



Financial System of United Kingdom

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Financial Institutions



Financial Institutions: Banks

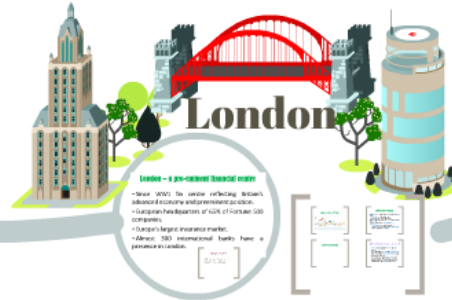
Banking started in 16th century, 5 dominant leaders, 90% of loans in SMEs.

- Hongkong and Shanghai Banking Corporation (HSBC)
- Barclays PLC
- Royal Bank of Scotland Group
- Lloyds Banking Group
- Standard Chartered PLC
- Citicorp bank of England

Financial Institutions: NBFCs

Non-Banking Financial Companies (NBFCs) are regulated by Reserve Bank of India (RBI). They provide financial services similar to banks but are not banks. They are not allowed to accept deposits from the public.

Introduction to UK	UK Economy	UK Banking	UK Finance	UK Insurance	UK Pensions
UK History	UK GDP	UK Money	UK Assets	UK Liabilities	UK Risks
UK Money	UK Assets	UK Liabilities	UK Risks	UK Pensions	UK Insurance



London - a global financial center

- Home to 100+ international banks, home to a permanent London.
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US Crisis 2008



Financial Crisis 2008

- Subprime mortgage crisis
- Lehman Brothers collapse
- AIG bailout
- TARP
- Bailout of Bear Stearns
- Bailout of Citigroup
- Bailout of Bank of America
- Bailout of GM
- Bailout of Chrysler
- Bailout of Ford
- Bailout of GM
- Bailout of Chrysler
- Bailout of Ford



2009

2009

- Global financial crisis
- Lehman Brothers collapse
- AIG bailout
- TARP
- Bailout of Bear Stearns
- Bailout of Citigroup
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BREXIT 2016



BREXIT	BREXIT Current Scenario
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LIBOR 2012



LIBOR 2012

- London Interbank Offered Rate (LIBOR) is a benchmark interest rate for various currencies.
- LIBOR is used as a reference rate for many financial instruments.
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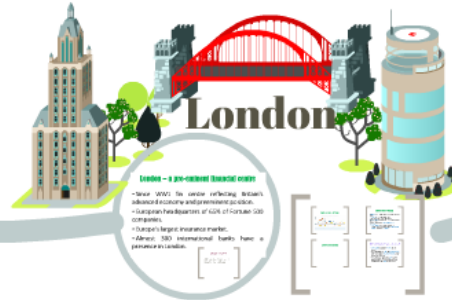
Financial Institutions



Financial Institutions: Banks
Banking started in 16th century.
5 dominant leaders: 90% of loans in UK.
- Hongkong and Shanghai Banking Corporation (HSBC)
- Barclays PLC
- Royal Bank of Scotland Group
- Lloyds Banking Group
- Santander UK and IFC
- Citicorp bank of England

Financial Institutions: NBFCs
Non-Banking Financial Companies
- Offer various financial services like insurance, mutual funds, etc.
- Not regulated by RBI.
- Regulated by IRDA, SEBI, etc.
- Example: Bajaj Finance, etc.

Introduction to UK - Population: 63 million - GDP: £2.1 trillion - Major cities: London, Manchester, Birmingham, etc.	Banking - Major banks: HSBC, Barclays, RBS, etc. - Central Bank: Bank of England	Monetary Policy - Target: 2% inflation - Instruments: Open market operations, etc.	QUICK FACTS - GDP: £2.1 trillion (2016) - Population: 63 million - Major cities: London, Manchester, Birmingham, etc.	Exchange Rate - GBP vs USD: 1 GBP = 1.30 USD - GBP vs EUR: 1 GBP = 0.75 EUR	Major Companies - HSBC, Barclays, RBS, etc. - Lloyds Banking Group, etc.
Structure of Finance - Prudential, etc. - Regulated by FCA, PRA, etc.	Monetary Policy - Target: 2% inflation - Instruments: Open market operations, etc.	Exchange Rate - GBP vs USD: 1 GBP = 1.30 USD - GBP vs EUR: 1 GBP = 0.75 EUR	UK and EU - UK is a member of EU. - UK is a member of G7, G20, etc.	UK Financial System - Major banks: HSBC, Barclays, RBS, etc. - Lloyds Banking Group, etc.	Financial Crisis 2008 - Subprime mortgage crisis - Lehman Brothers collapse - Global financial crisis



London - a global financial center
- Home to major financial institutions.
- Major stock exchanges: LSE, etc.
- Major insurance market.
- Home to 100 international banks.

US Crisis 2008



Financial Crisis 2008
- Subprime mortgage crisis
- Lehman Brothers collapse
- Global financial crisis



2009
- Global financial crisis
- Eurozone debt crisis
- Lehman Brothers collapse

BREXIT 2016



BREXIT - UK leaves the EU - Referendum result: 52% in favor of Brexit	BREXIT Current Scenario - UK is in a transition period - Negotiating withdrawal terms
BREXIT Impact - Economic uncertainty - Currency fluctuations	BREXIT vs EU Value - UK GDP growth vs EU - Trade relations

LIBOR 2012



LIBOR Scandal 2012
- Manipulation of interest rates
- Bank of England investigation
- Fines imposed on banks

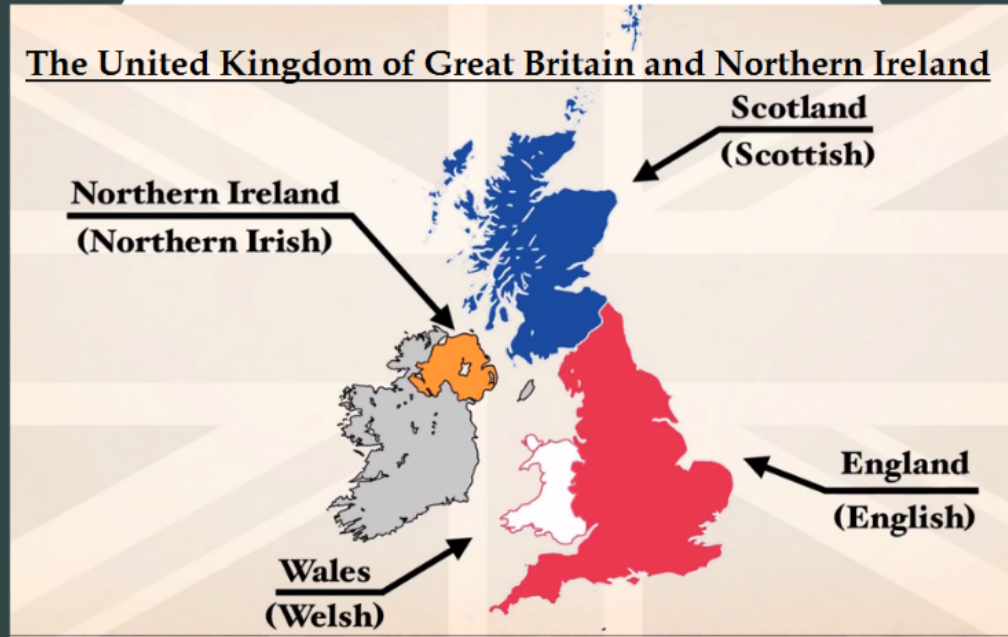
The United Kingdom of Great Britain and Northern Ireland

Northern Ireland
(Northern Irish)

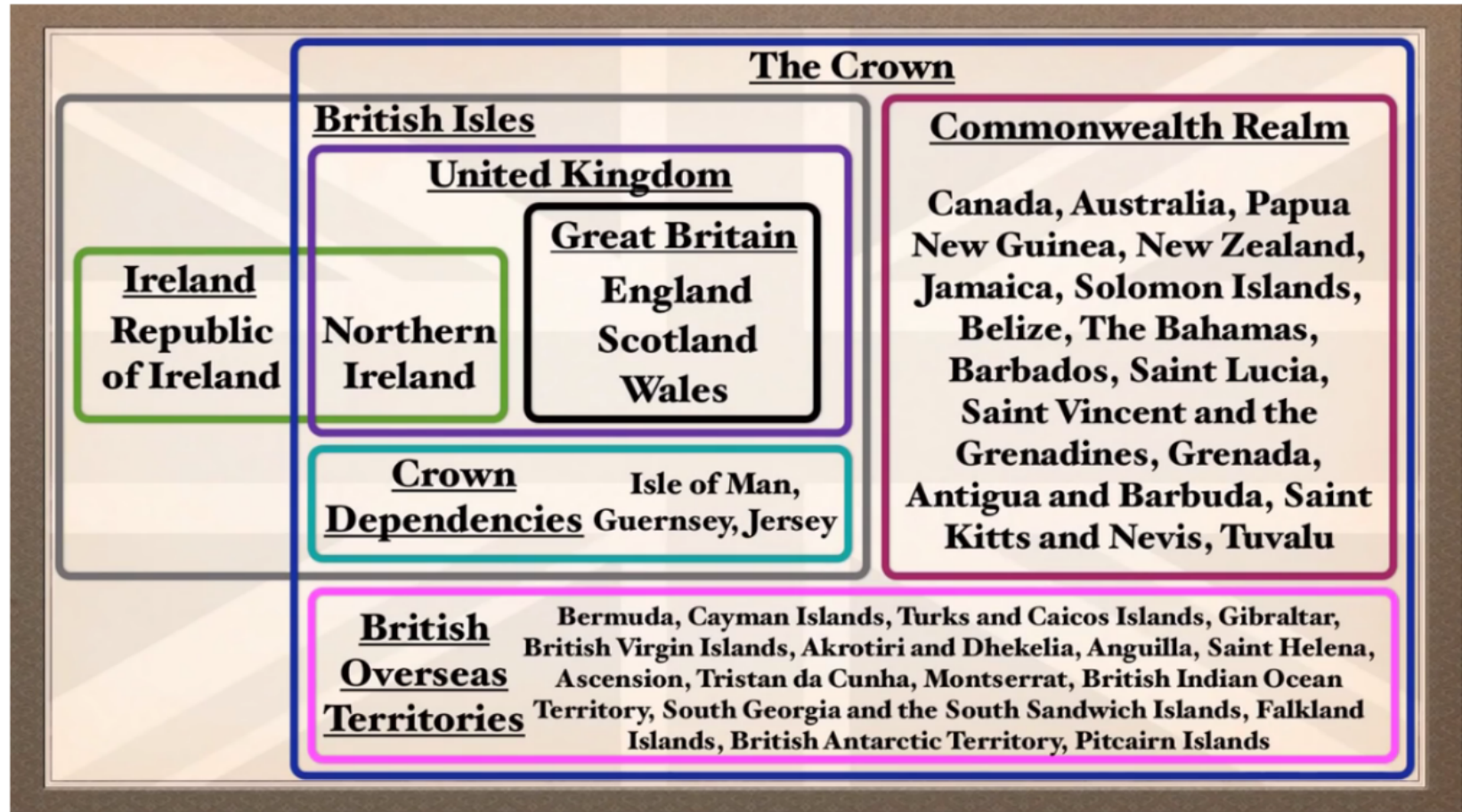
Scotland
(Scottish)

England
(English)

Wales
(Welsh)



Territories under The Crown



QUICK FACTS

OFFICIAL NAME : United Kingdom of Great Britain and Northern Ireland

FORM OF GOVERNMENT: Constitutional monarchy with two legislative houses (House of Lords; House of Commons)

HEAD OF STATE - Sovereign: Queen Elizabeth II

HEAD OF GOVERNMENT- Prime Minister: Theresa May

CAPITAL- London

QUICK FACTS

MONETARY UNIT- pound sterling (£)
1 British Pound equals 1.25 US Dollar*

POPULATION- (2016 est.) 65,630,000 (About 3 times the population of Australia)

URBAN-RURAL POPULATION

Urban: 82.3%

Rural: 17.7%

*as on 5/2/17

QUICK FACTS

GDP: \$2.65 trillion (2016) **World**
No. 5

GDP by sector:

Agriculture: 0.6%

Construction: 6.4%

Production: 14.6%

Services: 78.4%

Interesting facts about UK

- London eye
- England is 74 times smaller than USA.
- Champagne
- Soccer, Rugby, Cricket, Golf and Polo
- James Bond code “007”
- London hosted the 2012 Olympics (3rd time)