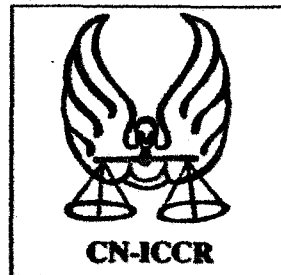


**SOUTH AFRICA'S DEBT AT THE TIME OF CRISIS**  
**With Estimates of Individual Exposures of all Major Banks In the Industrialized World**

by  
**John E. Lind**  
and  
**Diane V. Espaldon**



**CANICCOR RESEARCH**

**California-Nevada Interfaith Committee on Corporate Responsibility**  
**P.O. Box 6819, San Francisco, CA 94101 (415) 885-5102**  
**April 1986**

## TABLE OF CONTENTS

	Introduction .....	1
CHAPTER 1:	Debt Crisis	
	The Precipitation of the Crisis .....	2
	Agreement for Partial Payment .....	4
CHAPTER 2:	"Publicly" Reported Debt	
	Syndicated Loans .....	5
	Bonds .....	5
CHAPTER 3:	Bank Exposures for U.S., U.K., Germany, and Switzerland	
	General Comments on Scaling .....	9
	The Tables .....	11
	United States .....	11
	United Kingdom .....	11
	Federal Republic of Germany .....	13
	Switzerland .....	16
CHAPTER 4:	Bank Exposures for Austria, Belgium, Canada, Denmark, France, Ireland, Italy, Japan, Luxembourg, Netherlands, and Sweden	
	France .....	17
	Canada .....	19
	Belgium .....	19
	Remaining Countries of the Group, especially Japan .....	20
	Notes to Tables .....	23
CHAPTER 5:	Bank Exposures for Other Countries, Bilateral Official Lending, and Suppliers' Credits .....	24
APPENDIX A:	Syndicated Loans .....	27
	Sources .....	30
	Estimates of Outstandings at a Given Date ....	30
	Estimates of Bank Participation .....	30
APPENDIX B:	Bond Issues .....	31
	Sources .....	36
	Estimates of Underwriter Participation.....	36
APPENDIX C:	Sources	
	Bank Exposure Data by Region or Country.....	37
	Official Sources for Bond Issues .....	37

## Chapter 1

### DEBT CRISIS

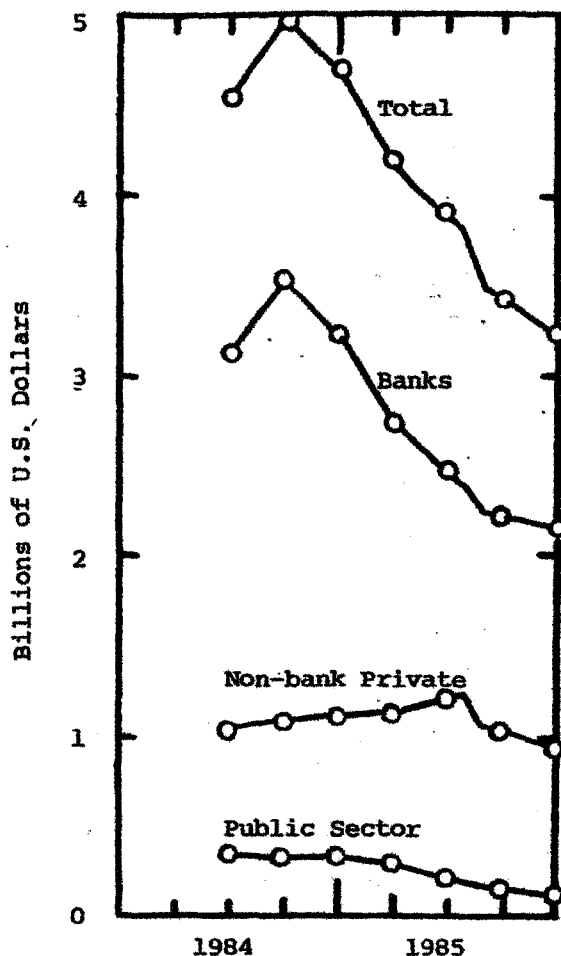
#### THE PRECIPITATION OF THE CRISIS

U.S. banks rapidly increased their lending by nearly five-fold in South Africa between the fourth quarter of 1980 and the third quarter of 1985. However, the increase was predominantly short-term lending with a maturity of one year or less. One reason for this is that only three U.S. banks have offices in South Africa, and therefore much of the interbank lending went on between the London offices of U.S. and South African banks. This interbank lending made up

roughly two-thirds of the total U.S. bank lending in South Africa as shown in Figure 2. The short-term nature of the lending enabled a quick retreat in the case of adverse economic or political events. This short-term lending represented 85% of all U.S. bank lending in South Africa in June 1985. (For the sources of all the country data in this report, see the notes at the end of the report.)

In contrast, the percentage of lending which was short-term for U.K. and German banks was 57% and 31%,

Where the money went in South Africa:



Which U.S. banks lent the money:

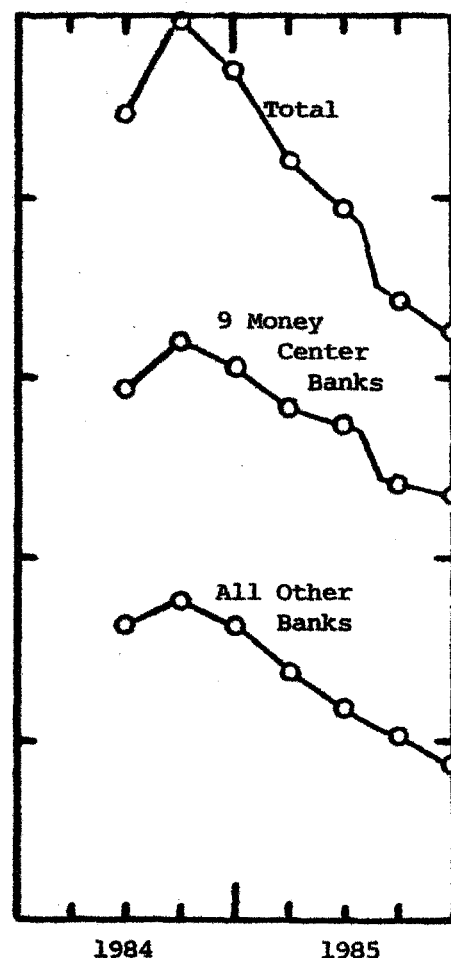


Figure 2. Lending by U.S. banks in South Africa. Lending by sector of the South African economy as well as by sector of U.S. banks.

## INTRODUCTION

This report examines the foreign debt of the South African economy at around the time of the September 1985 proclamation by South Africa of the moratorium on short-term debt. Of the total debt of \$23.9 billion, at least \$18 billion is held by over 180 banks in 25 countries around the world. This distribution is shown in Figure 1 on a country-by-country basis. This report provides estimates for individual banks in seven countries (U.S., U.K., Federal Republic of Germany, Switzerland, France, Belgium, and Canada). In the remaining countries, the banks are listed without individual estimates, but with a total exposure for all the banks in that country. Perhaps the most interesting and controversial estimate in the report is that for the Japanese banks. Their exposure is between \$2 and \$3 billion, depending upon which of three estimating procedures is used.

The remaining \$6 billion of the South African debt largely consists of \$3.8 billion from bonds, half of which are deutschmark bonds principally held by investors in Germany and Switzerland.

Debt to the IMF amounts to \$750 million, and the remaining billion and a half of the debt is in suppliers' credits and official credits from foreign governments and their instrumentalities.

About one-fourth of the South African debt is known in specific terms, i.e. the borrowers, the specific amounts, and to some extent, the lenders and underwriters. This one-fourth is made up of bond issues and a small number of syndicated loans that were "publicly" reported. The list of bonds is highly accurate, and the list of outstanding syndicated loans is probably the most extensive to date. The amounts of these bonds and loans are apportioned to each of the managers and underwriters and are included with the bank exposure estimates in Chapters 3-5. While this study identifying the lenders and underwriters is valuable, it may give a somewhat skewed picture because many banks in the U.S. and U.K. with large outstandings in South Africa are not represented in these bonds and syndications.

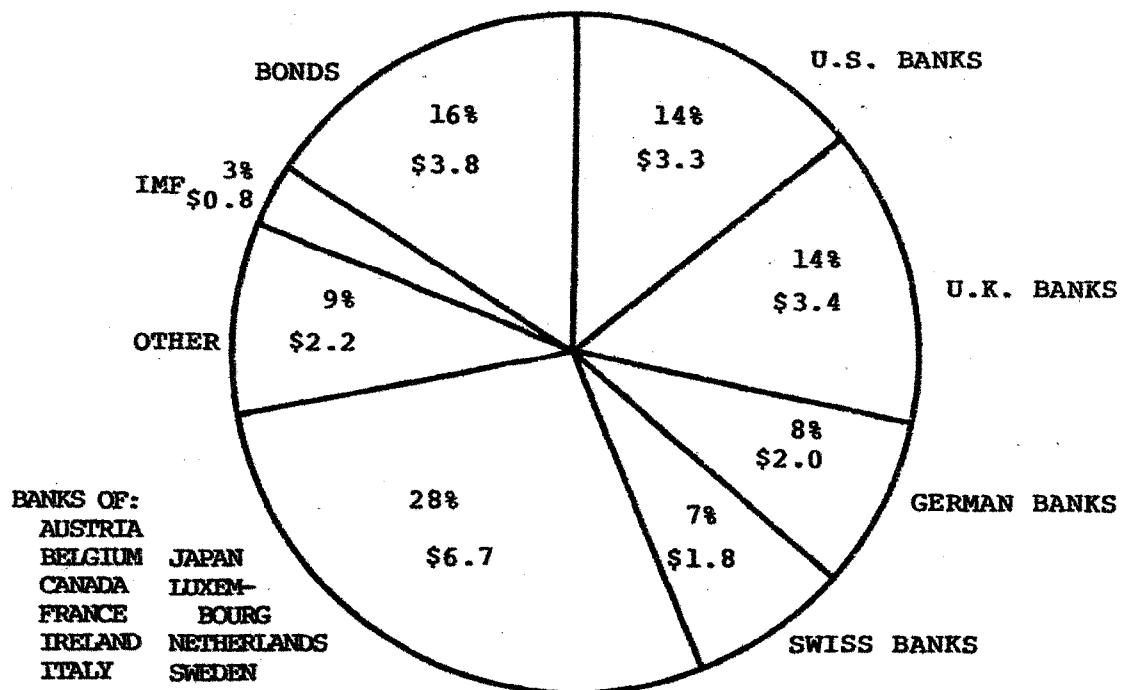


Figure 1. Distribution of the foreign debt of the South African economy at about the third quarter of 1985. The dollar amounts are in billions and the total debt is \$23.9 billion.

respectively. For the banks of the fifteen industrialized countries, which include the U.S., the U.K., and Germany and which are surveyed semi-annually by the Bank for International Settlements (BIS), the percentage of short-term lending was still only 66%. These banks represent about 70% of the total South African debt and almost all of the short-term debt. Thus the U.S. banks by far had proportionally more short-term lending, representing 30% of all the short-term lending of the banks of these 15 industrialized countries. Because of this, the liquidity of the South African economy was very sensitive to the decisions of U.S. banks regarding the roll-over of this debt.

As far back as the last quarter of 1984, U.S. banks started to reduce their exposure as a result of the unrest that began in the summer of 1984 and continued into the fall. This process of reduction continued for almost a year. On August 1, 1985, a report appeared in the newspapers (New York Times, 8/1/85) that Chase Manhattan, the second largest U.S. lender, had ceased extending credit in South Africa. This report precipitated a rapid withdrawal by other U.S. banks during August of about \$400 million, as can be estimated from Figure 2.

What were the other major international banks doing during August? Figure 3 compares the drop in U.S. bank lending during this period with the lending of banks from a larger group of 18 industrialized countries plus offshore centers, which are surveyed by the BIS quarterly. A second comparison is made with the total for all banks and bank branches in the U.K. Almost all lending by U.S. banks is included in the BIS survey, and as much as one-third of the U.S. bank lending could have been booked in U.K. offices and included in this U.K. survey. Thus additional lending from banks in other countries must have offset the U.S. bank withdrawals. This phenomenon was commented upon by a British banker who said, "Whatever pressure American banks put on South Africa, the Japanese banks take off ... South Africa's a good investment for people who can stand the political heat." (New York Times, 8/1/85)

Finally, on September 1, 1985, as

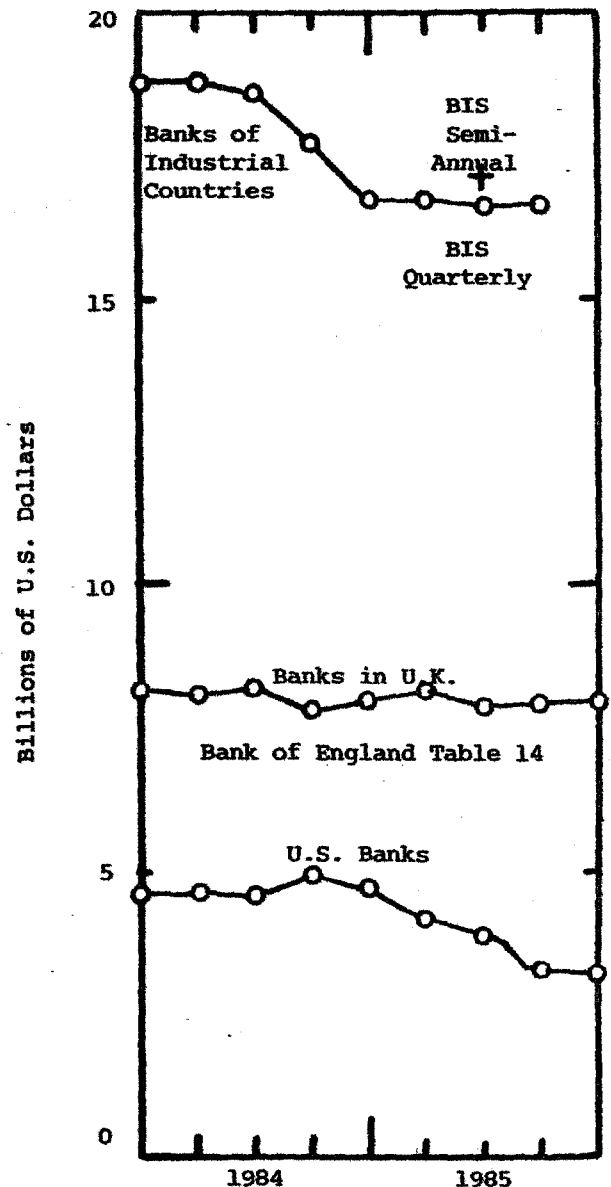


Figure 3. International bank lending in South Africa during 1984 and 1985. Comparison of U.S. bank lending with lending of banks in 18 industrialized countries in the BIS quarterly survey and with the lending of bank offices in the U.K. Some of the U.K. lending represents lending by U.S. operations in London.

these other foreign banks presumably indicated that they could not continue to counterbalance the U.S. bank withdrawals, South Africa unilaterally proclaimed a moratorium on payment of the principal of the short-term debt. The moratorium was

initially to last only until the end of 1985 but was later extended through the first quarter of 1986. This short-term debt amounted to about \$11.3 billion of the \$17.2 billion debt held by banks in the 15 countries surveyed by the BIS at the end of June 1985.

The crisis was also partially precipitated by unsound practices of at least two of South Africa's major banks. The big South African banks had been borrowing heavily, as is implied by the large amount of U.S. interbank lending. Charles Grant in Euromoney (12/85) gives the following foreign currency exposures for the South African banks: Standard Bank - \$2.5 to \$3 billion, Barclays National - \$2 billion, and Nedbank - \$1.6 billion.

According to Euromoney Bank Report (10/85), of the big five South African banks, Nedbank as a wholly-owned South African bank "was freer to expand overseas, in contrast to its bigger rivals, Barclays National Bank and Standard Bank of South Africa, whose British controlling parents took charge of their overseas operations. Nedbank has some 27% of its total liabilities owing to offshore creditors." The Financial Mail (9/13/85) put the problem this way: "Nedbank, which has been borrowing short-term in New York at lower inter-bank rates, and turning these credits into long-term higher interest loans in South Africa, had been thought by U.S. banks to be traveling in dangerous financial waters for some time." The interbank borrowings were at about 9%, while long-term domestic rates were in the mid to high teens. The same issue of the Financial Mail also reported that some 50% of Nedbank's foreign borrowings had been re-lent to the South African public sector and parastatal corporations.

When the value of the rand dropped precipitously in August and the repayment of large amounts of short-term debt was demanded, the South African banks could not repay.

#### AGREEMENT FOR PARTIAL PAYMENT

Because of the pressure on banks, especially in the U.S. and the U.K., to cease lending in South Africa, the banks

did not want to appear to be rescheduling the South African debt. Thus the Swiss banker, Fritz Leutwiler, was chosen as a mediator between the banks and South Africa to develop proposals on resolving the debt crisis.

Leutwiler presented proposals to a group of bankers in London on October 20. The proposals were basically those favored by South Africa suggesting a revolving credit facility for the full amount of the short-term debt to continue into 1990. The banks rejected the proposals; a November meeting was cancelled because of lack of progress, and a February 20, 1986 meeting was set up for new proposals.

On February 20th, Leutwiler proposed to the group of about 30 banks an extension of the moratorium for a year with 5% of the principal to be paid. The final "consensus" was that the moratorium would be extended until the end of June 1987 with 5% of the principal or about \$500 million being paid by that date. However, rather than paying this amount in equal quarterly installments, a large portion of the payment would be made on 15 April 1986 in the beginning of the agreement period. Indeed a payment of \$430 million was made on 15 April after the South African Reserve Bank swapped an undisclosed amount of gold for foreign currencies in late March (Financial Times, 29 March 1986). The remaining small unpaid amount will be repaid by 30 June 1987. This schedule will be re-evaluated by a technical committee of the group in September 1986 and April 1987 on the basis of economic (and political) progress. The technical committee consists of Barclays, National Westminster, Standard Chartered, Credit Suisse, Union Bank of Switzerland, Swiss Bank Corporation, Commerzbank, Deutsche Bank, Dresdner Bank, Citibank, Manufacturere Hanover, and Morgan Guaranty. Other banks in the February 20th consultation included Chase Manhattan, Bankers Trust, Bank of Tokyo and Sumitomo.

## Chapter 2

### "PUBLICLY" REPORTED DEBT

About one-fourth of the total South African debt is, in some sense, "publicly" reported with the name of the borrower, the amount borrowed, and sometimes the names of the lenders or underwriters. This portion of the debt consists of about \$3.8 billion in bonds and another \$2.0 billion in syndicated loans. These will be described and analyzed in this chapter. The amounts are assigned to the individual lenders or underwriters in tables in the following chapters. While this analysis identifying the lenders is valuable, it may give a skewed picture, because many U.S., U.K., and Japanese banks with large outstandings in South Africa are not represented in these bonds and syndications.

#### SYNDICATED LOANS

The list of known syndicated loans is given in Appendix A, along with the method for estimating the outstanding amount of each loan at the time of the debt crisis. The total outstanding in this survey is about \$2.0 billion, which is a rather small fraction, less than one-eighth, of all bank lending to the South African economy.

In this survey of syndicated loans, one-half of the outstandings are to the Electricity Supply Commission (ESCOM), a government-owned corporation. Another quarter is to the South African government and other parastatal corporations, with the remaining quarter in the private sector and largely to South African banks and finance companies.

In terms of the lenders, only about \$1 billion can be assigned because no tombstones are available and only the management group or lead manager is known. Thus only 50% of this syndicated borrowing can be assigned by lender. Figure 4 shows the distribution of the nationalities of the banks that participated in these syndications. Comparing this distribution with the distribution among banks in the BIS semi-annual survey, the U.K., German, and Swiss banks are overrepresented in

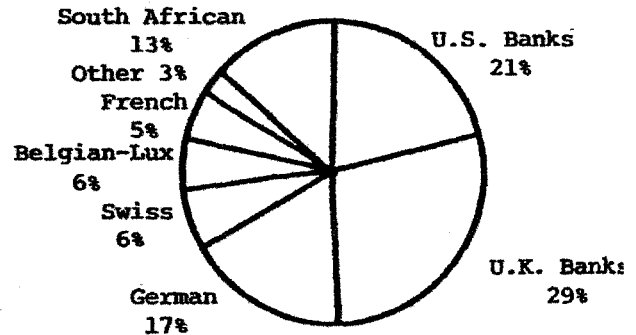
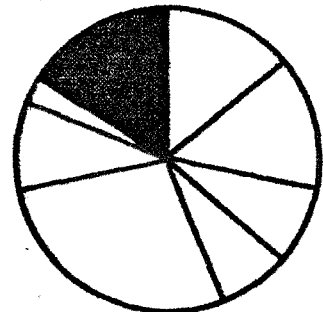


Figure 4. Amount of syndicated lending booked by nationality of the banks participating in the \$2 billion of publicly reported syndicated loans.

this syndication survey, and the U.S. banks are about the same. The caveat is that in terms of lenders, we are looking at only a little more than 5% of the total debt to banks.

Note that some of the international onlending by South African banks is seen because they represent about one-eighth of the creditors.

#### BONDS



A bond, unlike a syndicated loan, is a very liquid instrument because it can be bought and sold in an active secondary market. Thus, the total amount of a bond issue is usually higher and the term is longer than those of a syndicated loan.

Bonds are different from syndicated loans because, although participating banks initially take a risk in underwriting a bond issue, they eventually sell their quota to investors who may be individuals, institutional investors (e.g. pension funds, insurance companies), or government investors (e.g. central banks). Ultimately, therefore, it is the investors who hold the debt, not the banks. It is virtually impossible to trace the investors for a specific bond issue, especially if it is a Eurobond since these are generally bearer bonds and therefore the owner is not registered with the issuer. Participating banks are often from many different countries and do not necessarily sell their quota in their own country. In addition, there is a very active secondary market for Eurobonds, so they may change hands over a period of years. Of special interest are the secondary market listings of deutschmark bonds in a paper like the Handelsblatt.

For their part, participating banks are usually divided into three groups — the managers, the underwriters, and the sellers. As seen from the tombstone in Exhibit A, the managers and underwriters are usually listed first, followed by a long list of sellers. The managers guarantee the issues 100% and, because of this, are often big banks able to guarantee large amounts. About half of the underwriting commitment is taken by the managers, and the rest is taken by the underwriters. Sometimes 5-10% of the underwriting commitment is held by the sellers.

Bonds are either public offerings or private placements. A public offering involves anywhere from a few to over 100 participating banks and is officially listed and quoted on the stock exchange. A private placement, on the other hand, affords minimal publicity, and the number of participating banks and investors is usually very small, as can be seen from Exhibit B. Because a private placement can be arranged more quickly and discreetly than a public offering, it may be used for a bond issue which might be politically controversial.

Appendix B documents 93 bond issues amounting to \$3.8 billion which would have been outstanding at the time of the

September 1985 debt moratorium. This survey does not take into account redeemable bonds which may have been called in before the moratorium, so the \$3.8 billion in bonds documented here represents the upper limit on the total amount outstanding. This is in accord with Newsweek's estimate of \$3.2 billion outstanding in bonds (Newsweek, 1/27/86).

In this survey, the Electricity Supply Commission (ESCOM) is responsible for over 30% of the bond issues. Overall, ESCOM makes up 90% of public sector borrowing abroad. The Republic of South Africa is also a big borrower on the capital markets and accounts for almost 20% of the issues in this survey. Other parastatals which are active in bond issues are the South African Transport Services (SATS), the Department of Posts and Telecommunications, and the Iron and Steel Corporation of South Africa (ISCOR). South African entities have been regular bond issuers, especially in the German and Swiss capital markets. As seen from Figure 5, 50% of South African bonds in this survey are denominated in deutschmarks, 20% in Swiss francs, and 20% in U.S. dollars. German banks are by far the most involved as managers and/or underwriters in South African bond issues, followed by Swiss and French banks. In the past, South African bonds have been considered a good investment and have been particularly favored by German and Swiss investors (GBM, p.66).

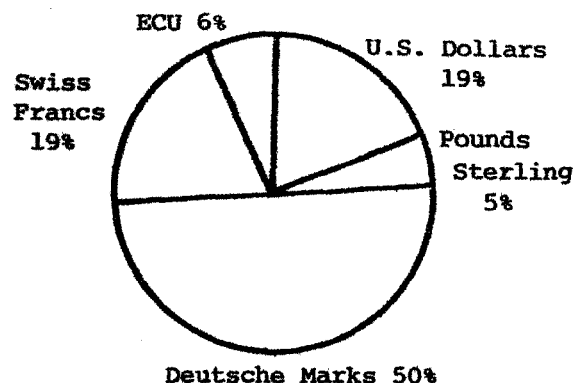


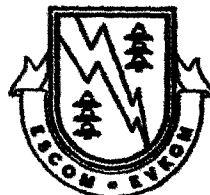
Figure 5. Bonds outstanding at the end of 1985 by currency.



New Issue

This advertisement appears as a matter of record only

April 11, 1985



# ESCOM Electricity Supply Commission

Sandton (Transvaal)

**DM 200 000 000**  
**8 1/4% Bearer Bonds of 1985/1993**

irrevocably and unconditionally guaranteed by the

**Republic of South Africa**

- Stock Index No. 475436 -

Offering price: 99 1/2%

**Dresdner Bank**  
Aktiengesellschaft

**Commerzbank**  
Aktiengesellschaft

**Barclays Merchant Bank**  
Limited

**Bayerische Hypotheken- und Wechsel-Bank**  
Aktiengesellschaft

**Bayerische Vereinsbank**  
Aktiengesellschaft

**Berliner Handels- und Frankfurter Bank**

**Crédit Commercial de France**

**Deutsche Bank**  
Aktiengesellschaft

**Kreditbank International Group**

**Nedbank International**

**Swiss Bank Corporation International**  
Limited

**Westdeutsche Landesbank Girozentrale**

ABD Securities Corporation  
Bankhaus H. Aulhäuser  
Baden-Württembergische Bank  
Aktiengesellschaft  
Julius Baer International Limited  
Banca Commerciale Italiana  
Banca del Gottardo  
Banca Nazionale del Lavoro  
Banca di Roma  
Bank Gutzwiller, Kurz, Buegener  
(Overseas) Limited  
Bank Leu International Ltd.  
Bank J. Vontobel & Co. AG  
Banque Française du Commerce  
Extérieur  
Banque Générale du Luxembourg S.A.  
Banque Indosuez  
Banque Internationale à Luxembourg S.A.  
Banque Nationale de Paris  
Banque Paribas Capital Markets  
Banque Populaire Suisse S.A. Luxembourg  
Banque de l'Union Européenne  
Banque Worms  
Bayerische Landesbank Girozentrale  
Beer Stearns International Ltd.  
Joh. Benningberg, Goester & Co.  
Berliner Bank Aktiengesellschaft  
Bankhaus Gebrüder Hoffmann  
Bremer Landesbank  
Kreditanstalt Oldenburg - Girozentrale -  
Cassoway & Co.  
Crédit Industriel d'Alsace et de Lorraine

Crédit Lyonnais  
Credit Suisse First Boston Limited  
Creditanstalt-Bankverein  
Deutsche Girozentrale  
- Deutsche Kontinentalbank -  
DSL Bank Deutsche Städtische- und  
Landesrentenbank  
DG Bank Deutsche Genossenschaftsbank  
Effektenbank-Warburg Aktiengesellschaft  
Euromobiliare S.p.A.  
Europartners Securities Corporation  
European Banking Company Limited  
Gelline International Ltd.  
Genossenschaftliche Zentralbank AG  
Vienna  
Girozentrale und Bank  
der Österreichischen Sparkassen  
Aktiengesellschaft  
Goldman Sachs International Corp.  
Hambros Bank Limited  
Hamburgische Landesbank  
- Girozentrale -  
Georg Henck & Sohn Bankiers  
Kommanditgesellschaft auf Aktien  
Hessische Landesbank  
- Girozentrale -  
NHL Samuel & Co. Limited  
Istituto Bancario San Paolo di Torino  
Klüber, Peabody International Limited  
Klüber, Peabody International Limited  
Kreditbank S.A. Luxembourgpool

Bankhaus Hermann Lampe  
Kommanditgesellschaft  
Landesbank Rheinland-Pfalz  
- Girozentrale -  
Lazard Frères et Cie.  
Merck, Finck & Co.  
B. Metzler soest. Sohn & Co.  
Morgan Stanley International  
Norddeutsche Landesbank Girozentrale  
Österreichische Länderbank  
Aktiengesellschaft  
Sal. Oppenheim Jr. & Cie.  
Rauschel & Co.  
H. M. Rothschild & Sons Limited  
J. Henry Schroder Wegg & Co. Limited  
Schweizerische Hypotheken-  
und Handelsbank  
Smith Barney, Harris Upham & Co.  
Incorporated  
Strasse, Turnbull & Co.  
Tinkaus & Burthard  
The Trust Bank of Africa Limited  
Union Bank of Switzerland (Securities)  
Limited  
Verband Schweizerischer Kantonalbanken  
Verkehrs- und Westbank Aktiengesellschaft  
M. M. Warburg-Brockmann, Wirtz & Co.  
Westdeutsche Genossenschafts-  
Zentralbank e.G.  
Westfälische Bank Aktiengesellschaft  
Württembergische Kommunal-  
Landesbank Girozentrale

MANAGERS

UNDER-  
WRITERS

SELLERS

Private Placement

March 7, 1985

## **Local Authorities Loans Fund Board**

Pretoria

**DM 75,000,000**

**8½% Bearer Bonds of 1985/1990**

guaranteed by the

**Republic of South Africa**

**Bayerische Vereinsbank**

Aktiengesellschaft

**Berliner Handels- und Frankfurter Bank**

**Commerzbank**

Aktiengesellschaft

**Dresdner Bank**

Aktiengesellschaft

**Vereins- und Westbank**

Aktiengesellschaft

**Banca della Svizzera Italiana**

**Banque Populaire Suisse S.A. Luxembourg**

**Wirtschafts- und Privatbank**

**The Trust Bank of Africa Limited**

**Volkskas Merchant Bank Limited**

Exhibit B. Tombstone for a private bond placement.

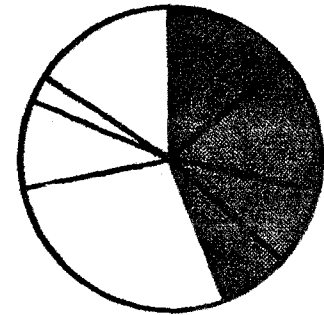
The willingness of banks to underwrite South African bond issues in the past indicates a confidence that bankers placed in South Africa's political and economic future. As late as February 1985, the South African Transport Services (SATS) issued an ECU 50 million bond at 10.38% with a 15-year maturity (less than a year before, the Kingdom of Denmark tapped the ECU market with an ECU 75 million bond at 10.75% for 7 years. Citicorp Overseas Finance made an ECU 30 million issue at 10.63% for 6 years [EM, 6/84]). In this survey, the average term for South African bonds in 1984 and 1985 was 7 years.

In an interview with Euromoney magazine in June 1984, then South African Finance Minister Owen Horwood predicted that public sector entities would increase their presence in the capital markets. The market was proving to be a good source of funds, with terms and maturities favorable to South Africa and with foreign

bankers encouraging their South African clients to diversify currencies and instruments. Some South African issues, such as a DM 50 million bond and a DM 150 million bond issued by ESCOM in early 1984, were even oversubscribed.

According to Horwood, "The banks tell us, without exception, that if they were to look at it simply on an economic and financial basis, we would be right among the top. But then, they say: 'How do we assess the political factor? We can't.'" In the year before the debt moratorium, however, South African borrowers were greatly encouraged by their success in significantly reducing the "political premium" they were paying to the banks for political risk. As the deputy general manager of SATS, Giel Holz, said, "Political risk has never been a problem for us in the bond market." (EM 6/84) Obviously the perceived political risk factor changed abruptly in 1985.

**BANK EXPOSURES**  
**FOR**  
**UNITED STATES**  
**UNITED KINGDOM**  
**FEDERAL REPUBLIC OF GERMANY**  
**SWITZERLAND**



The overall exposures of the banks in the U.S., U.K., Germany, and Switzerland are known, and thus the exposure of each of the major banks can be estimated with reasonable accuracy. This estimating procedure will be described in detail below. The basic approach, however, is to scale the South African exposure among each country's banks in proportion to the bank's total assets. A country-by-country comparison is made of the average bank exposure as a percentage of the average bank assets. This proves helpful later on in Chapters 4 and 5 which discusses banks from countries that do not publish totals for their banks.

The exposure for the nine money center U.S. banks at the end of 1984 averaged 0.46% of assets, while the exposure of the "other 15" banks, which includes regional and smaller international banks, averaged 0.29% of assets. This was just after U.S. bank lending in South Africa had peaked. By the end of September 1985 with the debt moratorium in place, these percentages dropped to 0.37% and 0.20%, respectively. For the British-owned banks, the average exposure is much higher, being about 1% of assets. However, when the known exposures of Barclays and Standard Chartered are subtracted out, the exposure of the remaining U.K.-owned banks is only 0.37% of assets. This is comparable to the exposure of the nine U.S. banks as of September 1985 and is thus reasonably consistent.

Again, dividing the German banks into two groups, the large banks have an average exposure of 0.44% and the small ones 0.20%. These averages are in line with the U.S. bank exposure. The Swiss banks, however, seem to have a very high

average exposure of almost 1% of their assets in South Africa.

Thus, except for Switzerland and the two U.K. banks that have major associated banks in South Africa, it seems that, on the average, an exposure of 0.40% to 0.50% is reasonable for major banks, while smaller banks would have about half that exposure.

**GENERAL COMMENTS ON SCALING**

For each group of banks for which a total exposure is known from a monetary authority, the general procedure is as follows: first, subtract from that total the known exposures of any of the banks in that group. These are marked with an asterisk in the tables. Then the difference is scaled among the remaining banks in proportion to their assets, usually their total assets. If this number is less than the amount attributed to that bank by the syndicated loan survey in Chapter 2, then the latter is assigned as the estimate, and the remainder of the banks are rescaled. Should the scaled figure exceed 0.75% of total assets for a U.S. bank and a number is not reported in the annual report of that bank, then a figure of 0.75% of assets is given for the estimate, and the rest of the banks are rescaled. This rule of thumb arises out of the Securities and Exchange Commission's requirement that a bank must list in its annual report countries in which it has 0.75% or more of assets. The estimates for major banks will generally be accurate to within plus or minus 20-30%. The estimates for smaller banks will only be correct to an order of magnitude with much greater statistical variation.

## REVISÉD JUNE 1986

BANK	Bank Information			SURVEY		Estimate	Source for Exp. Information
	1984	Debt	Offices	Syn. Bonds	of S.A.		
	Assets	Meeting in South	Africa	Loans	Exposure		
	US\$ bn.	20 Feb.				US\$ millions	
<b>MONEY CENTER BANKS:</b>							
Citicorp	142.7	Tech.Com.	Subsid.	66	18	800*	IRRC'86
BankAmerica	113.7					150*	comments-scaled
Chhse Manhattan	86.9	Particip.	Rep.Of.	32		350	
Manufacturers Hanover	73.1	Tech.Com.		32	5	230	
Morgan	61.2	Tech.Com.		19		260	
Chemical New York	48.8	Particip.				160	
Bankers Trust	42.7	Particip.				200	
First Chicago	38.7					0*	Letter; IRRC'86
Continental Illinois	29.9				6	210	Ann.Rpt'84-scaled
Table Total	637.7			149	29	2,350	
Country Exposure Lending Survey (9/30/85): Total						2,413.8	
Adj. for Guarantees						2,340.1	
Adj. as % of Assets						0.37%	
<b>OTHER 15 BANKS:</b>							
Security Pacific	44.8					200	Letter 150 million
First Interstate	43.2					10*	NY Times 8/29/85
Wells Fargo	27.8					0*	Letter
Mellon National	27.9					1*	Phone Call
Crocker National	22.3	(Now with Midland 38)				0*	Letter
Marine Midland	22.9					40*	IRRC'86
Interfirst	21.5					0*	IRRC'84
Bank of Boston	21.0			4		4*	Est.-No lending 3/8
RepublicBank TX	20.5					120	
Texas Commerce	20.5					33*	IRRC'84
Irving	19.0					195*	IRRC'86
First City	17.1					16*	IRRC'86
Bank of New York	14.5					5*	IRRC'86
NDB (Detroit)	14.0					0*	IRRC'86
Republic New York	11.1					60	
Table Total	347.8			4	0	680	
Country Exposure Lending Survey (9/30/85): Total						738.8	
Adj. for Guarantees						683.3	
Adj. as % of Assets						0.29%	
<b>ALL "OTHER BANKS":</b>							
NCNB	14.5		Rep.Of.	10		90	Ann.Rpt.\$79ml-12/8;
American Express	13.2					85	IRRC'86
(Subsid.:Trade Dev. Bk. Switzerland)				3			
Other Banks						107	
Table Total				13	0	282	
Country Exposure Lending Survey (9/30/85): Total						288.5	
Adj for Guarantees						282.4	
<b>ALL U.S. BANKS IN SURVEY:</b>							
Table Total				166	29	3,312	
Country Exposure Lending Survey (9/30/85): Total						3,441.1	
Adj for Guarantees						3,315.8	
IRRC'86 - C. Bowers & A. Cooper, U.S. and Canadian Investment in South Africa and Namibia, IRRC, Washington DC, May 1986.							
IRRC'84 - A. Newman and C. Bowers, Foreign Investment in South African and Namibia, IRRC, Washington DC, Dec. 1984.							

## THE TABLES

The following tables include the overall estimates of each bank's exposure together with the results of the bond and syndicated loan surveys in Chapter 2. Also listed are the bank's total assets at the end of 1984, along with information on whether the bank has operations in South Africa and whether it has been involved in the debt meetings with Fritz Leutwiler. The latter information, while not quantitative, suggests large relative exposure.

The assets at the end of 1984 were used because there are extensive lists of bank data in Euromoney and the standard bank directories available for that date at the time of this writing. Consistency is more important for the scaling than up-to-date data. The estimates always refer to the bank, its branches, and its majority-owned subsidiaries which constitute the consolidated assets of the bank holding company.

### UNITED STATES

Fortunately, the Country Exposure Lending Survey gives totals of the exposure of the nine money center banks, the "other 15" banks, and the rest of approximately 200 banks surveyed. This breakdown considerably improves the accuracy of our estimates. The scaling was done on the basis of international assets rather than total assets; this also increases the accuracy.

A small number of banks account for most of the lending. Eight of the nine money center banks account for 70% of the lending, and 14 banks account for 90% of the lending to South Africa.

#### US. BOND UNDERWRITERS

Company	Amount Underwritten US\$ millions
Goldman Sachs	4
Morgan Stanley	4

At the end of 1984, the nine money center banks had an average exposure of 0.46% of their total assets, comparable, as we shall see, to the large German banks. As expected, the "other 15" banks, which includes both large regional banks and smaller international banks, has a lower average exposure of 0.29% of total assets. By September 1985, the date for which the estimates are made in the table, the average exposure of each group had dropped by 0.09% to 0.37% and 0.20%, respectively. This decrease was the result of the continuous withdrawal of funds by U.S. banks over the nine intervening months.

#### NON-FINANCIAL CORPORATIONS

Company	Loan Exposure US\$ Millions
Dow Chemical Co:	100
Dow Financial Services Corp. (Including Dow Bank-Switz.)	
Source: Financial Times (4/24/86)	
Dow will sell Financial Services but will retain South African loans.	

### UNITED KINGDOM

The estimation of the exposure of British-owned banks in South Africa is complicated by the large number of branches and subsidiaries of foreign banks operating in the U.K. The Bank of England publishes two numbers. The one from Table 14 of the Quarterly Bulletin is for the U.K. monetary sector and other financial institutions and includes branches of foreign banks. It yields a figure of about \$8 billion. Table 15 is for U.K.-registered monetary sector institutions, their branches, and subsidiaries. This includes the foreign branches and subsidiaries of U.K. banks, which is what the authors focus on in this section. However, Table 15 also includes consortium

# UNITED KINGDOM

BANK	Bank Information			SURVEY		Estimate	S.A. Source Exposure Information
	1984	Debt	Offices	Syn. Bonds	of		
	Assets	Meeting in South	Africa	Loans	Exposure		
	US\$ bn.	20 Feb.		US\$ millions			

## BRITISH OWNED BANKS:

Barclays Plc.	\$ 85.1	Tech.Com.Assoc.Bk.	\$55	\$25	\$1,050*	Fin.Times10/7/85
National Westminster	82.7	Tech.Com.	45		> 270	
Midland Plc.	71.1	Rep.Of.			230	
Transferred from Crocker			38			
Lloyds	50.9		19		160	
Standard Chartered	39.9	Tech.Com.Assoc.Bk.	25	16	1,540*	Fin.Times10/7/85
Kleinwort Benson	5.4		9	4	15	
J.H. Schroder Wagg	4.2			6	13	
Morgan Grenfel	4.0				13	
Hill Samuel	3.7	Subsid.	69	18	68*	Syn.Loan Survey
Guinness Mahon	1.0		49		48*	Syn.Loan Survey
Robert Fleming	0.9		6		6*	Syn.Loan Survey
Hambros	0.5			15	2	
Table Total	349.5		315	50	3,415	
Bank of England: 75% of Table 15 (6/30/85)					3,400	
75% of Table 15 as % of Assets					0.98%	

## CONSORTIUM & REG. FOREIGN BANKS:

International Commercial	1.6		3	7	
European Bank Ltd.		Rep.Of.		2	
Soditic			1	29	
Orion (Royal Bank of Canada)				7	
BBL International				5	
Banque Belge Ltd.			8		

Others

Bank of England: 25% of Table 15 (6/30/85) 1,129

UK-Registered Monetary Sector Institutions, Branches  
and Subsidiaries World Wide - Bank of England, Table 15: 4,529

## Notes on Subsidiaries and Associated Companies in South Africa:

U.K. Parent	Ownership	Assets of S.A. Corp.
Barclays Plc.	40.4%	R19.4 million 1984
Standard Chartered	41.9%	R12.9 " 1984
Hill Samuel	100.0%	R 0.3 " 1980

banks and subsidiaries of foreign banks that are registered in the U.K. These institutions are listed in the April issue of Euromoney and the November issue of The Banker along with their status. According to the notes to Table 15, about three-quarters of the exposure listed in the table can be attributed to U.K.-owned banks. Thus the exposure for South Africa given in Table 15 for June 1985 is \$4,529 million, and three-quarters of that amount is about \$3,400 million. Because the exposures of Barclays and Standard Chartered are known and are very large, the latter being almost 4% of total assets, the amount left attributable to the other major clearing banks seems a little low. Thus in the case of South Africa, the percentage of the amount in Table 15 attributable to British-owned banks might be somewhat higher than the average value of three-quarters. However, such a change would not increase the exposure of the larger banks by more than 10% or 15%.

Because National Westminster is on the technical committee for the debt arrangements along with Barclays and Standard Chartered, its exposure is probably underestimated compared to Midland and Lloyds. Guinness Mahon and Hill Samuel have large exposures compared with their assets, as indicated by the large estimates of participation in syndicated loans from the survey in Chapter 2. In fact, that survey suggests that Guinness Mahon's exposure is about 5% of assets, comparable with Standard Chartered's exposure. However, the assets of these two banks are small compared to the major clearing banks. Guinness Mahon is known to have a particularly close relationship with ESCOM in South Africa by providing financing for capital equipment exports to ESCOM.

The consortium and foreign banks are large in number, and thus only those which appear in the survey in Chapter 2 are listed. They are listed without estimates of their exposure. Some of the consortium banks can be assigned a nationality, like the Associated Japanese Bank or Japan International Banks, but many are owned by large groups of banks of various nationalities.

Returning to the British-owned banks,

if the two banks with major interest in South Africa are omitted, the remaining banks have an exposure of only 0.37% of assets as of June 1985. If Standard Chartered and Barclays are included, the average exposure increases to nearly 1% of assets. As we shall see, this amount is close to the average for Swiss banks.

The Royal Bank of Scotland, TSB Group, and Bank of Scotland, all of moderate size with assets between \$8 billion and \$16 billion, have been excluded from the list because they do not appear in the survey in Chapter 2. If they were included, they would not significantly change the present estimates.

#### FEDERAL REPUBLIC OF GERMANY

Only in late 1985 did the Deutsche Bundesbank start reporting the exposure of foreign subsidiaries of German banks. In September 1985, these foreign subsidiaries held 55% of the exposure of German banks in South Africa. Foreign branches held 14% of the exposure, with the remaining 31% booked in domestic German bank offices.

Most German banks' subsidiaries are in Luxembourg while their branch offices are in London. The fact that 55% of German bank lending is booked out of their foreign subsidiaries suggests a useful screen: in order to appear in the analysis, a bank must have a Luxembourg subsidiary. This requirement screens out smaller banks, limiting the analysis only to the German banks with major lending in South Africa. Thus all the banks in the accompanying table have subsidiaries in Luxembourg except Conrad Donner, which is known to have an office in South Africa itself. This screen excludes none of the major banks.

The three major German banks, Deutsche, Dresdner, and Commerzbank, are on the technical committee of the debt moratorium group. In addition to these three, Berliner Handels und Frankfurter Bank (BHF) has a relatively long history of lending in South Africa. Thus while BHF is a relatively small bank, it has been grouped with the major banks in terms of the fraction of its assets which may be

in South Africa. Four larger banks, mostly in the Landesbank category, complete the group of banks which have underwritten a large number of bond issues in the bond survey of Chapter 2. In fact, the underwriting of these eight banks represents about \$1 billion in addition to their estimated exposure of about \$1.5 billion. This assumes that these banks are not holding large stocks of the bonds that they have underwritten and thus the bonds are not included in the \$1.5 billion exposure.

The exposures of the three major banks were given in Der Spiegel (9/16/85) and they total 0.54% of the banks' assets. The sum of these three exposures were within 1% of an estimate the authors of this report had made before finding the reference in Der Spiegel. The exposures for the remaining banks were made by first asking what percentage of the total lending reported by the Bundesbank the banks in the accompanying table represent. For U.S. bank lending, the major 24 banks represent over 90% of the total exposure. Having less specific data for the German banks, a figure of 80%, rather than 90%, was chosen for the 25 German banks.

In an initial calculation, the eight major banks were given a weighting factor of unity, while the other banks received a weighting factor of 0.5%. The weighting factor of 0.5% was chosen for the smaller banks by assuming that the German bank exposure was analogous to the U.S. bank exposure, where the nine U.S. money center banks had almost 0.4% of their assets exposed in South Africa, but the "other 15" banks had only 0.2% of their assets exposed. The South African exposure of the German banks was then calculated in proportion to their total assets, using the weighting factors. This calculation yielded an exposure for Westdeutsche Landesbank greater than that for Commerzbank. This seemed unreasonable because Commerzbank, and not Westdeutsche LB, is on the technical committee. To correct this inconsistency, the four latecomers to the South African lending scene (Westdeutsche LB, Bayerische Vereinsbank, Hypobank, and Bayerische LB) were weighted at 0.75% of the major banks in the scaling, and the resulting estimates are given in the accompanying table.

The resulting average exposure of the major international banks is 0.44% of total assets, which is quite close to the 0.46% of the U.S. money center banks at the end of 1984 before the U.S. banks started to reduce their exposure. The average exposure of the other German banks is then 0.20% of assets, comparable to the "other 15" U.S. banks in September 1985 and to two-thirds of their exposure at the end of 1984.

Independent of how the weighting is set up and where the line between major banks and other banks is drawn, estimated exposures of individual banks could not be altered by more than 20-30%. Obviously the actual exposures of individual banks may fluctuate by large amounts around these estimates. For example, before it was known to the authors of this report that Bank fur Gemeinwirtschaft had a policy on lending to South Africa, its exposure was estimated at \$40 million, but now it is set at zero.

Thus the 25 German banks listed here represent about \$1.8 billion of the German bank lending in South Africa as well as over \$1 billion in bonds which were underwritten by them. A small amount of these bonds may still be held by the underwriters and counted in the \$1.8 billion exposure of the banks. However, this overlap is probably minimal. See Chapter 2 for a discussion of the bond issues.

A few words should be said about official guarantees and lending by the government of the Federal Republic of Germany. Beginning in November 1977, the government set a limit of DM 50 million as the upper limit of official guarantees for any one trade credit, and this was continued into 1983 (J. Andrew Spindler, The Politics of International Credit, Brookings Institution, Washington D.C., 1984, p. 46f). This limit was sufficiently high so as not to provide much interference with trade. Exceptions were made in 1979 for the very large financing of the export equipment for the SASOL coal liquifaction plants. Presumably, the government-owned Kreditanstalt fur Wiederaufbau has also participated in some export credits for South Africa.



# FEDERAL REPUBLIC OF GERMANY

BANK	Bank Information			SURVEY		Estimate	Source-Exposure Information
	1984	Debt	Offices	Syn.	Bonds	of S.A.	
	Assets	Meeting	in South	Loans	Exposure		
	US\$ bn.	20 Feb.	Africa	US\$ millions			
MAJOR INTERNATIONAL BANKS:							
Group A (Scaling 1.0)							
Deutsche Bank	\$ 73.4	Tech.Com.	Rep.Of.	\$51	\$165	290*	} Spiegel
Dresdner Bank	55.3	Tech.Com.	Rep.Of.	39	207	440*	
Commerzbank	38.9	Tech.Com.	Rep.Of.	25	226	170*	} 16IX85
Berliner Handels u.Frankfurter	7.6		Rep.Of.	3	155	35	
Group B (Scaling 0.75)							
Westdeutsche Landesbank	44.9			34	76	160	
Bayerische Vereinsbank	39.4		Rep.Of.	11	96	130	
Hypobank	33.4			4	59	120	
Bayerische Landesbank	29.7		Rep.Of.		48	100	
Table Subtotal	322.5			168	1032	1,445	
Table Subtotal as % of Assets						0.44%	
OTHER INTERNATIONAL BANKS:							
(Scaling 0.5)							
Norddeutsche Landesbank	28.0				3	65	
DG	26.3				5	60	
Hessische Landesbank	21.3					45	
Bank fur Gemeinwirtschaft	17.1					0*	} Statement
LB Rheinland-Pfalz	10.8					25	
LB Stuttgart	9.1					20	
LB Schleswig-Holstein	8.6			3		20	
Deutsche Girozentral	8.4					20	
Badische Kommunale LB-Giro.	8.0					20	
Berliner Bank	7.8					20	
Vereins und Westbank	4.7				3	10	
Trinkhaus und Burkhardt	2.0					5	
Westfalenbank	1.7					5	
Bankhaus Hermann Lampe	0.9					2	
Bank Warburg-Brinckmann Wirtz	0.8					2	
Georg Hauck und Sohn	0.1					0	
Table Subtotal	155.6			3	11	319	
Table Subtotal as % of Assets						0.20%	
OTHER BANKS:							
Conrad H. Donner	0.2		Rep.Of.			0	
Table Total 478.3 171 1043 1,764 - 80% of Bundes-							
Bundesbank-Statistische Beihefte, Series 3 (30 IX 85) 1,969 Statistik							

## SWITZERLAND

The three large banks, Union Bank of Switzerland, Swiss Banking Corporation, and Credit Suisse, are on the technical committee for the debt. They obviously have large exposures in South Africa. The table of banks for Switzerland includes all banks which appear in the surveys of bonds and syndications in Chapter 2. William Dullforce stated in the Financial Times (10/13/85) that the net position of the big five banks was SwFr 3.24 billion, which is 82% of the total net position of

SwFr 3.95 billion for all Swiss banks. Thus we set the exposure of the big five at 80% of the Swiss bank total exposure of SwFr 4.55 billion for the end of 1984.

Using this method, we see that Union Bank of Switzerland has an exposure of \$510 million, and this cannot be altered by more than 10% by any change in scaling. Thus the exposure of the three major banks is well defined. This exposure is very high at 1% of total assets, comparable to Barclays Bank in the U.K.

BANK	Bank Information			SURVEY		Estimate	Source Exposure Information
	1984	Debt	Offices	Syn. Bonds	of S.A.		
	Assets	Meeting	in South	Loans	Exposure		
	US\$ bn.	20 Feb.	Africa	US\$ millions			

### MAJOR INTERNATIONAL BANKS:

Union Bank of Switzerland	\$ 50.7	Tech.Com.	Rep.Of.	\$36	\$213	510	
Swiss Bank Corporation	46.0	Tech.Com.	Rep.Of.	2	138	460	
Credit Suisse	32.5	Tech.Com.	Rep.Of.		13	320	
Swiss Volksbank	8.7			8		90	
Bank Leu	4.5				8	45	
Table Subtotal	142.4			46	372	1,425	
National Bank-82% end 1984 exposure (only net position known as 82% of total)							1,469 Fin.Times9/13/85
National Bank-82% end 1984 exposure as % of Assets						1.0%	

### FOREIGN OWNED & CONSORTIUM BANKS:

Banca della Svizzera Italiana	3.0			4	3	30	
Trade Development Bank-Am.Exp.	3.0			3		30	
Banca del Gattardo	1.7					15	
HandelsBank	1.4			4		15	
Nordfinance	1.0			3		10	
Dow Bank (Dow Finance U.S.)	1.0			4		10	
Wirtschaft und Privatbank	0.2				3	2	
Table Subtotal	11.3			15	6	112	

### OTHER SWISS BANKS:

Bank Julius Baer	0.9		Rep.Of.			9	
Banca Union di Credito	0.3			3		3*	
Banque de Depots	0.2			3		3*	
Sarasin					6	2	
OTHERS						226	
Table Subtotal				6	6	243	

Table Total				67	384	1,780	
Banking Commission: (31XII84) Reported Financial Times 9/13/85						1,780	

### SECURITIES HOUSES:

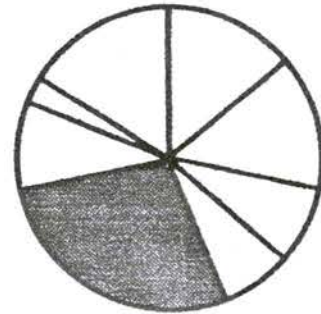
Credit Suisse First Boston					21		
					405		

BANK EXPOSURES

FOR

CANADA  
AUSTRIA  
BELGIUM  
DENMARK  
FRANCE  
IRELAND

ITALY  
JAPAN  
LUXEMBOURG  
NETHERLANDS  
SWEDEN



The BIS semi-annual survey of bank exposure in South Africa covers fifteen countries, which consist of the eleven listed above and the four discussed in the previous chapter. Their total exposure in June 1985 was \$17.176 billion. When the exposures of the four countries mentioned in Chapter 3 are subtracted, the exposure of the banks of the eleven remaining countries is \$6.711 billion.

In all countries except Canada, the banks were screened by requiring them to have offices or subsidiaries in London, Luxembourg, or South Africa. This screen insures that the lists here include only banks with significant international dealings. Only banks which are "registered" in the U.K. are included in order to eliminate small London offices with only one or two staff members. This is a reasonable screen because, aside from France, banks in most of these countries are likely to lend to South Africa through one of these two European financial centers if they do not have an office in South Africa itself. The type of office or subsidiary each bank has in one or more of these locations is specified in the accompanying tables, and the abbreviations are explained in the notes at the end of the chapter.

FRANCE

The total exposure of French banks at the end of 1984 was given in *Africa Now* (p. 51, 9/85) as Ffr21.14 billion or \$2.2 billion. This amount represents 9% of South Africa's total debt of \$23.9 billion and is shown in Figure 6 as part of the pie chart illustrating total debt. The accompanying table lists the individual French banks with their estimated

exposures. The banks were screened as described above, although four small banks were omitted with total assets of 2% of those listed in the table. They were either regional or Arab-owned banks. As in the case of German banks, 80% of the total exposure was attributed to these 14 banks in the list, assuming that many smaller banks held the remaining 20% of the exposure. The individual exposures were reached by scaling proportionally to the total assets of each bank. Credit Agricole and Credit du Nord were scaled with a factor of 0.5% because the former only recently opened up its London office and the latter has no indication of involvement through the survey in Chapter 2 or through a South African office.

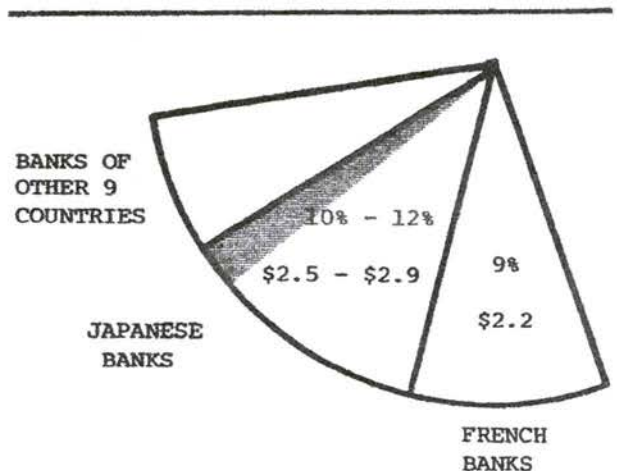


Figure 6. Sector of figure 1 showing the debt held by banks in the 11 countries discussed in this chapter. Dollar amounts are in billions. The shaded sector of Japanese banks represents the difference between Case 1 and Case 2 estimates.

The twelve banks with a unity scaling factor have an average exposure of 0.36% of assets. This is lower than their German and Swiss counterparts but about the same as the U.S. money center banks at the time of the moratorium after these U.S. banks had been reducing their exposure for a year. Thus the screen for determining which banks to include in this analysis yields reasonable results.

Two banks, Credit Lyonnais and Credit Commercial de France, have had long-standing relations with South Africa. Because of this, their exposures may be underestimated in the table.

# FRANCE

BANK	Bank Information				SURVEY		Estimate	Sources	Comments
	Total	Foreign Offices			Syn.	Bonds of	S.A.		
	Assets	Lon-	Lux.	South	Loans	Exposure			
	US\$ bn.	don		Africa	US\$ millions				
Scaling 1.0:									
Credit Lyonnaise	\$90.4	B-RB	B	Rep.Of.	\$4	\$27	\$330		
Banque National de Paris	89.0	S-RB	S		4	3	320		
Societe Generale	87.1	B-RB		Branch	4	22	320		
Banque Paribas	56.3	B-RB	S		8	90	200		
Credit Industriel et Commerci	27.9		B				100		
Banque Indosuez	25.9					8	90		
Banque Francaise du Commerce Exterieur	18.5	B-RB		Rep.Of.			70		
Credit Commercial de France	16.8	B-L			10	141	60		
Al UBAF Group (Consortium)	11.2						40		
Banque Worms	4.9			Rep.Of.			15		
Banque L'Union Europeene	4.0	B-RB	A	Rep.Of.			15		
Banque Soc. Finance Europeene	1.6				10		10*		
Table Subtotal	433.7				40	291	1,570		
Table Subtotal as % of Assets							0.36%		
Scaling 0.5:									
Credit Agricole	92.4	B-L					170		
Credit du Nord	10.0	B-L					20		
Table Subtotal	102.4						190		
Table Total	536.1				40	291	1,760		
Country Total (12/84)	- 80%						1,760	Africa Now	
Country Total (12/84)	100%						2,200	Sept. 1985	

## CANADA

In the case of Canada, an unconfirmed report indicates that the total exposure of Canadian banks may be only about US\$150 million. There are only six major Canadian banks, and the approximate exposure of two of them is known. The exposure of the remaining four is obtained by scaling in proportion to their assets

in the Middle East and Africa as given in their 1985 annual reports. This process yields exposures between \$10 million and \$50 million for individual banks. The average exposure of the assets of these six Canadian banks is only 0.07%, which is one-fifth of the U.S. money center banks or about one-seventh of the major German banks' exposure of assets.

BANK	1984	1985 Assets		SURVEY	Estimate	Source-Exposure Information
	Total	Middle East	Africa	Syn. Bonds of	S.A.	
	Assets US\$ bn.	& Africa C\$ millions	Only	Loans	Exposure US\$ millions	
Royal Bank of Canada	64.4				10*	Unconfirmed rpt.
Bank of Montreal	55.4	254			40*	1985 statement
Can. Imperial Bk. Commerce	49.5	213	121		25	
Bank of Nova Scotia	43.6	466			50	
Toronto Dominion	33.6	114	54		15	
National Bank of Canada	14.1	106			10	
Table Total	260.7				150	
Unconfirmed Report of Canadian Bank Exposure: Total amount					150	
% of Bank Assets					0.06%	

## BELGIUM

Two major Belgian banks have been long-standing lenders in South Africa. They are Kredietbank and Banque Bruxelles Lambert. These banks, together with Societe Generale de Banque and European Bank Co., have South African offices and therefore pass the screen described above. These banks are all intimately connected with South Africa, so their exposure is assumed to be as great as that of the major German lenders. Thus in the

accompanying table, their exposure is listed as 0.5% of assets, although Kredietbank's exposure might be doubled to become comparable to the major Swiss banks.

In order to estimate the total exposure of all Belgian banks, these major banks are assumed, as in the case of Germany and France, to have lent 80% of the total Belgian bank exposure. The resulting total country bank exposure is at least \$440 million.

BANK	Bank Information				SURVEY	Estimate	Comments
	1984	Foreign Offices			Syn. Bonds of	S.A. Sources	
	Assets US\$ bn.	Lon-	Lux.	South Africa	Loans	Exposure US\$ millions	
Societe General de Banque	30.3			Branch	15	150	Assume Exposure is 0.5% of asset
Banque Belge Ltd. (U.K.)		S-RB			8		
Banque Belgio-Zairoise		B-RB					
Banque Bruxelles Lambert	21.2	B-RB		Rep.Of.		110	
Kredietbank	15.9		S	Rep.Of.	29 124	> 80	
European Bank Co.	2.7			Rep.Of.	2	15	
Table Total	70.1				37 141	355	
Country Total assuming these 4 banks represnt 80% of total						440	

**REMAINING COUNTRIES OF THE GROUP,**  
**ESPECIALLY JAPAN**

Of the remaining countries, none report the exposures of their banks on a consolidated basis, if at all. The Netherlands report data but aggregate South Africa with the "rest of the world." The only approach, therefore, is to appropriate the bank exposure on a country-by-country basis proportional to the total assets of the international banks in each country. A total of \$3.92 billion of lending from the BIS survey remains unaccounted for and will be apportioned among the banks of these eight countries.

A quick look at the assets of the banks of these eight countries shows that the major lenders are the Japanese banks. Keeping this in mind, the exposures allocated to the other countries will be fairly sensitive to the assumptions about the Japanese bank lending, and two different assumptions will be made about Japanese bank lending to test this sensitivity.

**JAPANESE BANKS:** It is known that Japanese banks are lending, because Bank of Tokyo and Sumitomo were present at the debt rescheduling discussions on February 20, 1986. There is also the statement of the anonymous British banker in the New York Times (8/1/85) indicating that the Japanese were counterbalancing the withdrawals from South Africa by U.S. banks in August 1985. Beyond these facts, their lending is an enigma, for the surveys of Japanese medium- and long-term bank exposure published in the Japan Economic Journal (11/30/82 and 1/25/83) for March 1981 and June and September 1982 show no entry for South Africa. Presumably, at those dates, all lending was short-term, and any long-term lending occurred after that time. In 1981, the Japanese Ministry of International Trade and Industry limited its insurance for Japanese exports to South Africa to a figure "bigger than Y6 billion," or roughly \$30 million, per transaction (J. Andrew Spindler, loc. cit., p. 124). This limitation is similar to the limit imposed by Germany for its own guarantee program.

The following two cases will help bracket the Japanese bank lending:

**Case1:** Assume all 23 Japanese banks which pass the screen are lending and allocate the \$3.92 billion of assets which remains from the BIS total to the remaining eight countries in proportion to the assets of the banks that pass the screen from each country.

**Case2:** Since the Japanese lending is probably primarily short-term, assume that only the 13 Japanese City Banks are lending, and exclude the long-term banks and trust banks. Recalculate the exposures of the banks in each of the eight countries in proportion to the assets of their banks which pass the screen.

The results of these two calculations are give in the table below:

COUNTRY	BANK ASSETS US\$ bil	ALL CASE 1 US\$ mil	CITY BANKS CASE 2 US\$ mil
Austria	51.7	100	140
Denmark	29.7	60	80
Ireland	15.1	30	40
Italy	271.5	530	720
Japan:			
All Banks	1,457.2	2,860	
City Banks	932.4		2,470
Luxembourg	22.4	40	60
Netherlands	95.9	190	250
Sweden	58.2	110	150
Table Totals:			
All Banks	2,001.7	3,920	
City Banks	1,476.9		3,910

The difference between Case 1 and Case 2 for most of the countries is an increase in exposure of 30-40%, while for Japanese banks it represents a decrease of 16%. These two cases present reasonable bounds on Japanese lending. Even with a sizeable increase in the estimated exposure of Belgium or Canada, it is unlikely that the Japanese bank exposure is much less than \$2 billion. The authors feel confident in estimating the Japanese bank exposure in South Africa to be in the range of \$2-3 billion.

The average percentage of bank assets

exposed in South Africa is very reasonable in both cases: 0.20% for Case 1 and 0.26% for Case 2. This is roughly comparable to the exposure of the "other 15" U.S. banks. These lower exposure rates are reasonable since many of the Scandinavian and Dutch banks would probably have low exposures, while the Japanese City Banks would have higher ones.

Finally, in the bank tables, a few estimates of individual bank exposures are made for banks with offices in South Africa. These estimates are based on an exposure of 0.5% of assets, which is comparable to the major German international banks or the U.S. money center banks at the height of their lending.

BANK	Bank Information			SURVEY	Estimate	Comments
	1984	Foreign Offices		Syn. Bonds	S.A. Sources	
	Assets	Lon-	Lux. South	Loans	Exposure	
	US\$ bn.	don	Africa	US\$ millions		

#### AUSTRIA:

Creditanstalt Bankverein	17.7	B-RB		6		
Girozentral u. Bank Osterreichischen Sparkassen	10.1	B-L		5		
Osterreichische Landesbank	9.5			4	11	
Zentral Sparkasse u. Komerzialbank	7.4			3		
Genossenschaftliche-Vienna	6.2				5	
Allgemeine Sparkasse	0.8			4		
Table Total	51.7					

#### DANEMARK:

Den Danske Bank	8.8	B-L	S			
Copenhagen Handelsbank	8.0	B-L	S			
Privatbanken	5.6	S-RB	S			
Sparkassen SDS	4.5	S-RB				
Den Danske Provinsbank	2.5		S			
Table Total	29.7					

#### IRELAND:

Allied Irish Banks	\$ 8.4	BS-RB				
Bank of Ireland	7.7	B-RB				
	15.1					

#### ITALY:

Banca Nazionale del Lavoro	45.9	B-RB	S	\$ 21		
Banca Commerciale Italiana	38.7	B-RB		\$4	11	
Istituto Bancario San Paolo di Torino	31.2	B-L			11	
Cassa di Risparmio delle Provincie Lombarde	31.0	B-L		3		
Credito Italiano	30.4	S-L				
		B-RB				
Monte dei Paschi di Siena	30.3	S-RB				

BANK	Bank Information			SURVEY	Esitmate	Comments
	1984	Foreign Offices		Syn. Bonds	of S.A. Sources	
	Assets	Lon-	Lux. South	Loans	Exposure	
	US\$ bn.	don	Africa	US\$ millions		

#### ITALY (continued):

Banco di Roma	27.6	B-RB	S	Branch		140	
Banco di Sicilia	15.0	B-L			11		
Banca Nazionale dell'Agricol.	12.6	B-L					
Banco di Santo Spirito	8.8	B-L	S				
Table Total	271.5				7	54	

#### JAPAN:

Dai-Ichi Kangyo (CB)	119.1	B-RB					
Fuji Bank (CB)	115.1	B-RB	R				
Sumitomo Bank (CB)	112.7	B-RB			7		At Debt Meeting
Sanwa Bank (CB)	99.2	B-RB					
Industrial Bank of Japan (LT)	77.8	S-L	S				
		B-RB					
Tokai Bank (CB)	76.1	B-RB					
Mitsubishi Bank (CB)	73.6	B-RB				0*	
Mitsui Trust and Banking (TR)	73.6	B-RB					
Bank of Tokyo (CB)	71.4	SB-RB	S	Rep.Of.		360	At Debt Meeting
Long-Term Credit Bank (LT)	65.4	B-RB					
Yasuda Trust & Banking Co (TR)	65.1	B-RB					
Mitsubishi Trust & Banking (TR)	61.7	B-RB					
Taiyo Kobe Bank (CB)	58.7	B-RB	S				
Sumitomo Trust & Banking (TR)	58.0	B-RB					
Mitsui Bank (CB)	54.7	B-RB					
Daiwa Bank (CB)	51.9	B-RB					
Nippon Credit Bank (LT)	40.7	B-RB					
Kyowa Bank (CB)	36.9	B-RB					
Saitama Bank (CB)	34.9	B-RB					
Toyo Trust & Banking (TR)	33.9	B-RB					
Hokkaido Takushoku Bank (CB)	28.1	B-RB					
Bank of Yokohama (RBK)	27.9	B-RB					
Chu Trust & Banking (TR)	20.7	B-RB					
Table Totals:					0	7	
All Banks	1,457.2						
City Banks Only	932.4						

(CB) City Bank; (LT) Long-Term Credit Bank; (TR) Trust Bank; (RBK) Regional Bank

#### LUXEMBOURG:

Bank of Credit & Comm. Int'l	\$14.4	B-L					
Banque Internationale a Lux.	3.9				\$ 2	\$15	
Banque Generale du Lux.	3.7				24	8	\$24*
Banque Populaire Suisse Lux	0.4				3	8	
Societe Financiere Europeene		S-RB					
	22.4				29	21	



BANK	Bank Information			SURVEY	Estimate	Comments
	1984	Foreign Offices		Syn. Bonds	of S.A. Sources	
	Assets	Lon-	Lux. South	Loans	Exposure	
	US\$ bn.	don	Africa	US\$ millions		

#### NETHERLANDS:

Algemeine Bank Nederland	41.4	B-RB	Rep.Of	20	
Amsterdam-Rotterdam Bank	35.2	B-RB	Branch		
Nederlandsch Middenstandsbank	19.3	B-RB			
	95.9			0	20

#### SWEDEN:

Skandinaviska Enskilda Banken	20.3	S-L	S	
Svenska Handelsbanken	17.5	S-L	S	
Post-Och Kreditbanken	16.0			
PK Banken			S	
Gotabanken	4.4	S-L	S	
Table Total	58.2			

#### Notes to Tables:

##### Bank Information:

1984 Assets refer to total assets of the bank holding company

Foreign offices in London, Luxembourg, and South Africa:

R-representative office; B-branch office; S-subsidary; A-associated Company which is less than 50% owned by parent.

Status of London office: RB-recognized bank; L-licensed deposit-taking institution

##### SURVEY:

Syn. Loans refers to the estimated exposure in publicly reported syndicated loans as discussed in Chapter 2 and Appendix A.

Bonds refers to the estimated amount of underwriting of bonds discussed in Chapter 2 and Appendix B

##### Estimate of S.A. Exposure:

Refers to the authors estimate of the exposure of the bank in South African economy. See the text for the details of the estimating technique for each country.

BANK EXPOSURES FOR OTHER COUNTRIES,  
BILATERAL OFFICIAL LENDING, AND  
SUPPLIERS CREDITS

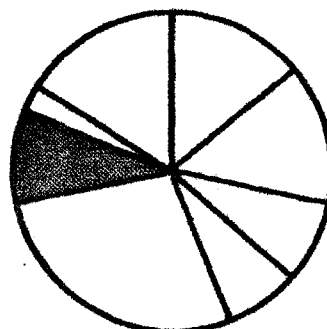
The \$2.2 to \$3 billion of "other" debt represents suppliers' credits and official bilateral lending from around the world, as well as lending from banks in countries other than the 15 countries examined so far in this report. The amount may be greater than the \$2.2 billion shown in Figure 1 in the Introduction for two reasons, both of which deal with the bonds that have been issued. First, the \$3.8 billion of bonds may be overestimated, because some of the bond issues were subject to call prior to maturity and may have already been redeemed. Second, a small percentage of those bonds may be held by banks in their own portfolios and would therefore be double-counted in the bank lending estimates from the BIS and from the central banks of the various countries.

The amount of official lending to South Africa is not known. However, there is no lending by the U.S. government itself or through such U.S. instrumentalities as the Export-Import Bank. Such credits may have been extended by other countries like the U.K., Japan, and Germany.

OTHER BANKS

The accompanying tables include the banks, selected by the screening process described in Chapter 4, whose headquarters are located outside the 15 countries covered by the BIS semi-annual report. Three of them, however, are covered by the BIS quarterly report: Finland, Norway, and Spain. The total exposure for the banks of these three countries cannot be calculated by the difference between the two BIS reports because of the significant differences of the data bases for the two reports. In fact, the total exposure of the banks in the 18 countries listed in the quarterly report is slightly less than the exposure of the banks in the 15 countries given in the semi-annual report.

In this table, banks of another 10



countries are listed in the same form as those in Chapter 4. If the average assets exposed in South Africa for the remaining 8 countries in Chapter 4 are used to calculate the exposure of the banks in these 10 countries, the results are as follows:

COUNTRY	BANK ASSETS	ESTIMATED
	1984 US\$ BILLIONS	BANK EXPOSURE US\$ MILLIONS
Finland	44.0	90
Norway	18.2	40
Spain	68.0	140
Australia	111.3	220
Greece	15.1	30
Hong Kong	59.7	120
Israel	47.1	90
New Zealand	4.5	10
Portugal	10.0	20
Singapore	10.8	20
Table Total	388.7	780

The banks of these ten countries represent about one-third of the \$2.2 billion in this "other" category. Other countries not mentioned in Asia and Latin America could probably push this total bank lending up to over a billion dollars or half of the amount in this category. Thus the official debt and suppliers' credits may amount to \$1-2 billion.

Certain inconsistencies appear in the above table of estimates. These include the fact that over the years, South Africa has been a supplier of credit to Israel,

and therefore the \$90 million exposure of the Israeli banks is probably high or at least balanced by greater liabilities to South Africa.

The exposure of the Norwegian banks may be underestimated. Norwegian ships are known to be transporting materials, especially oil, to South Africa.

According to the Shipping Research Bureau in Amsterdam (2/86), the magnitude of this trade was revealed to the Presiding Bishop, Andreas Aarflot of Oslo by the Norwegian Shipowners Association when the Bishop criticized them for not implementing the oil boycott. The ship owners estimate that a boycott of oil transport would cost them \$150-200 million per year.

COUNTRIES IN THE BIS QUARTERLY REPORT BUT NOT IN THE SEMI-ANNUAL REPORT:

BANK	Bank Information			Survey	Estimate
	Total	Foreign Offices		Syn. Bonds	S.A.
	Assets	Lon-	Lux. South	Loans	Exposure
	US\$ bn.	don	Africa	US\$ millions	

FINLAND:

Kansallis-Osake Pankki	30.2	B-L	S
Union Bank of Finland	9.3	R	S
Postipankki	4.5	S-L	
	44.0		

NORWAY:

Den Norske Creditbank	8.3	S-RB	S		
Christiania Bank og Kredit	6.2		S	Branch	\$30
Bergen Bank	3.7		S		
	18.2				

SPAIN:

Banco de Bilbao	14.7	B-RB		23
Banco de Vizcaya	14.1	B-RB		
Banco Exterior de Espana	13.4	S-RB		
Banco Central	12.9	B-RB		
Banco de Santander	12.9	B-RB		
	68.0			23

OTHER COUNTRIES:

AUSTRALIA:

Westpac Banking Corp	\$30.4	B-RB
Australia & New Zealand Bk.	26.7	B-RB
Grindlays Bank Plc. (U.K.)		S-RB
Commonwealth Bank of Australia	23.7	B-RB
Nat'l Australia Bank	17.4	B-RB
State Bank of Victoria	6.4	B-L
State Bank of New South Wales	4.0	B-L
State Bank of South Australia	2.7	B-L
	111.3	

BANK	Bank Information		SURVEY	Estimate
	Total	Foreign Offices	Syn. Bonds of	S.A.
	Assets	Lon- Lux. South	Loans	Exposure
	US\$ bn.	don Africa	US\$ millions	

#### GREECE:

National Bank of Greece	15.1	B-RB		
-------------------------	------	------	--	--

#### HONG KONG:

Hong Kong & Shanghai Banking	59.7	SB-RB		
------------------------------	------	-------	--	--

#### ISRAEL:

Bank Leumi	20.6	S-RB	Rep.Of.
Bank Hapoalim	19.2	B-RB	Branch
United Mizrahi Bank	4.8	B-L	Rep.Of.
First Int'l Bank of Israel	2.5	S-L	
Table Total	47.1		

#### NEW ZEALAND:

Bank of New Zealand	4.5	B-RB		
---------------------	-----	------	--	--

#### PORTUGAL:

Banco Portugues de Atlantico	4.0	B-RB		
Banco Espirito Santo e Com- mercial de Lisboa	2.8	B-RB		
Banco Totta & Acores	2.6	B-RB		
Banco Pinto & Sotto Mayor	0.6		B	
Table Total	10.0			

#### SINGAPORE:

United Overseas Bank	4.9	B-RB		
Overseas Union Bank	3.0	B-RB		
Overseas-Chinese Banking Corp	2.9	B-RB		
Table Total	10.8			

SYNDICATED LOANS								
OUTSTANDING AS OF SEPTEMBER 1985								
ISSUE DATE	BORROWER	LEAD MANAGER(s)	AMOUNT (mil)	RATE	TERM	OUT-STANDING	OUT-STANDING (\$)	
<u>1979</u>								
XI	ESCOM	Interunion Bque**	\$ 5	1.50%	7/86	0.89	0.89	
<u>1980</u>								
	SATS	Crocker**	\$ 95	—	4/84	Renegotiated		
	ESCOM	Dresdner**	DM 80	.88	7/87	45.71	16.60	
	ABCI	Citicorp	\$ 100	—	5/86	42.86	42.86	
X	South Africa	Barclays Intl**; Citicorp Intl; Cie Lux Dresdner; Credit Comm de France; Union Bk of Switz; Commerzabk; Kredietbk Intl; Standard Ch	\$ 250	.88(2) 1.00(5)	7/87	77.14	77.14	
X	ESCOM	Soditic**	\$ 25	.88(3) .75(2)	5/85	0.80	0.80	
X	ESCOM	Kredietbk Intl**; Credit Comm de France	\$ 50	.75(3) .88(2)	5/85	1.60	1.60	
<u>1981</u>								
	African Explosives & Chem Industry	Chase; Citicorp Intl; Man Han	\$ 100	.88	7/88	42.86	42.86	
	Volkswagen	Chase; Citicorp Intl; Dow Bkngs; First Natl Bk of Boston; Man Han	\$ 50	.75	7/88	21.43	21.43	
III	SA Rail & Harbours	BHF**	DM 65	.75	5/86	7.54	2.74	
III	Standard Bk Import-Export Fin Co	Bque Intl a Lux**	LuxFr300	.75	7/88	110.57	2.07*	
VI	Volkswagen	Kredietbk**	\$ 50	.75	5/86	8.30	8.30	
VII	ESCOM	Deutsche Bk Lux; Cie Lux Dresdner; Commerzabk Intl	DM 100	.75(5)	7/88	41.71	15.15	
VII	Standard Bk Import-Export Fin Co	Bque Soc Financiere Europeenne; Standard Ch	\$ 50	.75	7/88	20.86	20.86	
<u>1982</u>								
I	Dep of Posts & Telecom	Swiss Bank Corp**	SwFr 80	—	4/86	8.40	3.72	
II	ESCOM	Hill Samuel**	\$ 120	—	—	36.00	36.00	
II	ABCI Ltd.	Chase Merch**; Citicorp Intl; Man Han; Lloyds Intl; NatWest	\$ 100	—	7/89	50.02	50.02	

\*\*Lead Manager or Agent; RATE-expressed as % above LIBOR; TERM-Term of loan in years / year in which the loan is paid off; OUTSTANDING in millions of original currency as of September 1985 as calculated by the linearly declining balance method; OUTSTANDING (\$) as of September 1985 converted to millions of dollars.

SYNDICATED LOANS  
OUTSTANDING AS OF SEPTEMBER 1985

<u>ISSUE DATE</u>	<u>BORROWER</u>	<u>LEAD MANAGER(s)</u>	<u>AMOUNT (mil)</u>	<u>RATE</u>	<u>TERM</u>	<u>OUT- STANDING</u>	<u>OUT- STANDING (\$)</u>
III	Dep of Posts & Telecom	Trade Development Bk**	\$ 10	--	--	3.16	3.16
III	Multi-Proj (Pty) Fin for SATS	Bque Belge Ltd**	L 25	--	--	7.90	11.07
III	ESCOM	Bque de l'Indochine et de Suez**	\$ 250	--	--	79.00	79.00
IV	Dep of Posts & Telecom	Commerzbank**	\$ 40	--	--	13.28	13.28
V	ESCOM	Westdeutsche LB**	\$ 100	--	--	35.00	35.00
V	Volkswagen	Kleinwort Benson**	\$ 50	--	--	17.50	17.50
VI	Greater Soweto Council	Deutsche Cie Fin Lux; Cie Lux Dresdner; Union Bk of Switz; NatWest	\$ 160	.88	7/89	87.54	87.54
VII	ESCOM	Westdeutsche LB**	DM 223.8	--	--	85.94	31.21
VII	ESCOM	Westdeutsche LB**	DM 26.2	--	--	10.06	3.65
VII	South Africa	Nedbank**	\$ 200	.75	5/87	76.80	76.80
VIII	SA Breweries Ltd	Man Han; Morgan Guar; Citicorp Intl; Nedbk; NCB; Chase	\$ 100	.75(3) .88(4)	7/89	57.14	57.14
IX	ESCOM	Barclays Natl Bk**	\$ 40	--	--	16.64	16.64
X	ESCOM	Bay. Vereins.**	DM 250	.75(5) .88(2)	7/89	148.57	53.96
X	ESCOM	Volkswagen**	\$ 100	--	--	43.20	43.20
X	ESCOM	Westdeutsche LB**	DM 30	--	--	12.96	4.71
XI	Dep of Posts & Telecom	Robert Fleming & Co.**	L 10	--	5/87	4.50	6.30
XII	Dep of Posts & Telecom	Bque Gen du Lux**	Bfr 500	--	6/88	277.50	4.98
<u>1983</u>							
	Barclays Natl Bk	Citicorp CMG**	\$ 50	.50(2) .63(3)	5/88	30.00	30.00
28 I	ESCOM	Hill Sam; Barclays Intl	\$ 200	.75(4) .88(4) 1.00(2)	10/93	148.40	148.40
28 I	ESCOM	Hill Sam; Barclays Intl	\$ 350	8.50	20/03	304.85	304.85
22 II	Medical University	Crocker**	\$ 16	.63(1) .75(3)	4/87	6.00	6.00
31 III	Dep of Posts & Telecom	Standard Ch**	\$ 10	.75	5/88	5.16	5.16
5 IV	Dep of Posts & Telecom	Kredietbk NV**	\$ 20	.63	3/86	4.40	4.40
1 VIII	ESCOM	Deutsche Cie Fin Lux**	DM 150	--	7/90	107.14	38.91
12 X	ESCOM	Nedbank**	\$ 100	--	5/88	63.20	63.20
17 X	ESCOM	Westdeutsche LB**	DM 50	--	7/90	36.86	13.39
XI	SATS	NatWest**	L 30	--	3/86	12.50	17.51
29 XI	Barclays Natl Bk	Citicorp CMG; Morgan Guar	\$ 140	--	--	91.00	91.00
XII	SATS	Lloyds Intl (sole provider)	L 10	--	--	6.66	9.33

SYNDICATED LOANS  
OUTSTANDING AS OF SEPTEMBER 1985

<u>ISSUE DATE</u>	<u>BORROWER</u>	<u>LEAD MANAGER(s)</u>	<u>AMOUNT (\$mil)</u>	<u>RATE</u>	<u>TERM</u>	<u>OUT-STANDING</u>	<u>OUT-STANDING (\$)</u>
<u>1984</u>							
20 I	South Africa	Union Bk of Switz; Swiss Volksbk; Deutsche (Suisse); Handelsbk; Bca della Svizzera Italiana	SwFr 70	6.00	5/89	49.89	22.11
III	SATS	Crocker**	\$ 45	--	5/89	32.25	32.25
19 III	ESCOM	Barclays Natl Bk (sole provider)	DM 40	--	10/94	34.32	12.46
20 III	ESCOM	Commerzbank**	DM 37	.75(5) .88(2)	7/91	29.49	10.71
27 III	ESCOM	Guinness Mahon**	\$ 50	.63	3/87	26.33	26.33
VI	Dep of Posts & Telecom	Guinness Mahon**; Bca Unione de Credit; Bca Totta y Acores; Bque Belge; Bque de Depots; Bque Populaire Suisse Lux; Cariplo; Dresdner; Intl Comm Bk; LB Schleswig Holstein Intl; Nordfinans; Trust Bk of Africa; Volkskas Intl; Zentralsparkasse und Kommersialbank	\$ 50	.63(3) .75(1)	4/88	35.38	35.38
VI	Gov of Bophuthatswana	Standard Bk of SA; Standard Bk of Bophuthatswana; Barclays Natl; Trust Bk of Africa	\$ 50	--	7/91	41.64	41.64
VII	Dep of Posts & Telecom	Standard Bk of SA; Swiss Volksbank; Osterreichische LB; Allgemeine Sparkasse; Credit Lyonnais; Bque Natl de Paris; Sou Gen; Bca Comm Italiana; Bay. Hypothek.	\$ 42	.63(3) .75(2)	5/89	32.93	32.93
IX	SATS	Guinness Mahon**	L 30	.63(3) .75(2)	5/89	24.48	34.30
X	Rand Water Board	Bque Paribas**	\$ 10	.50(3) .63(2)	5/89	8.32	8.32
XII	ESCOM	Hill Sam**	\$ 40	--	4/88	33.30	33.30
<u>1985</u>							
V	Volkskas Intl Fin Pty	Bque Gen du Lux**	\$ 20	--	--	19.00	19.00
IX	Gov of Bophuthatswana	Kredietbk**	\$ 10	1.00	3/88	10.26	10.26
IX	Liberty Holdings Ltd.	Standard Bk of SA**	L 30	.63	3/88	30.80	43.15

SYNDICATED LOANSSOURCES

Appendix A includes all identifiable medium- and long-term syndicated loans which were issued from 1979-1985 and which would have been outstanding at the time of the debt moratorium. It does not include short-term loans or loans from bilateral or multilateral sources. In addition, Appendix A does not include loans which may have been renegotiated unless specifically indicated in our sources. Therefore it is not by any means an exhaustive list of all syndicated loans made during that period. The authors believe, however, that it is a useful and illustrative sample of the most active South African borrowers, the general terms and conditions of loans to South Africa, and the banks involved in international lending to South Africa.

Various financial publications were used as sources. It is worth noting that this list of syndicated loans is inclusive of and more comprehensive than those syndicated loans listed in the Euromarket Directory put out by Euromoney Publications and Commerzbank. Sources for syndicated loans included in this survey are listed below:

Euromoney, monthly with a special supplement in 6/84

Euromoney Bank Report, 10/85

Euromoney International Euronote and Loan Annual 1984 and 1985

Euromarket Directory. Euromoney Publications and Commerzbank.

Bricks in the Wall: An Update on Foreign Bank Involvement in South Africa by Beate Klein. World Council of Churches.

Bank Loans to South Africa Mid-1982 to End-1984 by Eva Militz. World Council of Churches.

ESTIMATES OF OUTSTANDINGS AT A GIVEN DATE

In estimating the amount outstanding at the time of the September 1985 debt moratorium, it is assumed that the loans were immediately drawn upon and that the

principal has been paid back at a uniform rate. We call this the linearly declining balance (LDB) method. Estimate outstandings may be low since the LDB method does not take into account grace periods or reschedulings. On the other hand, loans in this survey represent commitment to lend and, in reality, the whole or part of a loan may yet be undisbursed. The LDB method assumes total disbursement of the loan. Where length of maturity was not given, we used the average of all the known maturities: years. Exchange rates used for calculation purposes are from the Wall Street Journal, 8/22/85.

ESTIMATES OF BANK PARTICIPATION

A bank's commitment in a loan is usually allotted according to its place in the syndicate, e.g. lead manager, manager, co-manager, participant. In this survey however, it was difficult to apportion the outstanding amount of a loan in this way because of the lack of tombstones. Often only a lead manager was identified. Where more than one bank was identified, it was often difficult to establish the hierarchy. Because of these uncertainties, we used a method based on the assumption that a bank's commitment in a loan would usually fall between \$10-\$30 million, a range suggested in Robert L. McDonald's International Syndicated Loans published by Euromoney Publications. Therefore the estimates of bank participation were reached as follows: where more than one bank was listed, the outstanding amount was divided equally among them. Where only one bank was identified, however, we used the following method: where the amount of the loan was less than or equal to \$25 million, we assigned 100% to the bank; less than or equal to \$50 million, 50%; less than or equal to \$150 million, 20%; greater than \$150 million, 10%.

The amounts attributed to each bank are shown in Chapters 3-5. The author urges the reader to view these amounts as rough estimates and to use the information accordingly.



SOUTH AFRICAN BOND ISSUES  
OUTSTANDING AS OF SEPTEMBER 1985

DATE	BORROWER	LEAD MANAGER/AGENT	AMOUNT	RATE	TERM	REFERENCE
<u>1970</u>						
	ESCOM	Dresdner**	DM 100	8.50	15/85	GBM
	South Africa	Deutsche**	DM 100	8.50	15/85	FAZ 17/8/83 Ref
	ESCOM	Commerzbank**	DM 100	8.00	15/85	GBM
<u>1971</u>						
19 V	ISCOR	Westdeutsche LB**	DM 100	7.75	15/86	GBM
7 VI	ESCOM	—	ECU 20	8.25	15/86	EM 7/71
2 IX	Johannesburg	BHF**; Dresdner*; Credit Comm de France; Deutsche; White, Weld & Co.	DM 80	8.00	15/86	EM 9/71 T
9 XI	South Africa	Deutsche**	DM 100	7.75	15/86	FAZ 17/8/83 Ref
3 XII	ESCOM	—	\$ 20	8.50	15/86	EM 2/72
<u>1972</u>						
26 I	South Africa	—	\$ 25	8.00	15/87	EM 3/72
8 II	Anglo American Corp	N.M. Rothchilds & Sons Ltd**; Bca Comm Italiens; Bque de Paris et des Pays-Bays; Deutsche; Union Bk of Switz; Barclays Intl	\$ 50	7.50	15/87	EM 3/72 T
16 III	ISCOR	Westdeutsche LB**; Commerzbank*; Algemene Bk Nederland NV; Bca Nazionale del Lavoro; Credit Comm de France; Kredietbk SA Lux	DM 100	7.00	15/87	EM 4/72 T
16 VIII	ESCOM	Dresdner**	DM 100	6.25	15/87	FAZ 16/6/83 Ref
5 IX	Johannesburg	BHF**	DM 100	6.25	15/87	EM 11/72
4 XI	South Africa	Deutsche**	DM 100	7.00	15/87	GBM
15 XII	South Africa	—	\$ 25	—	15/87	EM 12/72
<u>1973</u>						
16 III	ISCOR	Westdeutsche**; Commerzbank*; Algemene Bk Nederland; Bca Nazionale del Lavoro; Credit Comm de France; Kredietbk SA Lux	DM 100	7.00	15/88	EM 4/72 T
19 IV	ESCOM	Commerzbank**; Dresdner*; Credit Comm de France; Kredietbk SA Lux; Union Bk of Switz	DM 100	7.00	15/88	EM 5/73 T
23 V	SA Rail & Harbours	Deutsche**	DM 100	7.50	15/88	GBM
26 X	ISCOR	Westdeutsche**; Commerzbank*; Algemene Bk Nederland; Credit Comm de France; Kredietbk SA Lux; Lavoro Bk Finance Co NV	DM 100	8.50	15/88	GBM T

\*\*Lead Manager; \*Agent; RATE in %; TERM—Term in years/year of redemption; REFERENCE—see notes on page 36.

SOUTH AFRICAN BOND ISSUES  
OUTSTANDING AS OF SEPTEMBER 1985

DATE	BORROWER	LEAD MANAGER/AGENT	AMOUNT	RATE	TERM	REFERENCE
<u>1974</u>						
15 II	ESCOM	Citibank**	\$ 15	9.25	15/89	EM 4/74 Ref
<u>1979</u>						
X	Dep of Posts & Telecom	BHF**; Deutsche*	DM 50	8.25	6/85	EM PP
<u>1980</u>						
19 VI	South Africa	Deutsche**; Bque de Paris et des Pays Bas; BHF; Dresdner; Union Bk of Switz	DM 120	9.00	7/87	EM 7/80 T
VII	ESCOM	Norddeutsche LB**	DM 50	9.00	7/87	GBM PP
28 VIII	Standard Bk Import-Export Fin Co	Citicorp Intl**; Standard Ch Merch; Bco de Bilbao; Bque Paribas; Intl Comm Bk; Orion; Sumitomo Fin Intl	\$ 50	FRN	5/85	EM 10/80
5 XI	ESCOM	Dresdner**; Commerzbank*; Barclays; BHF; Credit Comm de France; Credit Lyonnais; Credit Suisse First Boston; Kreditbk Intl	DM 100	9.25	7/87	EM 12/80 T
<u>1981</u>						
	SATS	BHF**	DM 50	10.50	4/85	GBM PP
	SATS	BHF**	DM 20	10.25	4/85	GBM PP
<u>1982</u>						
27 III	ESCOM	---	SwFr 30	8.25	3/85	NZ 25/3/82 PP
V	ESCOM	Dresdner**; Commerzbank; Barclays Merch; Bay. Vereins; BHF; Credit Comm de France; Deutsche; Kreditbk Intl; Union Bk of Switz	DM 100	9.50	8/90	EM 7/82 T
VII	Dep of Posts & Telecom	Deutsche**	DM 75	10.50	5/87	GBM PP
VIII	Standard Bk Import-Export Fin Co	Bay. Hypothek.**	DM 50	10.75	4/86	GBM PP
IX	Johannesburg	BHF**; Bay. Hypothek; Bay.Vereins; Commerzbank; Credit Comm de France; Deutsche; Dresdner; Union Acceptances	DM 50	10.00	4/86	FT 28/9/82 T
15 X	ESCOM	Credit Suisse**	SwFr 60	7.63	4/86	NZ 30/9/82 PP
2 XII	SATS	Deutsche**; BHF*; Bay.Vereins; Commerzbank; Dresdner; Swiss Bk Corp Intl; Union Bk of Switz	DM 100	9.25	5/87	HB 2/12/82 T
9 XII	ISCOR	Union Bk of Switz**	SwFr 50	7.13	3/85	NZ 9/12/82 PP
<u>1983</u>						
14 I	SATS	---	SwFr 100	6.50	3/86	NZ 13/1/83 PP
24 II	ISCOR	Westdeutsche**; Bay. Vereins; Commerzbank; Credit Comm de France; Deutsche; Dresdner; Girozentrale und Bk der Osterreichischen Sparkassen; Kreditbk Intl; Union Bk of Switz	DM 100	9.00	5/88	FT 24/2/83 T

SOUTH AFRICAN BOND ISSUES  
OUTSTANDING AS OF SEPTEMBER 1985

DATE	BORROWER	LEAD MANAGER/AGENT	AMOUNT	RATE	TERM	REFERENCE	
5 III	ESCOM	Swiss Bk Corp.**	SwFr 50	6.50	4/87	NZ 17/2/83	PP
28 III	ESCOM	Commerzbank**; Dresdner*; Bay. Vereins; BHF; Credit Lyonnais; Deutsche; Kreditbk Intl; Swiss Bk Corp Intl	DM 150	8.50	7/90	EM 5/83	T
20 IV	SATS	---	SwFr 50	6.38	4/87	NZ 31/3/83	PP
31 V	ESCOM	Commerzbank**; Bay. Hypothek; Bay. LB; BHF; Credit Comm de France; Credit Lyonnais; Dresdner; Kreditbk Intl; Nedbk; Swiss Bk Corp; Union Bk of Switz	\$ 75	11.50	5/88	EM 6/83	T
31 V	SATS	BHF**; Deutsche*; Bay. Vereins; Commerzbank; Dresdner; Swiss Bk Corp Intl; Union Bk of Switz; Credit Comm de France; Kreditbk Intl	DM 100	8.25	7/90	INT 1/6/83	T
14 VI	Dep of Posts & Telecom	Swiss Bk Corp.**	SwFr 50	6.38	5/88	NZ 5/5/83	PP
VII	Industrial Dev Corp	Union Bk of Switz**	SwFr 30	6.50	5/88	EM 6/84	PP
12 VIII	ESCOM	Union Bk of Switz**	SwFr 50	6.25	5/88	NZ 28/7/83	PP
9 IX	Dep of Posts & Telecom	BHF**; Commerzbank; Deutsche; Kreditbk Intl; Swiss Bk Corp Intl; Bay. Hypothek; Bay. LB; Bay. Vereins; Credit Comm de France; Nedbk	DM 100	9.00	7/90	Millitz	T
6 X	SATS	---	SwFr 50	6.13	7/90	NZ 6/10/83	PP
XII	Standard Bk Import- Export Fin Co Ltd	Standard Bk Invest Corp (UK)**	SwFr 40	6.38	5/88	EM 6/84	PP
21 XII	South Africa	Deutsche**; Dresdner; Union Bk of Switz; Bque Paribas; Bay. Vereins; BHF; Commerzbank; Nedbank	DM 200	8.50	8/91	EM 1/84	T
<u>1984</u>							
	ESCOM	Dresdner**	DM 50	8.38	7/91	GBM	PP
17 I	South Africa	Union Bk of Switz**	SwFr 70	6.00	5/89	NZ 5/1/84	PP
II	Standard Bk Import- Export Fin Co	Soditic Intl**	SwFr 40	6.25	4/88	EM 6/84	PP
III	Transkei (Volksas & Bk of Transkei)	Soditic Intl**	SwFr 9.5	6.25	3/87	Millitz	PP
15 III	ESCOM	Bk Leu**	SwFr 100	6.25	5/89	NZ 1/3/84	PP
28 III	South Africa	Credit Comm de France**; Bque Intie a Lux*; Kreditbk SA Lux*; Bque Gen du Lux SA; Bque Indosuez; Bque Nationale de Paris; BHF; Genossenschaftliche Zentralbk; Hill Sam; Nedbk; Soc Gen; Swiss Bank Corp Intl	Ecu 40	11.25	15/99	INT 11/4/84	T
30 III	South Africa	Dresdner**; Bque Paribas; Soditic (Jersey)	\$ 75	+19	5/89	EM 5/84	T
IV	SATS	BHF**	DM 50	8.00	7/91	GBM	PP
9 IV	ESCOM	Dresdner**; Commerzbank*; Bay. Hypothek; BHF; Credit Comm de France; Credit Suisse Firer Boston; Deutsche; Kreditbk NV; Westdeutsche; Nedbank	DM 100	8.00	8/92	INT 10/4/84	T
10 IV	Dep of Posts & Telecom	Swiss Bk Corp**	SwFr 70	6.38	6/90	NZ 10/4/84	PP
27 IV	SATS	Union Bk of Switz**	SwFr 75	6.13	5/89	NZ 29/3/84	PP

SOUTH AFRICAN BOND ISSUES  
OUTSTANDING AS OF SEPTEMBER 1985

DATE	BORROWER	LEAD MANAGER/AGENT	AMOUNT	RATE	TERM	REFERENCE
V	Standard Bk Import-Export Fin Co	Standard Ch Merch**; Citicorp Intl; Continental Ill; J. Henry Schroder Wagg; Bque Paribas; Hambros; Sarasin Intl Sec; Soc Gen; Swiss Bk Corp Intl; Union Bk of Switz; Westdeutsche LB; Bco de Bilbao	L 50	+.25	8/92	EM 6/84 PP
4 V	Premier Group	Citicorp Intl**; Bque Indosuez; Barclays Natl; Men Hani; Nedbk; N.M. Rothschild & Sons Ltd.; Std Bk of SA; Swiss Bk Corp; Union Bk of Switz; Volkskas	\$ 50	+.38	5/89	EM 7/84 T
VI	Industrial Dev Corp	Dresdner**; Commerzbank; Bay. LB	DM 50	8.38	7/91	Millitz PP
VI	Industrial Dev Corp	Union Bk of Switz**; Nedbank Fin	SwFr 50	6.38	6/90	Millitz PP
29 VI	South Africa	Swiss Bk Corp**; Nedbank Fin	SwFr 100	6.38	6/90	NZ 21/6/84 PP
15 VI	Dep of Posts & Telecom	BHF**; Bay. Vereins; Commerzbank; Deutsche; Dresdner; Kreditbk Intl; Swiss Bk Corp Intl; Bay. Hypothek; Bay. LB; Credit Comm de France; Nedbank	DM 150	8.38	7/91	INT 18/6/84 T
VII	South Africa	Hambros**; Hill Sam; N.M. Rothschild & Sons; Bque Indosuez; Bque Paribas; Credit Comm de France; Credit Suisse First Boston; Swiss Bk Corp Intl; Trust Bk of Africa (London)	L 40	12.50	5/89	INT 6/7/84 T
12 IX	ESCOM	Commerzbank**; Dresdner*; Bay. Vereins; BHF; Credit Lyonnais; Deutsche; Kreditbk Intl; Nedbk Intl; Union Bk of Switz; Westdeutsche	DM 100	8.25	8/92	FAZ 12/9/84 T
13 IX	ESCOM	Credit Suisse**	SwFr 100	6.38	6/90	NZ 16/8/84 PP
4 X	Dep of Posts & Telecom	Credit Comm de France**; Bque Intle a Lux*; Kreditbk Intl*; Bque Gen du Lux SA; Bque Indosuez; BBL Intl (UK); BHF; Commerzbank; Creditanstalt-Bankverein; Dresdner; Hill Sam; Soc Gen; Soc Gen de Bque SA; Swiss Bk Corp Intl; Trust Bk of Africa (London); Union Bk of Switz	Ecu 40	11.63	15/99	FM 2/11/84 T
XI	Standard Bk Import-Export Fin Co	Soc Gen**; Bco de Bilbao; Bco di Sicilia; Bque Intle a Lux; Instituto Bancario San Paolo di Torino; Osterreichische Landerbk; Soc Gen de Banque SA	\$ 75	+.25	7/91	EM 1/85 PP
16 XI	SATS	Deutsche**; BHF*; Bay. Vereins; Commerzbank; Dresdner; Swiss Bk Corp Intl; Union Bk of Switz	DM 100	7.63	8/92	HB 16/11/84 T
12 XII	SATS	Union Bk of Switz**	SwFr 90	6.38	6/90	NZ 22/11/84 PP
14 XII	South Africa	Deutsche**; Commerzbank; Dresdner; Union Bk of Switz; Bque Paribas; Bay. LB; BHF; Westdeutsche; Nedbank	DM 250	7.75	8/92	EM 2/85 T
<u>1985</u>						
	ESCOM	Dresdner**	DM 150	8.25	8/93	GBM
16 I	South Africa	Union Bk of Switz**	SwFr 55	6.25	6/91	NZ 10/1/85 PP
31 I	Genbel Finance BV	Dresdner**; Bay. Vereins; Commerzbank; Westdeutsche LB; Bque Indosuez; Bque Intle a Lux SA; Credit Comm de France; Kreditbk Intl; N.M. Rothschild & Sons; Union Bk of Switz	DM 100	8.00	6/91	FAZ 1/2/85 T
22 II	Dep of Posts & Telecom	Swiss Bk Corp	SwFr 100	6.13	6/91	NZ 17/1/85 PP

SOUTH AFRICAN BOND ISSUES  
OUTSTANDING AS OF SEPTEMBER 1985

DATE	BORROWER	LEAD MANAGER/AGENT	AMOUNT	RATE	TERM	REFERENCE
15 II	ESCOM	Commerzbank**; Union Bk of Switz*; Bque Indo- gues; Bque Intle a Lux SA; Bque Paribas Capital Mts; Bay. Hypothek; Bay. LB; Bay. Vereins; Creditanstalt-Bankverein; Credit Comm de France; Credit Lyonnais; Credit Suisse First Boston; Dresdner; Goldman Sachs Intl; Hill Sam; Kleinwort Benson; Kreditbk Intl; Morgan Stanley Intl; NedbkIntl; N.M. Rothschild & Sons; Swiss Bk Corp	\$ 75	12.25	6/91	Milita T
28 II	SATS	Credit Comm de France**; Kreditbk Intl*; Bca Comm Italiana; Bque Gen du Lux; Bque Indosuez; Bque Intle a Lux; Bque Paribas Capital Mts; BBL Intl (UK); BHF; Deutsche; Dresdner; Europa- an Banking Co Ltd; Genossenschaftliche; Hambros; Hill Sam; Soc Gen de Bque; Swiss Bk Corp Intl; Trust Bk of Africa; Union Bk of Switz	Ecu 50	10.38	15/00	EM 4/85 T
7 III	Local Auth Loans Fund Board (Pretoria)	Bay. Vereins**; BHF; Commerzbank; Dresdner; Vereins-und Westbk; Bca della Svizzera Italiana; Bque Populaire Suisse SA Lux; Wirtschafts-und Privatbk; Trust Bk of Africa; Volksbank Merchant	DM 75	8.13	5/90	NB 26/3/85 PP/T
IV	Industrial Dev Corp of South Africa	Commerzbank**	DM 50	8.25	7/92	GBM PP
11 IV	ESCOM	Dresdner**; Commerzbank; Barclays Merchant; Bay. Hypothek; Bay. Vereins; BHF; Credit Comm de France; Deutsche; Kreditbk Intl; Nedbank Intl; Swiss Bk Corp Intl; Westdeutsche LB	DM 200	8.25	8/93	EM 5/85 T
30 IV	South Africa	Commerzbank**; Union Bk of Switz*; Bque Indo- gues; Bque Populaire Suisse SA Lux; Bay. LB; Bay. Vereins; BHF; Credit Comm de France; Deutsche; DG Bk Deutsche Genossenschaftsbk; Nedbk Intl; N.M. Rothschild & Sons; Swiss Bk Corp Intl; Westdeutsche LB	\$ 75	12.50	6/91	NB 30/4/85 T
V	ESCOM	Credit Comm de France**	Ecu 50	10.75	5/90	NZ 29/4/85 PP
V	ESCOM	Credit Comm de France**	Ecu 50	+2.25	5/90	NZ 29/4/85 PP
28 V	SATS	Swiss Bk Corp**	SwFr 50	6.38	5/90	NZ 25/4/85 PP
14 VI	SATS	Deutsche**; BHF*; Commerzbank; Dresdner; Swiss Bk Corp Intl; Union Bk of Switz; Bay. Hypothek; Bay. Vereins; Credit Comm de France; Kreditbk NV	DM 150	8.00	8/93	EM 7/85 T
VII	ESCOM	Swiss Bk Corp Intl	L 40	12.25	5/90	EM 9/85
11 VII	Dep of Posts & Telecom	Deutsche**; BHF*; Bay. Vereins; Commerzbank; Dresdner; Kreditbk NV; Swiss Bk Corp Intl; Bay. Hypothek; Bay. LB; Credit Comm de France; Nedbank Intl	DM 100	7.75	5/90	EM 8/85 T
11 VII	Dep of Posts & Telecom	Deutsche**; BHF*; Bay. Vereins; Commerzbank; Dresdner; Kreditbk NV; Swiss Bk Corp Intl; Bay. Hypothek; Bay. LB; Credit Comm de France; Nedbank Intl	DM 100	8.00	8/93	EM 8/85 T
12 VII	ESCOM	Union Bk of Switz**; Commerzbank*	\$ 100	11.50	6/91	EM 8/85 T
19 VII	AECI Ltd.	Dresdner**; Commerzbank*; Bay. Hypothek; Kreditbk Intl; Union Bk of Switz	DM 80	8.13	6/91	EM 8/85 PP/T

BOND ISSUESSOURCES

Appendix B includes all identifiable bonds which were issued from 1970-1985 and which would have been outstanding at the time of the September 1985 debt moratorium. It is not by any means an exhaustive list of all bonds issued during that period. For example, in Appendix B there are no bonds listed between 1975-1978. There were, in fact, bonds issued during this period, but they were few in number largely due to a market weakened by the oil crisis and to a loss of confidence in South Africa following the 1976 Soweto riots. In addition, the South African bonds that were issued in this period had maturities of 3-5 years and were assumed to be no longer outstanding at the time of the debt moratorium.

Where a tombstone is available (indicated by "T"), it is usually found in the reference listed for that particular bond issue. Private placements (indicated by "PP") are seldom publicized through tombstones. Various financial publications were used as sources. It is worth noting that our listing of bond issues here is inclusive of and more comprehensive than the listings in the Euromarket Directory put out by Euromoney Publications. Sources for bond issues included in this survey are listed below:

- EM - Euromoney, monthly with special supplement in 6/84 issue Euromarket Directory. Euromoney Publications and Commerzbank.
- FAZ - Frankfurter Allgemeine Zeitung
- FM - Financial Mail
- FT - Financial Times
- GBM - German Bond Markets by Uta Kempf. Euromoney Publications.
- HB - Handelsblatt
- IHT - International Herald Tribune
- Militz - Bank Loans to South Africa Mid-1982 to End-1984 by Eva Militz. World Council of Churches.
- NZ - Neue Zuercher Zeitung

ESTIMATES OF BANK PARTICIPATION

Because of the placement of bonds with investors, it cannot safely be said that the banks themselves hold any part of the debt. In this table, estimates were made only of the extent to which banks participated in a bond issue through their underwriting commitment. Estimates of bank participation were reached by dividing the total amount among the banks in the management group. Where only the lead manager is given, the total amount was divided by 6 (the average number of managers listed on the available tombstones), with the proportionate amount attributed to the one known lead manager. Exchange rates used for calculation purposes are from The Wall Street Journal, 12/31/85.

## APPENDIX C

### SOURCES

#### BANK EXPOSURE DATA BY REGION OR COUNTRY:

##### Bank for International Settlements:

International Banking Developments, quarterly survey of banks aggregated for Austria, Belgium, Luxembourg, Finland, France, Fed. Rep. Germany, Ireland, Italy, Netherlands, Norway, Spain, Sweden, Switzerland, United Kingdom, Canada, Japan, and U.S., plus offshore centers: Bahamas, Bahrain, Cayman Islands, Netherland Antilles, and Singapore. Reporting is based on geographic area and not on where head office is located. Includes cross-border data to bank's own offices outside reporting area.

The Maturity Distribution of International Bank Lending, Semi-annual survey of banks headquartered together with their foreign offices and subsidiaries world-wide on a consolidated basis plus banks with head offices outside the reporting area have their exposure reported for offices inside the reporting area. Reporting area is Austria, Belgium, Luxembourg, France, Fed. Rep. Germany, Ireland, Italy, Netherlands, Sweden, Switzerland, United Kingdom, Canada, Japan, and U.S.

##### UNITED STATES:

Country Exposure Lending Survey, Statistical Release E.16 (126) of the Federal Financial Institutions Examinations Council. Published quarterly giving aggregate data for nine money center banks, "other 15" and rest of surveyed banks on a consolidated basis with foreign branches and affiliates.

Federal Reserve Bulletin, Table 3.18 gives dollar exposures of banks in the U.S. only, not their foreign branches or affiliates.

##### UNITED KINGDOM:

Bank of England, Quarterly Bulletin:

Table 14: Exposure of U.K. monetary sector and other financial institutions. Includes foreign banks and banks branches in the U.K.

Table 15: U.K.-registered monetary sector institutions and their branches and subsidiaries world-wide. Includes British-owned banks, consortium banks, and overseas banks registered in the U.K.

##### FEDERAL REPUBLIC OF GERMANY:

Statistische Beihefte zu den Monatsberichten der Deutschen Bundesbank, Series 3: Zahlungsbilanzstatistik.

Table 7d: Exposure of domestic offices of German banks.

Table 8b: Exposure of foreign offices of German banks.

Table 9b: Exposure of foreign subsidiaries of German banks.

##### NETHERLANDS:

De Nederlandsche Bank N.V., Quarterly Bulletin, aggregates South Africa with rest of world.

##### IRELAND:

Central Bank of Ireland, Quarterly Bulletin, Table C5: Exposure booked on domestic offices within Ireland only.

##### OFFICIAL SOURCES FOR BOND ISSUES:

Federal Republic of Germany: Statistische Beihefte zu den Monatsberichten der Deutschen Bundesbank, Series 2: Wertpapierstatistik. Lists all bond issues by foreign institutions both public and private placements in Table 12 or 12b.

Switzerland: Schweizerische Nationalbank, Monthly Bulletin, Table 29 lists public bond issues of foreign institutions. Does not report private placements.