

# Overseas Lending to Russia Between July and September Slid by \$11 Billion

By [The Moscow Times](#)

January 21, 2015



A sheet of United States one dollar bills is seen on a light table during production at the Bureau of Engraving and Printing in Washington.

Lending to Russia by overseas banks slumped by \$11 billion between July and September last year and lending to Ukraine fell by \$2.3 billion as political and economic tension in the region increased, lending data showed.

International banks reduced their lending to Russia in the year to the end of September by \$46 billion, or 19 percent, to \$196 billion, after risk-based adjustments, according to data released on Tuesday by the Bank for International Settlements. The BIS data track cross-border lending by banks.

Banks cut lending to Ukraine by \$7 billion in the year to the end of September, or 28 percent, to \$18 billion, the BIS data showed.

Tensions in the region escalated last year after Russia annexed the Black Sea peninsula of Crimea from Ukraine in March, which pushed relations between Moscow and the West to their lowest point since the Cold War.

Western nations have imposed sanctions on Moscow, accusing it of sending troops and tanks to back pro-Russian rebels fighting to break away from Ukraine. Russia denies the charges.

European banks accounted for three-quarters of outstanding loans to Russia and more than 90 percent of the lending to Ukraine.

French banks had the largest loans to Russia at \$44 billion, followed by Italian and U.S. banks at \$27 billion and \$25 billion, respectively.

The BIS said lending to emerging markets in Europe fell by \$17 billion in the third quarter, the sixth consecutive quarterly decline, mainly due to the fall in loans to Russia.

Worldwide cross-border lending rose by \$493 billion between July and September, led by lending to Japan.

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