

46. Guarantees and other commitments

This balance is analysed as follows:

	(Thousands of euros)	
	2018	2017
Guarantees granted		
Guarantees	4,306,184	3,913,735
Stand-by letter of credit	81,249	60,991
Open documentary credits	300,020	375,384
Bails and indemnities	139,345	191,613
	4,826,798	4,541,723
Commitments to third parties		
Irrevocable commitments		
Term deposits contracts	-	17,322
Irrevocable credit lines	3,267,453	3,400,460
Securities subscription	97,159	106,419
Other irrevocable commitments	114,829	111,605
Revocable commitments		
Revocable credit lines	4,077,379	4,027,811
Bank overdraft facilities	552,307	612,248
Other revocable commitments	109,535	50,679
	8,218,662	8,326,544
Guarantees received	24,061,727	26,084,077
Commitments from third parties	9,411,635	11,031,241
Securities and other items held for safekeeping	64,887,064	67,670,271
Securities and other items held under custody by the Securities Depository Authority	65,566,396	62,485,697
Other off balance sheet accounts	126,252,374	129,631,680

The guarantees granted by the Group 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 39).

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 are 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 C). The maximum credit exposure is represented by the nominal value that could be lost related to guarantees and commitments undertaken by the Group in the event of default by the respective counterparties, without considering potential recoveries or collaterals.