

41. Guarantees and other commitments

This balance is analysed as follows:

| | (Thousands of euros) | |
|---|----------------------|--------------------|
| | 2018 | 2017 |
| Guarantees granted | | |
| Guarantees | 3,242,423 | 2,966,103 |
| Stand-by letter of credit | 67,103 | 42,133 |
| Open documentary credits | 264,222 | 293,752 |
| Bails and indemnities | 139,345 | 190,303 |
| Other liabilities | 108,850 | 168,760 |
| | 3,821,943 | 3,661,051 |
| Commitments to third parties | | |
| Irrevocable commitments | | |
| Irrevocable credit lines | 1,188,515 | 1,320,999 |
| Securities subscription | 97,159 | 105,341 |
| Other irrevocable commitments | 113,633 | 110,446 |
| Revocable commitments | | |
| Revocable credit lines | 4,222,553 | 4,180,826 |
| Bank overdraft facilities | 542,389 | 663,624 |
| Other revocable commitments | 93,152 | - |
| | 6,257,401 | 6,381,236 |
| Guarantees received | 19,924,548 | 21,792,044 |
| Commitments from third parties | 9,357,320 | 10,679,342 |
| Securities and other items held for safekeeping | 51,939,148 | 53,314,176 |
| Securities and other items held under custody by the Securities Depository Authority | 61,622,103 | 59,748,170 |
| Other off balance sheet accounts | 120,782,241 | 123,817,080 |

The guarantees granted by the Bank may be related to loans transactions, where the Group grants a guarantee in connection with a loan granted to a client by a third entity. According to its specific characteristics it is expected that some of these guarantees expire without being executed and therefore these transactions do not necessarily represent a cash-outflow. The estimated liabilities are recorded under provisions (note 36).

Stand-by letters and open documentary credits aim to ensure the payment to third parties from commercial deals with foreign entities and therefore financing the shipment of the goods. Therefore the credit risk of these transactions is limited since they are collateralised by the shipped goods and are generally short term operations.

Irrevocable commitments are non-used parts of credit facilities granted to corporate or retail customers. Many of these transactions have a fixed term and a variable interest rate and therefore the credit and interest rate risk is limited.

The financial instruments accounted as Guarantees and other commitments are subject to the same approval and control procedures applied to the credit portfolio, namely regarding the analysis of objective evidence of impairment, as described in the accounting policy in note 1 B). The maximum credit exposure is represented by the nominal value that could be lost related to guarantees and commitments undertaken by the Bank in the event of default by the respective counterparties, without considering potential recoveries or collaterals.

42. Assets under management and custody

The Bank provides custody, trustee, corporate administration, investment management and advisory services to third parties, which involve the Group making allocation and purchase and sale decisions in relation to a wide range of financial instruments. For certain services are set objectives and levels of return for assets under management and custody. There is no capital or profitability guaranteed by the Bank in these assets. Those assets held in a fiduciary capacity are not included in the financial statements.

The total assets under management and custody are analysed as follows:

| | (Thousands of euros) | |
|----------------------|----------------------|-------------------|
| | 2018 | 2017 |
| Assets under deposit | 48,235,366 | 49,282,175 |
| Wealth management | 2,140,906 | 1,920,244 |
| | 50,376,272 | 51,202,419 |