



7

Compilation, Source Data, and Dissemination of Monetary Statistics

I. Introduction

7.1 This chapter discusses the framework for the compilation and presentation of monetary statistics in accordance with the methodology of this *Manual*, and the necessary source data. Monetary statistics cover stock and flow data on the assets and liabilities of the financial corporations (FCs) sector and its subsectors.

7.2 The chapter first describes the sectoral balance sheets,¹ which provide a framework for the collection and presentation of monetary data. The following section presents the main outputs of monetary statistics—the surveys for the FCs subsectors and the FCs sector as a whole. The remaining sections discuss the source data and the dissemination of monetary statistics, including the reporting of monetary data to the IMF.

7.3 Only data reported by institutional units in the FCs sector are extensively covered in this chapter. These constitute the data for the monetary statistics and a subset of data for the financial statistics. Other data for the financial statistics, which are obtained from institutional units outside the FCs sector, are covered in Chapter 8.

7.4 Within the monetary statistics compilation and presentation framework, this chapter also deals with the major facets of implementation of the monetary statistics, including:

- a. Data reporting by FCs. Collection and assembly of the data that individual FCs report to the compilers of monetary statistics.

- b. Data compilation. Validation, aggregation, and compilation of reported data to construct the sectoral balance sheets; and consolidation of the sectoral balance sheets to obtain the surveys of the FCs sector.
- c. Data reporting to the IMF. Reporting of the sectoral balance sheet data (stocks only) for analytical use and publication by the IMF.
- d. Data dissemination. Release and publication of the monetary data (stocks only) for a country, including publication in the IMF's *International Financial Statistics (IFS)*.

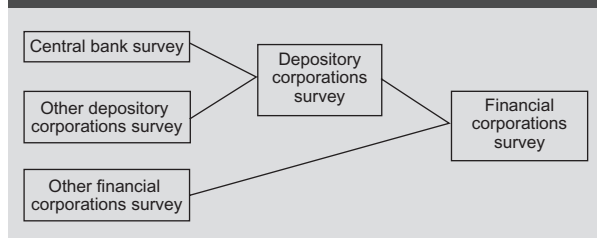
7.5 Annex 7.1 presents numerical examples of *Other changes in the volume of assets (OCVA)* entries, while a presentation of the consolidation adjustments needed in compiling the FC surveys is provided in Annex 7.2. Appendix III presents numerical examples of FCs surveys, based on the sectoral balance sheets of Appendix II and the adjustments of Annexes 7.1 and 7.2. The illustration of the monetary authorities accounts presented in Appendix III is based on the central bank survey (CBS) of the same appendix and three categories of monetary authorities accounts of a central government. An illustrative scheme for the compilation of supplementary data on financial assets and liabilities is presented in Annex 7.3.

II. Framework for Monetary Statistics

7.6 As discussed in Chapter 2, the framework for monetary statistics recommended in this *Manual* embodies two levels of data compilation and presentation (see Chapter 2, Figure 2.1). At the first level, stock, and possibly flow, data reported by individual institutional units are aggregated into *sectoral balance sheets* for the central bank, other depository corporations (ODCs), and other financial corporations (OFCs). These data

¹ The term “sectoral balance sheets” encompasses the sectoral balance sheets for the central bank, other depository corporations, and other financial corporations subsectors.

Figure 7.1 Financial Corporations Surveys



are also used as inputs for the compilation of financial statistics, as described in Chapter 8.

7.7 At the second level, the balance sheet data are consolidated into *analytical surveys* for the FCs subsectors and for the entire FCs sector. The central bank survey (CBS) shows the components of the monetary base. The depository corporations survey (DCS) consolidates the CBS and the ODCs survey (ODCS) and contains data on those depository corporations' (DCs) liabilities that are components of broad money, and data on DCs' assets that are claims on (i.e., credit to) other sectors of the domestic economy. The DCS also contains data on DCs' claims on and liabilities to nonresidents. The FCs survey (FCS) consolidates the stock and flow data from the DCS and OFCs survey (OFCS) to provide data on the claims on and liabilities to all other sectors of the domestic economy and nonresidents for the entire FCs sector. In particular, the FCS provides a comprehensive measure of liquidity and of credit extended by FCs, as discussed in Chapter 6. Figure 7.1 shows a schematic presentation of the financial corporations surveys.

7.8 Sectoral balance sheets provide the framework for the collection and presentation of data in a format that facilitates (1) the compilation of analytical surveys, as described in this chapter, and (2) the presentation of financial statistics for the FCs subsectors, as described in Chapter 8. Sectoral balance sheets provide disaggregated information by type of financial instrument, by currency, and by counterpart sector that has analytical value. The surveys contain data encompassing all assets and liabilities for the units covered by the respective survey. Each survey is based on data for all institutional units within the subsector.²

² Thus, the term survey refers to comprehensive data for all units in a subsector, rather than to sample survey data that would cover only a subset of units, or only a subset of the asset and liability accounts.

7.9 The DCS covers the accounts of the DCs and is a consolidation of the CBS and the ODCS. The FCS is a consolidation of the DCS and the OFCS.

7.10 The DCS constitutes the principal set of monetary statistics for monetary policy. The DCS is a consolidated statement of stocks and flows for the accounts of all financial sector corporations that incur liabilities included in broad money. The framework of the DCS is designed to facilitate analysis of broad money and its components and counterparts, credit aggregates and their components, and DCs' claims on and liabilities to nonresidents, and other assets and liabilities.

7.11 By maintaining the balance sheet identity in the DCS, the counterparts to broad money liabilities of DCs are presented as the claims on (i.e., credit to) nonresidents and other sectors of the domestic economy, and as other assets and liabilities. This balance sheet identity is reflected in the stock and flow data in the DCS. (See also the subsection on broad money counterparts in Chapter 6.)

7.12 The definition of broad money in Chapter 6 is intended to help monetary statistics compilers determine the scope of broad money, taking account of their own national circumstances. With the adoption of the definition of broad money, international comparability of broad money will improve. A precise coverage of broad money according to the recommended methodology must be determined by compilers in accordance with the structure and other features of the financial system in their own economy. For each country, the coverage of broad money is used in determining the institutional units covered by the DCS. All institutional units that: (1) are included in the FCs sector; and (2) issue liabilities included in broad money are classified as DCs and are therefore included in the DCS.

7.13 The DCS is structured to facilitate macroeconomic analysis that makes use of the linkages between the monetary statistics and other macroeconomic statistics. The balance sheet presentation of the DCS shows DCs' claims on and liabilities to nonresidents and central government, thereby linking the monetary statistics to the external sector and government finance statistics, respectively (see also Appendix I).

7.14 The DCS can be rearranged to show that broad money liabilities (BML) equal the sum of net foreign

assets (NFA), domestic credit (DCR), and other items (net) (OIN). In the DCS, this can be shown as

$$BML \equiv NFA + DCR - OIN$$

where DCR comprises net claims on central government and gross claims on other resident sectors. OIN denotes other liabilities *less* other assets, where other liabilities include all liabilities not included in broad money, and other assets include nonfinancial and miscellaneous assets (see Chapter 6, Table 6.1).

7.15 Total flows (closing stocks *less* opening stocks) for the DCS are shown as

$$\Delta BML \equiv \Delta NFA + \Delta DCR - \Delta OIN$$

where Δ denotes a total flow (period-to-period change). The flow data in each category in the DCS are decomposed into separate flows for transactions, valuation changes, and OCVA.

7.16 Changes in broad money liabilities can arise from changes in the foreign assets and foreign liabilities of the DCs, as can be seen from the preceding identity that links ΔBML to ΔNFA , and from changes in domestic credit. The components of ΔDCR are shown as

$$\Delta DCR \equiv \Delta NCG + \Delta CORS$$

where NCG and CORS denote net claims on central government and gross claims on other resident sectors, respectively.

7.17 The components of ΔNCG in the DCS are directly linked to the government finance statistics (see Appendix I). Data on transactions for the underlying components of NCG can be used to analyze the expansionary or contractionary effects on broad money that can arise from financial transactions between the DCs and the central government. Growth in NCG—through a rise in DCs' holdings of government securities and/or reduction in deposit liabilities to government—will exert an expansionary influence on the broad money liabilities of DCs.

7.18 DCORS shows the total flows arising from changes in DCs' claims on resident sectors other than the central government. An increase in these claims—a positive $\Delta CORS$ —has an expansionary effect on broad money liabilities, whereas a decrease in these claims has a contractionary effect. Data on the sectoral components of $\Delta CORS$ can be used to analyze the sources of expansionary or contractionary effects

on broad money, arising from growth or decline in DCs' claims on the various sectors of the economy. For more detailed analysis, DCORS can be disaggregated into transactions, valuation changes, and OCVA.

III. Sectoral Balance Sheets

A. General Principles

7.19 Sectoral balance sheet data are obtained from the accounting and, in some cases, administrative records of the individual institutional units within the FCs subsectors. Data for each unit are classified into standard components in accordance with the sectoring, instrument classification, valuation methods, and other accounting principles explained in Chapters 2 to 6 of this *Manual*. The reported data for each unit are aggregated into balance sheets for each FCs subsector. Aggregation of data is the general rule for the first step in the compilation of the data underlying monetary and financial statistics. Aggregation entails the summation of stock or flow data across all institutional units within a particular group (that is, subsector or sector) and, for a given subsector, the summation of all stock or flow data within a particular asset or liability category, as explained in Chapter 5 (paragraph 5.60).

7.20 The sectoral balance sheets are presented in domestic currency units and contain separate columns for opening (beginning of period) and closing (end of period) stocks. Ideally, they should also contain data for flows arising from transactions, revaluations, and OCVA during a particular period, as described in Chapter 5 (subsection II.B).

7.21 In the sectoral balance sheets, financial assets and liabilities are classified by instrument, by currency, and by counterpart sector (creditor/debtor sector), distinguishing between those liabilities that are included in broad money and those that are excluded from broad money. Memorandum items to the sectoral balance sheets (see paragraphs 7.29–7.36) provide additional data needed for the compilation of the CBS, DCS, and OFCS, and to support the reconciliation of certain indicators with other macroeconomic statistics (for example, the market value of equity liabilities). Supplementary items to the sectoral balance sheets, if compiled, provide data that are useful for the analysis of broad money and credit aggregates, such as disaggregation by maturity.

7.22 Tables A2.1–A2.3 in Appendix II present illustrative sectoral balance sheets and accompanying memorandum items for a central bank, ODCs, and OFCs. Separate explanations and numerical tables for the OCVA entries in the illustrative sectoral balance sheets are presented in Annex 7.1 of this chapter.

B. Features of the Sectoral Balance Sheets

7.23 The instrument, currency, and counterpart sector classifications in sectoral balance sheets follow the principles and classifications discussed in Chapters 3, 4, and 6. The remainder of this subsection discusses some specific issues related to the classification of assets and liabilities in the sectoral balance sheets.

7.24 The liabilities section of the sectoral balance sheet shows *Equity liability [MS]* on a book value basis, split into funds contributed by owners, retained earnings (accumulated), *current year result*, general and special reserves, and valuation adjustment, as explained in Chapters 4 and 5 (see paragraphs 4.130–4.132 and 5.167–5.168). Use of the sectoral balance sheet data in compiling financial statistics, as described in Chapter 8, requires that data be available for *Equity and investment fund shares* (without the above split) on a market-price basis, disaggregated by holding sector. The latter data are included as memorandum items to the sectoral balance sheets.

Balance sheet data for specific categories of ODCs and OFCs

7.25 In some national contexts, other aggregations of data by specific groups of ODCs and OFCs are useful for policy analysis. For example, the data submitted by individual ODCs can be sorted and aggregated by size and ownership attributes of the ODCs. Separate sets of aggregate balance sheet data can be compiled for (1) money market funds; (2) large and small ODCs; (3) government- and private-owned ODCs; (4) foreign- and domestic-owned ODCs, including foreign branches and subsidiaries; and (5) offshore FCs.³

7.26 Similar types of aggregated balance sheet data can be compiled for subcategories within the OFCs

subsector. The data submitted by OFCs can be aggregated by size or ownership of the institutional units, and by type of financial services. Data compiled in this form are of interest for more detailed analysis of institutional groupings within the OFCs subsectors. Separate sets of aggregated balance sheet data can be compiled for all six OFCs subsectors shown in Chapter 3, Box 3.1. This *Manual* encourages that separate sets of aggregated data are compiled for the following two OFCs subsectors at the minimum: (1) insurance corporations and pension funds (ICPF), and (2) OFCs other than ICPF. This is consistent with the minimum subsectoring requirement of the templates for the internationally comparable sectoral accounts and balance sheets developed in the context of the G-20 Data Gaps Initiative (DGI).⁴

7.27 The sectoral balance sheets presented in this *Manual* do not contain separate line items for the claims on and liabilities to the more narrowly defined categories of ODCs and OFCs subsectors, which would be needed for compiling consolidated surveys at a more detailed level of subsectoring. If such surveys are desired, data on positions and flows vis-à-vis each counterpart FCs subsector need to be collected.

7.28 Access to separate balance sheet data for small groupings of ODCs and OFCs may be restricted, and dissemination must be in accordance with national regulations governing the confidentiality of data for an individual institutional unit or small group of units.

Memorandum items

7.29 Memorandum items accompanying sectoral balance sheets, as shown in Tables A2.1–A2.3 in Appendix II, provide additional data needed for the compilation of the surveys and for more detailed macroeconomic and macroprudential analysis.

7.30 For the loan data, there are memorandum items for (1) total accrued interest on loans; (2) total amount of interest and principal arrears on loans; (3) expected losses on loans; (4) loans with maturity of one year or less; (5) loans extended to households (in the sectoral

³ Offshore FCs that issue liabilities included in broad money are classified as ODCs and, if not, are classified as OFCs (see Chapter 3, paragraph 3.139). If offshore FCs are classified as OFCs, separate data for offshore FCs can be obtained by aggregating the data from their individual submissions for the sectoral balance sheet for OFCs.

⁴ A fully articulated set of standard templates were developed in the context of the G-20 DGI. These templates are a set of internationally comparable sectoral accounts and balance sheets that provide a minimum and encouraged classification for sectors, financial instruments, and nonfinancial assets. The templates are available at www.imf.org/external/np/sta/templates/sectacct/index.htm.

balance sheets for ODCs and OFCs); and (6) loans extended to nonresident financial corporations and loans received from them. Such data facilitate both the compilation of alternative presentations of loan data and macroeconomic and macroprudential analysis more broadly (e.g., data disaggregated by economic sector of debtor for *Loans: Of which expected losses* are required for calculation of the expected realizable value of loans by economic sector). As shown in the memorandum items in Tables A2.1–A2.3, it is recommended that the data on interest arrears and expected loan losses be disaggregated by sector, regardless of whether the reporting of such data is mandated by law, regulation, or national practice. (See also Chapter 5, paragraphs 5.142–5.148.)

7.31 In some countries, lending institutions are required to exclude interest arrears (i.e., interest that is overdue for payment) from the valuation of loans. This *Manual* recommends including such interest together with its underlying instrument, with a matching provision on the liability side. The memorandum items with data on interest arrears allow adjusting the accounting data to the requirements of monetary and financial statistics.

7.32 In the same vein, some countries require FCs reporting the expected realizable values of loan portfolios—that is, the values adjusted for expected loan losses—instead of the nominal value of the loans. The memorandum items for expected losses on loans discussed in the previous paragraphs allow readjusting the data on loans in the respective surveys.

7.33 Memorandum items on FCs' claims on and liabilities to ODCs in liquidation or under reorganization, disaggregated by type of financial asset/liability, need to be reported in order to have complete information on the ODCs sector when compiling the DCs surveys (ODCS and DCS). Despite best efforts, the central bank may be unable to obtain regular and timely reporting of data directly from ODCs in liquidation or under reorganization. Availability of these memorandum items, which are reported by the FCs that are in operation, enables the compilers to complete the data consolidation across both operating ODCs and those in liquidation.

7.34 Memorandum items on central bank float (applicable to central bank only and discussed in paragraph 7.57d) are needed for the compilation of the DCS

for countries where the central bank provides funds to ODCs for items in the process of collection, even though the central bank has not yet collected funds from the ODCs on which such items were written (availability prior to collection).

7.35 Total positions with nonresidents for selected financial instruments with an *of which* subcategory specifying positions with FCs are included in memorandum items. These memorandum items are useful for countries where the financial sector has significant exposure to nonresidents. Further, memorandum items identify interbank positions with nonresident deposit-takers with an *of which* subcategory specifying positions with nonresident affiliates.⁵

7.36 Memorandum items in the sectoral balance sheets for the central bank and ODCs separately identify total loans to and deposits of MMFs, allowing the compilation of interbank positions as defined in the *System of National Accounts 2008 (SNA)*, by eliminating positions with money market funds (MMFs) from intra-DC positions.

Recording of other changes in the volume of assets

7.37 While the analysis of the monetary statistics often focuses on balance sheet stocks and flows in the form of transaction and valuation changes, other changes in the volume of assets (OCVA) are also of analytical interest, particularly when relatively large entries for OCVA occur. The groupings of OCVA categories and relevant OCVA entries for the FCs sector are discussed and explained in paragraph 5.84.

7.38 In the framework of the monetary statistics, all OCVA entries are included in a single column in the presentation of a sectoral balance sheet. OCVA reported in the single-column format by each reporting institution can be aggregated across all ODCs and all OFCs, respectively, to obtain part or all of the OCVA data for the sectoral balance sheets. OCVA data reported by individual ODCs and OFCs will not cover OCVA entries arising from *Changes in classification and structure* of FCs. These entries arise, for example, when an OFC has been reclassified as an ODC at the beginning of the reporting period (or an

⁵ Positions with resident offshore banks that do not issue liabilities included in broad money should be reported as positions vis-à-vis OFCs.

ODC has been reclassified as an OFC), and should be made by compilers.⁶

7.39 When an OFC is newly authorized to operate as an ODC, or commences issuing liabilities that are included in broad money, it needs to be reclassified as an ODC. Reclassification often may apply to several OFCs at the same time. Prior to the reporting period in which the OFC begins operating as an ODC, each monetary data reporter (including the central bank's accounting department) should have been informed of the OFC's reclassification. Having this information, each FC with claims on or liabilities to the reclassified institution is able to reclassify these accounts to the new subsector of the reclassified institution. For example, if the reclassified institution has an outstanding loan from the central bank, the central bank's accounting department would reclassify the central bank's claim from *Loans—Other financial corporations* to *Loans—Other depository corporations* in the data reported to the compilers. If the reclassified institution holds transferable deposits in domestic currency units in an ODC, the ODC reclassifies its liability from the OFC subcategory of *Deposits included in broad money: Transferable deposits—In domestic currency* to the ODC subcategory of *Deposits excluded from broad money: Transferable deposits—In domestic currency*.⁷

7.40 Given proper notification, the OFCs and ODCs can complete all reclassifications for their individual claims on and liabilities to the reclassified FC. A similar approach should be followed when an entire group of financial institutions is reclassified from OFCs to ODCs. Other cases of reclassification arise from changes in the residence of clients or counterpart ODCs, or due to enlargement of a currency union when new countries access the union.

7.41 OCVA entries for reassigning the entire balance sheet of the reclassified FC from the sectoral balance sheet of the OFCs to the sectoral balance sheet of the ODCs can be accomplished only when the

⁶ Reclassification of an ODC as an OFC is a less likely case and arises when an ODC no longer issues liabilities included in broad money.

⁷ This example illustrates that the sectoral reclassification affects broad money, given that OFCs are treated as money holders (see Chapter 6). By becoming an ODC, the former OFC has been transformed from a money holder to a money issuer.

data reported by the individual OFCs and ODCs are aggregated in compiling the sectoral balance sheets. Compilers are responsible for two sets of OCVA entries in the category of *Changes in classification and structure*: (1) the full set of balance sheet accounts of the reclassified FC is removed from the sectoral balance sheet of the OFCs; and (2) the full set of these accounts is inserted in the sectoral balance sheet of the ODCs.

7.42 The OCVA entries illustrated in Annex 7.1 are discussed in detail in paragraphs 5.21 and 5.80–5.85:

- a. Catastrophic losses. Loss on nonfinancial assets resulting from a catastrophic event.
- b. Appearance and disappearance of financial assets. Write-off of loans, some of them previously provisioned for loss in full and some not provisioned.
- c. Changes in sector classification and structure. Reclassification of an OFC as an ODC.
- d. Changes in classification of assets and liabilities. (1) Monetization of gold (central bank); (2) reclassification of loans, as debt securities; (3) changes in the type of debt securities included in broad money; and (4) an appropriation from retained earnings to general and special reserves.

Further disaggregation of financial instruments in the sectoral balance sheets

7.43 Chapter 4, Section V, discusses possible supplementary classification of financial assets and liabilities in the sectoral balance sheets. This subsection presents examples of such supplementary classifications.

7.44 Box 7.1 shows examples for further disaggregation of sectoral balance sheets that may be appropriate in a particular national context (see also Table 7A.8 in Annex 7.3 for supplementary data for possible reporting to the IMF). For national purposes, compilers may require more disaggregated categories of the DC's liabilities, for example, by maturity or restrictions on use.

7.45 Even though the sectoral balance sheets provide the complete set of data necessary for the compilation of surveys, additional data are also needed for macroeconomic and macroprudential analysis. Box 7.2

Box 7.1 Examples for Further Disaggregation of Sectoral Balance Sheets

Assets	Liabilities
<p>Deposits Other deposits by remaining/original maturity (short- and long-term) Other deposits by type of interest rates (variable- and fixed-rate) Deposits with nonresidents by country of issuance</p> <p>Debt securities By remaining/original maturity (short- and long-term) By type (certificates of deposit, commercial paper, bankers' acceptances, bills, bonds, etc.) By type of interest rates (variable- and fixed-rate) Debt securities under repurchase agreement Nonresident debt securities by debtor country</p> <p>Loans By remaining/original maturity (short- and long-term) By type of interest rates (variable- and fixed-rate) Nonresident loans by (1) debtor country; (2) type of debtor (IMF, central bank, foreign government, etc.); and (3) financial/nonfinancial corporations</p> <p>Financial derivatives By major category (i.e., futures contract, other forward contract, option contract, and credit derivatives) and subcategory (see Tables 4.4 and 4.5 for examples of possible subcategories)</p>	<p>Deposits Other deposits by remaining/original maturity (short- and long-term) Other deposits by type of interest rates (variable- and fixed-rate) Deposits of nonresidents by country of holder and financial/nonfinancial corporations</p> <p>Debt securities By remaining/original maturity (short- and long-term) By type (certificates of deposit, bankers' acceptances, commercial paper, etc.) By type of interest rates (variable- and fixed-rate)</p> <p>Loans By remaining/original maturity (short- and long-term) By type of interest rates (variable- and fixed-rate) Nonresident loans by (1) creditor country; (2) type of creditor (IMF, other international organization, central bank, foreign government, etc.); and (3) financial/nonfinancial corporations</p> <p>Financial derivatives By major category (i.e., futures contract, other forward contract, option contract, and credit derivatives) and subcategory (see Tables 4.4 and 4.5 for examples of possible subcategories)</p>

contains examples of additional categories of data relating to financial derivatives and contingent items to accompany the sectoral balance sheets.

7.46 The subsection on supplementary data in this chapter and Table 7A.8 present an illustrative set of disaggregated data for sectoral balance sheet accounts.

C. Standardized Report Forms

7.47 To ensure methodological soundness and facilitate cross-country comparability, the IMF introduced in 2004 the standardized report forms (SRFs) for monetary data reporting. These forms provide a uniform way for presenting monetary data for reporting to the IMF; and they can also serve as a platform for the monetary statistics disseminated through national sources.

7.48 The SRFs for the central bank, ODCs, and OFCs (see Appendix II) use a harmonized accounting presentation of assets and liabilities (stocks only) of the FCs,⁸ with primary breakdowns by financial instrument (presented in order of their relative liquidity, including nonfinancial assets), then disaggregated by currency of denomination (domestic and foreign), and finally by counterpart sector (corresponding to the main sectors of the 2008 SNA).

7.49 This uniform presentation of the assets and liabilities of the FCs allows detailed cross-country comparison, in line with the concepts and definitions of the other macroeconomic statistical systems;

⁸ Reporting to the IMF using the SRFs is for stocks only. For illustrative purposes, the SRFs presented in Appendix II contain also flows, disaggregated into transactions, valuation changes, and OCVA.

Box 7.2 Examples of Additional Data to Accompany Sectoral Balance Sheets

Assets/Liabilities

Financial derivatives: Notional values

By category of underlying asset (loans, debt securities, shares, etc.)

By risk type (interest rate risk, exchange rate risk, credit risk, etc.)

Contingent Items

Guarantees by category of guaranteed obligation

Deposits, loans, debt securities, etc.

Commitments by category

Credit line, loan commitment, underwriting contract, etc.

and ensure adherence to internationally accepted principles.

IV. Financial Corporations Surveys

A. General Principles

7.50 The sectoral balance sheets for the central bank, ODCs, and OFCs are the sources of all data for compilation of the CBS, ODCS, OFCS, and FCS (see Appendix III). Compilation of the CBS, ODCS, DCS, OFCS, and FCS involves consolidation and rearrangement of the sectoral balance sheet accounts. For this purpose, claims on and liabilities to the different FCs subsectors (intra-sectoral assets and liabilities) are separately presented in the sectoral balance sheets. The consolidation in the CBS, ODCS, DCS, and OFCS nets out claims on and liabilities to the same subsector, resulting in a survey that shows only the FCs subsector's claims on and liabilities to other sectors, including other FCs subsectors. The consolidation in the FCS nets out all FCs' claims on and liabilities to other FCs, resulting in a survey that shows only the FCs' claims on and liabilities to other resident sectors and nonresidents.

7.51 The survey for each FCs subsector is built around the accounting identity underlying the sectoral balance sheets and is structured to provide an analytical presentation of the intermediation role of the relevant subsector. For each survey, the asset side focuses on the financing extended to nonresidents and to each of the various domestic sectors. The liability side of

the CBS is structured to show the components of the monetary base, and for the DCS, to show those liabilities that are included in broad money. The liability side of the FCS separately identifies insurance, pension, and standardized guarantee schemes; these form a substantial part of the liabilities of the OFCs subsector in many countries.

7.52 For purposes of broader macroeconomic policies, there is an increasing focus on the OFCs subsector and the FCS, which is the broadest set of monetary statistics in terms of institutional coverage. The FCS contains consolidated data for the entire FCs sector.

7.53 Illustrative surveys of the FCs sector are presented in Appendix III. These surveys utilize, and rearrange into analytical presentations, the data in the illustrative sectoral balance sheets that are shown in Appendix II. The surveys show both stocks and flows, with the latter broken down into the three components: transactions, valuation changes, and OCVA.

B. Features of the Financial Corporations Surveys

7.54 All survey categories of assets and liabilities are presented on a gross basis, except claims on and liabilities to nonresidents, claims on and liabilities to central government, and OIN. FCs' net claims on nonresidents (that is, NFA) and NCG are shown in each survey, along with separate lines for total claims and total liabilities. OIN are other liabilities *less* other assets consisting of all liabilities and assets not included elsewhere in a survey.

7.55 Movements in NFA provide an indication of the direct domestic monetary impact of the subsectors' transactions with the rest of the world.⁹ The presentation of claims on central government on a net basis facilitates the analysis of FCs' financing of central government operations.

7.56 In addition to the preceding, the subsector surveys share the following common characteristics:

⁹ Although the focus of the CBS with respect to foreign assets and liabilities is on all categories of claims on and liabilities to nonresidents without separate identification of official reserve assets, the Form 1SR (Appendix II) for monetary data reporting to the IMF separately identifies foreign assets that are included in official reserve assets. Guidance on international reserves data is given in *International Reserves and Foreign Currency Liquidity: Guidelines for a Data Template* (2013).

- a. Claims on domestic sectors other than central government are disaggregated into claims on (1) state and local government, (2) public non-financial corporations, (3) other nonfinancial corporations, and (4) households and nonprofit institutions serving households (NPISHs).
- b. Claims on and liabilities to each of the other subsectors of the FCs sector are separately identified to enable the consolidation of the subsector surveys in the DCS and the FCS.
- c. The primary disaggregation on the liability side is by instrument. For the CBS and the ODCS, a further distinction is made between those liabilities that are included in broad money and those that are excluded. This distinction is not relevant for the OFCS, because OFCs, by definition, cannot issue broad money liabilities. *Deposits included in broad money* are disaggregated into *Transferable deposits* and *Other deposits*, and these categories are further disaggregated by money-holding sector (that is, economic sector of creditor). *Debt securities included in broad money* are also disaggregated by money-holding sector.
- d. In the CBS, ODCS, and OFCS, *Equity liability [MS]* is presented at book value and disaggregated into *Funds contributed by owners*, *Retained earnings*, *Current year result*, *General and special reserves*, and *Valuation adjustments*. Unlike other categories of assets and liabilities, they are not allocated to a counterpart sector, except for *Funds contributed by owners*, which for OFCs and ODCs is allocated to resident and nonresident holders.¹⁰ ODCs and OFCs may hold equity shares issued by other ODCs or OFCs, which are sectored on the asset side of their balance sheets, but not on the liability side of the issuing institution. Therefore, these inter-sectoral holdings of equity by FCs cannot be reconciled when compiling the FCs surveys

and a discrepancy will arise in the consolidation adjustment, explained by such equity holdings.

7.57 Claims on and liabilities to nonresidents and other domestic sectors are obtained by aggregating the respective items in the sectoral balance sheets. While this is largely self-explanatory, the following should be noted:

- a. The *Required reserves* component of *Liabilities to ODCs* in the CBS, and the corresponding entry in the ODCS, comprise ODCs' transferable deposits, denominated in domestic and foreign currency, held at the central bank and included in monetary base.
- b. In the ODCS, the *Currency* component of *Claims on central bank* pertains to ODCs' holdings of domestic currency.
- c. The *OIN* component in the CBS equals other liabilities less other assets. The *Other liabilities* component is the sum of the following categories of liabilities to resident sectors under *Other accounts payable [MS]*: (1) *Trade credit and advances* with resident sectors other than ODCs; and (2) *Other accounts payable—Other [MS]*, consisting of provisions for losses, consolidation adjustment for headquarters and branches (see paragraph 7.61a), and—not identified separately—dividends payable to residents, settlement accounts with resident sectors, and miscellaneous liability items with residents. The *Other assets* component is the sum of *Nonfinancial assets* and the following subcategories of claims on resident sectors (not identified separately) under the *Other* category of *Other accounts receivable*: (1) dividends receivable; (2) items in the process of collection; and (3) miscellaneous asset items. In addition to these items, *OIN* for the ODCS and the OFCS includes a *Consolidation adjustment*, elaborated in the following section, in which the claims on and liabilities to other institutional units within the subsector are netted out by deducting claims on other units within the subsector from liabilities to those units. Therefore, the consolidation adjustment reflects discrepancies among the data reported

¹⁰ Aggregate data for equity are appropriate in the context of monetary statistics, given that equity liabilities are recorded at book value, whereas equity holdings are at market or fair value. Though not part of the surveys, consolidated data on equity of the central bank, ODCs, or OFCs can be calculated from the data for market or fair value of central bank, ODC, and OFC equity, which are disaggregated by holding sector in the memorandum items of the sectoral balance sheets.

by individual units on their positions and transactions with other units in the subsector. *Other items (net)* is presented in each survey as a liability and may be positive (net liability) or negative (net asset).

- d. *Central bank float*, which is shown as a memorandum item in the sectoral balance sheet of the central bank (see paragraphs 4.195c and 7.34), is deducted from the *Transferable deposits* component of broad money, with a contra-entry in *Other liabilities*. Central bank float represents the amount that the central bank has provided to DCs that have sent checks or other items for collection. If the central bank float is not deducted from *Transferable deposits*, it will be double counted in broad money as the amount of the checks will still be deposited in accounts of both the payer and the payee.

7.58 The focus of the DCS is on broad money and shows the total amount of broad money liabilities of the FCs sector, disaggregated into *Currency outside DCs*, *Transferable deposits*, *Other deposits*, *MMF shares*, and *Debt securities* (see Box 6.1). *Currency outside DCs* comprises *Currency in circulation*, from the CBS, less the *Currency* component of *ODCs' claims on the central bank* shown in the ODCS (see paragraphs 6.22–6.23).

7.59 Liabilities that are not included in broad money are shown by category, and liabilities to the OFCs are shown separately (as “of which” items) to enable data consolidation in compiling the FCS directly from the DCS and OFCS.¹¹

7.60 The FCS provides comprehensive data for the FCs sector’s claims on and liabilities to all domestic sectors and nonresidents. The FCS contains the same asset categories as the DCS. However, the FCS contains considerably fewer subcategories of liabilities than in the DCS, because the FCS is not structured to show the liability components of broad money. Some components of broad money—namely, OFCs’

¹¹ This presentation is necessary if, in compiling the FCS, the objective is to show all data used in consolidating the relevant subsector surveys. Such presentation has the virtue of transparency: it gives users access to all of the data involved in compiling the FCS. A streamlined presentation that excludes these “of which” items for claims on and liabilities to other financial corporations would not provide such access.

currency holdings and their holdings of deposits and debt securities issued by DCs—have been netted out in the consolidation of the FCs sectors’ data in the FCS.¹² The presentation in the liability section of the FCS also differs from the DCS in that the FCS contains a separate liability category for insurance, pension, and standardized guarantee schemes. Countries may elect to adopt an alternative presentation of the liability section of the FCS such that the focus is on liquidity aggregates issued by FCs as shown in Box 6.5.

C. Consolidation Principles for Monetary Statistics

7.61 Consolidation entails the “canceling out” of stocks and flows that arise from financial claims and corresponding obligations between the institutional units within the same sector or subsector covered by a particular survey. The consolidations in the sectoral balance sheets and surveys comprise:

- a. Consolidation in the sectoral balance sheets. The sectoral balance sheets of the central bank, ODCs, and OFCs contain accounts for *Consolidation adjustment for branches and headquarters* (within *Other accounts payable—other*). In the sectoral balance sheet of the central bank, *Consolidation adjustment for branches and headquarters* shows the net discrepancy from consolidating the accounts of the head office and branches (and, if relevant, central bank units such as currency boards). In the sectoral balance sheet of the ODCs and the sectoral balance sheet of the OFCs, *Consolidation adjustment for branches and headquarters* shows the net discrepancy representing the aggregation of the consolidation adjustments reported by the individual ODCs and OFCs.
- b. Consolidation in the ODCS and OFCS. *Consolidation adjustment* within *OIN* in the ODCS or OFCS shows the discrepancy that remains after netting out inter-ODCs or inter-OFCs claims and liabilities in the consolidation.
- c. Consolidation in the DCS and FCS. *Consolidation adjustment* within *OIN* in the DCS or FCS

¹² The FCS data for *Deposits* and *Debt securities* are useful for analyzing other sectors’ claims on the FCs sector.

shows the discrepancy that remains after netting out inter-DCs or inter-FCs claims and liabilities in the consolidation process.

7.62 *Consolidation adjustment* in the ODCS and OFCS are illustrated in Tables 7A.4 and 7A.6 of Annex 7.2, respectively. The illustrations are based on the numerical examples for the sectoral balance sheets in Tables A2.1–A2.3 in Appendix II. In the illustration for the ODCS in Table 7A.4, ODC claims on other ODCs (corresponding to ODC liabilities to other ODCs) pertain to the categories of *Deposits; Debt securities; Financial derivatives and employee stock options; Trade credit and advances; and Settlement accounts*. In the illustration for the OFCS in Table 7A.6, OFC claims on other OFCs (corresponding to OFC liabilities to other OFCs) are in the form of *Debt securities; Loans; Equity and investment fund shares; Insurance, pension, and standardized guarantee schemes; Financial derivatives and employee stock options; Trade credit and advances; and Settlement accounts*.

7.63 *Consolidation adjustment* in the DCS is illustrated in Table 7A.5 in Annex 7.2, using the numerical examples for the CBS and ODCS in Tables A3.1 and A3.2 of Appendix III, respectively. In the illustration in Table 7A.5, central bank liabilities to the ODCs are *Reserve deposits* and *Other liabilities*, as classified in the CBS. ODCS claims on the central bank are *Reserve deposits* and *Other claims*, as shown in the ODCS. Table 7A.5 also shows *Liabilities to the CB* (central bank) (as recorded in the ODCS) and *Claims on ODCs* (as recorded in the CBS). *Consolidation adjustment* in the DCS includes the *Consolidation adjustment* in the ODCS (Table 7A.4), as well as the amount of discrepancy between the corresponding accounts in the CBS and ODCS.

7.64 *Consolidation adjustment* in the FCS is illustrated in Table 7A.8 in Annex 7.2, using the numerical examples for the DCS and OFCS in Annex 7.3 (Tables 7A.10 and 7A.11, respectively). Calculation of the *Consolidation adjustment* is facilitated by the inclusion of lines for *Of which: OFCs* within liability categories in the DCS and lines for *Of which: DCs* in the OFCS. As shown in Table 7A.7, assets in the calculation of the *Consolidation adjustment* are *Claims on other sectors—OFCs* (DCS, Table A3.3) and *Claims on DCs* (OFCS, Table A3.4). For both OFC liabilities to DCs (OFCS) and DCs' liabilities to OFCs (CBS),

the categories include *Debt securities; Loans; Financial derivatives and employee stock options; and Trade credit and advances*. DC liabilities to OFCs also include *Deposits included in broad money* and *Deposits excluded from broad money* (DCS), and *MMF shares*. OFC liabilities to DCs include *non-MMF investment fund shares* and *Insurance, pension, and standardized guarantee schemes—Nonlife insurance technical reserves*. *Consolidation adjustment* in the FCS also includes *Consolidation adjustment* in the OFCS (Table 7A.6) and *Consolidation adjustment* in the DCS (Table 7A.5).

D. Monetary Authorities Accounts

7.65 The CBS covers only central banking functions performed by the central bank and any specialized subunits within the central bank subsector (for example, accounts of a currency board). In some countries, certain central banking functions (see paragraph 3.110)—such as currency issuance, the holding of international reserves, and the conducting of transactions with the IMF¹³—are performed wholly or partly by the central government. In such situations, consideration could be given to compiling a monetary authorities account, in addition to the CBS. Alternatively, data on monetary authorities' activities outside the central bank may be shown as memorandum items accompanying the CBS.

7.66 A monetary authorities accounts, as illustrated in Table A3.6 in Appendix III, is obtained by adding to the CBS line items representing central banking functions performed by the central government. In the illustration, the accounts include: (1) a government liability for the issuance of currency (typically coins); (2) a government liability for financial obligations to the IMF; and (3) government assets (typically, foreign exchange holdings) that are part of official reserve assets.

7.67 A government liability included in the monetary authorities accounts is matched by a contra-entry representing a claim on the central government, and an entry for a central government asset is matched by a contra-entry representing a liability to the central government in the monetary authorities accounts.

¹³ The recommended statistical treatment of accounts with the IMF is described in Chapter 4, Annex 4.2

7.68 This *Manual* recommends that each entry and contra-entry arising from central banking functions performed by the central government should be presented as a separate line item in the monetary authorities accounts under *Net claims on central government*. As shown in Table A3.6 of Appendix III, the relevant entries in the monetary authorities accounts are:

- a. *Currency issuance—central government* (a component of the *Monetary base*) and *Contra-entry to currency issue—central government* (a component of *Net claims on central government*)
- b. *Liabilities to IMF—central government* (a component of *Liabilities to nonresidents*) and *Contra-entry to liabilities to IMF—central government* (a component of *Net claims on central government*)
- c. *Reserve assets—central government* (a component of *Claims on nonresidents*) and *Contra-entry to reserve assets—central government* (a component of *Net claims on central government*).

7.69 In cases where monetary authorities accounts are compiled, consideration could be given, in addition to compiling a regular DCS and FCS, to compiling augmented DCS and FCS that use the monetary authorities account instead of CBS.

V. Source Data for Monetary Statistics

A. Overview

7.70 This *Manual* recommends that the source data for the monetary statistics should be obtained, to the extent possible, from the accounting records of resident FCs. These data may be directly usable as source data for monetary statistics, or the data may need to be adjusted for conformity with the accounting rules for monetary and financial statistics.

7.71 The general and subsidiary accounting ledgers of an institutional unit are constructed in accordance with a chart of accounts (also called plan of accounts)—a presentation of the accounting codes and corresponding descriptors for all categories and subcategories of assets and liabilities (all balance sheet accounts) and revenue and expense items (all profit and loss accounts).¹⁴ The ledgers are designed to facilitate the application of double-entry bookkeeping.

¹⁴ A separate set of accounting codes and descriptors for off-balance-sheet items is often shown after the chart of asset, liability, revenue, and expense accounts.

7.72 In implementing the methodology of this *Manual*, an FC will need to expand its information system to include data that conform to the classification of economic sectors (Chapter 3) and financial assets and liabilities (Chapter 4) recommended in this *Manual*. These data requirements can be met through expansion of the general and subsidiary accounting ledgers or through creation of databases that, though part of the information system, are not integrated into the chart of accounts of the institutional unit. The latter approach is applicable when expansion of the accounting ledgers is impractical and, in particular, when source data for the monetary statistics are to be obtained by estimation methods.

7.73 For the periodicity of source data reporting and compilation of monetary statistics, this *Manual* recommends monthly for DCs, and monthly or quarterly for OFCs. A general recommendation is that the monthly source data be reported within the month immediately following the reference month. This *Manual* recognizes that, given the heterogeneous nature of the subsector, a lag longer than one month may be required for the reporting of quarterly data by OFCs (see paragraph 2.66).

7.74 From an FC's perspective, the source data consist of all data that must be reported to the monetary statistics compilers. These may include: (1) accounting records; (2) accounting records that have been adjusted for conformity with the methodology of this *Manual*; (3) estimated data obtained from outside the accounting system and directly usable in the monetary statistics; and (4) other reported data that are inputs to data adjustments and estimations performed by the compilers.

7.75 From a compiler's perspective, the source data consist of all data needed for the compilation of the monetary statistics, including the data reported by the FCs and other data suppliers, and adjusted or estimated data that are produced by the compilers themselves. Source data may be provided by trade associations or regulatory/supervisory agencies to which ODCs and OFCs that are not supervised by the central bank (for instance, credit cooperatives, MMFs, insurance corporations, pension funds, etc.) report.

7.76 This section emphasizes the source data obtainable from an FC's accounting records, if the accounting system of the FC is expanded to meet all the specific data

needs of the monetary statistics compilers. This *Manual* recommends that compilers of monetary and financial statistics provide report forms and instructions on the specific data to be reported by FCs, but that each FC is given latitude in determining the information management processes for data production, either through the expansion of its accounting system or through other means. This recommendation has a legal dimension for countries in which the statistical authorities are not authorized to mandate expansions or other revisions in corporations' information systems.

7.77 Given the importance of accounting records as a source for monetary statistics, Chapter 2 compares some aspects of the methodology in this *Manual* with the International Financial Reporting Standards (IFRSs) in a separate section. The section highlights the differences between the IFRS (see Chapter 2, Box 2.1) and the framework of this *Manual* in terms of terminology used, the financial asset classification and valuation rules, and the recommended periodicity and timeliness of data dissemination. Further, Chapters 2 and 5 (paragraphs 2.57 and 5.43, respectively) discuss some general cases when the accounting records may need to be adjusted for conformity with the valuation and accounting rules in this *Manual*.

7.78 The financial statements for enterprises in some countries may be prepared on the basis of a fiscal year that differs from the calendar year. To facilitate cross-country comparability, all stock data for monetary and financial statistics should be end-of-period amounts for a calendar month, quarter, or year; all flows should be measured over a calendar month, quarter, or year. If needed, data should be adjusted to meet this requirement.

B. Data Sourced from Financial Corporations' Accounting Records

7.79 The general ledger provides a summary of all entries in the balance sheet and profit and loss accounts of the institutional unit. More disaggregated data are contained in subsidiary ledgers that are linked to the general ledger. A major function of the general and subsidiary ledgers is to provide information for the day-to-day management and control of a corporation. The general and subsidiary ledgers also support preparation and auditing of the corporation's financial statements, in accordance with the

accounting standards; and compliance with reporting requirements of regulatory/supervisory agencies and national statistical agencies.

7.80 Each account in the general and subsidiary ledger has an accounting code, or reference number, and a descriptor. Large and complex enterprises have thousands of account codes in their general and subsidiary ledgers. The accounting codes and descriptors are obtained from the enterprise's chart of accounts, or plan of accounts. The charts of accounts of financial and nonfinancial corporations reflect both the complexity of their activities and the multipurpose nature of the data. The ordering of assets and liabilities within a chart of accounts for FCs is usually determined by their relative liquidity.

7.81 As a matter of national policy, in many countries a chart of accounts is standardized across institutional units within an individual subsector of the economy. For example, ODCs may be required to use the same chart of accounts. In other countries, each corporation designs its own charts of accounts, subject only to the requirements that financial statements are prepared in accordance with the national financial reporting standards and that accurate and timely data are reported to the appropriate authorities.

7.82 *Double-entry accounting* can be implemented in the compilation of the source data for monetary statistics when these data are incorporated in, or linked directly to, the general and subsidiary ledgers. The double-entry accounting rule requires that every entry in the expanded information system must be accompanied by a contra-entry or set of contra-entries that will ensure that the balance sheet identity—assets equal liabilities (inclusive of equity)—is always satisfied. Double-entry accounting ensures that the balance-sheet and profit and loss accounts in the accounting system are reconciled. Double-entry accounting is also the framework for monetary statistics that ensures all stock and flow data are reconciled.

7.83 The flow data in an accounting system are defined by debits and credits to the accounts. The *trial balance* is a summary of all debits and credits recorded in the general ledger of the accounting system. If all entries in the accounts are accurate, the sum of all debits always equals the sum of all credits. If debits do not equal credits, the resulting error will be revealed in a trial balance that does not balance.

7.84 In some cases, a single debit entry and a single credit entry are needed to record a transaction. For example, suppose a depositor places a deposit with an ODC in the amount of 100. The ODC will record the deposit by crediting the deposit account (a liability of the ODC) in the amount of 100 and will record the receipt of cash by debiting its vault cash in the amount of 100. This transaction involved only an asset account (vault cash) and a liability account (deposits). In other cases, a transaction may involve two entries in the asset accounts or liability accounts. For example, suppose an FC purchases 100 of debt securities from a nonresident and provides payments from a transferable deposit account in an overseas (nonresident) DC. The FC debits an asset account (*Debt securities—nonresident*) in the amount of 100, and credits another asset account (*Transferable deposits—nonresident*) in the amount of 100.

7.85 Some transactions involve debits to both an asset or liability account and a revenue or expense account. An example is the recording of accrued interest in the amount of 10 for a loan held by an FC. The accrued-interest subaccount (asset) associated with the asset account (loan) is debited (10), and the revenue account for accrued interest on loans is credited (10). Instead, suppose that accrued interest of 10 is to be recorded for a deposit liability. The accrued-interest subaccount associated with the deposit account is credited (10), and the expense account for accrued interest on deposits is debited (10).

7.86 Flow data for monetary statistics can be based on the debit/credit entries to the balance sheet and profit and loss accounts in the FC's ledgers. Debits and credits to the asset/liability accounts, when aggregated and compiled on a net basis, provide transaction data for the net purchase or sale (or other form of partial or total liquidation) of a category of assets and the net incurrence or repayment of a category of liabilities. General or subsidiary ledger subaccounts can be used to account for accrued interest on each category of interest-bearing asset or liability—specifically, loans, debt securities, and deposits. These subaccounts would track the *additions* to accrued interest—interest earned but not yet due for payment—and *reductions* in accrued interest that result when accumulated accrued interest becomes due for payment and is paid.¹⁵ The

¹⁵ The monthly data for the monetary statistics include accrued interest in the outstanding amounts of interest-bearing deposits.

amounts of accrued interest in the subaccounts would be incorporated into the outstanding balances for the interest-bearing assets and liabilities, as well as in the accrued-interest data in the *Memorandum items* accompanying the sectoral balance sheets.

7.87 Profit and loss accounts in the general and subsidiary ledgers can be disaggregated to provide gain and loss data for monetary statistics. For monetary statistics, gains and losses in the profit and loss accounts do not need to be disaggregated on the basis of whether the gains/losses have been realized or are unrealized,¹⁶ or on the basis of whether the gains/losses resulted from price changes or from exchange rate changes. However, source data for gains and losses in monetary statistics need to be disaggregated in accordance with the line items in the sectoral balance sheets in Appendix II. The principal disaggregations of gains/losses are by: (1) asset/liability category,¹⁷ (2) domestic/foreign currency of denomination, and (3) economic sector of creditor/debtor. Because loans and deposits are recorded at nominal value in the methodology of this *Manual*, there are no holding gains or losses to record for domestic-currency-denominated loans and deposits, except if sold at a discount.

7.88 In the general and subsidiary ledgers, gains and losses arising from revaluations of financial assets and liabilities are recorded in two alternative ways: in profit and loss account, or in valuation adjustment within equity. For monetary statistics, the total amount of revaluation for individual categories of assets and liabilities is needed, with no rules imposed

The monthly statement that a DC provides to a depositor usually does not include accrued interest, but rather shows only the amount of interest recorded in the depositor's account at the time when the interest becomes due for payment. Separate subaccounts for accrued interest on deposits facilitate the reconciliation of the deposit data in which accrued interest are included and excluded, respectively.

¹⁶ For a category of asset or liability in monetary statistics, the net gain or loss (that is, *Valuation change*) for a period is equal to the *sum* of (1) unrealized gains and losses from revaluing assets/liabilities still in the accounts at the end of the period; and (2) realized gains and losses on assets/liabilities that, by having been sold or otherwise liquidated, are not in the accounts at the end of the period.

¹⁷ For deposits and debt securities issued by DCs, disaggregation based on the liability categories of *Included in broad money* and *Excluded from broad money*, as well as disaggregation by domestic/foreign currency of denomination and by economic sector, is needed.

with respect to recording through profit and loss or valuation adjustment accounts, given that both are components of equity. The total revaluation (gain or loss) for a particular category of assets or liabilities within a period is the sum of: (1) the net gain or loss recorded in *Current year result* (profit and loss), and (2) the net gain or loss recorded in *Valuation adjustment*, both within *Equity liability [MS]*.

7.89 Net profit or loss for the period is shown as the *change in current year result*, and accumulated profits or losses at the beginning and end of the period are referred to as the *opening balance of current year result* and *closing balance of current year result*, respectively. In principle, profit or loss can be officially transferred to *Retained earnings* at the end of each period. The *Current year result* for the period, inclusive of the net amount of gain or loss, is disaggregated in the flow categories of *transactions (T)*, *valuation changes (VC)*, and *OCVA* within *Equity liability [MS]*. These are the contra-entries for the transactions (for example, revenue received, expenses paid, and accrued revenue and expense items), valuation changes, and OCVA, on a net basis, for all financial assets and all liabilities outside *Equity liability [MS]*. Within the *Equity liability [MS]*, the net amount of gain/loss through the profit and loss accounts is recorded in the *VC* column of the *Current*

year result. A separate OCVA column of the *Current year result* is used for any OCVA that are recorded through profit or loss. *Equity liability [MS]* contains a separate component, *Valuation adjustment*, for the recording of the net gain/loss recognized directly in equity as per the IFRS or national financial reporting standards. The net amount of gain/loss (valuation change) through the *Current year result* is calculated as the sum of the gains and losses in the valuation sub-accounts for line items in the sectoral balance sheet. The net amount of transactions for the current year result for the period is equal to the net profit or loss for the period minus the sum of: (1) net amount of gain/loss through profit or loss, and (2) OCVA.

7.90 A numerical example of the stock and flow data for *Equity liability [MS]* of a FC (other than the central bank) is provided in Box 7.3.¹⁸

¹⁸ In the 2008 SNA and the methodology of this *Manual*, OCVA entries are used to record asset/liability changes that do not rise from transactions or valuation changes. The OCVA account is described in Chapter 5, paragraphs 5.21–5.22. Appropriations from *Retained earnings* to *General and special reserves* do not appear within the framework of the 2008 SNA. In monetary statistics, the *Retained earnings* appropriation to *General and special reserves* is treated as an OCVA within the category of *Changes in the classification of assets and liabilities*. OCVA entries arising from other events are described in Chapter 5.

Box 7.3 Equity Liability [MS]: Example of the Stock and Flow Data for a Period

(1) Profit for the period = 425

(1.1) T = transactions (other than new issue of shares) = 400

(1.2) VC1 = Gain or loss through profit or loss = 100

(1.3) OCVA1 = Expense for *Provision for losses on assets* = – 75

(2) VC2 = Gain or loss recognized directly in equity = – 50

(3) EQ = Issuance of equity shares = 3,200

(4) OCVA2 = Appropriation of retained earnings to increase *General and Special Reserves* = 300

	OS	T	VC	OCVA	CS
Equity liability [MS]	1,017,300	3,600	50	–75	1,020,875
Funds contributed by owners	1,000,000	3,200 [3]			1,003,200
Retained earnings	10,000			–300 [4]	9,700
Current year result	4,300	400 [1.1]	100 [1.2]	–75 [1.3]	4,725
General and special reserves	1,000			300 [4]	1,300
Valuation adjustment	2,000		–50 [2]		1,950

Note: T = transactions; VC = valuation changes; EQ = equity; OCVA = other changes in volume of assets; OS = opening stock; CS = closing stock.

Systematic identification of data reporting requirements

7.91 Compilers need to ensure that the data for the monetary and financial statistics are reported by FCs, while respecting the authorities concerns and data reporter's interests in minimizing statistical reporting burdens to the extent possible. The SRFs help reduce the reporting burden on countries as they can be used as the sole data source for monetary statistics and facilitate data consistency across jurisdictions. Nonetheless, the quantity and frequency of data requested do place a burden on reporting financial institutions who are confronting a greater reporting and regulatory burden as a result of changes to the macroprudential regimes. Many countries have administrative procedures to ensure that new and existing regulatory burdens, including those arising from statistical reporting, are monitored and subjected to reassessment on a regular basis. For example, EU Council Regulation (EC) No. 2533/98 as amended, concerning the collection of statistical information by the European Central Bank (ECB), requires that the ECB, without prejudice to the fulfillment of its statistical reporting requirements, "...shall use existing statistics as far as possible." Similarly, the Bank of England *Statistical Code of Practice* states that "Data suppliers' costs will be contained, subject to both the need to produce statistics that are fit for their purpose and regulatory data that meet the needs of regulators."¹⁹ Compilers need to judge the most efficient means of implementing data reporting requirements, striking an appropriate balance between the imposition of reporting costs and the quality of the data obtained. One way to minimize the reporting burden of FCs is to harmonize as much as possible statistical and supervisory reporting. This is particularly relevant when the same institution (e.g., the central bank) is mandated to compile monetary statistics and supervise FCs.

7.92 An approach to evaluate the reporting requirements is the application of cost-benefit analysis (CBA). Standard cost-benefit techniques, as applied in public sector project appraisals, are designed for quantification of the costs and benefits of alternative options and for selection of the option that has the maximum social value. Application of CBA to statistical reporting requires some adaptation of the tech-

niques, given the inherent subjectivity in valuing the benefits of producing data that meet the quality standards.²⁰ One formally established CBA is the "merits and costs procedure" of the ECB discussed in Box 7.4.

7.93 Components of a CBA for the reporting of monetary and financial statistics include:

- a. Systematic identification of all potential statistical reports.
- b. Estimation of reporting costs for each statistical report.
- c. Assessment of benefits measured as the incremental contribution of each statistical report to the overall quality of official statistics.
- d. Formulation of decision rules for determining which statistical reports are to be approved on the basis of costs and benefits.

7.94 Questionnaires are used to identify the available data in reporting institutions' general and subsidiary accounting ledgers and the additional required data that, though necessary for monetary statistics, are not required for compliance with national financial reporting standards or reporting requirements imposed by regulatory and supervisory authorities.

7.95 The objective for the statistical authorities is the establishment of data reporting requirements that are efficient in terms of the lowest reporting costs for achievement of specified standards of data quality. Efficiency of data reporting involves avoidance of double reporting of the same or similar data.

7.96 Given the associated costs to reporters and compilers of changes in the report forms, they should be revised infrequently and only when the quantified gains exceed their related costs. Defining the additional data needs is a starting point for identifying the incremental costs of statistical reporting that are directly attributable to the requirements for the monetary and financial statistics.

7.97 Techniques for estimation of statistical reporting costs recognize that aggregate reporting costs depend on the number of reporting entities and the reporting burden on each reporter. Statistical reporting

¹⁹ Bank of England (2013), page 34.

²⁰ For descriptions of developments in the application of CBA to statistical reporting, see for example Bank of England (2006a) and Holder (2006).

Box 7.4 The European Central Bank's Merits and Costs Procedure

The Governing Council of the European Central Bank (ECB) established a formal "merits and costs procedure" in 2000 to assess the value of new statistical reporting requirements, with a view to minimize reporting burden and to ensure statistics are collected in a cost-effective way. The procedure explicitly involves financial corporations (FCs) affected by the new requirements in order to estimate their cost.

The procedure consists of the following main steps, which, in some cases, may be further tailored to the specific requirements:

- The ECB carries out, in collaboration with national central banks (NCBs) and users, an assessment to determine whether and to what extent new data requirements can be met using existing statistics.
- The ECB prepares a "fact-finding exercise" aimed at analyzing the feasibility of the added requirements and the relevance of the economic phenomenon to be measured. Depending on the specific cases, representatives of the FCs may be involved in this stage.
- The ECB prepares a formal "cost-assessment" questionnaire, separately addressed to both FCs (for the added reporting burden) and NCBs (for the added administrative burden of processing more data). The respondents to the questionnaire assess costs using a grading scale (1-limited cost to 5-fundamental increase in cost).
- The ECB, having collected the responses on the added costs, addresses again the main users of the statistics, asking them to reconsider their new requirements in light of the costs reported by FCs. In some cases, especially when increased costs are reported as fundamental, users may be offered an alternative that may partially address their requirements but could be cheaper to achieve (e.g., quarterly instead of monthly data).
- The final step is the matching of merits and costs, where a final decision is taken by the ECB Governing Council on each individual new requirement.

compliance costs can be estimated through the use of periodic surveys of data reporters, who are asked to estimate the total staff time spent and non-staff costs incurred in complying with statistical reporting requirements. Staff-time estimates can be provided for individual employment grades and earning levels so that representative estimates of the total staff costs of statistical reporting can be calculated.

7.98 In the assessment of the benefits of reported data, surveys of monetary statistics users such as the central bank, central government, academics, media, and financial sector analysts can be used to identify the most highly valued statistics. The contribution of each reporting requirement to the derivation of these statistics can be assessed. Their value can be judged by the incremental impact of the reported data on the accuracy, reliability, and other qualitative dimensions of the major statistical outputs derived from the underlying data.

7.99 To ensure consistency in the cost-benefit assessment of data collections, compilers may consider the

adoption of standardized evaluation tools such as numerical scoring weighted by various criteria that encompass the principal benefits from compliance with national and international statistical reporting requirements.

7.100 Decision rules need to be structured to recognize that costs and benefits are unlikely to be assessed in the same quantitative terms. One approach is to set a budget ceiling for reporting compliance costs and choose from a ranked set of potential data collections, so as to maximize total benefits for a predetermined limit on total compliance costs. An alternative approach is to impose minimum quality standards that the reported data must meet or exceed.

Data adjustment and estimation

7.101 Alternative methods of data adjustment and estimation need to be evaluated to determine those that are the most efficient and cost-effective for completion of the data sets for monetary statistics. Compilers should identify each type of data adjustment/

estimation that is appropriate for completion of the entire data set for monetary statistics. For each category, a decision is needed as to whether compilers or the FCs should produce the adjusted/estimated data.

7.102 In addition to the trade-offs between compliance costs imposed on data reporters and costs borne by the monetary statistics compilers, consideration needs to be given to the efficiency of the data production and the resulting quality of the data. This *Manual* recommends that data reporters undertake all data adjustments/estimations that can be efficiently implemented at the level of the individual reporters. Examples might include restatement at market or fair value for debt securities that have been valued at amortized cost in FCs' accounting systems, or estimation of fair values for financial derivatives that are not traded in active markets. By performing the adjustments/estimations, each reporting institution can incorporate the adjusted/estimated data (and corresponding contra-entries) in its reported data in a manner that preserves the balance sheet identity—total assets equal to total liabilities—for the reported data. Inclusion of the adjusted/estimated data in the reported data imposes a quality check on the reported data, which must satisfy the balance sheet identity after the adjusted/estimated data have been incorporated.

7.103 Some data adjustments/estimations may be delegated to the monetary statistics compilers, particularly when those can be made more efficiently (and sometimes more accurately) using aggregated data rather than the separate data reported by each FC. Such procedures may be cost effective for disaggregation by economic sector for a particular category of financial assets or liabilities, and for estimation of flow data using stock data. For example, an FC has data on its total issuances of debt securities but usually does not have data disaggregated by economic sector of creditor (current holder of the securities), if its debt securities have been traded in secondary markets. The monetary statistics compilers are in a position to estimate the disaggregated data more efficiently and accurately than the individual reporters, using information available from different sources only at the aggregate level of securities holdings. In addition, custodial repositories or centralized securities depositories, if they exist in a country, can be used as a source for information on the issuance and holdings

of debt securities and equity. This, in turn, may reduce the reporting burden of FCs.

7.104 Monetary statistics compilers are responsible for data interpolation in circumstances in which not all data reporters provide data with the periodicity specified for the monetary statistics. For example, using a modified form of truncated data reporting, most ODCs may be required to report monthly data, but some small ODCs may report quarterly data only. The compilers would be responsible for estimating monthly data for all ODCs, which would include monthly estimates that have been interpolated from the quarterly data reported by the small ODCs. Similarly, the compilers would be responsible for using annual data, as reported by small OFCs, to produce quarterly data estimates based on interpolation, when quarterly is the standard periodicity for the OFC data.

Flow data estimation

7.105 Given that, in practice, sources for monetary statistics are mostly stock data, disaggregation of period-to-period changes in the outstanding amounts of financial assets and liabilities into the separate flow components—transactions, valuation changes, and OCVA—is an area for using estimation techniques. The sophistication of an FC's information system may be such that some or all flow data may be compiled and reported directly from its financial records. Although the general recommendation is that, to the extent possible, the flow components for each category of financial assets and liabilities should be obtained directly from the accounting or other recording systems of the FC, for some FCs (particularly, for many OFCs), flow data may need to be estimated. Data reporters may be required to provide some flow data, but the monetary statistics compilers are likely to be delegated responsibility for estimation of a substantial part of the flow data, through use of the reported data and estimation techniques.

7.106 Flow data can be estimated directly from stock data for financial assets and liabilities that are not subject to revaluation. Either more detailed data or the application of estimation techniques is required, when flow data for a financial asset or liability must be decomposed into transactions and valuation changes (as well as, possibly, OCVA). This decomposition can be based on estimation methods that utilize simplifying

assumptions about the behavior of the market price (or fair value) of a financial asset/liability and, for a foreign-currency-denominated financial asset/liability, the behavior of the exchange rate during the period. These estimation methods are described in Chapter 5 (Section IV.A, and Annex 5.1) and in Box 10.2 of the *BPM6 Compilation Guide*.²¹

C. Data Reporting by Financial Corporations

General principles

7.107 A prerequisite for the compilation of monetary statistics is the accurate, comprehensive, and timely reporting of data that FCs have compiled in accordance with the financial asset classifications, economic sectoring, valuation methods, and other accounting rules, as described in Chapters 2 to 6.

7.108 Comprehensive data reporting enables the monetary statistics compilers to concentrate on: (1) verification and, if necessary, adjustment of the data to finalize the sectoral balance sheet of the central bank; (2) collection of the monetary data from the ODCs and OFCs; (3) compilation of the sectoral balance sheets for the ODCs and OFCs; (4) consolidation of the data for the surveys of the FCs sector (CBS, ODCS, DCS, OFCS, and FCS); and (5) reporting and publication of the monetary statistics.

7.109 FCs in most countries report only stock data for monetary statistics. This subsection is intended to provide guidance on the reporting of stock data and the general framework for the future reporting of both stocks and flows in the sectoral balance sheets and memorandum items.

Central bank

7.110 The central bank should report stock and flow data in accordance with the *Manual* recommended financial asset classifications, economic sectoring, valuation methods, and accounting rules. Reporting pertains to a single institutional unit and the data reporting entails only inter-departmental data transmittal—that is, reporting from the central bank’s accounting department to the monetary statistics compilers within the

central bank.²² The form of data reporting depends on the division of tasks within a central bank. Usually, the accounting department is responsible for reporting the accounting balance sheet and any additional data needed by the monetary statistics compilers, who then produce the sectoral balance sheet for the central bank.

7.111 This *Manual* recommends that, at a minimum, the accounting department of the central bank should share with the compilers a single set of data wherein the accounts of the central bank headquarters, all domestic branches of the central bank, and any specialized subunits within the central bank subsector (for example, accounts of a currency board) have been consolidated. In some cases, data sharing by other departments of the central bank—for example, a foreign exchange department or a securities department—may be required for completion of the sectoral balance sheet and/or accompanying memorandum items.

7.112 Implementation of data reporting requires close collaboration between the central bank’s departments involved in data reporting for monetary statistics purposes and the monetary statistics compilers. The departments should be provided with full documentation of the accounting rules that apply to the stock and flow data for the sectoral balance sheet of the central bank. This documentation should be augmented with ongoing technical support from the monetary statistics compilers, contributing to the quality and timeliness of the reported data.

7.113 In addition, read-only access to accounting records of the central bank by the compilers has proven helpful when addressing specific data issues and/or questions. This practice promotes efficiency in the use of resources and improves the timeliness of data validation and availability.

Other depository corporations

7.114 ODCs should report stock, and possibly flow, data in standard reporting forms (based on charts of

²¹ On the estimation of flow data for monetary financial institutions (ODCs) in the Eurosystem, see European Central Bank (2006a and 2006b).

²² This statement holds also at the level of central bank units in countries that belong to currency unions. An exceptional case is a currency union that has a union-wide central bank, but no central bank units for individual countries belonging to the union. Another exceptional case is for a few small countries that do not have central banks. For these exceptional cases, the reporting procedures described in this section pertain to reporting to government agencies and/or FCs other than central banks that are responsible for obtaining the data on central-bank-type activities at the national level.

accounts or standard statistical returns) that are sufficiently detailed to allow compiling monetary and financial statistics in accordance with the financial asset classifications, economic sectoring, valuation methods, and accounting rules of this *Manual*. The advantages of this reporting are:

- a. Compilation efficiency. The reported data are comparable across ODCs and are in a form that facilitates aggregation by the compilers. If a common chart of accounts exists, the reporting can be simplified because additional reporting forms to collect balance sheet data are not needed. The ODCs can just report their balance sheet and income statement based on the standard chart of accounts.
- b. Data quality. Preferably, ODCs should report own accounting records using a standardized format that contains all the details needed for compiling monetary statistics. The alternative of the compiler relying on summarized balance sheet and income statement data, supplemented by additional report or call forms with specific information is a weak substitute. It is more time and resource consuming, and inconsistencies might arise between data in the supplementary forms and the accounting records, and thus the compilation process becomes prone to errors.

7.115 Major elements of implementation of the new reporting system include:

- a. Reporting forms. The new reporting forms can be designed with reference to the line items of the SRF 2SR, the format for standardized reporting of ODC data to the IMF, as discussed in *Reporting to the IMF* (paragraphs 7.137–7.145). Initially, the reporting requirement may specify that only stock data for an ODC's balance sheet accounts and memorandum items should be reported. Foresight is needed in designing a numeric (or alphanumeric) data-coding system that later can be extended to include the reporting of flows—transactions, valuation changes, and OCVA.
- b. Reporting instructions and other documentation. The instructions for completion of the reporting forms can be developed with reference to the *Guidance Notes* that accompany SRF 2SR for the reporting of ODC data to the

IMF (see Appendix II), as well as by making use of the other material in this *Manual*, which is available online at the IMF website (www.imf.org) for reference.

- c. Training sessions. The central bank will need to convene training sessions to provide the ODC reporters and their support staff with in-depth information on the methodology of the monetary statistics, sectoral balance sheets, and reporting procedures.
- d. Technical support. The central bank will need to provide a communication channel between the ODCs and the monetary statistics compilers who are in a position to assist the ODCs with the resolution of methodological and other issues associated with the implementation of the reporting system. The need for technical assistance should be expected to extend beyond the introduction of the new reporting forms.

Other financial corporations

7.116 OFCs should also report data in standard reporting forms that are sufficiently detailed to allow the compilation of monetary and financial statistics in accordance with the financial asset classifications, economic sectoring, valuation methods, and accounting rules of this *Manual*. The data reported by an OFC usually encompass fewer and less diverse categories of assets and liabilities, compared with the data reported by an ODC. The liability accounts of OFCs seldom include deposits, and the financial assets and liabilities of many OFCs are likely to have comparatively few categories of debtor/creditor disaggregation by economic sector.²³

7.117 The major reporting challenges arise from the large number and diversity of operating OFCs, as well as from multiple channels of data reporting. In some countries, OFC data reporting is incomplete and/or is not performed on a timely basis; and reporting by some categories of OFCs may not exist. Furthermore, in many countries OFCs are not supervised directly by the central bank, but by supervisory agencies responsible for particular segments of the OFCs sector (for instance, insurance corporations, pension funds, or non-MMF investment funds), or not supervised at all.

²³ Typical examples are pension funds, for which the almost exclusive liability category is pension entitlements of households.

This fact presents an additional hurdle for the compilation of OFCs' monetary and financial data.

7.118 Compilers should collect timely source data from OFCs either through direct reporting to the central bank or through close coordination with the agencies supervising the activities of the different types of OFCs operating in the economy, or through national statistical offices. Data reporting may also be channeled through trade associations or other non-government entities that represent the interests of specific groups of OFCs.

7.119 Implementation of a reporting system for OFCs involves the same four major elements as those for ODCs, the references being the line items of SRF 4SR, the format for standardized reporting of OFC data to the IMF, and its accompanying *Guidance Notes* (see Appendix II) and other principles in this *Manual*.

Validation and plausibility testing of reported data

7.120 Efficient and reliable mechanisms for ensuring the quality of source data reported by FCs are fundamental to the compilation of monetary statistics. Compilers need to maintain the quality standards required for aggregate outputs by checking for large or unusual movements in reported source data. Quality control is exercised through *data validation* and *plausibility testing*, through which reporting errors are identified and corrected to the point where the statistical outputs are fit for the analytical purposes for which the data are intended.²⁴

7.121 Validation checks can be largely automated where reported data are in electronic form. The data submission can be automated through electronic data transmission and storage. Data transmission can be via private networks or over the Internet (subject to security precautions including encryption, if necessary). Most central banks have systems of electronic data transmission, at least for large reporting institutions. Validation checks specified by the compilers can be built into the software for preparing and transmitting the reported data, thereby allowing each reporter to perform the basic validation prior to transmitting the data. Validation provides basic checks on the integrity of source data by: (1) confirming that all

required data cells have been completed; (2) checking that all balance sheet accounting identities are satisfied; (3) ensuring that subtotals and totals sum correctly; and (4) determining the consistency in the reciprocal positions between the FCs subsectors.²⁵

7.122 Plausibility testing follows validation checks and is aimed at identifying those data items that have reporting errors, even though the validation checks have shown the data to be internally consistent. Plausibility testing can be viewed as a three-phase process:

- a. First-round filtering, often automated, is used to identify source data that exhibit behavior that may deserve more detailed investigation, such as outliers or large variations during the reporting period.
- b. Diagnostic testing is used to determine which data from among those identified by filtering should be directly edited or queried with the data provider.
- c. A second round of diagnostic testing may be used after compilation and initial analysis of the data from all reporters to reveal outlier behavior relative to peer group norms.

7.123 First-round filtering may be based on a variety of pre-specified criteria determined by the data analyst. Filters may have single or multiple criteria that are linked through either an “and” rule or an “or” rule. Commonly applied criteria trigger an alert if a period-to-period change in a balance sheet position exceeds a specified absolute value; exceeds a specified percentage movement; or causes the reported position to show, or cease showing, a zero position.

7.124 Instead of a fixed numerical threshold, a more sophisticated model-based filtering may be used. More sophisticated criteria are based on the measurement of statistical significance. In general, this approach involves modeling the time series to be checked using an ARIMA model. The model is used to generate a forecasted confidence interval for the new observation, which determines whether the new observation is within an expected range or needs to be checked. Common software packages that can carry

²⁴ On data quality control and related issues, see for example Drejer (2013), and Bank of England (2006b), Chapters 11 and 12.

²⁵ If the reported data include both flows and stocks, summing-up tests may be applied separately to the stock and flow data, as well as to relationships between the flow and stock data.

out this type of outlier detection are applications of seasonal adjustment programs, such as X-12-ARIMA and Tramo for ERROR.

7.125 On the other hand, diagnostic testing of the first-round filtering alerts may be based entirely on an analyst's judgment or can utilize specified computational tests. An example of the latter would be an examination of the relationship between the data under review and another data item(s), elsewhere in the same reporter's submission, where a form of stable relationship would be observable.

7.126 Second-round diagnostic testing is used to review the data from the individual reporter in relation to the data for all reporters. First-round filtering and diagnostic testing assess the plausibility of the reporter's data on the basis of the reporter's own past performance. In the second round, the diagnostic testing is concerned with whether the reporter's performance is unusual relative to that of a peer group. Second-round testing requires the availability of reported data from all reporters in a major subset of the reporting population. Depending on the sequencing and timing of the reporting, second-round testing may need to be delayed until all or nearly all reports for a given period have been submitted.

7.127 Plausibility testing can be subjected to CBA. The objective is to expend resources to identify data inaccuracies that materially affect the analytical content of aggregate outputs. Plausibility testing is carried out to protect the quality of the aggregate data through investigation of the behavior of each reporter's data. The pursuit of potential reporting errors without regard to materiality can impose reporter and compiler costs that have few, if any, offsetting benefits and, in particular, may lead to an overabundance of first-round filtering alerts and follow-up testing. Efficient decision rules for specifying and applying the first-round filtering can be established. Some general principles are suggested:

- a. The setting of absolute movement rules should focus on the materiality of the cell item to the quality of the aggregate output to which the data contribute. Data should not be subjected to further investigation if any reporting errors that potentially could be uncovered by such testing would be too small to materially affect the interpretation of the aggregate data.

- b. Application of the percentage-movement rule may focus on changes in the individual reporter's data without regard for the impact on the aggregated data. Rules should be specified carefully to ensure that the percentage-movement rule encompasses a normal range of variability in the data for each reporter, but do not trigger an excessive number of plausibility alerts. The focus may be on percentage-change thresholds designed to signal the unusual movements in the data in balance sheets of relatively large institutions.
- c. The use of a "to/from zero" rule—a hybrid between validation and plausibility testing—has been found by some compilers to be a useful means of alerting when data inadvertently have been entered in the wrong line of the reporting form or when the reporting institution has begun holding a new type of instrument or offering a new financial service.

D. Institutional Coverage of Monetary Statistics

7.128 Monetary statistics cover data for all institutional units in the FCs sector, which, as described in Chapter 3, is subdivided into nine subsectors in the 2008 SNA. For compiling monetary statistics, the FCs sector is divided into the DCs subsector (further subdivided into the central bank and ODCs subsectors) and the OFCs subsector.

7.129 The quality and analytical usefulness of the monetary statistics depend on the institutional coverage of the ODCs and the OFCs. The recommendation in this *Manual* is that the institutional coverage of the monetary statistics includes all FCs, with possibly lower frequency of reporting for smaller ODCs and OFCs, consistent with the benefits and compliance costs of data reporting.

7.130 The institutional coverage of monetary data by frequency of reporting is likely to depend on the (1) number and size distributions of ODCs and OFCs in a country; (2) the range of OFCs' activities; (3) the assortment of stock and flow data that ODCs and OFCs are required to report; and (4) the periodicity of the data and frequency of data reporting.

7.131 The requirement of monthly data reporting by ODCs may apply to all ODCs in the financial sector, or may exclude the smallest ODCs. Reporting by all ODCs (sometimes called universal reporting, or

census reporting)—provides the most comprehensive data for the subsector, but may impose the highest total costs of obtaining the aggregate data. If the size distribution of the ODCs is highly skewed, a substantial reduction in reporting costs may be obtainable without significant loss of data accuracy and comprehensiveness, if the smallest ODCs are excluded from some or all requirements for frequent reporting.

7.132 Exemption of small institutional units can be defined explicitly, by setting a minimum-size threshold for reporting institutions; or implicitly, by setting a minimum institutional coverage, measured as a percentage of the estimated total for a key data aggregate such as total assets of the ODCs subsector. The latter approach has been adopted by the ECB for ODCs resident in the euro area.²⁶

7.133 Exemption of small OFCs from frequent reporting requirements will decrease the compilation cost, while maintaining a representative sample for countries that have large numbers of small OFCs for which detailed reporting on a frequent basis would create substantial reporting burdens. For all FCs, truncated requirements for high-frequency reports can be combined with universal reporting at less frequent intervals. For example, small ODCs could be exempted from monthly reporting, while being required to comply with requirements for quarterly data reporting. Similarly, large OFCs could be required to report quarterly data, whereas small OFCs could be subjected to annual data reporting only.

7.134 If truncated reporting is adopted, compilers will need to conduct periodic reviews of the minimum-size threshold in relation to the FCs that have been exempted from reporting. The need for such reviews is prompted by the evolution of the FCs sector, resulting from growth (or decline) of individual units and structural changes imparted by mergers, acquisitions, reorganizations, and failures of FCs.

7.135 Census surveys—that is, data questionnaires sent to all ODCs and all OFCs—provide information that is useful in determining the adequacy of the institutional coverage achieved when truncated reporting

is allowed. These census surveys should be repeated at least annually to update the information needed for revisions in the list of FCs exempted from regular monthly reporting (or quarterly reporting, if it is the case for OFCs). Data from the census surveys are used in implementing the decision rules pertaining to the conditions for adding or deleting ODCs and OFCs from the respective groups of data reporters.

E. Reporting to the IMF

7.136 The SRFs for monetary data reporting to the IMF were revised with the publication of this *Manual*. They are the same as the sectoral balance sheets (as presented in Appendix II together with the completion guidelines for reporting monetary data to the IMF), but need to be reported only for stock data. The SRFs are applicable to data reporting by each country that reports monetary data directly to the IMF. The forms are:

- a. SRF 1SR – Central Bank
- b. SRF 2SR – Other Depository Corporations
- c. SRF 4SR – Other Financial Corporations
- d. SRF 5SR – Money Aggregates.

7.137 SRFs 1SR, 2SR, and 4SR are the same as sectoral balance sheets of the central bank, ODCs, and OFCs, respectively. SRF 5SR is based on the DCS and contains additional line items for components of money aggregates issued by institutional units other than FCs.

7.138 *SRF 1SR—Central Bank* contains lines to be used to distinguish a central bank's holdings of foreign assets that qualify as reserve assets. In reporting data on reserve assets in the SRF 1SR, the principles of the *BPM6* (paragraphs 6.64–6.92) and the *International Reserves and Foreign Currency Liquidity: Guidelines for a Data Template* (2013)²⁷ need to be followed.

Reporting for currency unions

7.139 A more detailed reporting format is used for member countries of currency unions (e.g., euro area) that report their monetary data to the currency union central bank, which transmits the data for each

²⁶ For further information on institutional coverage, timeliness, and grossing up procedures of monetary statistics for ODCs in the euro area, see European Central Bank (2012); and ECB Regulation ECB/2013/33, supplemented by the ECB Guideline ECB/2014/15 addressed to euro area central banks.

²⁷ However, the Reserves Data Template is more comprehensive in its scope, and it integrates the concepts of reserve assets and foreign currency liquidity in a single framework. In addition, it uses residual maturity rather than original maturity of financial instruments in its compilation, in contrast to *BPM6* and *SNA 2008*.

member country and for the union as a whole to the IMF. The reporting formats for these countries are consistent with the SRFs but contain additional line items to account for a dichotomy of nonresident classifications in the data—within-union nonresidents and outside-union nonresidents. Statistics are compiled on the basis of both national residency and currency-union-wide residency.

7.140 This general principle is applied for countries that report their monetary data to the ECB, which transmits the data to the IMF.²⁸ Statistics are compiled on the basis of both national residency and euro-area-wide residency, based on EU membership as of a specified date.²⁹ Using the euro-area-wide residency criteria, all institutional units located in euro-area countries are treated as resident, and all units outside the euro area as nonresident. For example, claims on government under the national residency criteria include only claims on the government of the country, whereas claims on government under the euro-area-wide residency criteria include claims on the governments of all euro-area countries. Under the euro-area-wide residency criteria, the ECB is a resident unit (central bank) of the euro area as a whole, but not of any specific country. Under the national residency criteria, the ECB is treated as a nonresident unit for all countries.³⁰

Supplementary data reporting

7.141 An illustrative set of supplementary data for sectoral balance sheets of the central bank, ODCs, and OFCs for possible reporting to the IMF is shown in Table 7A.8 in Annex 7.3.³¹ The categories in Table 7A.8 represent the supplementary data that are of

²⁸ The countries include those that belong to the European Economic and Monetary Union (EMU, or the euro area), several other members of the EU, and other European countries that have adopted the ECB's framework.

²⁹ The *IFS* page for each euro-area country contains monetary statistics on both national and euro-area-wide residency bases. *IFS* also includes a euro-area page, which shows the monetary data consolidated for the Eurosystem.

³⁰ For convenience in the classification within the reporting scheme for monetary statistics, the classification of the ECB as a resident counterpart (DC) in Germany has been adopted (see European Central Bank [2007], page 8).

³¹ Table 7A.8 is subtitled as *Supplementary data for the central bank, ODCs, and OFCs (Supplements to SRFs 1SR, 2SR, and 4SR)*. At present, the supplementary data are not reported to the IMF. If reported in the future, the supplementary data would be provided, at quarterly (or annual) intervals, along with the Forms 1SR, 2SR, and 4SR submitted for the same reporting date.

analytical interest for the FCs sectors. Other categories of supplementary data may be of interest in a particular country. This *Manual* recommends that the supplementary data should be compiled for end-of-period stocks, recognizing that some countries may wish to compile flow data for the supplementary categories.

7.142 In Annex 7.3, the major dimensions of cross-classifications for assets and liabilities in the form of debt securities and loans are:

- a. Term to maturity. Short-term (payable on demand or with a maturity of one year or less) and long-term (maturity of more than one year or with no stated maturity), both preferably at remaining maturity.
- b. Currency of denomination. Domestic currency and foreign currency.
- c. Interest rate. Fixed rate or variable rate.

7.143 For analyzing maturities of deposit and debt security liabilities, the data on short- and long-term deposits/debt securities complement the disaggregated data in the sectoral balance sheets, which for the central bank and ODCs are divided into *included in* and *excluded from broad money*.

7.144 In Annex 7.3, financial derivatives are divided into separate categories for forward contracts (disaggregated by type of contract), call options, put options, and credit derivatives. No category is shown for futures contracts, given that futures contracts are settled on a daily basis and therefore do not have outstanding balances (nonzero stock positions). Off-balance-sheet data for notional principal of futures and swap-type forward contracts are shown as memorandum items to supplementary data in Table 7A.8 in Annex 7.3. Data on notional principal contracts are important for analysis of activity in these financial derivatives.

VI. Data Dissemination

A. National Data Release and Publication

7.145 Most countries disseminate monetary statistics through national websites, press releases, central bank bulletins and/or other national publications, and through reporting of monetary data for country presentations (called *country pages*) in the IMF's *IFS* and for analytical use within the IMF.

7.146 Hyperlinks to summary monetary data at national websites are shown on the Dissemination Standards Bulletin Board (DSBB) at the IMF's external website (www.imf.org). Posting of these summary monetary data (and other macroeconomic indicators) is a requirement for countries that subscribe to the Special Data Dissemination Standard (SDDS). Established by the IMF in 1996, the SDDS is designed to inform international capital markets about countries whose data coverage, periodicity, timeliness, and transparency practices meet international standards.³² Established by the IMF in 1997, the General Data Dissemination System (GDDS) is a developmental framework wherein countries work to improve the comprehensiveness and reliability of their macroeconomic statistics.

7.147 Further impetus for adherence to international standards for monetary statistics has been fostered by the global availability and high visibility of countries' monetary statistics through the Internet. The means for implementing the international standards are provided by this *Manual*, the e-GDDS,³³ SDDS, or SDDS Plus,³⁴ and the SRFs and accompanying guidelines for submission of monetary statistics to the IMF. Adoption of the international standards is also facilitated by features of the DSBB, wherein each SDDS Plus

adherent, SDDS subscriber, or GDDS participant presents metadata—descriptions of the methodology for a country's monetary and other macroeconomic statistics. Compilers at the national level and IMF staff members work closely on the development of metadata. For the monetary and financial statistics, this work centers on implementation and documentation of methodology that is based on this *Manual*.

B. International Financial Statistics

7.148 The presentation of the monetary data in the *IFS* country pages was revised in parallel with the implementation of the *MFSM* methodology in the early 2000s, and the adoption of standardized data reporting by the countries. Each country page includes sections for *Central Bank*, *Other Depository Corporations*, and *Depository Corporations Survey*, presenting data in the format of the CBS, ODCS and DCS, respectively. Sections for *Other Financial Corporations* and *Financial Corporations Survey* are also included for those countries in which the reporting of OFC data has been established. The country page has also a *Money Aggregates* section to present data for broad money and its components; broad money on a seasonally adjusted basis; and the national definition of money.

³² See IMF's *Special Data Dissemination Standard Plus: Guide for Adherents and Users*. Information on the DSBB and SDDS is also available at dsbb.imf.org/Default.aspx.

³³ In May 2015, the e-GDDS was created to enhance the GDDS framework with more focus on data dissemination. The e-GDDS supersedes the GDDS.

³⁴ In 2012, the SDDS Plus was created as an upper tier of the IMF's Data Standards Initiatives to help address data gaps identified during the 2008 global financial crisis.

7.1

Other Changes in the Volume of Assets

Introduction

7.149 Tables 7A.1–7A.3 show examples of other changes in the volume of assets (OCVA) entries in the sectoral balance sheets for the central bank, other depository corporations (ODCs), and other financial corporations (OFCs). For illustrative purposes, the OCVA is arranged in separate columns for changes in the classification of assets/liabilities (Column A), sectoral reclassification (Column B), write-offs and provisions for loan losses (Column C), and other types of OCVA (Column D).

Examples for the Central Bank

7.150 Examples of OCVA entries and contra-entries in the sectoral balance sheet of the central bank are shown in Table 7A.1. These are:

- a. Monetization of commodity gold (gold bullion only) is recorded in *Changes in the classification of assets* (column A) as a decrease in *Nonfinancial assets* (–311) and an increase in *Monetary gold* (+311).
- b. Loan write-offs are recorded in column C as reductions in *Loans to public nonfinancial corporations* (–54) and *Loans to other nonfinancial corporations* (–274) with a corresponding reduction in *Provisions for loan losses* in the resident-sector category of *Other accounts payable [MS]—Other* (–328), given that these loans were already provisioned in full.
- c. OFC reclassified as an ODC is recorded in column B as: (1) a decrease in *Claims in financial derivatives* on OFCs (–111) with a corresponding increase in *Claims in financial derivatives* on the ODCs (+111); (2) a decrease in *Transferable*

deposits in foreign currency of the OFCs, which were included in broad money (–58) with a corresponding increase in *Transferable deposits in foreign currency* of the ODCs, which are now excluded from broad money (+58); and (3) a decrease in *Financial derivatives liabilities* to the OFCs (411) with a corresponding increase in *Financial derivatives liabilities* to the ODCs (+411).

- d. Catastrophic loss of nonfinancial assets is recorded in column D as a decrease in *Nonfinancial assets* (–68) with a corresponding decrease in *Current year result* (–68).
- e. Appropriation of retained earnings to general and special reserves is recorded in column D as a decrease in *Retained earnings* (–2,130) and an increase in *General and special reserves* (+2,130).

Examples for Other Depository Corporations

7.151 Examples of OCVA entries and contra-entries in the sectoral balance sheet of the ODCs are shown in Table 7A.2:

- a. OFC reclassified as an ODC is recorded in column B as an increase in *Total assets* (+39,746) and an increase in *Total liabilities* (+39,746). This reclassification resulted in an increase in ODC asset holdings in the following categories: *Currency* (+1,171), *Transferable deposits* (+440), *Other deposits* (+2,598), *Debt securities* (+8,756), *Loans* (+21,902), *Investment fund shares* (+2,900), *Equity* (+418), *Financial derivatives* (+672), *Other*

Table 7A.1 OCVA—Central Bank						
	Changes in classif. of assets A	Sectoral reclassif. B	Write- offs C	Other D	OCVA: Total E	Comments
Assets						
Monetary Gold and SDRs	311				311	
Monetary gold	311				311	Monetized commodity gold.
Loans			-328		-328	
Public nonfinancial corporations			-54		-54	Write-offs of loans.
Other nonfinancial corporations			-274		-274	Write-offs of loans.
Financial derivatives		0			0	
Other depository corporations		111			111	OFCs reclassified as ODCs.
Other financial corporations		-111			-111	OFCs reclassified as ODCs.
Nonfinancial assets	-311			-68	-379	Monetized commodity gold (-311); Catastrophic loss of fixed assets (-68).
TOTAL	0	0	-328	-68	-396	
Liabilities						
Currency in circulation						
Deposits included in broad money		-58			-58	
Transferable deposits		-58			-58	
In foreign currency		-58			-58	
Other financial corporations		-58			-58	OFCs reclassified as ODCs.
Deposits excluded from broad money		58			58	
Transferable deposits		58			58	
In foreign currency		58			58	
Other depository corporations		58			58	OFCs reclassified as ODCs.
Financial derivatives and employee stock options		0			0	
Other depository corporations		411			411	OFCs reclassified as ODCs.
Other financial corporations		-411			-411	OFCs reclassified as ODCs.

Table 7A.1 OCVA—Central Bank (Continued)

	Changes in classif. of assets A	Sectoral reclassif. B	Write- offs C	Other D	OCVA: Total E	Comments
Other accounts payable			-328	70	-258	
Other			-328	70	-258	
Provisions for loan losses			-328	70	-258	Provisions used to cover loan write-offs (-328). New provisions (+70).
Equity	0	0	0	-138	-138	
Retained earnings				-2,130	-2,130	Reclassification of retained earnings to general reserves (-2,130).
Currency year results				-138	-138	Catastrophic loss of nonfinancial assets (-68). New provisions (-70).
General and special reserves				2,130	2,130	Reclassification of retained earnings as an appropriation to reserves.
TOTAL	0	0	-328	-68	-396	
Vertical check	0	0	0	0	0	

Note: OCVA = other changes in the volume of assets; SDRs = Special Drawing Rights; OFC = other financial corporation; ODC = other depository corporation; ESO = employee stock option.

accounts receivable (+138), and *Nonfinancial assets* (+751). This reclassification led to increases in ODC liabilities in the following categories: *Debt securities, included in broad money* (+1,701), *Debt securities, excluded from broad money* (+2,754), *Loans* (+1,747), *Financial derivatives* (+947), *Other accounts payable [MS]* (+11,949), and *Equity liability [MS]* (+20,648).

b. Loans reclassified as debt securities is recorded in column A as a decrease of *Loans to other nonfinancial corporations* (-2,780) and an increase in *Debt securities* issued by other nonfinancial corporations (+2,780).

c. The change in the definition of broad money, which now excludes some debt securities previously included, is recorded in column A as a decrease in *Debt securities in domestic currency* held by OFCs and *included in broad money* (-509) and an increase in *Debt securities in domestic currency* held by OFCs and *excluded from broad money* (-509).

d. Loan write-offs are recorded in column C as a decrease in *Loans* to public nonfinancial corporations (-274), other nonfinancial corporations (-4,400), and households and nonprofit institutions serving households (NPISHs) (-4,032) with a corresponding decrease in *Provisions*

for loan losses within the resident-sectors category of *Other accounts payable [MS]—other* (–8,432), given that some of these loans were previously provisioned. The write-offs of non-provisioned loans are recorded as a decrease in *Current year result* (–274).

- e. Catastrophic loss of nonfinancial assets is recorded in column D as a decrease in *Nonfinancial assets* (–196) and a decrease in *Current year result* (–196).
- f. Appropriation of retained earnings to general and special reserves is recorded in column D as a decrease in *Retained earnings* (–684) and an increase in *General and special reserves* (+684).

Examples for Other Financial Corporations

7.152 Examples of OCVA entries and contra-entries in the sectoral balance sheet of the OFCs are shown in Table 7A.3:

- a. OFC reclassified as an ODC is shown in column B as a decrease in total assets (–39,746) and a decrease in total liabilities (–39,746). This reclassification resulted in a decrease in OFC asset holdings in the following categories: *Currency* (–1,171), *Transferable deposits* (–440), *Other deposits* (–2,598), *Debt securities* (–8,756),

Loans (–21,902), *Investment fund shares* (–2,900), *Equity* (–418), *Financial derivatives* (–672), *Other accounts receivable* (–138), and *Nonfinancial assets* (–751). This reclassification led to decreases in OFC liabilities in the following categories: *Debt securities, excluded from broad money* (–4,455), *Loans* (–1,747), *Financial derivatives* (–947), *Other accounts payable [MS]* (–11,949), and *Equity liability [MS]* (–20,648).

- b. Debt securities converted into equity is recorded in column A as a decrease in *Debt securities* of other nonfinancial corporations (–250) and an increase in *Equity* of other nonfinancial corporations (+250).
- c. Loan write-offs are recorded in column C as a decrease in *Loans* to households and NPISHs (–867) and a decrease in *Provisions for loan losses* in the resident-sector category of *Other accounts payable [MS]—Other* (–530), given that some of these loans were provisioned. The non-provisioned loans that were written-off are reflected in a decrease in *Current year result* (–337).
- d. The recovering of nonperforming loans is recorded in column D as an increase in *Loans to nonfinancial corporations* (+694) and a direct increase in *Current year result* (+694).

Table 7A.2 OCVA—Other Depository Corporations

	Changes in classif. of assets A	Sectoral reclassif. B	Write- offs C	Other D	OCVA: Total E	Comments
Assets						
Currency and deposits		4,209			4,209	
Currency		1,171			1,171	
Domestic		860			860	OFCs reclassified as ODCs.
Foreign		311			311	OFCs reclassified as ODCs.
Transferable deposits		440			440	
In domestic currency		261			261	
Central bank		74			74	OFCs reclassified as ODCs.
Other depository corporations		187			187	OFCs reclassified as ODCs.
In foreign currency		179			179	
Central bank		58			58	OFCs reclassified as ODCs.
Other depository corporations		121			121	OFCs reclassified as ODCs.
Other deposits		2,598			2,598	
In domestic currency		2,561			2,561	
Central bank		548			548	OFCs reclassified as ODCs.
Other depository corporations		2,013			2,013	OFCs reclassified as ODCs.
In foreign currency		37			37	
Other depository corporations		37			37	OFCs reclassified as ODCs.
Debt securities	2,780	8,756			11,536	
In domestic currency	2,780	8,756			11,536	
Other depository corporations		2,535			2,535	OFCs reclassified as ODCs.
Other financial corporations		248			248	OFCs reclassified as ODCs.
Central government		3,096			3,096	OFCs reclassified as ODCs.
State and local government		117			117	OFCs reclassified as ODCs.
Public nonfinancial corporations		185			185	OFCs reclassified as ODCs.
Other nonfinancial corporations	2,780	1,953			4,733	Loans reclassified as securities (+2,780). OFCs reclassified as ODCs (+1,953).
Nonresidents		622			622	OFCs reclassified as ODCs.

(Continued)

Table 7A.2 OCVA—Other Depository Corporations (Continued)

	Changes in classif. of assets A	Sectoral reclassif. B	Write- offs C	Other D	OCVA: Total E	Comments
Loans	-2,780	21,902	-8,706		10,416	
Public nonfinancial corporations		959	-274		685	OFCs reclassified as ODCs (+959). Write-offs of loans not provisioned (-274).
Other nonfinancial corporations	-2,780	13,178	-4,400		5,998	Loans reclassified as securities (-2,780). OFCs reclassified as ODCs (+13,178). Write-offs of loans fully provisioned (-4,400).
Households and NPISHs		7,660	-4,032		3,628	OFCs reclassified as ODCs (7,660). Write-offs of loans fully provisioned (-4,032).
Nonresidents		105			105	OFCs reclassified as ODCs.
Investment fund shares		2,900			2,900	
Money market funds		2,900			2,900	OFCs reclassified as ODCs.
Equity		418			418	
Other nonfinancial corporations		418			418	OFCs reclassified as ODCs.
Financial derivatives		672			672	
Central bank		411			411	OFCs reclassified as ODCs.
Other depository corporations		233			233	OFCs reclassified as ODCs.
Nonresidents		28			28	OFCs reclassified as ODCs.
Other accounts receivable		138			138	
Trade credit and advances		121			121	
Other financial corporations		47			47	OFCs reclassified as ODCs.
Other nonfinancial corporations		74			74	OFCs reclassified as ODCs.
Other		17			17	
Nonresidents		17			17	OFCs reclassified as ODCs.
Nonfinancial assets		751		-188	563	
Fixed assets		503		-196	307	OFCs reclassified as ODCs (+503). Catastrophic loss (-196).
less: Accumulated depreciation				-8	-8	Accumulated depreciation of catastrophic loss (-8).
Other nonfinancial assets		248			248	OFCs reclassified as ODCs
TOTAL	0	39,746	-8,706	-188	30,852	

Table 7A.2 OCVA—Other Depository Corporations (Continued)

	Changes in classif. of assets A	Sectoral reclassif. B	Write- offs C	Other D	OCVA: Total E	Comments
Liabilities						
Deposits included in broad money		-2,237			-2,237	
Transferable deposits		-187			-187	
In domestic currency		-187			-187	
Other financial corporations		-187			-187	OFCs reclassified as ODCs.
Other deposits		-2,050			-2,050	
In domestic currency		-2,013			-2,013	
Other financial corporations		-2,013			-2,013	OFCs reclassified as ODCs.
In foreign currency		-37			-37	
Other financial corporations		-37			-37	OFCs reclassified as ODCs.
Deposits excluded from broad money		2,237			2,237	
Transferable deposits		187			187	
In domestic currency		187			187	
Other depository corporations		187			187	OFCs reclassified as ODCs.
In foreign currency		0			0	
Other depository corporations		121			121	OFCs reclassified as ODCs.
Other financial corporations		-121			-121	OFCs reclassified as ODCs.
Other deposits		2,050			2,050	
In domestic currency		2,013			2,013	
Other depository corporations		2,013			2,013	OFCs reclassified as ODCs.
In foreign currency		37			37	
Other depository corporations		37			37	OFCs reclassified as ODCs.
Debt securities included in broad money	-509	1,701			1,192	
In domestic currency	-509	1,701			1,192	
Other financial corporations	-509	-1,039			-1,548	Debt securities excluded from broad money (-509). OFCs reclassified as ODCs (-1,039).
Public nonfinancial corporations		39			39	OFCs reclassified as ODCs.
Other nonfinancial corporations		1,587			1,587	OFCs reclassified as ODCs.
Households and NPISHs		1,114			1,114	OFCs reclassified as ODCs.

(Continued)

Table 7A.2 OCVA—Other Depository Corporations (Continued)

	Changes in classif. of assets A	Sectoral reclassif. B	Write- offs C	Other D	OCVA: Total E	Comments
Debt securities excluded from broad money	509	2,754			3,263	
In domestic currency	509	2,546			3,055	
Other depository corporations		2,546			2,546	OFCs reclassified as ODCs.
Other financial corporations	509				509	OFCs reclassified as ODCs.
In foreign currency		208			208	OFCs reclassified as ODCs.
Other nonfinancial corporations		208			208	OFCs reclassified as ODCs.
Loans	0	1,747			1,747	
Central government		1,674			1,674	OFCs reclassified as ODCs.
Nonresidents		73			73	OFCs reclassified as ODCs.
Financial derivatives and employee stock options		947			947	
Central bank		111			111	OFCs reclassified as ODCs.
Other financial corporations		548			548	OFCs reclassified as ODCs.
Public nonfinancial corporations		174			174	OFCs reclassified as ODCs.
Nonresidents		114			114	OFCs reclassified as ODCs.
Other accounts payable		11,949	-388		11,561	
Trade credit and advances		544			544	
Public nonfinancial corporations		385			385	OFCs reclassified as ODCs.
Other nonfinancial corporations		159			159	OFCs reclassified as ODCs.
Other		11,405	-388		11,017	
Provisions for loan losses		502	-936		-434	OFCs reclassified as ODCs (+502). Provisions used against loan write-offs (-8,432). New created provisions (+7,496).
Provisions for other losses		10,903	548		548	Increase in provisions for other losses.
Residents					10,903	OFCs reclassified as ODCs.

Table 7A.2 OCVA—Other Depository Corporations (Continued)

	Changes in classif. of assets A	Sectoral reclassif. B	Write- offs C	Other D	OCVA: Total E	Comments
Equity		20,648	-8,318	-188	12,142	
Funds contributed by owners		9,843			9,843	OFCs reclassified as ODCs.
Retained earnings		9,460		-684	8,776	Reclassification of retained earnings to general reserves (-684). OFCs reclassified as ODCs (+9,460).
Current year result		912	-8,318	-188	-7,594	OFCs reclassified as ODCs (+912). Loan write-offs not provisioned (-274). New provisions for loan losses (-7,496). New provisions for other losses (-548). Catastrophic losses on fixed assets less depreciation (-188).
General and special reserves		433		684	1,117	OFCs reclassified as ODCs (+433). Reclassification of retained earnings to general reserves (+684).
TOTAL	0	39,746	-8,706	-188	30,852	
Vertical check	0	0	0	0	0	

Note: OCVA = other changes in the volume of assets; OFC = other financial corporation; ODC = other depository corporation; ESO = employee stock option.

Table 7A.3 OCVA—Other Financial Corporations

	Changes in classif. of assets A	Sectoral reclassif. B	Write- offs C	Other D	OCVA: Total E	Comments
Assets						
Currency and deposits		-4,209			-4,209	
Currency		-1,171			-1,171	
domestic		-860			-860	OFCs reclassified as ODCs.
Foreign		-311			-311	OFCs reclassified as ODCs.
Transferable deposits		-440			-440	
In domestic currency		-261			-261	
Central bank		-74			-74	OFCs reclassified as ODCs.
Other depository corporations		-187			-187	OFCs reclassified as ODCs.
In foreign currency		-179			-179	
Central bank		-58			-58	OFCs reclassified as ODCs.
Other depository corporations		-121			-121	OFCs reclassified as ODCs.
Other deposits		-2,598			-2,598	
In domestic currency		-2,561			-2,561	
Central bank		-548			-548	OFCs reclassified as ODCs.
Other depository corporations		-2,013			-2,013	OFCs reclassified as ODCs.
In foreign currency		-37			-37	OFCs reclassified as ODCs.
Other depository corporations		-37			-37	OFCs reclassified as ODCs.
Debt securities	-250	-8,756			-9,006	
Other depository corporations		-2,535			-2,535	OFCs reclassified as ODCs.
Other financial corporations		-248			-248	OFCs reclassified as ODCs.
Central government		-3,096			-3,096	OFCs reclassified as ODCs.
State and local government		-117			-117	OFCs reclassified as ODCs.
Public nonfinancial corporations		-185			-185	OFCs reclassified as ODCs.
Other nonfinancial corporations	-250	-1,953			-2,203	Securities converted into shares (-250). OFCs reclassified as ODCs (-1,953).
Nonresidents		-622			-622	OFCs reclassified as ODCs.

Table 7A.3 OCVA—Other Financial Corporations (Continued)

	Changes in classif. of assets A	Sectoral reclassif. B	Write- offs C	Other D	OCVA: Total E	Comments
Loans		-21,902	-867	694	-22,075	
Public nonfinancial corporations		-959			-959	OFCs reclassified as ODCs.
Other nonfinancial corporations		-13,178		694	-12,484	OFCs reclassified as ODCs (-13,178). Nonperforming loans recovered (+694).
Households and NPISHs		-7,660	-867		-8,527	OFCs reclassified as ODCs (-7,660). Write-offs of loans partially provisioned (-867).
Nonresidents		-105			-105	OFCs reclassified as ODCs.
Investment fund shares		-2,900			-2,900	
Money market funds		-2,900			-2,900	OFCs reclassified as ODCs.
Equity	250	-418			-168	
Other nonfinancial corporations	250	-418			-168	Securities converted into shares (+250). OFCs reclassified as ODCs (-418).
Financial derivatives		-672			-672	
In domestic currency		-644			-644	
Other depository corporations		-411			-411	OFCs reclassified as ODCs.
Nonresidents		-233			-233	OFCs reclassified as ODCs.
In foreign currency		-28			-28	
Nonresidents		-28			-28	OFCs reclassified as ODCs.
Other accounts receivable		-138			-138	
Trade credit and advances		-121			-121	
Other financial corporations		-47			-47	OFCs reclassified as ODCs.
Other nonfinancial corporations		-74			-74	OFCs reclassified as ODCs.
Other		-17			-17	
Nonresidents		-17			-17	OFCs reclassified as ODCs.
Nonfinancial assets		-751		-36	-787	
Fixed assets		-503		-36	-539	OFCs reclassified as ODCs (-503). Catastrophic loss (-36).
Other nonfinancial assets		-248			-248	OFCs reclassified as ODCs.
TOTAL	0	-39,746	-867	658	-39,955	

(Continued)

Table 7A.3 OCVA—Other Financial Corporations (Continued)

	Changes in classif. of assets A	Sectoral reclassif. B	Write- offs C	Other D	OCVA: Total E	Comments
Liabilities						
Debt securities excluded from broad money		-4,455			-4,455	
In domestic currency		-4,247			-4,247	
Other financial corporations		-1,507			-1,507	OFCs reclassified as ODCs.
Public nonfinancial corporations		-39			-39	OFCs reclassified as ODCs.
Other nonfinancial corporations		-1,587			-1,587	OFCs reclassified as ODCs.
Households and NPISHs		-1,114			-1,114	OFCs reclassified as ODCs.
In foreign currency		-208			-208	OFCs reclassified as ODCs.
Other nonfinancial corporations		-208			-208	OFCs reclassified as ODCs.
Loans		-1,747			-1,747	
Central government		-1,674			-1,674	OFCs reclassified as ODCs.
Nonresidents		-73			-73	OFCs reclassified as ODCs.
Financial derivatives and employee stock options		-947			-947	
Central bank		-111			-111	OFCs reclassified as ODCs.
Other financial corporations		-548			-548	OFCs reclassified as ODCs.
Public nonfinancial corporations		-174			-174	OFCs reclassified as ODCs.
Nonresidents		-114			-114	OFCs reclassified as ODCs.
Other accounts payable		-11,949	-530	12	-12,467	
Trade credit and advances		-544			-544	
Public nonfinancial corporations		-385			-385	OFCs reclassified as ODCs.
Other nonfinancial corporations		-159			-159	OFCs reclassified as ODCs.
Other		-11,405	-530	12	-11,923	
Provisions for loan losses		-502	-530		-1,032	OFCs reclassified as ODCs (-502). Use of provision for loan write-offs (-530).
Provisions for other losses				12	12	Increase in provisions for other losses.
Residents		-10,903			-10,903	OFCs reclassified as ODCs.

Table 7A.3 OCVA—Other Financial Corporations (*Continued*)

	Changes in classif. of assets A	Sectoral reclassif. B	Write- offs C	Other D	OCVA: Total E	Comments
Equity Liability [MS]		-20,648	-337	646	-20,339	
Funds contributed by owners		-9,843			-9,843	OFCs reclassified as ODCs.
Retained earnings		-9,460			-9,460	OFCs reclassified as ODCs (-9,460).
Current year result		-912	-337	646	-603	OFCs reclassified as ODCs (-912). Nonperforming loan recovered (+694). Nonprovisioned loan write-offs (-337). Catastrophic loss (-36). New provisions for other losses (-12).
General and special reserves		-433			-433	OFCs reclassified as ODCs.
TOTAL	0	-39,746	-867	658	-39,955	
Vertical check	0	0	0	0	0	

Note: OCVA = other changes in the volume of assets; OFC = other financial corporation; ODC = other depository corporation; ESO = employee stock option.

ANNEX

7.2

Consolidation Adjustments

7.153 This annex comprises Table 7A.4, Consolidation Adjustments: Other Depository Corporations Survey; Table 7A.5, Consolidation Adjustments: Depository Corporations Survey; Table 7A.6, Consol-

idation Adjustments: Other Financial Corporations Survey; and Table 7A.7, Consolidation Adjustments: Financial Corporations Survey.

Table 7A.4 Consolidation Adjustments: Other Depository Corporations Survey

	Opening stock	Transactions	Valuation changes	OCVA	Closing stock
Liabilities (ODCs sectoral balance sheet)	393,444	8,193	-1,780	4,904	404,761
Deposits excluded from broad money	26,767	-2,473	4	2,358	26,656
Transferable deposits	2,793	-30	0	308	3,071
In national currency	1,204	235	0	187	1,626
Other depository corporations	1,204	235	0	187	1,626
In foreign currency	1,589	-265	0	121	1,445
Other depository corporations	1,589	-265	0	121	1,445
Other deposits	23,974	-2,443	4	2,050	23,586
In national currency	23,618	-2,378	0	2,013	23,253
Other depository corporations	23,618	-2,378	0	2,013	23,253
In foreign currency	357	-65	4	37	333
Other depository corporations	357	-65	4	37	333
Debt securities excluded from broad money	110,815	3,325	-1,350	2,546	115,336
In national currency	110,815	3,325	-1,350	2,546	115,336
Other depository corporations	110,815	3,325	-1,350	2,546	115,336
In foreign currency	0	0	0	0	0
Other depository corporations	0	0	0	0	0
Money market fund shares	89,050	3,970	-134	0	92,886
In national currency	68,500	3,797	-372	0	71,925
Other depository corporations	68,500	3,797	-372	0	71,925
In foreign currency	20,550	173	238	0	20,961
Other depository corporations	20,550	173	238	0	20,961

(Continued)

Table 7A.4 Consolidation Adjustments: Other Depository Corporations Survey (Continued)

	Opening stock	Trans- actions	Valuation changes	OCVA	Closing stock
Loans	162,975	2,275	111	0	165,361
In national currency	157,157	3,386	0	0	160,543
Other depository corporations	157,157	3,386	0	0	160,543
In foreign currency	5,818	-1,111	111	0	4,818
Other depository corporations	5,818	-1,111	111	0	4,818
Financial derivatives and employee stock options	3,836	1,096	-411	0	4,521
In national currency	3,836	1,096	-411	0	4,521
Other depository corporations	3,836	1,096	-411	0	4,521
In foreign currency	0	0	0	0	0
Other depository corporations	0	0	0	0	0
Other accounts payable	1	0	0	0	1
Trade credit and advances	1	0	0	0	1
In national currency	1	0	0	0	1
Other depository corporations	1	0	0	0	1
In foreign currency	0	0	0	0	0
Other depository corporations	0	0	0	0	0
<i>Minus:</i>					
Assets (ODCs sectoral balance sheet)	401,799	5,559	406	8,026	415,790
Transferable deposits	3,104	240	21	308	3,673
In national currency	1,433	-50	0	187	1,570
Other depository corporations	1,433	-50	0	187	1,570
In foreign currency	1,671	290	21	121	2,103
Other depository corporations	1,671	290	21	121	2,103
Other deposits	26,909	-1,677	7	2,050	27,289
In national currency	26,313	-1,570	0	2,013	26,756
Other depository corporations	26,313	-1,570	0	2,013	26,756
In foreign currency	596	-107	7	37	533
Other depository corporations	596	-107	7	37	533
Debt securities	110,851	-1,184	978	2,535	113,180
In national currency	110,851	-1,184	978	2,535	113,180
Other depository corporations	110,851	-1,184	978	2,535	113,180
In foreign currency	0	0	0	0	0
Other depository corporations	0	0	0	0	0
Money market fund shares	89,050	2,039	285	2,900	94,274
In national currency	68,500	525	0	2,900	71,925
Other depository corporations	68,500	525	0	2,900	71,925
In foreign currency	20,550	1,514	285	0	22,349
Other depository corporations	20,550	1,514	285	0	22,349

Table 7A.4 Consolidation Adjustments: Other Depository Corporations Survey (Continued)

	Opening stock	Trans- actions	Valuation changes	OCVA	Closing stock
Equity	4,685	0	-93	0	4,593
In national currency	4,685	0	-93	0	4,593
Other depository corporations	4,685	0	-93	0	4,593
In foreign currency	0	0	0	0	0
Other depository corporations	0	0	0	0	0
Loans	164,049	4,563	60	0	168,672
In national currency	158,850	4,931	0	0	163,781
Other depository corporations	158,850	4,931	0	0	163,781
In foreign currency	5,199	-368	60	0	4,891
Other depository corporations	5,199	-368	60	0	4,891
Financial derivatives	3,151	1,578	-852	233	4,110
In national currency	3,151	1,578	-852	233	4,110
Other depository corporations	3,151	1,578	-852	233	4,110
In foreign currency	0	0	0	0	0
Other depository corporations	0	0	0	0	0
Other accounts receivable	0	0	0	0	0
Trade credit and advances	0	0	0	0	0
In national currency	0	0	0	0	0
Other depository corporations	0	0	0	0	0
In foreign currency	0	0	0	0	0
Other depository corporations	0	0	0	0	0
Consolidation Adjustment : Liabilities - Assets	-8,355	2,634	-2,186	-3,122	-11,029

Note: OCVA = other changes in the volume of assets; ODC = other depository corporation; OFC = other financial corporation; ESO = employee stock option.

Table 7A.5 Consolidation Adjustment: Depository Corporations Survey

	Opening stock	Trans- actions	Valuation changes	OCVA	Closing stock
Liabilities to other depository corporations (CBS)	406,175	1,606	-1,342	469	406,909
Reserves (CBS)	16,389	-2,748	0	0	13,641
Other liabilities included in monetary base (CBS)	2,192	189	27	58	2,466
Other liabilities excluded from monetary base (CBS)	387,594	4,165	-1,369	411	390,802
<i>less:</i>					
Claims on central bank (ODCS)	405,417	2,653	-2,518	1,091	406,644
Reserves (ODCS)	21,636	-1,632	37	680	20,722
Other claims (ODCS)	383,781	4,284	-2,555	411	385,921
<i>Liabilities to ODCs (CBS record – ODC record)</i>	<i>758</i>	<i>-1,046</i>	<i>1,176</i>	<i>-622</i>	<i>265</i>
Liabilities to central bank (ODCS)	29,672	454	27	111	30,265
<i>less:</i>					
Claims on other depository corporations (CBS)	29,390	915	174	111	30,590
<i>Liabilities to CB (ODC record - CB record)</i>	<i>283</i>	<i>-461</i>	<i>-147</i>	<i>0</i>	<i>-325</i>
<i>Consolidations adjustment for CB and ODCs</i>	<i>1,041</i>	<i>-1,507</i>	<i>1,029</i>	<i>-622</i>	<i>-60</i>
<i>Consolidation adjustment for ODCs (ODCS)</i>	<i>-8,355</i>	<i>2,634</i>	<i>-2,186</i>	<i>-3,122</i>	<i>-11,029</i>
Total Consolidation Adjustment	-7,315	1,126	-1,157	-3,744	-11,089

Note: OCVA = other changes in the volume of assets; ODC = other depository corporation; CBS = central bank survey; ODCS = other depository corporations survey; CB = central bank.

Table 7A.6 Consolidation Adjustment: Other Financial Corporations Survey

	Opening stock	Trans- actions	Valuation changes	OCVA	Closing stock
Liabilities (OFCs sectoral balance sheet)	162,136	679	2,830	-2,055	163,591
Debt securities excluded from broad money	15,336	-816	408	-1,507	13,421
In national currency	15,336	-816	408	-1,507	13,421
Other financial corporations	15,336	-816	408	-1,507	13,421
In foreign currency	0	0	0	0	0
Other financial corporations	0	0	0	0	0
Non-money market funds shares	95,900	1,077	2,211	0	99,188
In national currency	95,900	1,077	2,211	0	99,188
Other financial corporations	95,900	1,077	2,211	0	99,188
In foreign currency	0	0	0	0	0
Other financial corporations	0	0	0	0	0
Loans	41,960	-158	0	0	41,802
In national currency	41,960	-158	0	0	41,802
Other financial corporations	41,960	-158	0	0	41,802
In foreign currency	0	0	0	0	0
Other financial corporations	0	0	0	0	0
Insurance, pension, and standardized guarantee schemes	6,092	-15	0	0	6,076
Nonlife insurance technical reserves	6,092	-15	0	0	6,076
In national currency	6,092	-15	0	0	6,076
Other financial corporations	6,092	-15	0	0	6,076
In foreign currency	0	0	0	0	0
Other financial corporations	0	0	0	0	0
Financial derivatives and employee stock options	2,223	638	211	-548	2,524
In national currency	2,192	612	211	-548	2,467
Other financial corporations	2,192	612	211	-548	2,467
In foreign currency	32	25	0	0	57
Other financial corporations	32	25	0	0	57
Other accounts payable	625	-47	0	0	578
Trade credit and advances	625	-47	0	0	578
In national currency	625	-47	0	0	578
Other financial corporations	625	-47	0	0	578
In foreign currency	0	0	0	0	0
Other financial corporations	0	0	0	0	0

(Continued)

Table 7A.6 Consolidation Adjustment: Other Financial Corporations Survey (Continued)

	Opening stock	Trans- actions	Valuation changes	OCVA	Closing stock
Minus:					
Assets (OFCs sectoral balance sheet)	199,017	6,216	190	-295	205,128
Debt securities	12,186	1,265	154	-248	13,357
In national currency	12,108	1,266	154	-248	13,280
Other financial corporations	12,108	1,266	154	-248	13,280
In foreign currency	78	-1	0	0	77
Other financial corporations	78	-1	0	0	77
Loans	41,839	-101	0	0	41,737
In national currency	41,839	-101	0	0	41,737
Other financial corporations	41,839	-101	0	0	41,737
In foreign currency	0	0	0	0	0
Other financial corporations	0	0	0	0	0
Non-money market fund shares	95,900	3,288	0	0	99,188
In national currency	95,900	3,288	0	0	99,188
Other financial corporations	95,900	3,288	0	0	99,188
In foreign currency	0	0	0	0	0
Other financial corporations	0	0	0	0	0
Equity	34,304	3,214	0	0	37,518
In national currency	34,304	3,214	0	0	37,518
Other financial corporations	34,304	3,214	0	0	37,518
In foreign currency	0	0	0	0	0
Other financial corporations	0	0	0	0	0
Insurance, pension, and standardized guarantee schemes	12,186	-1,873	0	0	10,313
In national currency	12,186	-1,873	0	0	10,313
Other financial corporations	12,186	-1,873	0	0	10,313
In foreign currency	0	0	0	0	0
Other financial corporations	0	0	0	0	0
Financial derivatives	1,781	649	36	0	2,466
In national currency	1,781	649	36	0	2,466
Other financial corporations	1,781	649	36	0	2,466
In foreign currency	0	0	0	0	0
Other financial corporations	0	0	0	0	0
Other accounts receivable	822	-227	0	-47	548
Trade credit and advances	822	-227	0	-47	548
In national currency	822	-227	0	-47	548
Other financial corporations	822	-227	0	-47	548
In foreign currency	0	0	0	0	0
Other financial corporations	0	0	0	0	0
Consolidation Adjustment: Liabilities – Assets	-36,881	-5,537	2,640	-1,760	-41,537

Note: OCVA = other changes in the volume of assets; OFC = other financial corporation; ESO = employee stock option.

Table 7A.7 Consolidation Adjustment: Financial Corporations Survey					
	Opening stock	Trans- actions	Valuation changes	OCVA	Closing stock
Liabilities to depository corporations (OFCS)	173,447	6,278	681	-111	180,296
Debt securities	12,197	559	145	0	12,900
<i>Of which:</i> Depository corporations	12,197	559	145	0	12,900
Loans	95,397	2,413	51	0	97,861
<i>Of which:</i> Depository corporations	95,397	2,413	51	0	97,861
Financial derivatives	8,989	2,074	-475	-111	10,477
<i>Of which:</i> Depository corporations	8,989	2,074	-475	-111	10,477
Insurance, pension, and standardized guarantee schemes	2,055	137	0	0	2,192
Nonlife insurance technical reserves	2,055	137	0	0	2,192
<i>Of which:</i> Depository corporations	2,055	137	0	0	2,192
Trade credit and advances	10	0	0	0	10
<i>Of which:</i> Depository corporations	10	0	0	0	10
Non-money market fund shares	54,800	1,095	960	0	56,855
<i>Of which:</i> Depository corporations	54,800	1,095	960	0	56,855
Liabilities to other financial corporations (DCS)	501,222	10,579	-1,452	-3,318	507,031
Broad money liabilities	357,421	10,270	657	-3,843	364,505
Transferable deposits	3,109	1,105	10	-245	3,980
Other financial corporations	3,109	1,105	10	-245	3,980
Other deposits	116,536	-3,682	31	-2,050	110,835
Other financial corporations	116,536	-3,682	31	-2,050	110,835
Money market fund shares	226,050	10,939	681	0	237,670
Other financial corporations	226,050	10,939	681	0	237,670
Debt securities	11,725	1,908	-65	-1,548	12,020
Other financial corporations	11,725	1,908	-65	-1,548	12,020
Deposits excluded from broad money	1,989	-12	0	-121	1,856
<i>Of which:</i> Other financial corporations	1,989	-12	0	-121	1,856
Debt securities excluded from broad money	124,456	927	-1,575	509	124,318
<i>Of which:</i> Other financial corporations	124,456	927	-1,575	509	124,318
Loans	9,212	-127	9	0	9,094
<i>Of which:</i> Other financial corporations	9,212	-127	9	0	9,094
Financial derivatives	7,809	-477	-543	137	6,926
<i>Of which:</i> Other financial corporations	7,809	-477	-543	137	6,926
Trade credit and advances	334	-1	0	0	333
<i>Of which:</i> Other financial corporations	334	-1	0	0	333

(Continued)

Table 7A.7 Consolidation Adjustment: Financial Corporations Survey (Continued)

	Opening stock	Transactions	Valuation changes	OCVA	Closing stock
<i>Minus:</i>					
Domestic claims (DCS)	195,300	-3,485	-750	184	191,250
Claims on other sectors	195,300	-3,485	-750	184	191,250
Other financial corporations	195,300	-3,485	-750	184	191,250
Claims on depository corporations (OFCS)	472,050	41,186	808	-9,117	504,927
Other claims	472,050	41,186	808	-9,117	504,927
<i>Plus:</i>					
Consolidation adjustment (OFCS)	-36,881	-5,537	2,640	-1,760	-41,537
Consolidation adjustment (DCS)	-7,315	1,126	-1,157	-3,744	-11,089
Consolidation Adjustment	-36,876	-25,253	654	0	-61,476

Note: OCVA = other changes in the volume of assets; OFCS = other financial corporations survey; DCS = depository corporations survey.

Supplementary Data

7.154 This annex comprises guidance notes for supplementary data and Table 7A.8, Supplementary Data for the Central Bank, Other Depository Corporations, and Other Financial corporations.

Supplementary Data: Guidance Notes

Data Periodicity

7.155 This *Manual* recommends that the supplementary data should be compiled on a quarterly basis.

Financial Instrument Coverage

7.156 A single format for supplementary data for the central bank, other depository corporations (ODCs), and other financial corporations (OFCs) is shown in Table 7A.8. Most categories in Table 7A.8 are applicable to each subsector of the financial corporations (FCs) sector. Exceptions that apply to all countries are:

- a. Assets: Debt securities issued by the central bank. This category is not applicable to the central bank, given that a central bank does not hold its own securities.
- b. Liabilities: Deposits included in broad money and Debt securities, included in broad money. These categories are not applicable to the OFCs, which do not issue liabilities included in broad money.

7.157 Some line items in Table 7A.8 are not applicable to all countries. Some central banks do not issue *Deposits included in broad money* and/or *Debt securities*. If issued by a central bank, *Debt securities* may be eligible for purchase by ODCs only. Even if purchasable by money-holding sectors, the central bank securities may be excluded from broad money. The central bank, central governments, and/or other institutional

sectors in some countries do not issue foreign-currency-denominated debt securities. For OFCs, the liability category of *Deposits excluded from broad money* applies only in exceptional circumstances in which OFCs accept deposits, all of which are excluded from broad money.

Disaggregation by Maturity

7.158 Only two maturity categories—short-term and long-term—are used for the supplementary data, as defined in Chapter 4, paragraph 4.209. For supplementary data, remaining maturity is desirable, although in most countries information on the latter is not available.

Fixed- and Variable-Rate Loans and Debt Securities

7.159 In Table 7A.8, long-term loans are disaggregated into separate categories for fixed-rate and variable-rate loans. Long-term *Debt securities* are disaggregated into: (1) fixed-rate securities sold on a coupon basis; (2) variable-rate securities sold on a coupon basis; and (3) securities sold on a zero-coupon basis (an atypical category for long-term securities).

7.160 Disaggregation of short-term loans or short-term securities into separate categories for fixed-rate and variable-rate instruments is deemed to be unnecessary. Variable rates are seldom applied to loans or securities having original maturities of less than one year. If maturity disaggregation is based on remaining maturity, all fixed and variable-rate loans maturing within a year are indistinguishably included in the category of short-term loans. Similarly, all fixed- and variable-rate securities with remaining maturities of one year or less are included in the single category of short-term securities. Given the short term to matu-

rity, the market risk arising from movements in the reference rate (for example, London interbank offered rate, or LIBOR, a prime rate for domestic loans, or a country-specific market rate) for the variable-rate loan or security is relatively small. Most contracts for variable-rate loan and securities specify that the interest

rates are subject to annual or semiannual resetting or, at most, quarterly resetting. During the year just prior to maturity, loans and securities subject to annual resetting have fixed rates for the remaining term, and those subject to semi-annual resetting have, at most, one remaining interest rate reset.

Table 7A.8 Supplementary Data for the Central Bank, Other Depository Corporations, and Other Financial Corporations (Supplements to SRFs 1SR, 2SR, and 4SR)

ASSETS

DEPOSITS

Other Deposits—Claims on nonresidents

- Short-term deposits
- Long-term deposits

DEBT SECURITIES

Debt securities issued by the central bank (supplements to SRFs 2SR and 4SR only)

- Short-term securities—By currency of denomination (domestic/foreign)
- Long-term securities—By currency of denomination (domestic/foreign)

Debt securities issued by ODCs

- Short-term securities—By currency of denomination (domestic/foreign)
- Long-term securities—By currency of denomination (domestic/foreign)

Debt securities issued by other FCs

- Short-term securities—By currency of denomination (domestic/foreign)
- Long-term securities—By currency of denomination (domestic/foreign)

Debt securities issued by central government

- Short-term securities—By currency of denomination (domestic/foreign)
- Long-term securities—By currency of denomination (domestic/foreign)

Debt securities issued by state and local government

- Short-term securities—By currency of denomination (domestic/foreign)
- Long-term securities—By currency of denomination (domestic/foreign)

Debt securities issued by public nonfinancial corporations

- Short-term securities—By currency of denomination (domestic/foreign)
- Long-term securities—By currency of denomination (domestic/foreign)
 - Fixed-rate securities on a coupon basis (including deep-discount basis)
 - Variable-rate securities on a coupon basis
 - Other securities (mainly, zero-coupon bonds)

Debt securities issued by other nonfinancial corporations

- Short-term securities—By currency of denomination (domestic/foreign)
- Long-term securities—By currency of denomination (domestic/foreign)
 - Fixed-rate securities on a coupon basis (including deep-discount basis)
 - Variable-rate securities on a coupon basis
 - Other securities (mainly, zero-coupon bonds)

Debt securities issued by nonresidents (all sectors of other countries)

- Short-term securities
- Long-term securities

Table 7A.8 Supplementary Data for the Central Bank, Other Depository Corporations, and Other Financial Corporations (Supplements to SRFs 1SR, 2SR, and 4SR) (Continued)

LOANS

Loans to public nonfinancial corporations

- Short-term loans—By currency of denomination (domestic/foreign)
- Long-term loans—By currency of denomination (domestic/foreign)
 - Fixed-rate loans
 - Variable-rate loans

Loans to other nonfinancial corporations

- Short-term loans—By currency of denomination (domestic/foreign)
- Long-term loans—By currency of denomination (domestic/foreign)
 - Fixed-rate loans
 - Variable-rate loans

Loans to other resident sectors (mainly households)

- Short-term loans—By currency of denomination (domestic/foreign)
- Long-term loans—Denominated in domestic currency
 - Fixed-rate loans
 - Real estate (mortgage and home equity loans)
 - Other consumer loans
 - Variable-rate loans
 - Real estate (mortgage and home equity loans)
 - Other consumer loans
- Long-term loans—Denominated in foreign currency
 - Fixed-rate loans
 - Variable-rate loans

Loans to nonresidents (all sectors in other countries)

- Short-term loans—By currency of denomination (domestic/foreign)
- Long-term loans—By currency of denomination (domestic/foreign)
 - Fixed-rate loans
 - Variable-rate loans

EQUITY AND INVESTMENT FUND SHARES

Equity and investment fund shares issued by all domestic sectors

- Shares in investment pools (money market funds, unit trusts, and other collective investment units)
- Other equity and investment fund shares
 - Quoted shares (traded in active markets)
 - Other equity (including proprietors' net additions to equity of quasi-corporations)

Equity and investment fund shares issued by nonresidents

- Shares in investment pools (money market funds, unit trusts, and other collective investment units)
- Other equity and investment fund shares
 - Quoted shares (traded in active markets)
 - Other equity (including proprietors' net additions to equity of quasi-corporations)

FINANCIAL DERIVATIVES

Financial derivative—All domestic sectors

- Forward contracts
 - Interest-rate swaps and forward rate agreements
 - Currency swaps (including cross-currency interest rate swaps)
 - Other swaps (equity swaps, etc.)
 - Other forward contracts (currency, equity, securities, gold, etc.)

(Continued)

Table 7A.8 Supplementary Data for the Central Bank, Other Depository Corporations, and Other Financial Corporations (Supplements to SRFs 1SR, 2SR, and 4SR) (Continued)

Call options (stock, bond, and foreign currency; options on futures and swap contracts; etc.)

Exchange traded

Over-the-counter options

Put options (all types)

Exchange traded

Over-the-counter options

Credit derivatives

Financial derivative—Nonresidents

Forward contracts

Interest-rate swaps and forward rate agreements

Currency swaps (including cross-currency interest rate swaps)

Other swaps (equity swaps, etc.)

Other forward contracts (currency, equity, securities, gold, etc.)

Call options (stock, bond, and foreign currency; options on futures and swap contracts; etc.)

Exchange traded

Over-the-counter

Put options (all types)

Exchange traded

Over-the-counter

Credit derivatives

LIABILITIES

DEPOSITS

Deposits included in broad money (central bank and ODC liabilities only)

Short-term deposits—By currency of denomination (domestic/foreign)

Long-term deposits—By currency of denomination (domestic/foreign)

Deposits excluded from broad money

Short-term deposits—By currency of denomination (domestic/foreign)

Long-term deposits—By currency of denomination (domestic/foreign)

DEBT SECURITIES

Debt securities, included in broad money (central bank and ODC liabilities only)

Short-term securities—By currency of denomination (domestic/foreign)

Long-term securities—By currency of denomination (domestic/foreign)

Debt securities, excluded from broad money—Liabilities to all domestic sectors

Short-term securities—By currency of denomination (domestic/foreign)

Long-term securities—By currency of denomination (domestic/foreign)

Debt securities, excluded from broad money—Liabilities to nonresidents

Short-term securities—By currency of denomination (domestic/foreign)

Long-term securities—By currency of denomination (domestic/foreign)

LOANS

Loans—Liabilities to nonresidents

Short-term loans—By currency of denomination (domestic/foreign), of which

Nonresident banks, of which

Affiliates

Table 7A.8 Supplementary Data for the Central Bank, Other Depository Corporations, and Other Financial Corporations (Supplements to SRFs 1SR, 2SR, and 4SR) (Continued)

Long-term loans—By currency of denomination (domestic/foreign), of which
 Nonresident banks, of which
 Affiliates
 Fixed-rate loans
 Variable-rate loans

FINANCIAL DERIVATIVES

Financial derivatives—Liabilities to all domestic sectors

Forward contracts (for swap contracts, amounts outstanding prior to payment swaps)
 Interest rate swaps and forward rate agreements
 Currency swaps (including cross-currency interest rate swaps)
 Other swaps (equity swaps, etc.)
 Other forward contracts (currency, equity, securities, gold, etc.)
 Call options (all types, including options on futures and swap contracts)
 Exchange traded
 Over-the-counter options
 Put options (all types)
 Exchange traded
 Over-the-counter options
 Credit derivatives

Financial derivatives—Liabilities to nonresidents

Forward contracts (for swap contracts, amounts outstanding prior to payment swaps)
 Interest rate swaps and forward rate agreements
 Currency swaps (including cross-currency interest rate swaps)
 Other swaps (equity swaps, etc.)
 Other forward contracts (currency, equity, securities, gold, etc.)
 Call options (all types)
 Exchange traded
 Over-the-counter
 Put options (all types)
 Exchange traded
 Over-the-counter
 Credit derivatives

MEMORANDUM ITEMS

FINANCIAL DERIVATIVES: NOTIONAL PRINCIPAL

ASSETS

Domestic sectors

Futures contracts (all types)
 Forward contracts
 Interest rate swaps and forward rate agreements
 Currency swaps (including cross-currency interest rate swaps)
 Other swaps (equity swaps, etc.)
 Other forward contracts (currency, equity, securities, etc.)
 Credit derivatives

(Continued)

Table 7A.8 Supplementary Data for the Central Bank, Other Depository Corporations, and Other Financial Corporations (Supplements to SRFs 1SR, 2SR, and 4SR) (Continued)

Nonresidents

- Futures contracts (all types)
- Forward contracts
 - Interest rate swaps and forward-rate agreements
 - Currency swaps (including cross-currency interest rate swaps)
 - Other swaps (equity swaps, etc.)
 - Other forward contracts (currency, equity, securities, etc.)
- Credit derivatives

LIABILITIES

Domestic sectors

- Futures contracts (all types)—Notional principal
- Forward contracts—Notional principal
 - Interest rate swaps and forward-rate agreements
 - Currency swaps (including cross-currency interest rate swaps)
 - Other swaps (equity swaps, etc.)
 - Other forward contracts (currency, equity, securities, etc.)
- Credit derivatives

Nonresidents

- Futures contracts (all types)—Notional principal
- Forward contracts—Notional principal
 - Interest rate swaps and forward-rate agreements
 - Currency swaps (including cross-currency interest rate swaps)
 - Other swaps (equity swaps, etc.)
 - Other forward contracts (currency, equity, securities, etc.)
- Credit derivatives

Note: SRF = Standardized Report Form; 1SR = SRF for the central bank; 2SR = SRF for other depository corporations; 4SR = SRF for other financial corporations.