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# Trends and Cycles in Financial Intermediation

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BE-SUERF Conference

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## Debt securities have become more important in EA NFC financing



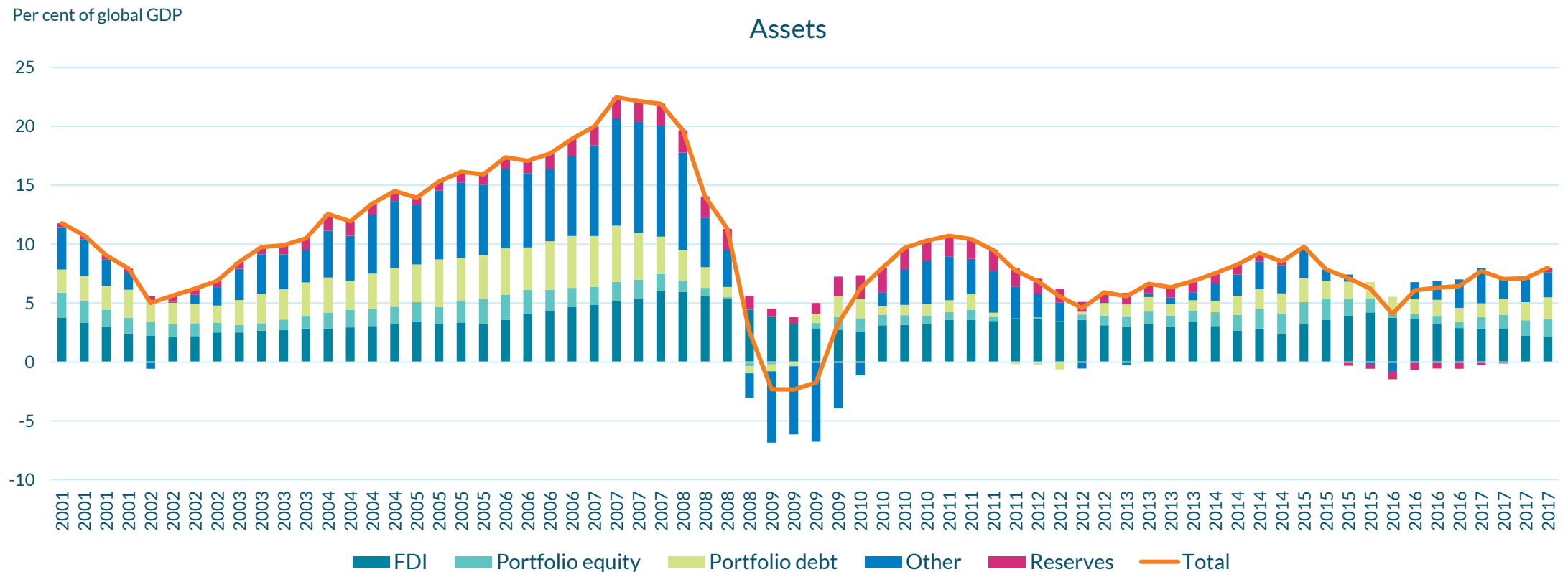
Source: Eurostat, staff calculations.



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# Smaller scale and changed composition in global capital flows since the GFC



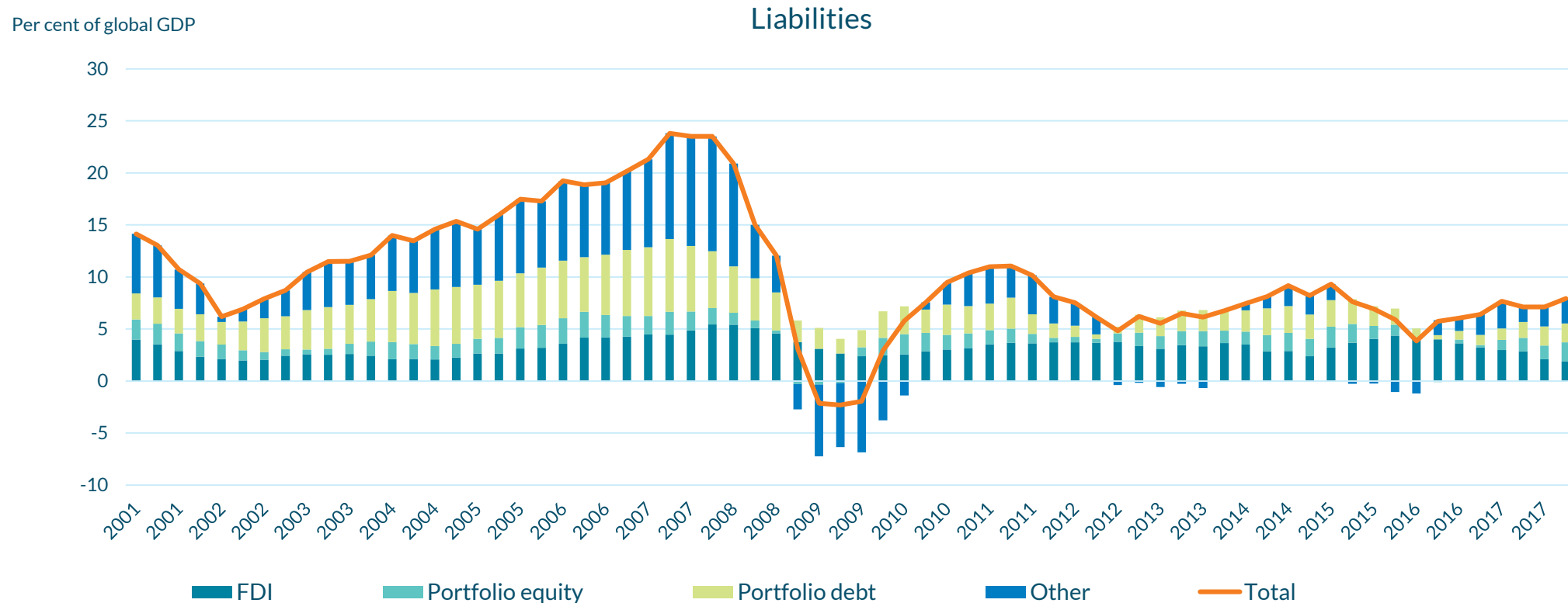
Source: McQuade and Schmitz (2018).



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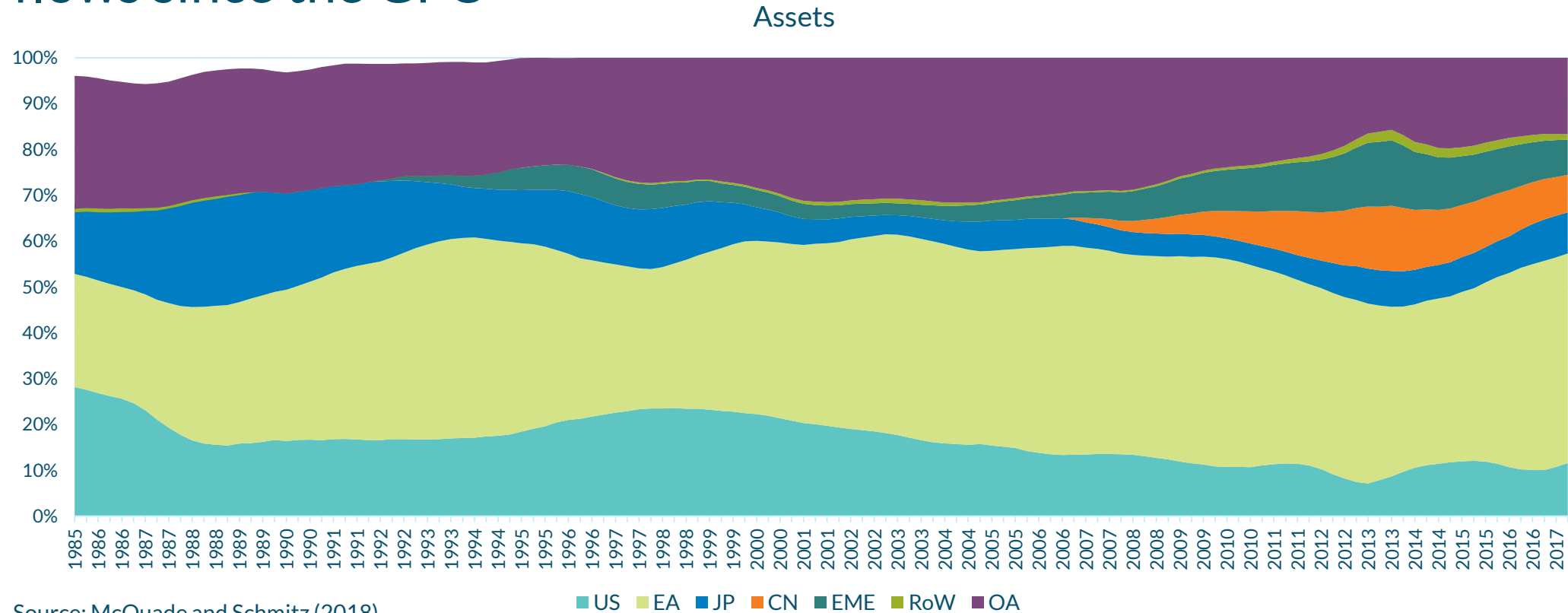
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# Smaller contribution of advanced economies to global asset and liability flows since the GFC



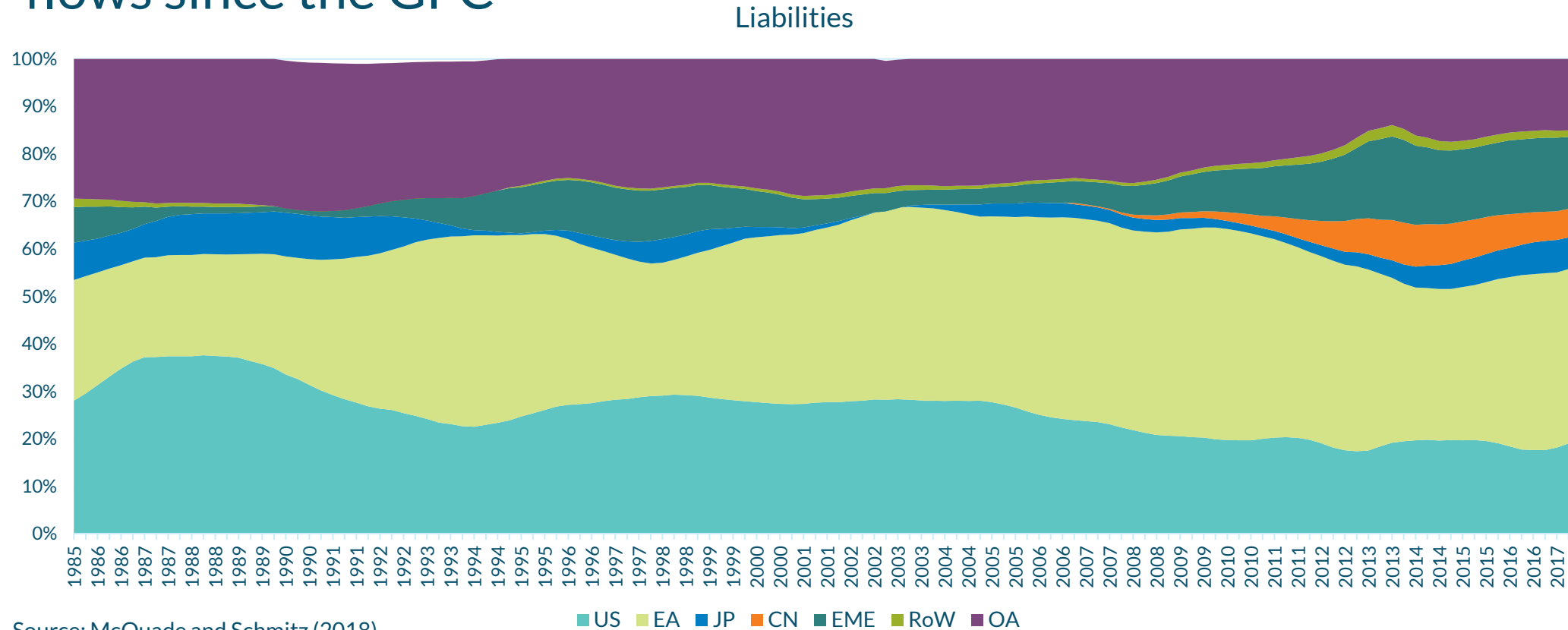
Notes: EA = euro area, JP = Japan, CN = China, OA = other advanced, EMEs = Emerging Market Economies, RoW = the rest of the world. Values sum to less than 100 when regions experience negative asset/liability flows.



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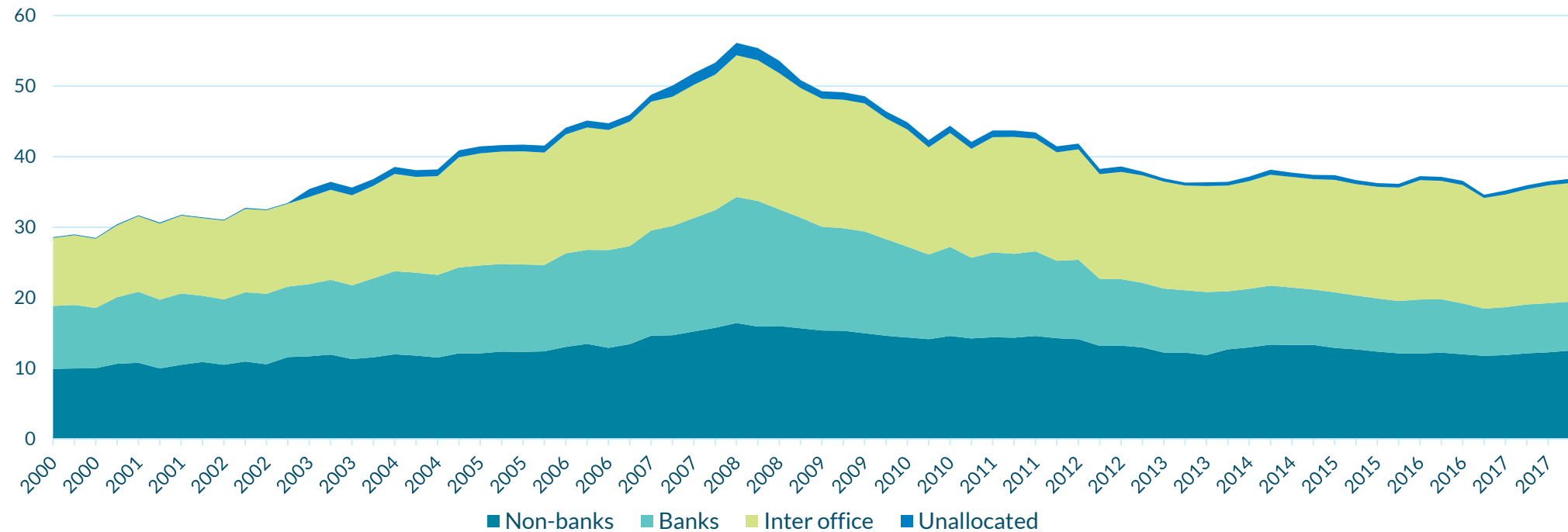
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# Decline in cross-border banking due to European banks' retrenchment, particularly from interbank lending

Per cent of global GDP

Locational cross-border claims



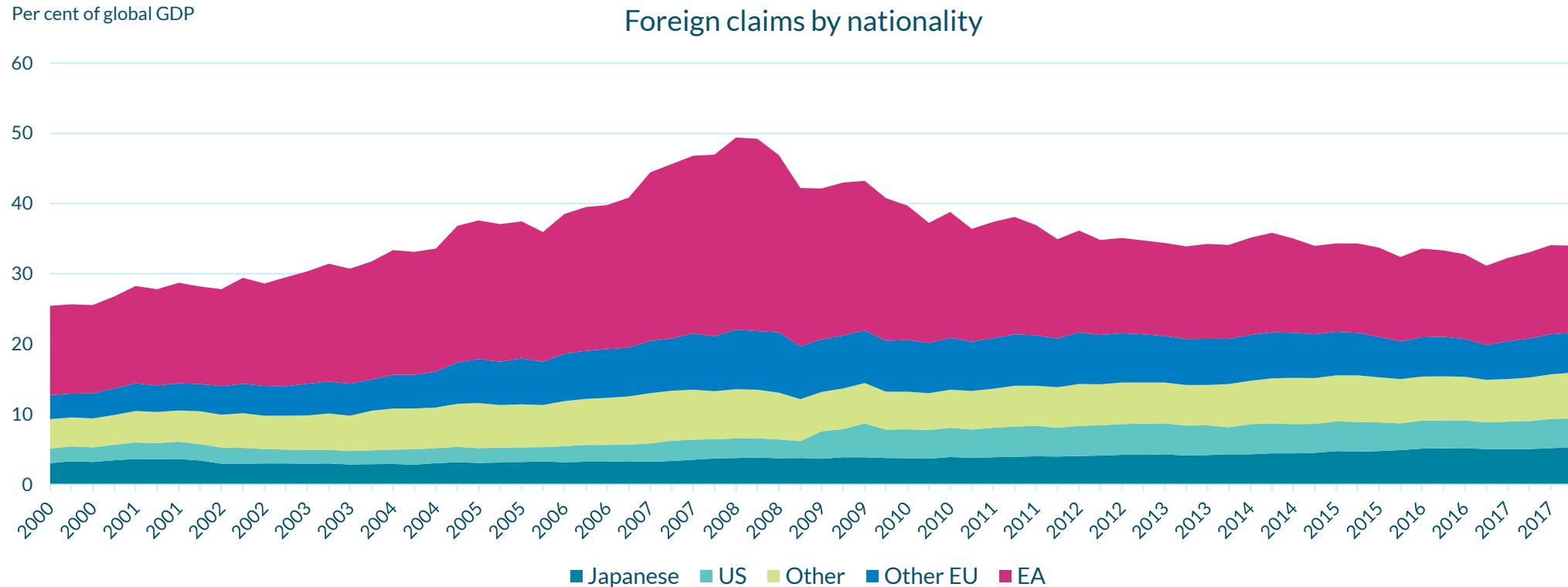
Source: BIS LBS, BIS CBS, staff calculations.



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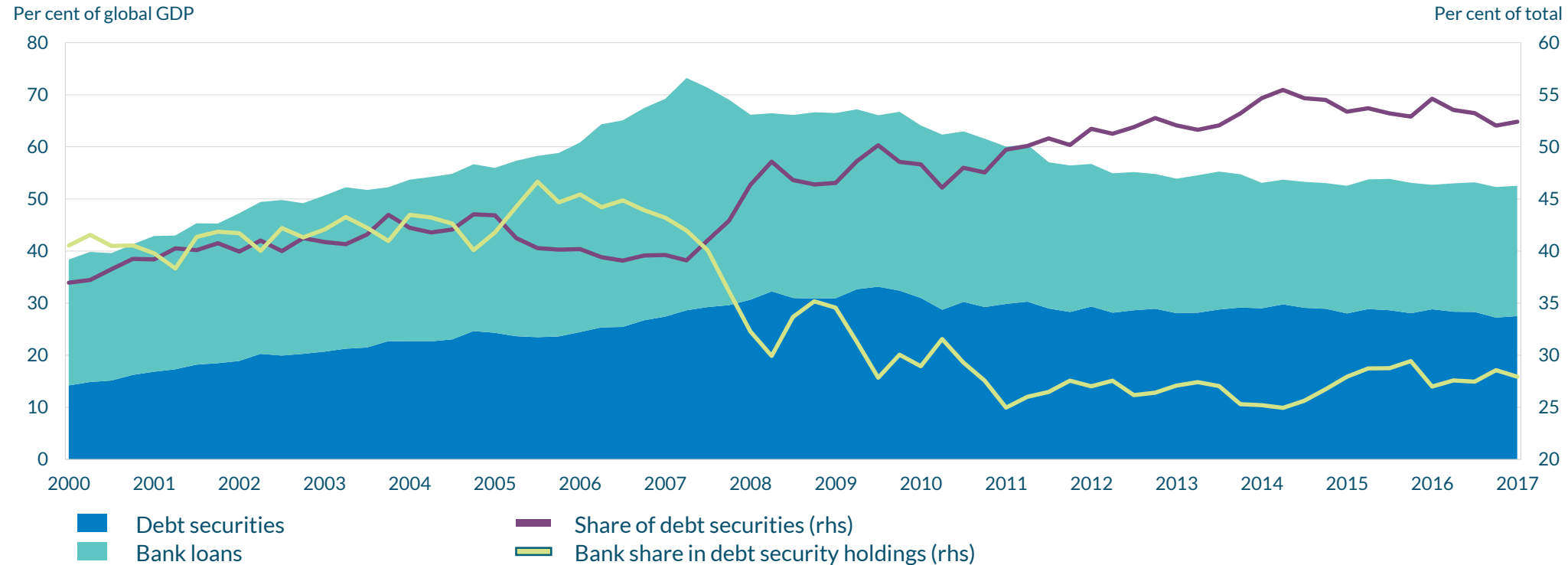


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# Debt securities share in international credit rising while the role of bank loans diminishes



Note: bank loans are cross-border claims in loans and deposits. Bank share in debt security holdings is share of bank debt security claims as reported in BIS LBS as a percentage of outstanding stock of international debt securities issued. Source: BIS IDS, BIS LBS, staff calculations.

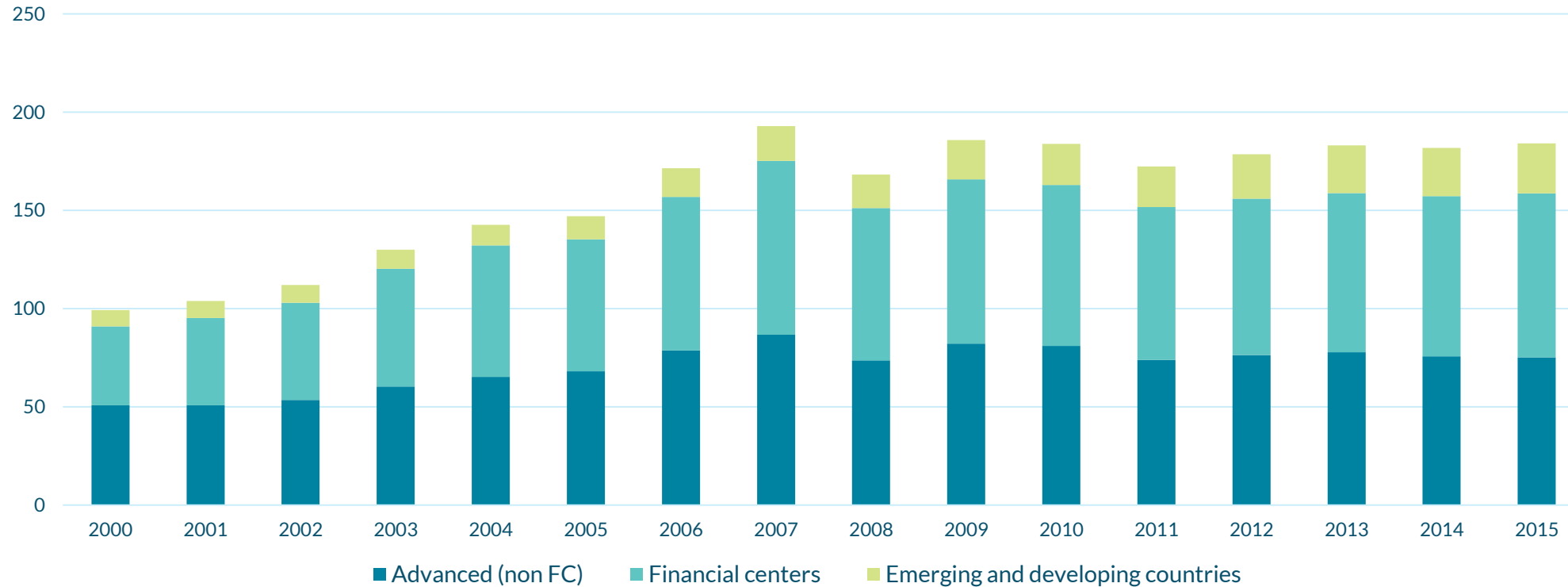


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# Financial centers account for an increasing share of global financial asset positions

Per cent of global GDP



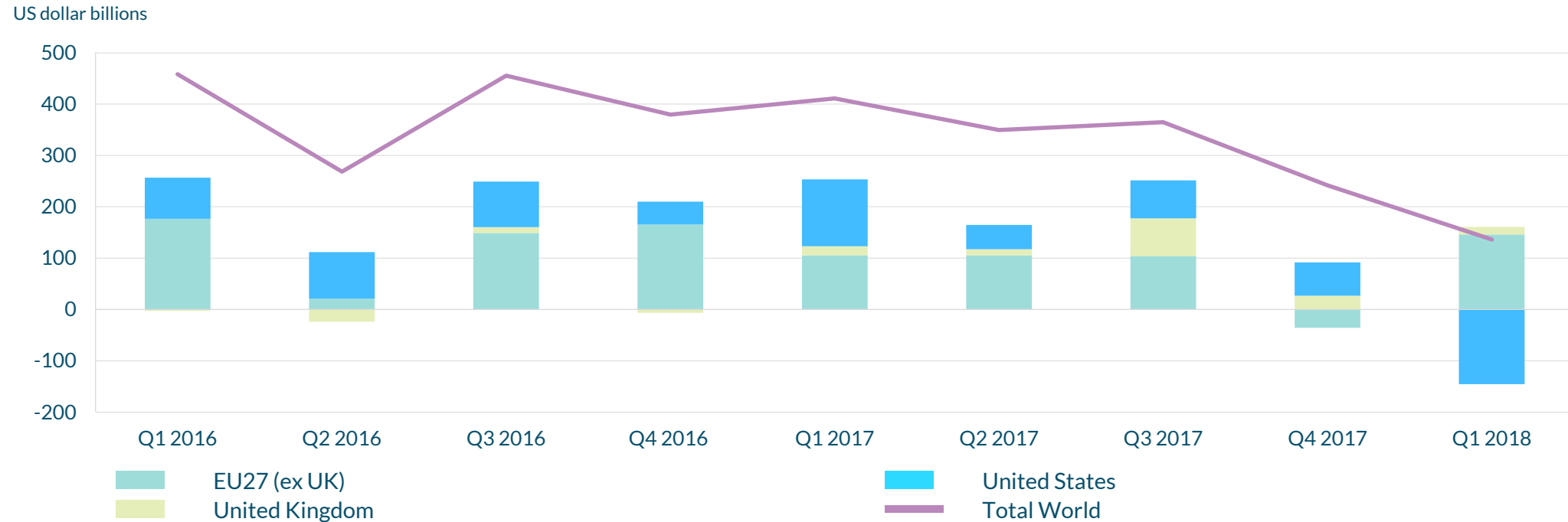
Source: EWN, Lane and Milesi-Ferretti (2018).



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# FDI outflow moderation and US tax reform?



Note: Directional presentation: the direct investment flows are organised according to the direction of the investment for the reporting economy. All flows of direct investors resident in the economy are shown under outward investment.

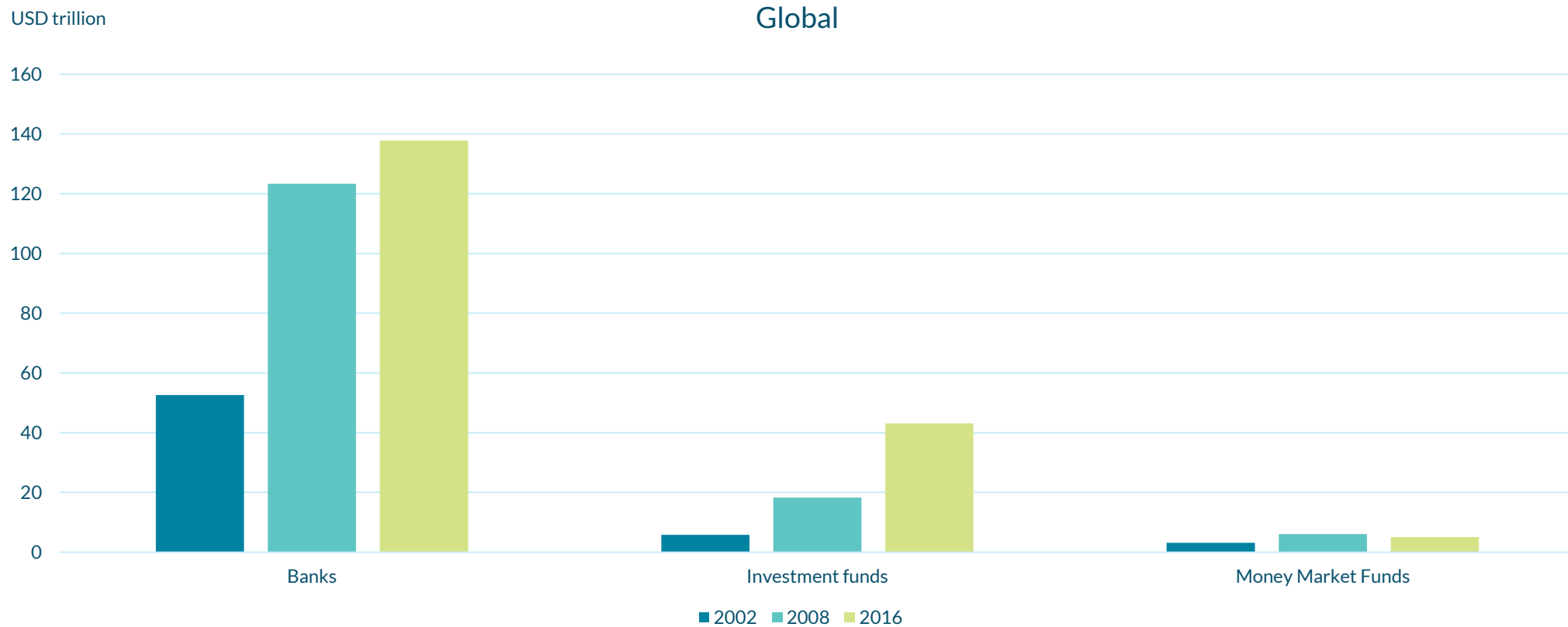
Notes: Data for 2017 and 2018 are preliminary. Source: OECD Investment Statistics.



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# Investment fund asset growth outpaced bank asset growth



Source: FSB 2018, Central Bank of Ireland.



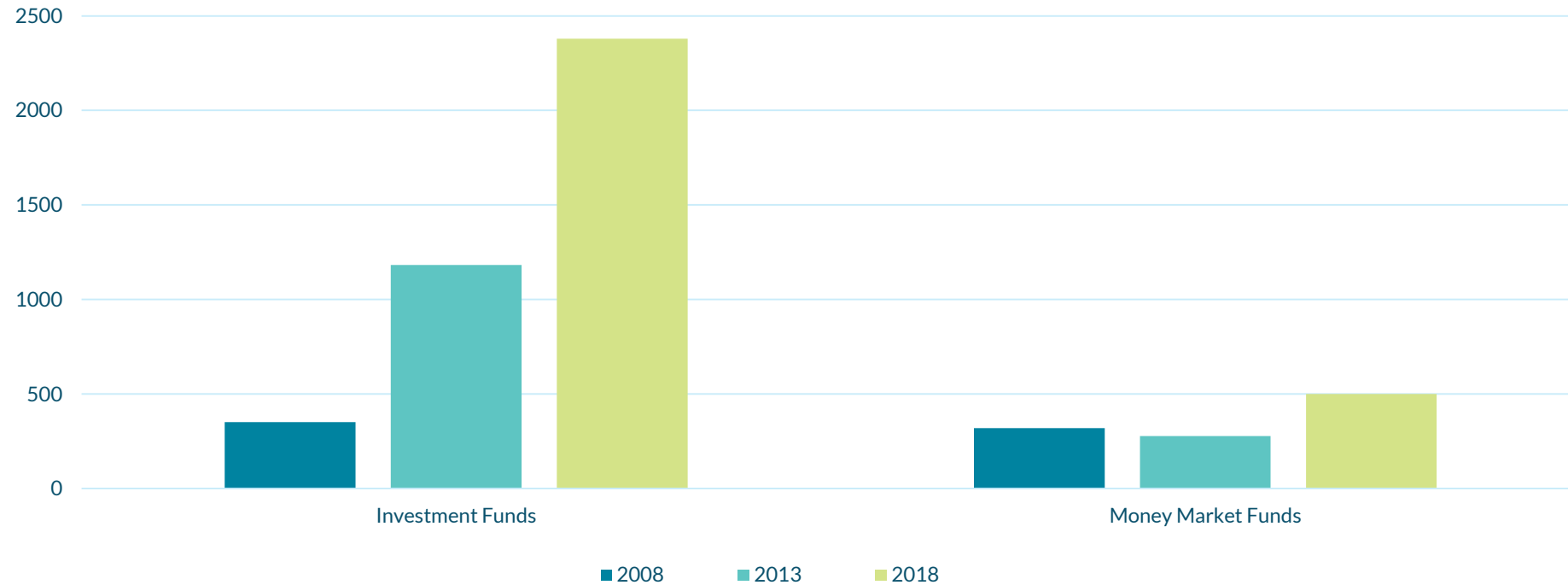
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# Investment fund asset growth outpaced bank asset growth

EUR billion

Ireland



Source: FSB 2018, Central Bank of Ireland.



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