

INCORPORATION OF STATISTICAL TABLES PREVIOUSLY PUBLISHED BY THE BANKING, FINANCE AND INSURANCE COMMISSION

INTRODUCTION

Starting with this edition of the Statistical Bulletin, the Bank will be publishing statistics compiled by the Banking, Finance and Insurance Commission (BFIC). The information contained herein was previously published by the BFIC on a six-monthly basis in printed form¹ and on its website (<http://www.cbfa.be>). Following this inclusion, the structure and content of chapters 14 and 17 of both the Statistical Bulletin and the corresponding material in the Belgostat Online database (<http://www.belgostat.be/>) of the Bank, have been extensively revised in order to best meet the requirements of different users. The principle adopted has been to include in the Statistical Bulletin the summary tables relating to the different sectors concerned while the detailed tables will be included in Belgostat Online. The information in the BFIC tables which is supplementary to that already contained in certain tables in the Statistical Bulletin has been directly incorporated into the Bulletin's existing tables.

At the same time the structure of the tables regarding the loans granted and the deposits held with the credit institutions has been adjusted.

In short, the Statistical Bulletin's new structure for the chapters concerned is as follows:

Chapter 12: National financial accounts of Belgium

Chapter 13: Monetary financial institutions

- 13.1 Eurosystem
- 13.2 Monetary financial institutions, non-consolidated data
- 13.3 Credit institutions, consolidated data

Chapter 14: Other financial intermediaries and financial auxiliaries

- 14.1 Collective investment undertakings
- 14.2 Investment companies

Chapter 17: Capital market

- 17.1 Fixed-income securities
- 17.2 Shares and other equity

The remainder of this article will describe in greater detail the changes that have been made, chapter by chapter.

¹ Banking and Finance Commission, "Statistics" series.

CHAPTER 12: NATIONAL FINANCIAL ACCOUNTS OF BELGIUM

This chapter corresponds to the former chapter 13 in the Bulletin. None of the tables in this chapter have been changed. The only amendments have been to the numbering.

CHAPTER 13: MONETARY FINANCIAL INSTITUTIONS

The former chapter 14, which was dedicated to financial institutions, has been split in two: chapter 13 shows the statistics relating to monetary financial institutions while chapter 14 is devoted to other financial intermediaries and financial auxiliaries.

It should be noted that, in accordance with the ESA 1995, the monetary financial institutions (MFIs), covered by chapter 13, comprise the sub-sector 'the central bank' and the sub-sector 'other monetary financial institutions'², namely credit institutions and monetary collective investment undertakings (CIU).

There are three separate parts to this chapter. The first part is dedicated to the Eurosystem, i.e. the body comprising the European Central Bank and the national central banks of the euro area countries. The second part contains statistics concerning monetary financial institutions, presented on a non-consolidated basis; either on a territorial basis, i.e. the transactions and positions of MFIs situated in Belgium, either on a corporate basis, i.e. the transactions and positions of business for the whole corporation. And finally, the third part shows statistics for credit institutions comprised on a consolidated basis, i.e. the transactions and positions of businesses included within the scope of consolidation at credit institution level.

The detailed layout of the chapter is now as follows:

13.1 Eurosystem

13.1.1 *Consolidated weekly financial statement of the Eurosystem (formerly table 14.2.1)*

13.2 Monetary financial institutions, non-consolidated data

13.2.1 *National Bank of Belgium*

13.2.1.1 *Monthly financial statement of the National Bank of Belgium (formerly table 14.2.2)*

13.2.1.2 *Balance sheet of the National Bank of Belgium before distribution of profit (from 1999 onwards) (formerly table 14.2.4)*

13.2.2 *Credit institutions*

13.2.2.1 *Structure*

This table was previously published by the BFIC under reference 1.2. It shows the number of credit institutions classified by nationality.

13.2.2.2 *Balance sheets of the credit institutions as a whole, data on corporate basis (formerly table 14.5.1)*

13.2.2.3 *Off-balance-sheet items of credit institutions as a whole, data on corporate basis (formerly table 14.6.1)*

13.2.2.4 *Profit and loss account of credit institutions, data on corporate basis (formerly table 14.7.1)*

13.2.2.5 *Loans originally granted by credit institutions, data on territorial basis (formerly table 14.10)*

13.2.2.5.1 *Loans originally granted by credit institutions to Belgian households*

13.2.2.5.2 *Loans originally granted by credit institutions to Belgian non-financial corporations*

13.2.2.5.3 *Loans originally granted by credit institutions to other Belgian financial intermediaries and to Belgian financial auxiliaries*

13.2.2.5.4 *Loans originally granted by credit institutions to the other sectors*

13.2.2.6 *Deposits and other creditors held with credit institutions, data on territorial basis (formerly table 14.11)*

13.2.2.6.1 *Deposits and other creditors held with credit institutions by Belgian households*

13.2.2.6.2 *Deposits and other creditors held with credit institutions by non-financial corporations*

2

In accordance with the ESA 1995, the sub-sector of other monetary financial institutions consists of all financial corporations and quasi-corporations which are principally engaged in financial intermediation and whose business is to receive deposits and/or close substitutes for deposits from institutional units other than monetary financial institutions and/or, for their own account, to grant loans and/or to make investments in securities.

13.2.2.6.3 *Deposits and other creditors held with credit institutions by other Belgian financial intermediaries and by Belgian financial auxiliaries*

13.2.2.6.4 *Deposits and other creditors held with credit institutions by the other sectors*

Tables 13.2.2.5 (Loans originally granted by credit institutions, data on territorial basis) and 13.2.2.6 (Deposits and other creditors held with credit institutions, data on territorial basis) replace the former tables 14.10 et 14.11. Their presentation has however been changed in order to harmonise them with the definitions and methodologies applied within the scope of the banking and monetary statistics submitted to the European Central Bank. This harmonisation, on the one hand, pertains to the sectoral breakdown adopted, the insurance companies and pension funds henceforth being considered as a fully-fledged sector, and, on the other hand, to a more synthetic instrument breakdown.

A number of differences have been noted as to the overall outstanding amounts per sector compared to the previously published tables. The differences between the outstanding amounts on the level of the loans tables are due to the inclusion of the non-performing and bad loans, the amounts of which are ranged under the type of credits they refer to. On the level of the tables regarding the deposits, differences between the outstanding amounts may be attributed to the inclusion, in the term accounts, of part of the subordinated debts.

Henceforth, the new loan and deposit tables provide the effective flows, i.e. the gross flows adjusted for exchange rate effects, revaluations as well as possible (sectoral) reclassifications.

13.2.3 *Monetary collective investment undertakings*

13.2.3.1 *Number, net inventory value and net contributions*

This new table shows the data relating to the number, net inventory value at end of period, subscriptions, repayments and net contributions for the period for the monetary CIU governed by Belgian law (information compiled by the BFIC) and the net inventory value for all monetary CIU (governed by Belgian and foreign law), the shares of which are issued publicly in Belgium (data compiled by the Belgian Association of Investment Funds and Companies - BAIFC). The methodology used by the BAIFC differs slightly from the one used by the BFIC. As a consequence the results from both sources are not perfect comparable.

13.2.4 *Monetary financial institutions as a whole*

13.2.4.1 *Main balance sheet items of the monetary financial institutions, data on territorial basis (formerly table 14.9)*

13.3 Credit institutions, consolidated data

13.3.1 *Structure*

This table was previously published by the BFIC under reference 1.4. It shows the geographical distribution of the foreign establishments of credit institutions governed by Belgian law.

13.3.2 *Balance sheet*

13.3.2.1 *General situation of credit institutions : quarterly overview by category of institution - all credit institutions*

This table was previously published by the BFIC under reference 2.4.1. and shows the main assets and liabilities of the credit institutions as a whole

13.3.3 *Off-balance-sheet transactions*

13.3.3.1 *Structure of off-balance-sheet transactions - all credit institutions*

The BFIC previously published this table under reference 5.1.1. It details positions recorded as off balance.

13.3.4 *Income statement*

13.3.4.1 *Basic components of the income statement - all credit institutions*

The BFIC previously published this table under reference 6.1. It shows the profit and loss account elements in accordance with an analytical structure of income and expenditure.

13.3.5 Resources

13.3.5.1 Structure of customer assets - all credit institutions

This table was previously published by the BFIC under reference 3.1.1. It shows the different assets (deposits and securities) of the customers, and distinguishes the assets denominated in euro from those in foreign currencies.

13.3.5.2 Structure of interbank transactions and recourse to bankers' assets - all credit institutions

This table was previously published by the BFIC under reference 3.4.1. It distinguishes, by major categories of financial instruments, sources and uses in euro and in foreign currencies.

13.3.6 Uses

13.3.6.1 Structure of loans granted - all credit institutions

This table was previously published by the BFIC under reference 4.1.1. It shows data relating to the different types of payment and investment loans.

13.3.6.2 Structure of the securities portfolio - all credit institutions

This table was previously published by the BFIC under reference 4.2.1. and shows the own account securities portfolio, according to the nature of the securities.

13.3.7 Country risks of external claims of the credit institutions governed by Belgian law

This summary table was created from the table previously published by the BFIC under reference 7.1. It shows the risk by country category.

CHAPTER 14: OTHER FINANCIAL INTERMEDIARIES AND FINANCIAL AUXILIARIES

It should be noted that, in accordance with the ESA 1995, the sector other monetary financial intermediaries consists of all corporations and quasi-corporations which are principally engaged in financial intermediation by incurring liabilities in forms other than currency, deposits and/or close substitutes for deposits from institutional units other than monetary financial institutions. This sector consists of various types of financial intermediary (financial holding corporations³, non-monetary CIU, etc.⁴), which essentially carry out long-term financing activities. It is this predominance with regard to terms, which, in most cases, will enable a distinction to be made with the sub-sector of other monetary financial institutions.

According to the definition of financial auxiliaries, also included in the ESA 1995, this sector consists of all financial corporations and quasi-corporations which are principally engaged in auxiliary financial activities, that is to say activities closely related to financial intermediation but which are not financial intermediation themselves⁵.

A decision has been made to devote a separate chapter to these other financial institutions and financial auxiliaries given their ever-increasing importance and the particular attention granted to them at the European Central Bank. Different methodological work has already been undertaken in an attempt to perfect the data compiled on these sectors⁶. Presently, only information relating to collective investment undertakings and investment companies is published separately in this chapter.

14.1 Collective investment undertakings

In an attempt to enhance the quality, interest and usefulness of the statistical information published, three new tables are added. These cover some of the information previously published by the BIFC (under references 10.1. to 10.3), but their presentation and format is more in line with the information normally published by the

³ Holding corporations which only control and direct a group of subsidiaries principally engaged in financial intermediation and/or in auxiliary financial activities, but which are not financial corporations themselves.

⁴ Corporations engaged in financial leasing, corporations engaged in hire purchase and the provision of personal or commercial finance, corporations engaged in factoring, etc.

⁵ These include, in particular, insurance brokers, loan brokers, securities brokers, investment advisers, managers of pension funds and mutual funds.

⁶ See article "Changes to the financial accounts tables (chapter 13) and to the associated statistics (chapters 15, 16 and 17)" published in the Statistical Bulletin 2003.

Bank. As a result of these changes, tables 17.10 "Public issues in Belgium of credits or shares of collective investment institutions" and 17.11 "Number and inventory value of collective investment institutions governed by Belgian law" are being withdrawn. The annual data included in these tables was no longer sufficiently relevant in light of the statistical information currently available on the sector.

It should be noted that the purpose of the collective investment undertakings is concerned with the collective investment of funds received from the public. Their main task consists in contracting investments through share issues. They transform these funds by acquiring financial assets and/or real estate. This is why they form part of the financial intermediaries sector. This part includes non-monetary collective investment undertakings as opposed to monetary collective investment undertakings⁷, which are classified in the monetary financial institutions sector (section 13.2 of chapter 13).

The three new published tables are as follows:

14.1.1 Developments of the CIU operating in Belgium as a whole

This table shows the data on all collective investment undertakings acting in Belgium, a distinction being made between the institutions governed by Belgian law and those governed by foreign law⁸. Each of these categories shows the number of CIU (broken down by legal status), subscriptions, repayments and net contributions (source BFIC). The net inventory value for the whole of CIU commercialised in Belgium (source BAIFC) is provided as memorandum item. The methodology in both sources is not fully comparable.

14.1.2 Outstanding amount of financial assets and liabilities of non-monetary CIU governed by Belgian law

This table shows, on a quarterly basis, the inventory value of collective investment undertakings governed by Belgian law as well as detailing the financial instruments held by these institutions expressed in terms of market value. The following instruments are distinguished: "Currency and deposits", "Securities other than shares" (broken down into short and long-term securities and financial derivatives), "Shares and other equity" (broken down into quoted shares and unquoted shares and other equity), "Mutual fund shares" and finally, "Other instruments (net)". It should also be noted that the data in this table is based on the notion of net assets⁹ and not on the notion of total assets. This means that, with the exception of issued mutual fund shares, other liabilities are implicitly deducted from the assets heading "Other instruments". Such a situation results in assets being underestimated. However, this will be restricted, given that the borrowing facility of collective investment undertakings is limited by law. In the table, liabilities correspond to the outstanding shares issued by non-monetary collective investment undertakings governed by Belgian law. These liabilities are detailed according to the fund category¹⁰ having issued the shares: collective investment undertakings in bonds (which invest mainly in long-term, fixed-income securities), collective investment undertakings in shares (which invest mainly in shares), capital-protected tracker funds (the performance of which is linked to the performance of one or several stock market indices, a basket of shares or currency trends, the initial investment being protected), collective investment undertakings in real estate¹¹ (which invest mainly in real estate certificates or real estate), mixed funds (which invest in both shares and bonds), funds of funds (which invest in the shares issued by other collective investment undertakings) and pension savings funds (funds with tax benefits formed with a view to retirement).

14.1.3 Financial transactions of non-monetary CIU governed by Belgian law

Adopting the same structure as the previous table, this table details the net financial transactions¹² carried out by collective investment undertakings governed by Belgian law. As far as issued shares included under the liabilities headings are concerned, the fluctuations recorded correspond to the net

⁷ That is to say collective investment undertakings which invest in particular in liquid assets, fixed-term deposits and short-term securities, such as treasury bills, short-term bonds, commercial paper and certificates of deposit.

⁸ Basically institutions governed by Luxembourg law.

⁹ Reference basis in Belgium for collective investment undertakings.

¹⁰ The different types of undertaking are classified in line with the BFIC's classification.

¹¹ Excluding 'Sicafi'. These are however included in the sector of financial intermediaries in the financial accounts (chapter 12), but are not considered in chapter 14.

¹² Purchases less sales, excluding price variations and other volume changes.

subscriptions¹³ made during the period as well as the results (positive or negative) recorded during the same period which have not been distributed but reinvested in assets.

14.2 Investment companies

Under the terms of the law of 6 April 1995, investment companies are defined as companies whose normal activity consists in providing investment services to third parties in a professional capacity. The aforementioned law distinguishes four categories of investment companies: securities dealers¹⁴, corporations for asset management¹⁵, financial instruments broking corporations¹⁶ and corporations for brokering in financial instruments¹⁷.

The performance of these investments may be better summarised in five tables:

- 14.2.1 *Breakdown of investment companies (table 8.1 previously published by the BFIC)*
- 14.2.2 *General statement of securities dealers (table 8.2.1 previously published by the BFIC)*
- 14.2.3 *Income statement of securities dealers (table 8.2.2 previously published by the BFIC)*
- 14.2.4 *Overall situation of other investment companies*
- 14.2.5 *Profit and loss accounts of other investment companies*

The latter two tables are not only a summary of tables 8.3.1, 8.4.1 and 8.5.1 but also of tables 8.3.2, 8.4.2 and 8.5.2, previously published by the BFIC. These bring together corporations for asset management, financial instruments broking corporations and corporations for brokering in financial instruments.

CHAPTER 17: CAPITAL MARKET

As mentioned above, the inclusion of three new tables relating to collective investment undertakings in chapter 14 results, de facto, in the withdrawal of tables 17.10 "Public issues in Belgium of credits or shares of institutions for collective investment" and 17.11 "Number and inventory value of collective investment institutions governed by Belgian law". The annual data included in these tables was no longer sufficiently relevant in light of the statistical information currently available on the sector. This change, together with the inclusion of certain data from the BFIC on public share issues, have resulted in the structure of this chapter undergoing extensive revision. The basic idea has been to reclassify the different tables according to the nature of the securities in question. Hence, two sub-chapters have been created with, on the one hand, fixed-income securities (17.1) and, on the other, shares and other equity (17.2).

As a reminder, the ESA 1995 defines securities other than shares as financial assets which are bearer instruments which are usually negotiable and traded on secondary markets or can be offset on the market and do not grant the holder any ownership rights in the institutional unit issuing them. Fixed-income securities are securities which give their bearer the unconditional right to contractually receive a fixed amount of monetary income in coupon form (interest) and/or a lump sum payment paid on one or more given dates starting from a date fixed at issue. On the other hand, the ESA 1995 defines shares and other equity as financial assets which represent property rights on corporations or quasi-corporations. These financial assets generally entitle the holders to a share in the profits of the corporations or quasi-corporations and to a share in their net assets in the event of liquidation.

The detailed contents of chapter 17 are as follows:

17.1 Fixed-interest securities

- 17.1.1 *Fixed-interest securities of more than one year per creditor sector (formerly table 17.1)*
- 17.1.2 *Fixed-interest securities of more than one year: breakdown by issuer sector and by holder sector (formerly table 17.3)*

¹³ That is to say subscriptions less repurchases.

¹⁴ Securities dealers may, in principle, provide all the investment and auxiliary services. Only these securities dealers may receive their customers' financial instruments and, on certain conditions, fund deposits.

¹⁵ In addition to actual asset management, asset management corporations may take, transmit and execute orders from investors.

¹⁶ The activity of financial instruments broking corporations – previously called exchange and deposit broking corporations – consists in putting two or more professional investors in contact with each other, thus enabling these investors to carry out an operation based on a financial instrument.

¹⁷ The status of corporations for brokering in financial instruments enables securities to be invested under a less severe status than that of securities dealers.

17.1.3 *Fixed-interest securities of more than one year held by individuals (formerly table 17.2)*

17.1.4 *Public call on primary market of fixed-income securities*

This new table integrates the data relating to fixed-income securities previously published in table 9.1 of the BFIC.

17.1.5 *Public issues, by the public sector, of bonds in national currency (formerly table 17.4)*

17.1.6 *Outstanding amount of linear bonds (formerly table 17.6)*

17.1.7 *Holdership of linear bonds (formerly table 17.5)*

17.2 Shares and other equity

17.2.1 *Issues shares (formerly table 17.8)*

17.2.2 *Public call on primary market of shares and other equity*

This new table integrates the data relating to shares and other equity previously published in table 9.1 of the BFIC.

17.2.3 *Stock exchange activity (formerly table 17.9)*

The content of this table has been slightly modified. On the one hand, a new source of information (ING Belgium) is used for the data regarding the yield rate and the price/earnings ratio of the Belgian stocks. On the other hand, the column regarding the forward share prices of foreign securities has been dropped, as since September 2003 those data have no longer been available.