

Barbados Financial Services Commission

Statistical Bulletin 2015



Volume 2 No. 4

Data to September 2015

Credit Unions and Securities

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Introduction

The Barbados Financial Services Commission is tasked with the responsibility of regulating the Credit Unions, Insurance, Securities and Occupational Pension Plans sectors of the Barbadian economy. The Financial Services Commission Statistical Bulletin provides important statistical information related to these sectors. The statistical bulletin is utilised by the FSC to provide aggregated financial information relevant to each regulated sector. However, this edition of the bulletin will focus on data for the Credit Unions and Securities sectors.

Credit Unions

Credit Unions Highlights

- ❖ At the end of September 2015 there were thirty-four (34) credit unions registered in Barbados with membership of approximately 174,000 and total assets of an estimated \$1.85 billion.
- ❖ Total assets in the sector have been increasing steadily over the past six years. At the end of September 2015, total assets were \$1,850.3 million; this represented an increase of 7.1% when compared to the same period in 2014. Net loans and investments are currently the two largest asset categories on the consolidated balance sheet accounting for 75% and 14% of total assets, respectively.
- ❖ Consumer loans accounted for the majority of new loans extended to members (51%) followed by real estate loans (30%) and private transport loans (12%). During the nine months ending September 2015, new consumer credit increased by 16.1%, while new real estate loans fell by 10.0 % when compared to the same period of the prior year.
- ❖ With regards to asset quality, total non-performing loans (NPLs) increased from \$121.0 million at the end of September 2014 to \$125.5 million at the end of the same period one year later. The NPL ratio fell marginally by 0.2 of a percentage point to reach 8.9% at the end of September 2015.
- ❖ Members' savings increased by 8.1% rising from \$1,442.6 million as at September 2014 to \$1,559.9 million at the end of September 2015.
- ❖ As at September 2015, the capital¹ to asset ratio for the credit union movement was 11.5%, marginally lower than the 11.9% reported at the end of the same period one year earlier.

¹ Capital includes share capital, statutory reserves, liquidity reserves and undivided surplus.

Table 1: Selected Credit Unions Statistics as at September 30

Year	Number of Credit Unions	Members (thousands)	Total Assets (BDS \$ millions)
2015	34	174	1,850.3
2014	35	166	1,727.5
2013	35	159	1,608.3
2012	35	148	1,560.8
2011	35	155	1,498.3
2010	35	136	1,403.8

Figure 1: Asset Distribution as at September 30 2015

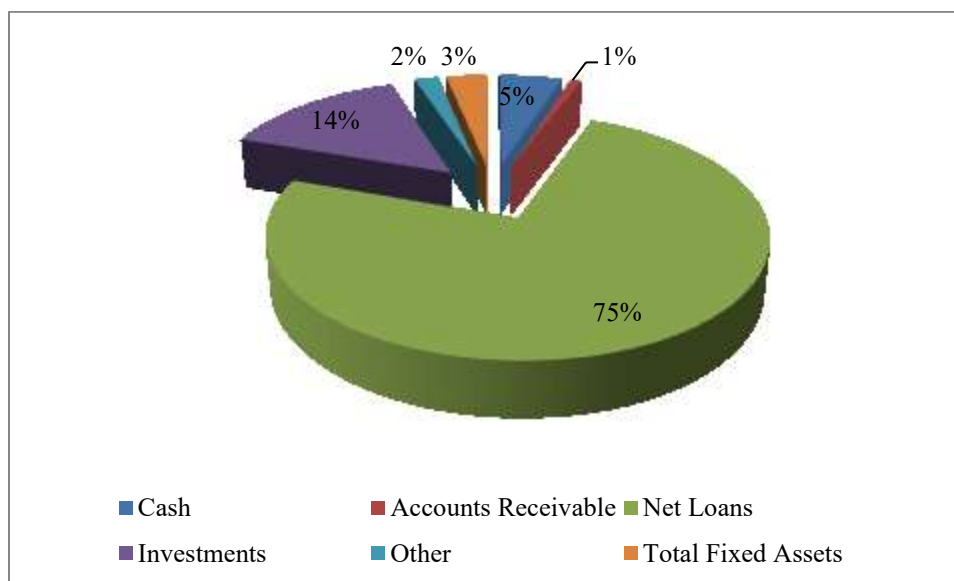
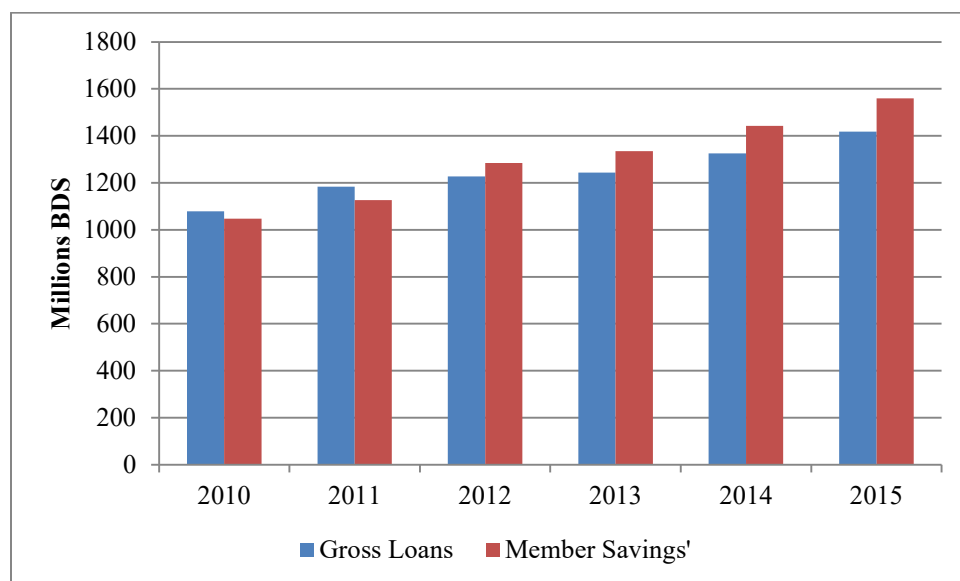


Figure 2: Total Gross Loans vs Members' Savings² as at September 30 (In BDS\$ millions)



² Members' savings comprise of members' regular deposits, members' term deposits, other deposits and members' shares (liabilities).

Assets

Table 2: Asset Distribution as at September 30 (In BDS\$ millions)

Year	Cash	Accounts Receivable	Net Loans	Investments	Other	Total Fixed Assets	Total Assets
2015	91.2	15.1	1,380.8	269.1	34.6	59.5	1,850.3
2014	90.2	12.8	1,279.5	254.2	33.56	57.1	1,727.4
2013	86.7	10.7	1,202.2	227.6	26.79	54.3	1,608.3
2012	76.2	10.9	1,189.4	208.3	22.95	53.2	1,560.8
2011	66.2	9.4	1,151.2	190.6	25.39	55.5	1,498.3
2010	62.9	9.4	1,078.1	188.0	11.34	54.1	1,403.8

Figure 3: Asset Distribution as at September 30 (In BDS\$ millions)

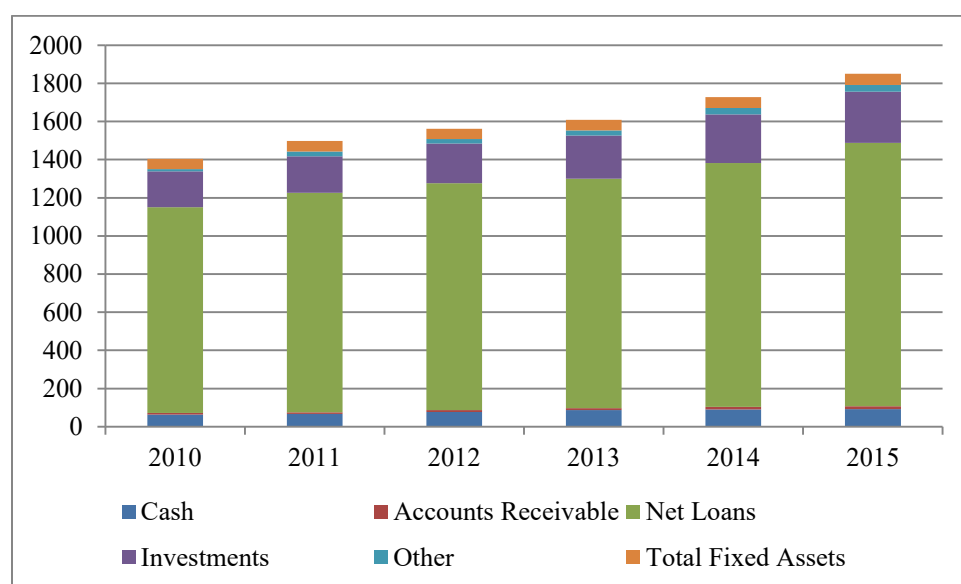


Figure 4: Mortgage vs Total Gross Loans as at September 30 (In BDS\$ millions)

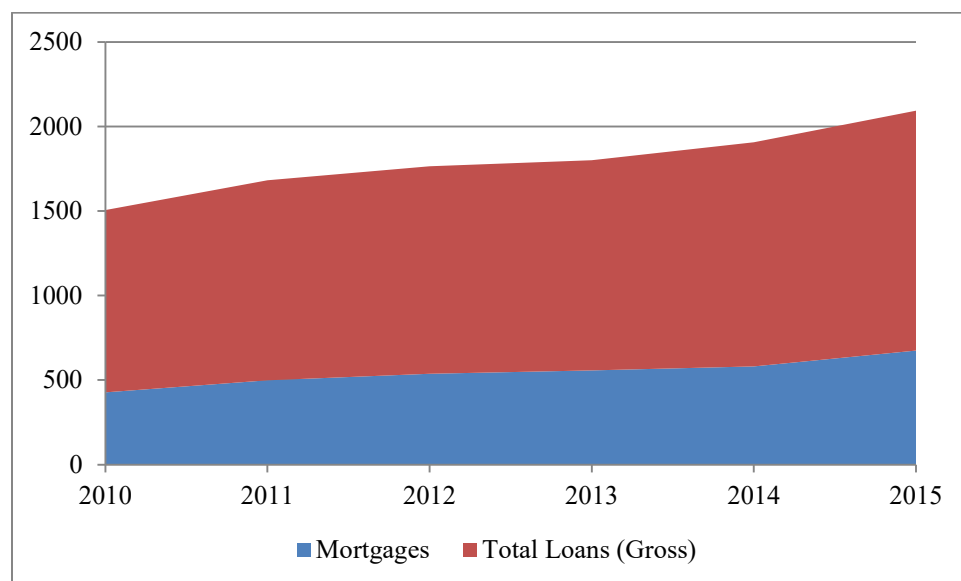


Table 3: New Credit Issued – January to September (In BDS\$ millions)

Year	Consumer	Real Estate	Private Transport	Commercial Transport	Agriculture	Other Business
2015	106.4	62.3	35.2	1.16	0.043	2.87
2014	91.7	69.2	23.7	0.33	0.166	1.92
2013	78.5	53.5	20.8	0.04	0.124	1.78
2012	75.4	58.0	19.3	0.41	0.064	2.21
2011	91.4	89.0	28.3	0.36	0.107	2.26
2010	73.8	66.0	28.1	0.19	0.013	2.97

Table 4 New Credit Issued – January to September (In BDS\$ thousands)

Loan Category	2014	% Total 2014	2014	% Total 2014	Change	% Change
Consumer	91,651.6	49.0	106,417.0	51.2	14,765.40	16.1
Real Estate	69,212.5	37.0	62,279.9	30.0	-6,932.60	-10.0
Private Transport	23,666.0	12.7	35,204.6	16.9	11,538.60	48.8
Commercial Transport	334.7	0.2	1,156.0	0.6	821.30	245.4
Agriculture	165.8	0.1	42.5	0.0	-123.30	-74.4
Other Business	1,920.0	1.0	2,872.9	1.4	952.90	49.6
Total	186,950.6	100.0	207,972.9	100.0	21,022.30	11.2

Asset Quality

Figure 5: NPL Ratio

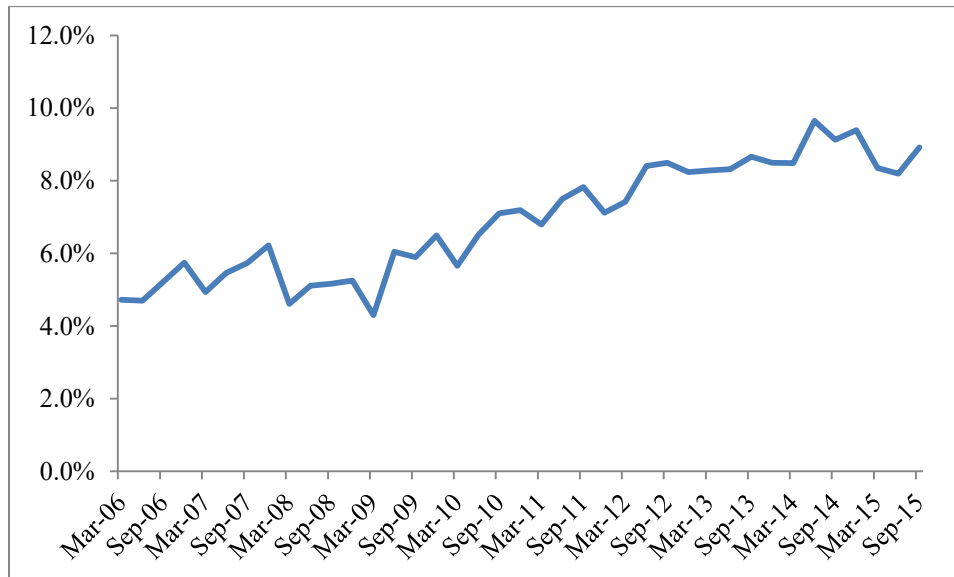


Table 5: NPLs by Category as at September 30 (In BDS\$ millions)

Year	3 to 6 months	6 to 12 months	Over 12 months	Total
2015	31.2	22.5	72.8	126.5
2014	23.8	25.5	71.7	121.0
2013	23.7	23.2	62.4	109.3
2012	29.3	24.1	50.8	104.2
2011	29.0	19.2	44.4	92.6
2010	26.7	18.6	33.0	78.2

Table 6: NPLs by Category (In BDS\$ millions)

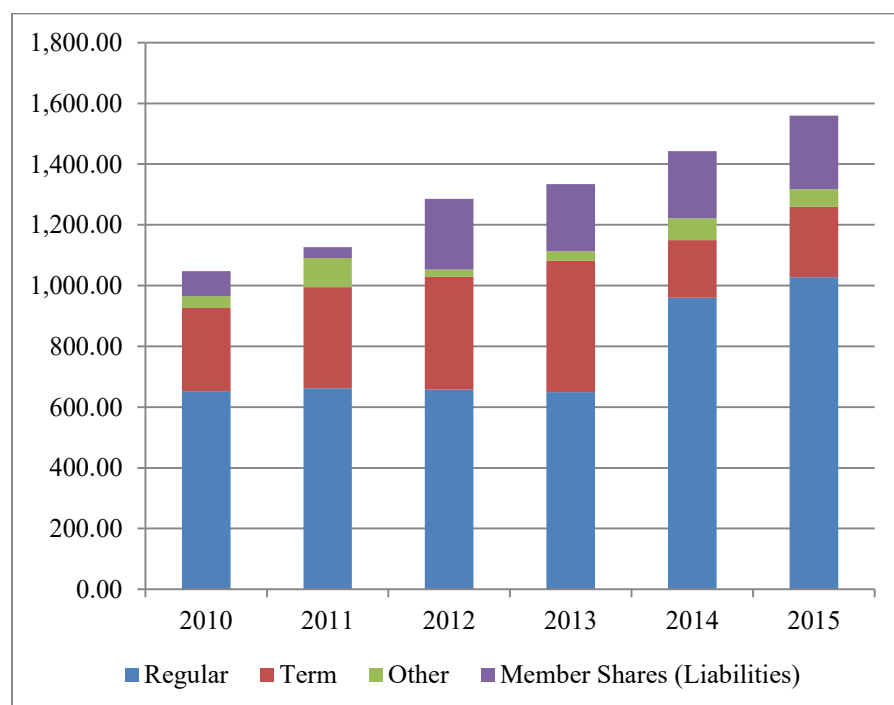
NPL Category	September 2014	% Total March 2014	September 2015	% Total March 2015	Change	% Change
3 to 6 months	23.8	19.7%	31.2	24.6%	7.4	31.1%
6 to 12 months	25.5	21.1%	22.5	17.8%	-3.0	-11.8%
Over 12 months	71.7	59.3%	72.8	57.5%	1.1	1.5%
Total	121.0	100.0%	126.5	100.0%	5.5	4.5%

Members' Savings

Table 7: Members' Savings as at September 30 (In BDS\$ millions)

Year	Member Deposits			Member Shares (Liabilities)	Total
	Regular	Term	Other		
2015	1,027.7	232.0	57.5	242.7	1,559.9
2014	960.1	189.9	71.8	220.8	1,443.2
2013	649.7	431.9	31.2	221.4	1,334.3
2012	657.5	371.0	24.6	231.9	1,285.0
2011	662.2	333.0	95.0	36.3	1,126.5
2010	651.9	273.9	39.4	82.4	1,047.6

Figure 6: Members' Savings as at September 30 (In BDS\$ millions)



Capital and Profitability

Table 8: Capital to Assets Ratio as at September 30 (In BDS\$ millions)

Year	Capital					Capital to Assets Ratio
	Share Capital	Statutory Reserves	Liquidity Reserves	Undivided Surplus	Total	
2015	17.2	154.5	5.1	36.3	213.1	11.5%
2014	17.6	147.63	1.6	38.4	205.3	11.9%
2013	19.2	129.4	0.8	36.6	185.9	11.6%
2012	24.1	117.4	0.8	34.4	176.7	11.3%
2011	22.5	104.6	0.9	31.8	159.8	10.7%
2010	22.4	99.8	1.4	25.4	148.9	10.6%

Figure 7: Capital to Assets Ratio as at September 30 (In BDS\$ millions)

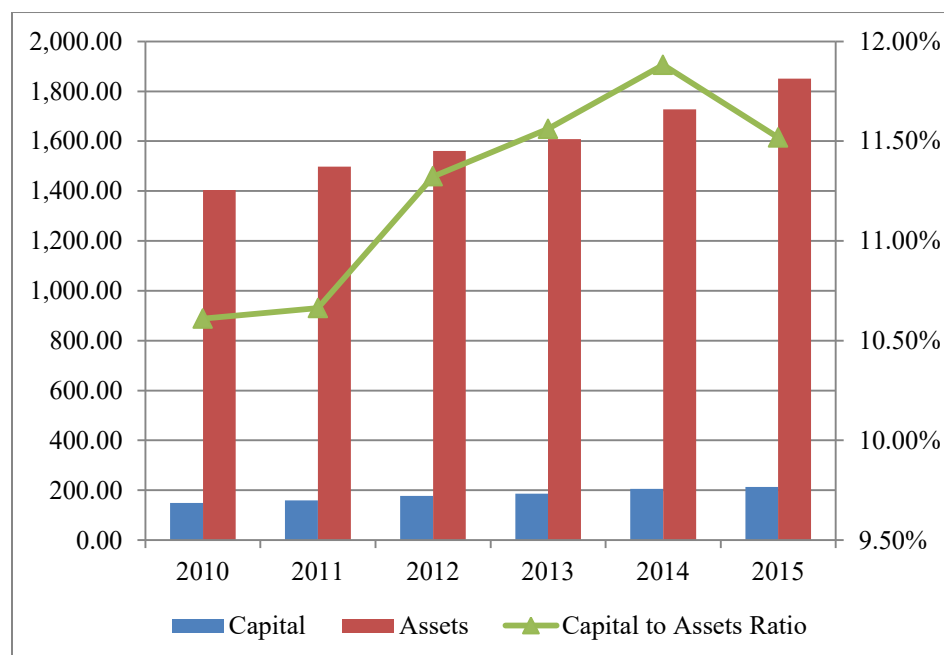


Table 9: Total Income for the six months ended September 30 (In BDS\$ millions)

Year	Interest on Loans	Investment Income	Other	Total Income
2015	59.1	5.1	3.9	68.2
2014	73.1	4.8	4.6	82.5
2013	55.7	5.6	2.2	63.5
2012	54.7	4.7	2.5	62.0
2011	52.7	5.1	3.2	61.0
2010	50.1	3.8	2.5	56.4

Figure 8: Total Income for the six months ended September 30 2015

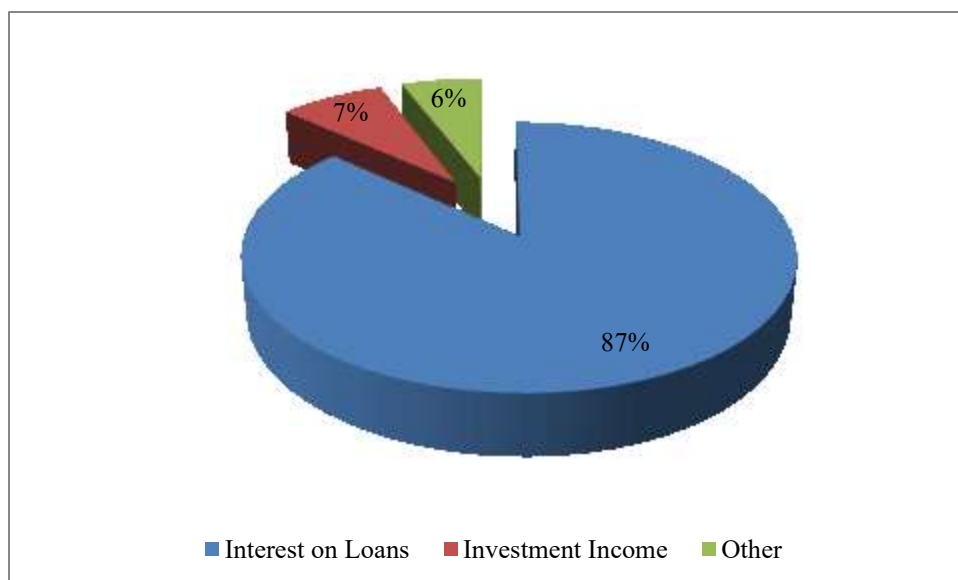


Table 10: Total Expenditure for the six months ended September 30 (In BDS\$ millions)

Year	Staff	Interest on Deposits	Lp & Ls	Bad & Doubtful Loans	Office Expenses	Depreciation	Other	Total Expenditure
2015	13.8	20.8	2.6	3.7	3.2	2.4	14.3	60.8
2014	15.5	26.4	2.8	4.4	3.9	2.9	17.0	72.8
2013	11.7	18.8	2.1	3.4	3.5	2.0	13.4	54.8
2012	11.2	17.7	2.0	3.5	3.5	1.9	11.5	51.2
2011	10.9	18.0	1.9	2.9	3.1	2.0	11.9	50.7
2010	11.0	16.6	1.8	2.6	2.9	1.9	9.9	46.8

Figure 9: Total Expenditure for the six months ended September 30 2015

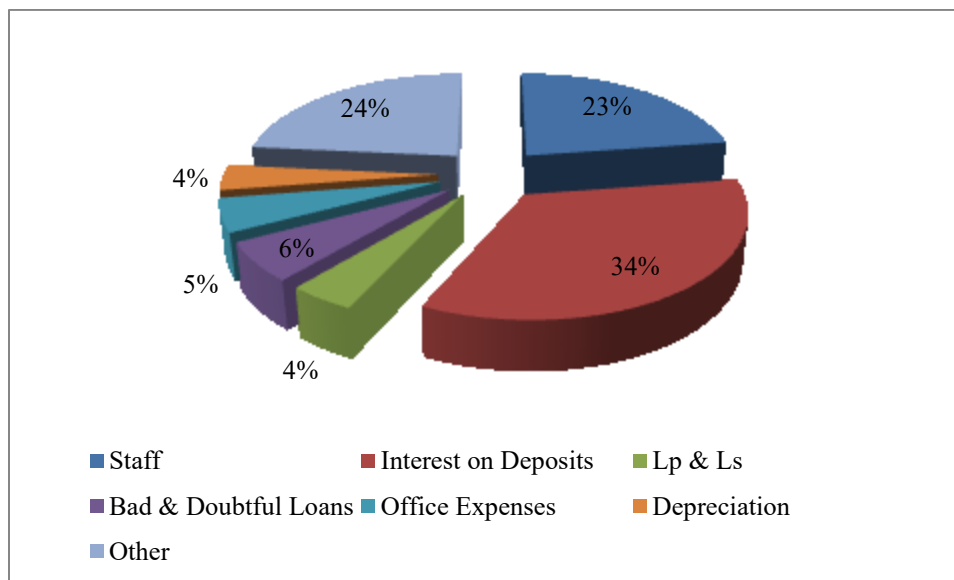
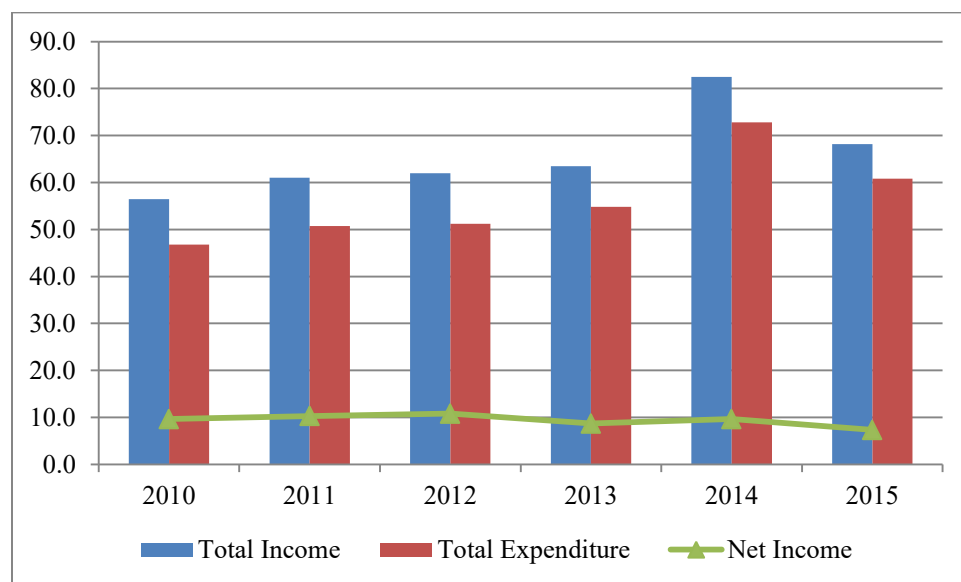


Table 11: Income and Expenditure for the six months ended September 30 (In BDS\$ millions)

Year	Total Income	Total Expenditure	Net Income
2015	68.2	60.8	7.3
2014	82.5	72.8	9.6
2013	63.5	54.8	8.7
2012	62.0	51.2	10.8
2011	61.0	50.7	10.3
2010	56.4	46.8	9.6

Figure 10: Income and Expenditure for the six months ended September 30 (In BDS\$ millions)



Securities

Securities Highlights

- ❖ The number of individuals and entities registered with the Financial Services Commission (FSC) increased from 140 at the end of September 2014 to 157 at the end of September one year later.
- ❖ Increases were noted with respect to market actors (companies) and market actors (individuals), while there were decreases in the mutual funds/sub-funds, issuers and mutual fund administrator categories.
- ❖ At the end of September 2015, there were 15 securities companies, 17 investment advisers, 6 dealers and 7 underwriters registered with the FSC.
- ❖ The number of mutual funds (including sub-funds) licensed with the FSC decreased from 26 to 23 as two domestic mutual funds and one international fund were liquidated during the twelve month period ended September 30, 2015.
- ❖ Total assets under management for the domestic mutual fund sector in Barbados stood \$1,878.5 million at the end of September 2015; this represented a marginal increase of 1.5% or \$28.2 million when compared to the same period one year earlier.

Table 12: Number of Regulated Entities as at September 30

Category	2013	2014	2015
Market Actors (companies) ³	16	19	30
Market Actors (individuals) ⁴	29	34	50
Self-regulatory organisations	2	2	2
Mutual funds (<i>including sub-funds</i>)	24	26	23
Mutual fund administrators (general)	10	12	10
Mutual fund administrators (restricted)	1	1	0
Issuers ⁵	47	46	44

Table 13: Barbados Stock Exchange Activity⁶ as at September 30

	2013	2014	2015
Listed companies	25	24	22
Listed securities	27	26	24
Local market index	2,979.25	2,136.73	2,185.88
Cross-listed market index	1,486.78	1,676.68	1,738.92
Composite market index	737.33	607.29	624.28
Local market capitalisation BDS\$ millions	8,434.73	5,365.90	5,478.35
Cross-listed market capitalisation BDS\$ ions	2,481.31	2,798.24	2,855.28
Composite market capitalisation BDS\$ millions	10,916.04	8,164.14	8,333.63
Number of major transactions ⁷	1	0	0

³ Market Actors (companies) refer to firms registered in the categories of Securities Company, Dealers, Investment Advisers and Underwriters. Some firms are registered in more than one category.

⁴ Brokers, Dealers, Traders, Investment Advisers

⁵ Listed and unlisted issuers

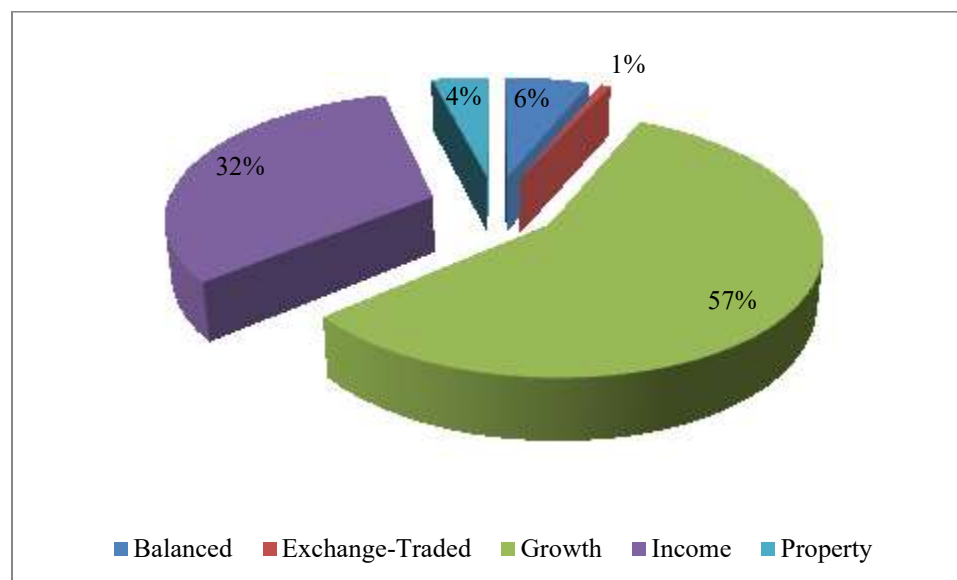
⁶ Provided by the Barbados Stock Exchange Inc.

⁷ Takeovers, mergers, rights issues etc.

Table 14: Number of Domestic Mutual Funds by Type as at September 30

Type of Fund	2010	2011	2012	2013	2014	2015
Balanced	3	3	3	3	3	3
Exchange-Traded	2	4	4	4	4	2
Growth	5	5	5	5	6	6
Income	4	4	4	4	5	5
Property	2	2	2	2	3	3
Total	16	18	18	18	21	19

Figure 11: Assets under Management by Type of Fund as at September 2015



**Table 15: Assets under Management by Type of Fund as at September 30
(In BDS \$ millions)**

Type of Fund	2010	2011	2012	2013	2014	2015
Balanced	115.9	111.9	111.6	106.9	99.1	113.7
Exchange-Traded	7.7	18.5	19.2	21.0	22.7	12.6
Growth	468.1	508.8	540.6	565.4	1,095.6	1,073.1
Income	169.1	203.0	188.6	196.8	556.7	604.0
Property	91.5	86.1	84.6	81.0	76.3	75.0
Total	852.2	928.3	944.7	971.1	1,850.3	1,878.5

**Figure 12: Assets under Management by Type of Fund as at September 30
(In BDS \$ millions)**

