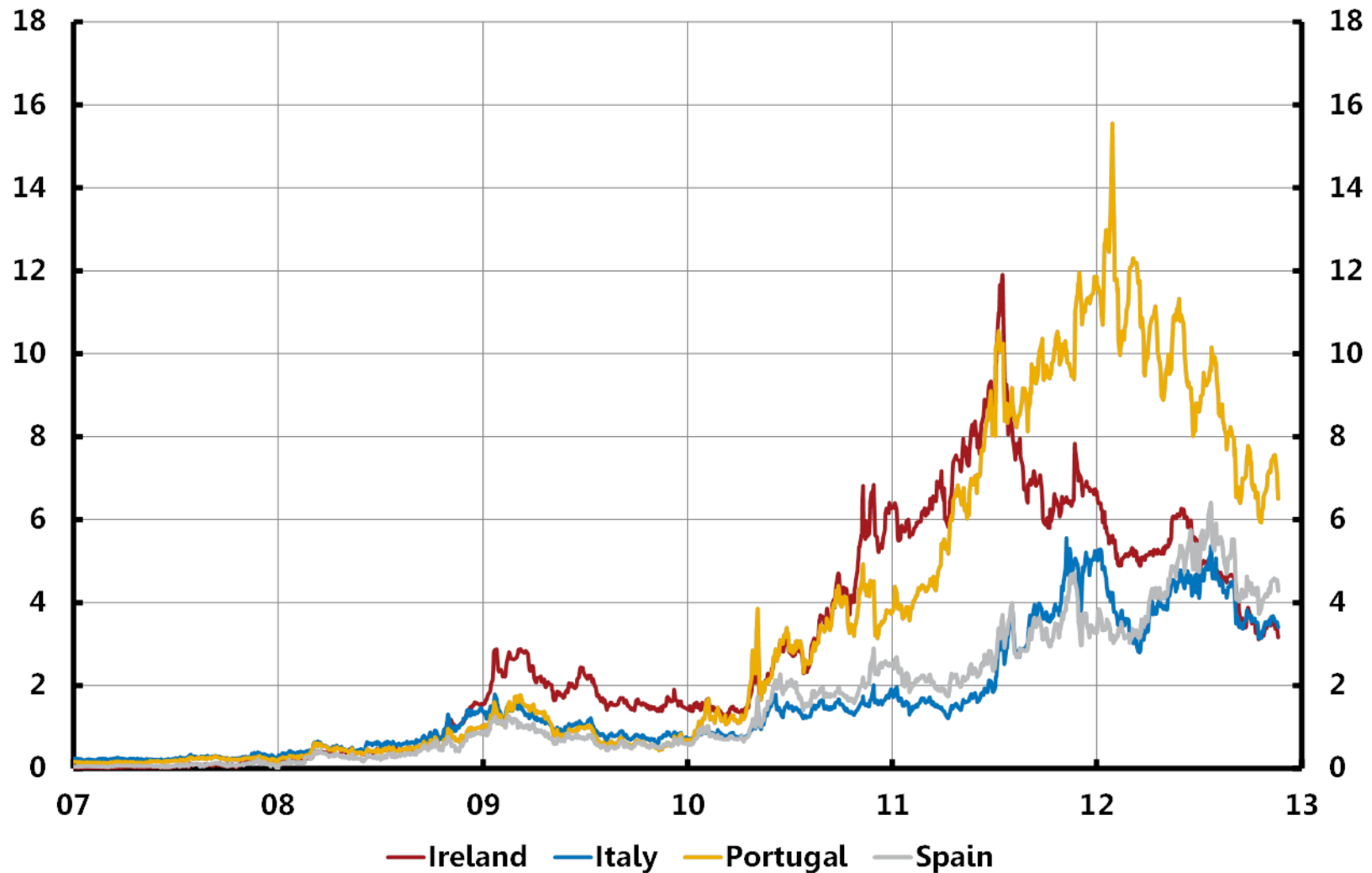
# ... but highly dependent on low risk weights



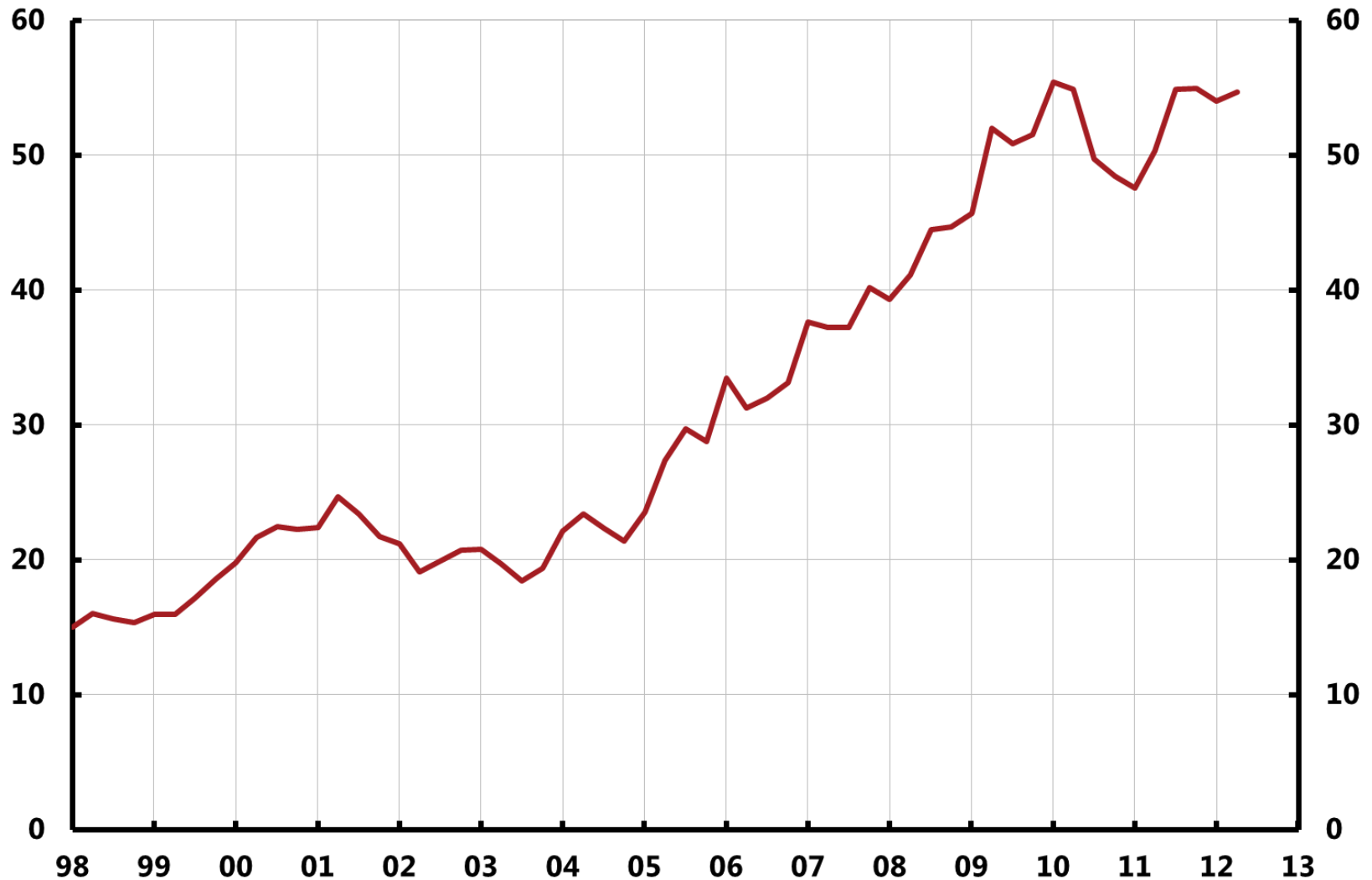
**The debt crisis in the euro area  
constitutes the greatest risk**



# Great uncertainty on the markets

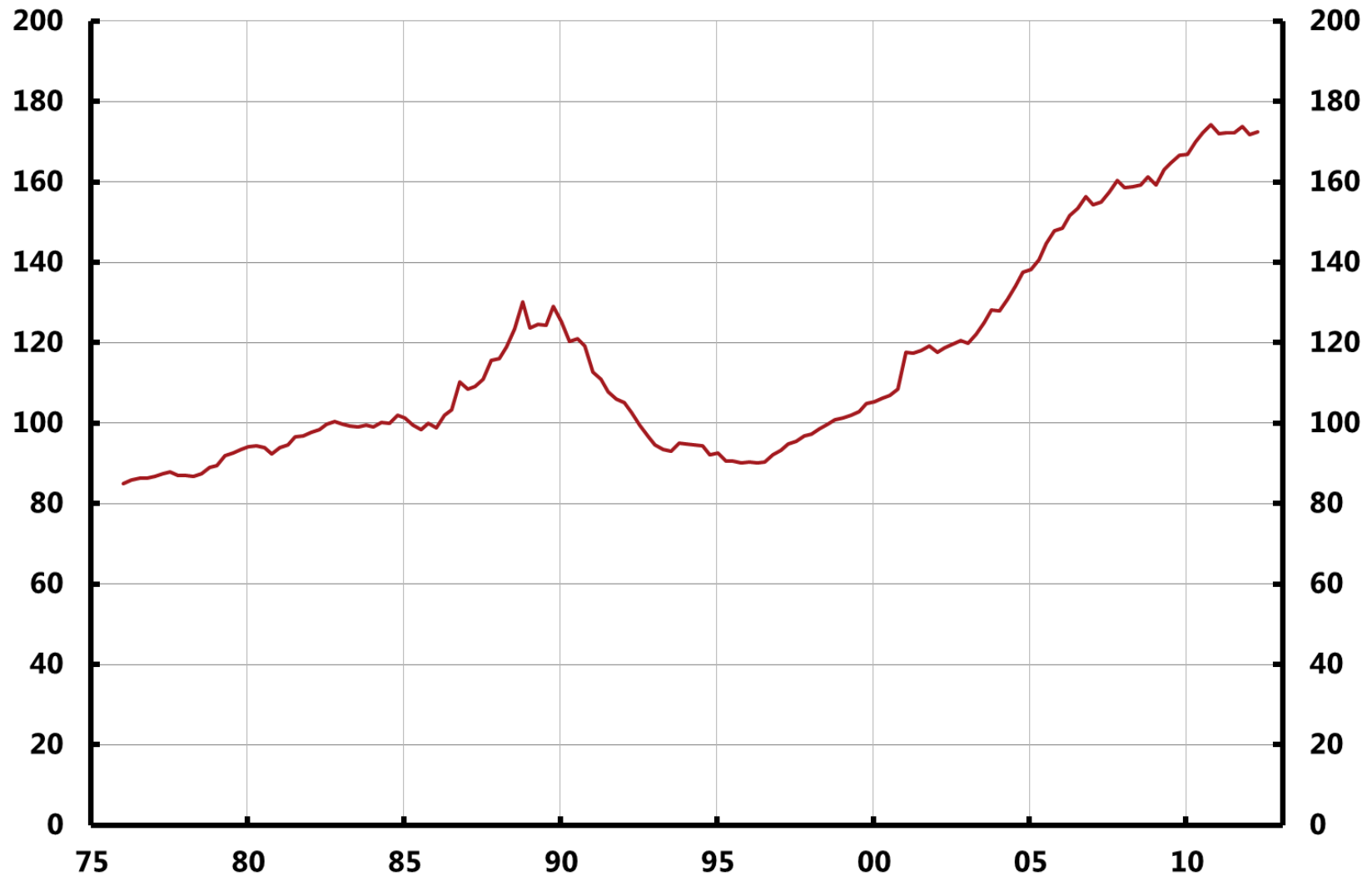


# Banks have extensive foreign funding

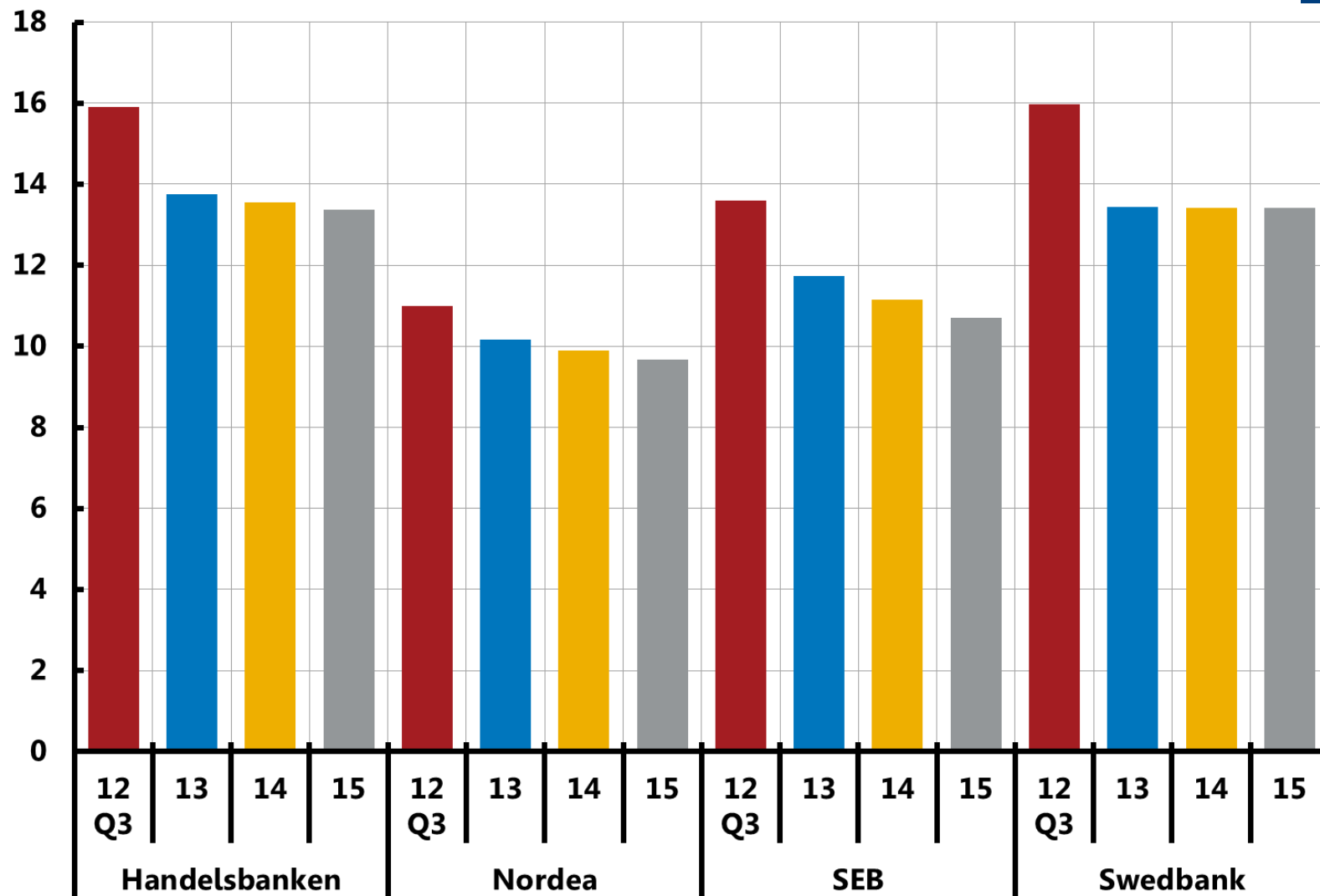




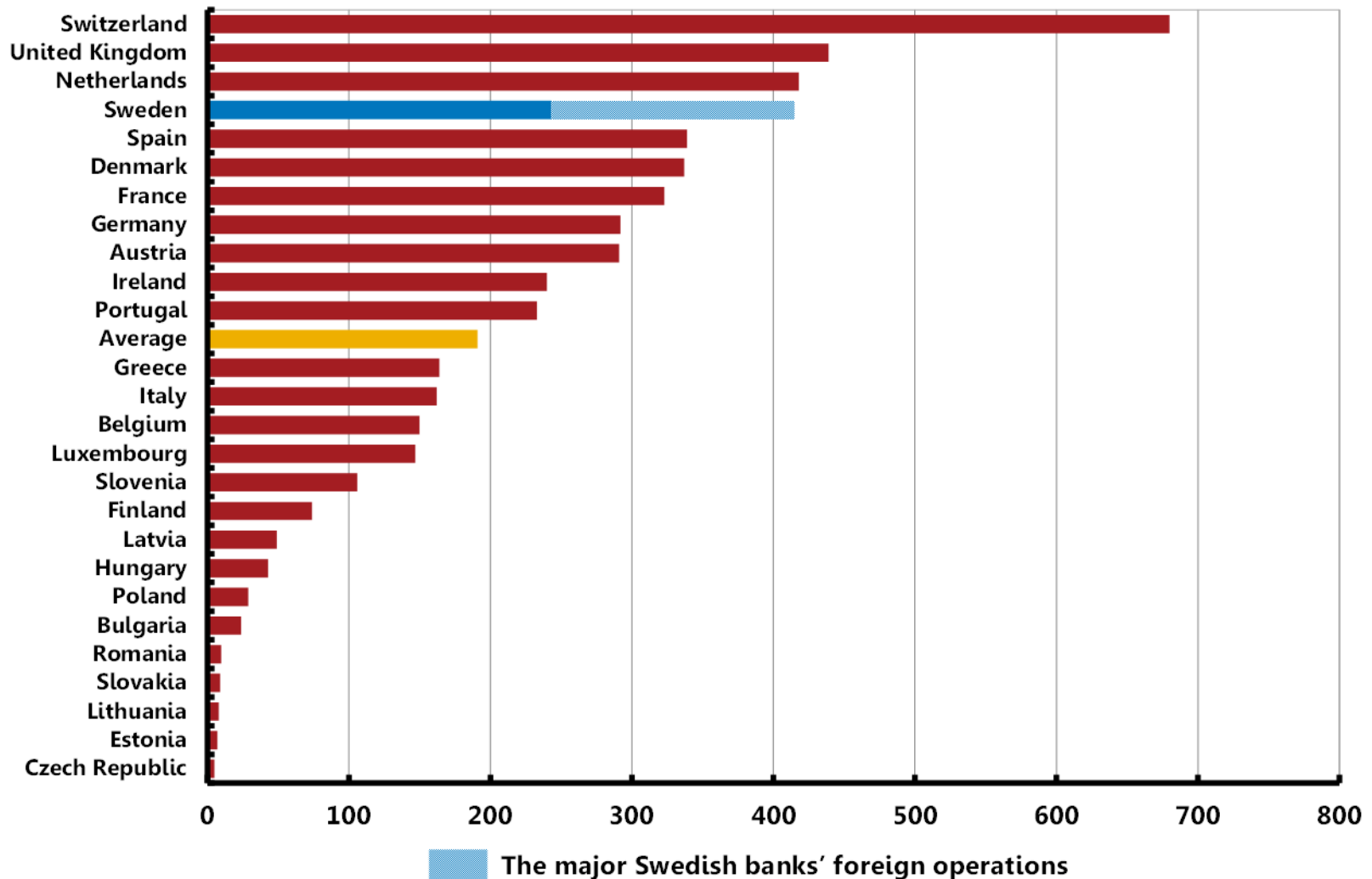
# High level of household indebtedness



# The banks can cope with much weaker development



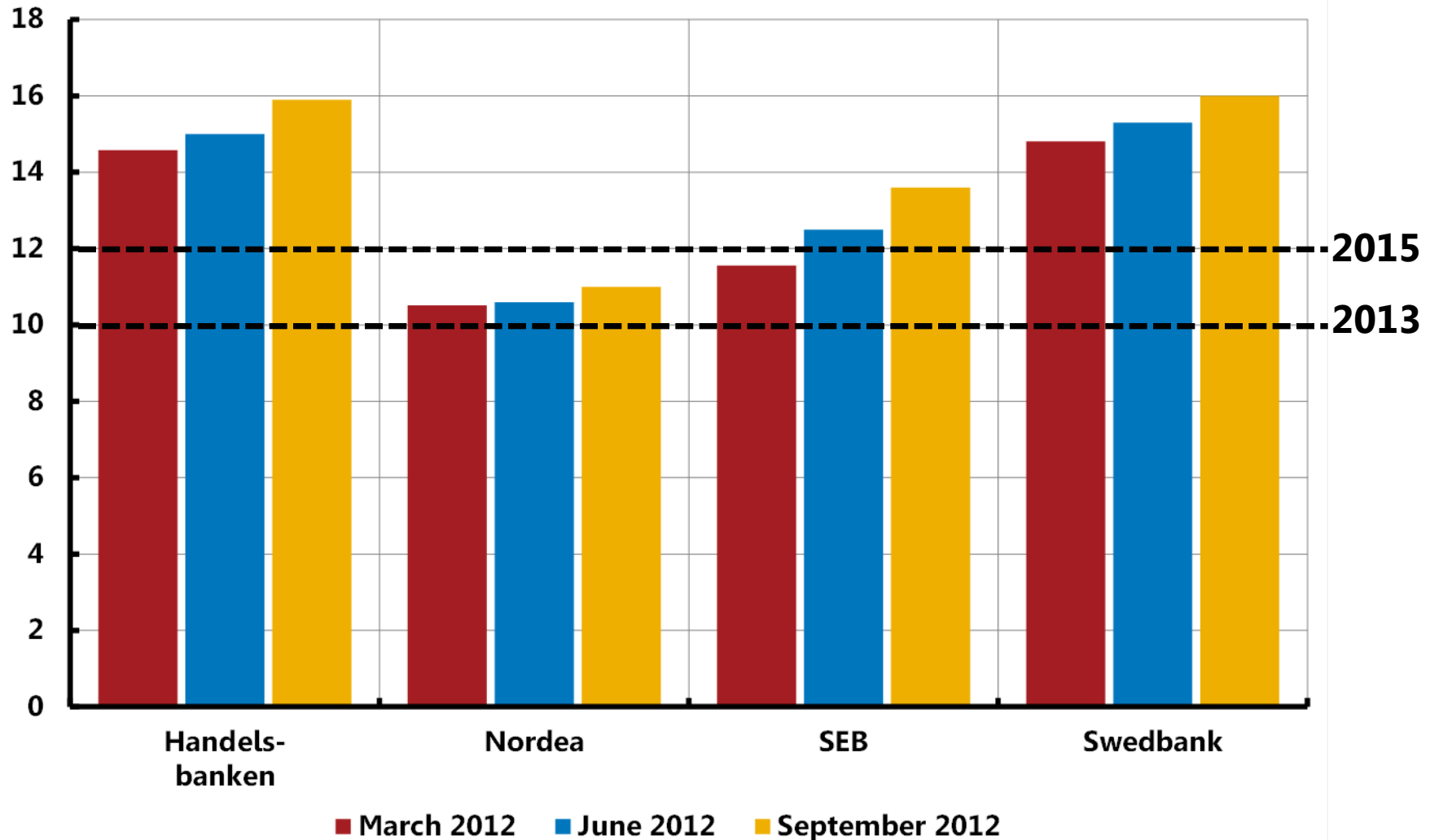
# Large banking system in relation to GDP



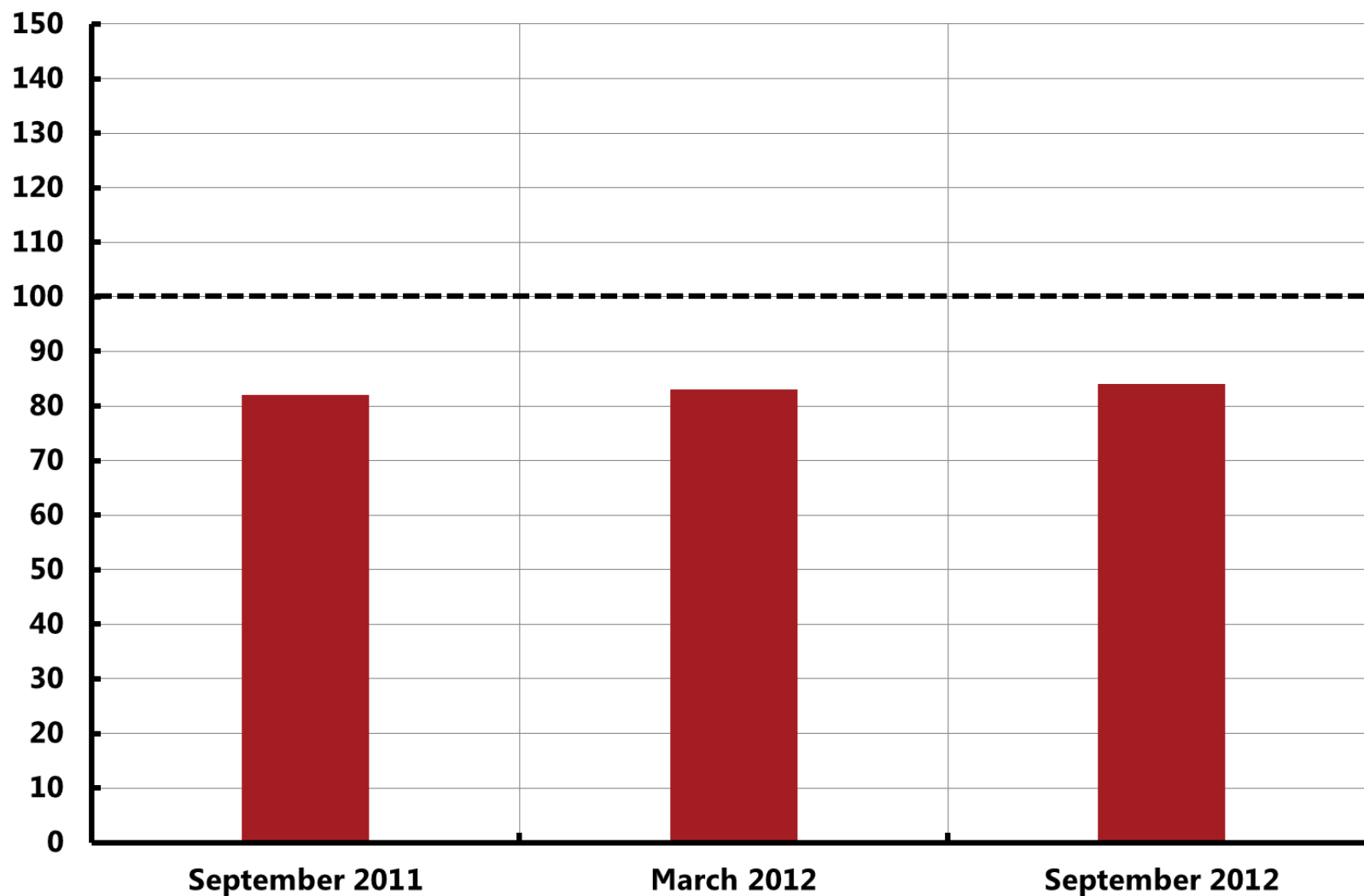
**The Riksbank recommends that the major  
Swedish banks ...**























































## ... ensure they have sufficient capital



# ... reduce structural liquidity risk



# ... improve the public reporting of their liquidity risk

Information available per quarter	Liquidity buffer		Breakdown of maturities, assets and liabilities		Breakdown of maturities, assets and liabilities per currency		LCR		Comparable key figures		Asset encumbrance (NEW)	
	Q3 2012	Q1 2012	Q3 2012	Q1 2012	Q3 2012	Q1 2012	Q3 2012	Q1 2012	Q3 2012	Q1 2012	Q3 2012	Q1 2012
Handelsbanken	 	 	 	 	 	 						
Nordea	 	 	 	 	 	 						
SEB	 	 	 	 	 	 						
Swedbank	 	 	 	 	 	 						



Meets minimum level according to the Riksbank's recommendation



Absent or only marginally reported



Has not been evaluated previously

# The Riksbank recommends that the major Swedish banks



- ensure they have sufficient capital
- reduce their structural liquidity risk
- improve the public reporting of their liquidity risk





# Review of Stibor

- Stibor has functioned as a reference rate since 1986
  - Stibor is used in the pricing of financial contracts equivalent to almost SEK 50,000 billion
  - The Riksbank has followed Stibor for a long period of time
  - Extensive review of Stibor began in autumn 2011
  - Empirical evaluation shows no signs of manipulation of Stibor
-

# **Stibor needs to be reformed by establishing**

- clear responsibility
- clear framework for governance and control
- better transparency
- possibility of verification
- obligation to execute transactions at offered bids at request

The Riksbank will follow up the Stibor reform

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**The banks' resilience is good**

**Debt crisis in the euro area – greatest risk**

