

# Barbados Financial Services Commission

*Statistical Bulletin 2015*



Volume 2 No. 3

Data to June 2015

Credit Unions and Securities

# Table of Contents

Introduction.....	4
Credit Unions .....	5
Credit Unions Highlights .....	6
Table 1: Selected Credit Unions Statistics as at June 30 .....	7
Figure 1: Asset Distribution as at June 30 2015 .....	7
Figure 2: Total Gross Loans vs Members' Savings as at June 30 (In BDS \$ millions) .....	8
Assets .....	9
Table 2: Asset Distribution as at June 30 (In BDS \$ millions) .....	9
Figure 3: Asset Distribution as at June 30 (In BDS \$ millions) .....	9
Figure 4: Mortgage vs Total Gross Loans as at June 30 (In BDS \$ millions).....	10
Table 3: New Credit Issued – January to June (In BDS \$ millions) .....	11
Table 4 New Credit Issued – January to June (In BDS \$ thousands).....	11
Asset Quality.....	12
Figure 5: NPL Ratio .....	12
Table 5: NPLs by Category as at June 30 (In BDS \$ millions).....	12
Table 6: NPLs by Category (In BDS \$ millions) .....	13
Members' Savings .....	14
Table 7: Members' Savings as at June 30 (In BDS \$ millions) .....	14
Figure 6: Members' Savings as at June 30 (In BDS \$ millions) .....	14
Capital and Profitability.....	15
Table 8: Capital to Assets Ratio as at June 30 (In BDS \$ millions).....	15
Figure 7: Capital to Assets Ratio as at June 30 (In BDS \$ millions) .....	15
Table 9: Total Income for the three months June 30 (In BDS \$ millions) .....	16
Figure 8: Total Income for the three months ended June 30 2015 .....	16
Table 10: Total Expenditure for the three months ended June 30 (In BDS \$ millions).....	17
Figure 9: Total Expenditure for the three months ended June 30 2015 .....	17
Table 11: Income and Expenditure for the three months ended June 30 (In BDS \$ millions) .....	18
Figure 10: Income and Expenditure for the three months June 30 (In BDS \$ millions).....	18

Securities .....	19
Securities Highlights .....	20
Table 12: Number of Regulated Entities as at June 30.....	21
Table 13: Barbados Stock Exchange Activity as at June 30 .....	21
Table 14: Number of Domestic Mutual Funds by Type as at June 30 .....	22
Figure 11: Assets under Management by Type of Fund as at June 30 2015 .....	22
Table 15: Assets under Management by Type of Fund as at June 30 (In BDS \$ millions) ..	23
Figure 12: Assets under Management by Type of Fund as at June 30 (In BDS \$ millions) ..	23

# 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 June 2014 there were thirty-four (34) credit unions registered in Barbados with membership of approximately 172,000 and total assets of an estimated \$1.83 billion.
- ❖ Total assets in the sector have been increasing steadily over the past six years. At the end of June 2015, total assets were \$1,817.3 million; this represented an increase of 5.5 % 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 74% and 15% of total assets, respectively.
- ❖ Consumer loans accounted for the majority of new loans extended to members (51%) followed by real estate loans (29%) and transport (18%).
- ❖ With regards to asset quality, total non-performing loans (NPLs) fell from \$125.1 million at the end of June 2014 to \$113.9 million at the end of the same period one year later. The NPL ratio fell by 1.4 percentage points to reach 8.2% at the end of June 2015.
- ❖ Members' savings increased by 6.1% increasing from \$1,434.5 million as at June 2014 to \$1,521.8 million at the end of June 2015.
- ❖ As at June 2015, the capital<sup>1</sup> to asset ratio for the credit union movement was 11.5%, slightly lower than the 11.7% at the end of the same period one year earlier.

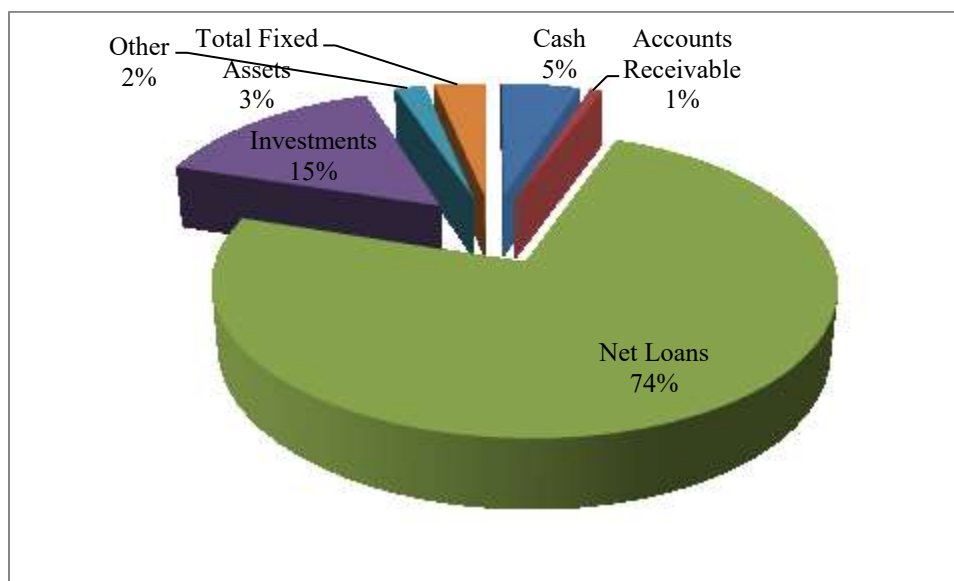
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<sup>1</sup> Capital includes share capital, reserves, liquidity reserves and undivided surplus.

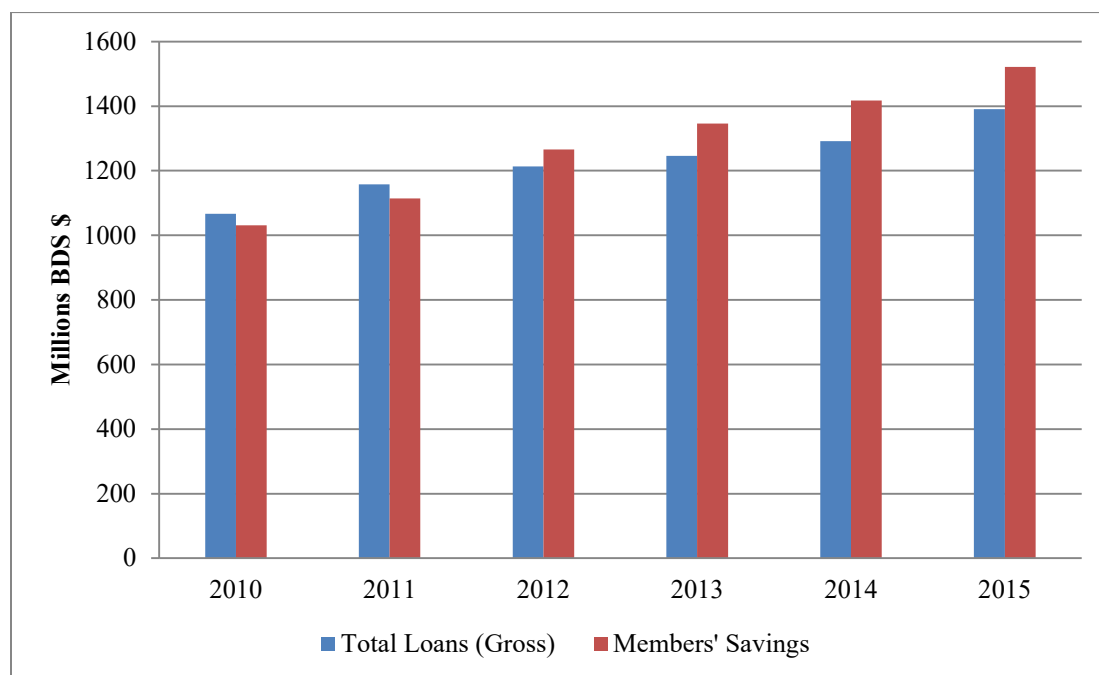
**Table 1: Selected Credit Unions Statistics as at June 30**

Year	Number of Credit Unions	Members (thousands)	Total Assets (BDS \$ millions)
2015	34	172	1,817.3
2014	35	162	1,722.3
2013	35	158	1,638.9
2012	35	147	1,544.0
2011	35	153	1,483.2
2010	35	133	1,366.0

**Figure 1: Asset Distribution as at June 30 2015**



**Figure 2: Total Gross Loans vs Members' Savings<sup>2</sup> as at June 30 (In BDS \$ millions)**



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

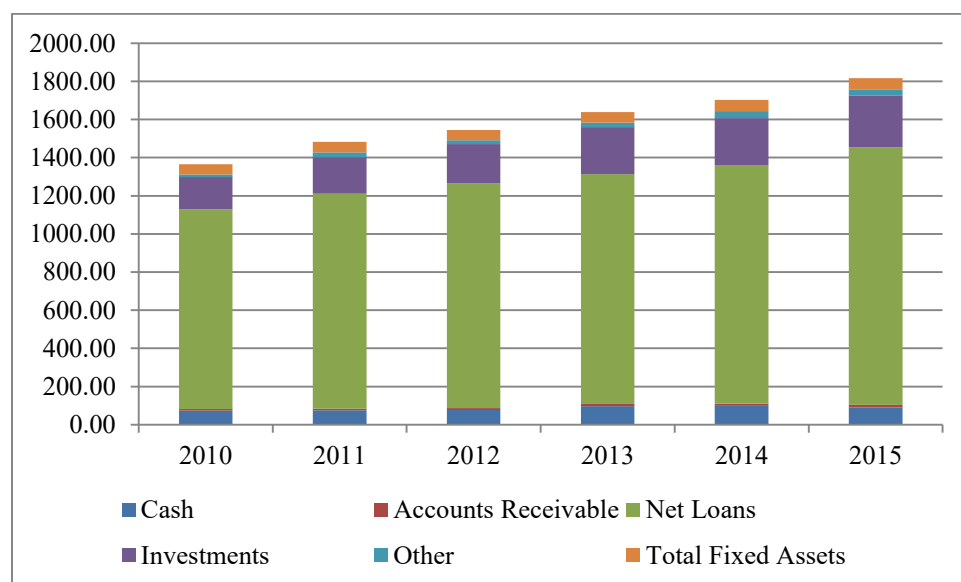


## Assets

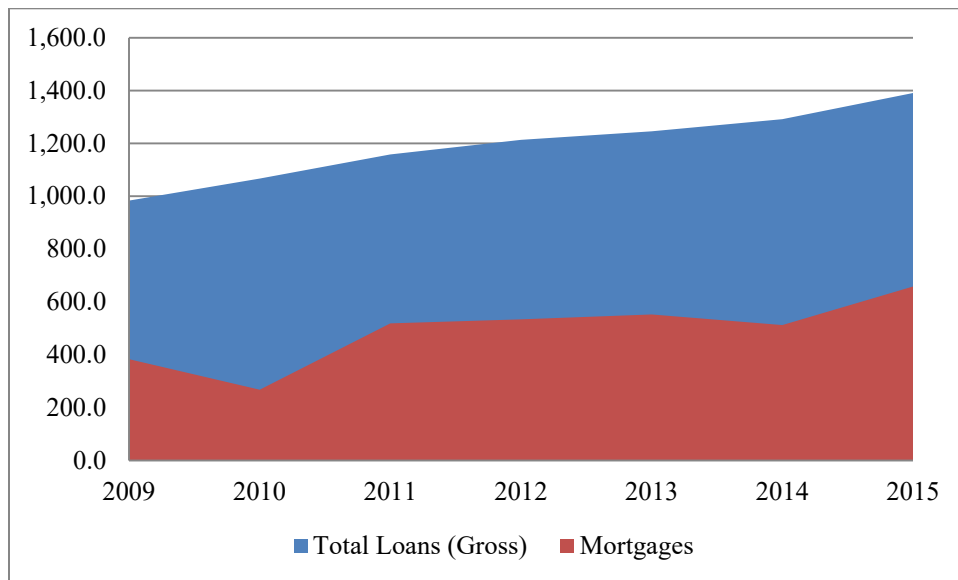
**Table 2: Asset Distribution as at June 30 (In BDS \$ millions)**

Year	Cash	Accounts Receivable	Net Loans	Investments	Other	Total Fixed Assets	Total Assets
2015	89.9	14.0	1,349.6	270.9	34.2	58.8	1,817.3
2014 <sup>R</sup>	102.3	12.3	1,254.6	257.9	37.8	57.6	1,722.3
2013 <sup>R</sup>	97.7	10.6	1,205.7	246.0	22.8	56.1	1,639.0
2012	76.4	10.0	1,177.5	206.3	21.6	53.1	1,544.9
2011	74.5	9.2	1,127.9	190.5	25.3	55.9	1,483.2
2010	73.7	8.0	1,046.8	169.4	13.7	54.5	1,366.0

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



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



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

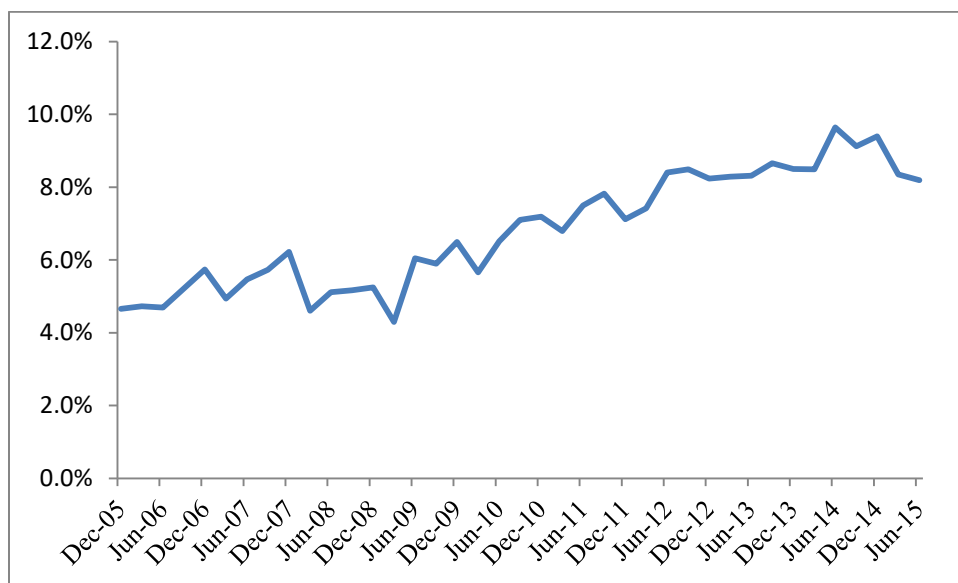
Year	Consumer	Real Estate	Private Transport	Commercial Transport	Agriculture	Other Business
2015	64.8	37.4	23.7	0.31	0.04	2.18
2014	47.2	36.3	16.0	0.26	0.02	1.01
2013	48.8	34.8	13.9	0.00	0.04	0.94
2012	46.1	34.0	13.6	0.25	0.11	1.02
2011	66.3	71.0	20.4	0.35	0.03	1.27
2010	42.4	37.5	17.3	0.01	0.01	1.57

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

Loan Category	2014	% Total 2014	2015	% Total 2015	Change	% Change
Consumer	47,160.90	46.8%	64,798.80	50.5%	17,637.90	37.40%
Real Estate	36,257.30	36.0%	37,413.50	29.1%	1,156.20	3.19%
Private Transport	19,959.50	19.8%	23,658.30	18.4%	3,698.80	18.53%
Commercial Transport	262.3	0.3%	314.1	0.2%	51.80	19.75%
Agriculture	19.5	0.0%	39	0.0%	19.50	100.00%
Other Business	1,006.80	1.0%	2,183.50	1.7%	1,176.70	116.88%
Total	100,666.30	100.0%	128,407.20	100.0%	27,740.90	27.56%

## Asset Quality

**Figure 5: NPL Ratio**



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

Year	3 to 6 months	6 to 12 months	Over 12 months	Total
2015	19.2	21.0	73.8	113.9
2014	33.2	24.0	68.0	125.1
2013	25.0	19.8	58.8	103.6
2012	32.1	21.5	48.3	102.0
2011	28.0	17.4	41.4	86.8
2010	22.1	18.3	29.1	69.4

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

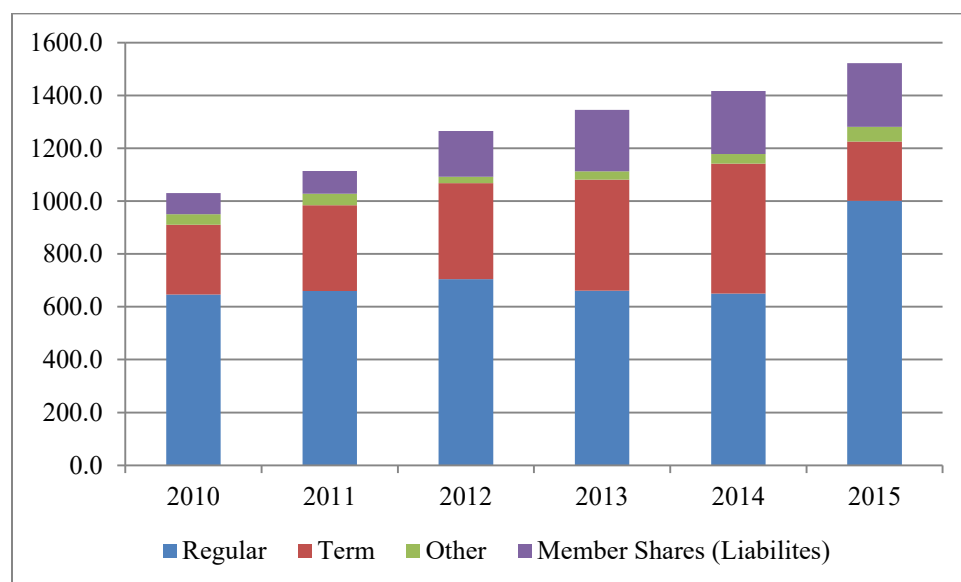
<b>NPL Category</b>	<b>June 2014</b>	<b>% Total June 2014</b>	<b>June 2015</b>	<b>% Total June 2015</b>	<b>Change</b>	<b>% Change</b>
<b>3 to 6 months</b>	32.2	25.7%	19.2	16.8%	-13.0	-40.5%
<b>6 to 12 months</b>	24.0	19.2%	21.0	18.4%	-3.0	-12.6%
<b>Over 12 months</b>	68.0	54.4%	73.8	64.8%	5.8	8.5%
<b>Total</b>	125.1	100.0%	113.9	100.0%	-11.2	-8.9%

## Members' Savings

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

Year	Member Deposits			Member Shares (Liabilities)	Total
	Regular	Term	Other		
<b>2015</b>	1,001.2	224.1	55.8	240.7	1,521.8
<b>2014</b>	666.6	492.5	35.6	239.9	1,434.5
<b>2013</b>	661.4	419.4	31.6	233.5	1,345.8
<b>2012</b>	704.3	363.6	24.5	173.3	1,265.8
<b>2011</b>	660.0	324.1	44.2	85.8	1,114.1
<b>2010</b>	646.9	264.0	39.4	80.4	1,030.7

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

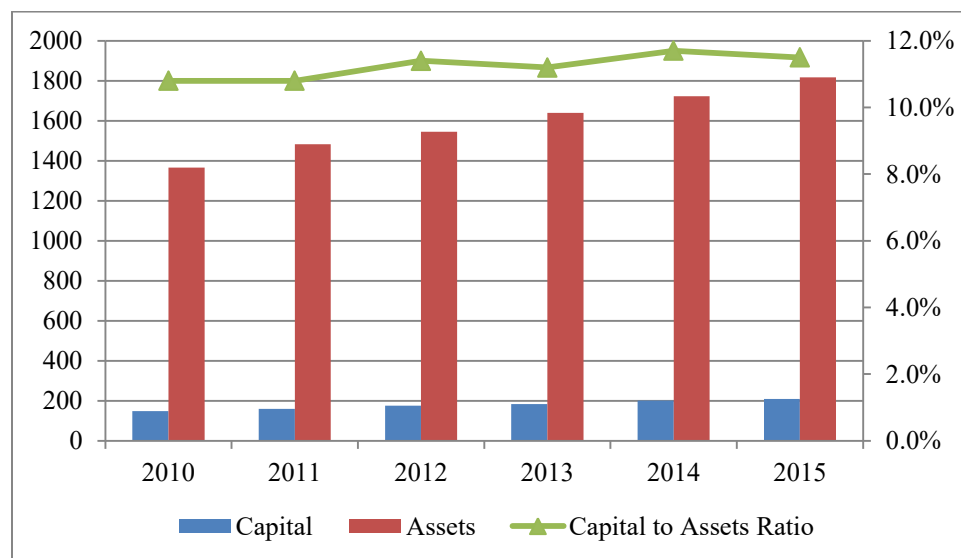


## Capital and Profitability

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

Year	Capital					Capital to Assets Ratio
	Share Capital	Statutory Reserves	Liquidity Reserves	Undivided Surplus	Total	
2015	17.0	151.7	2.1	38.9	209.6	11.5%
2014	17.4	147.3	0.8	36.0	201.4	11.7%
2013	19.1	133.1	0.8	30.0	183.0	11.2%
2012	25.7	117.0	0.8	32.7	176.2	11.4%
2011	22.4	105.4	1.0	31.1	159.8	10.8%
2010	23.9	99.1	1.1	24.2	148.2	10.8%

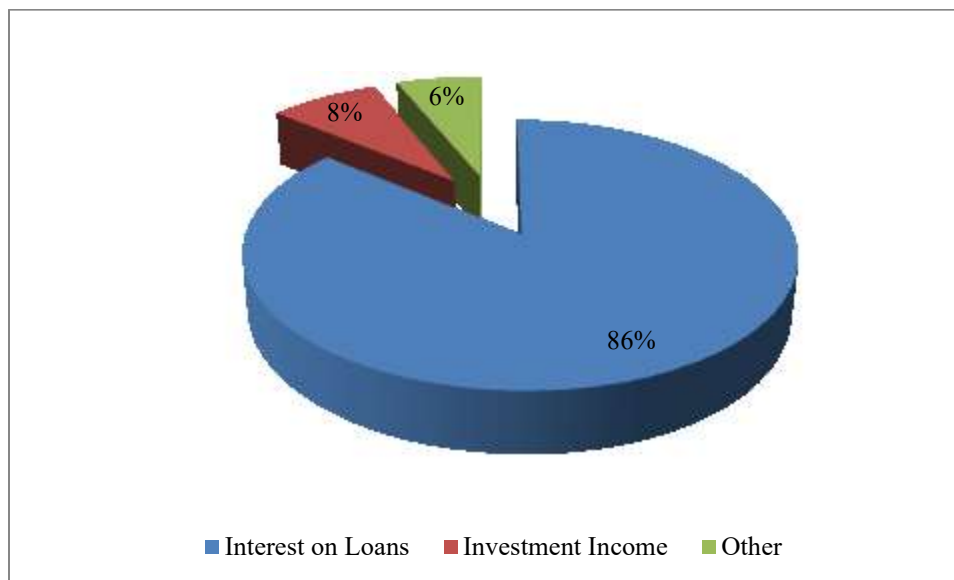
**Figure 7: Capital to Assets Ratio as at June 30 (In BDS \$ millions)**



**Table 9: Total Income for the three months June 30 (In BDS \$ millions)**

Year	Interest on Loans	Investment Income	Other	Total Income
2015	29.9	2.7	2.1	34.7
2014	29.1	2.8	2.0	33.9
2013	29.3	3.2	1.1	33.7
2012	28.1	2.4	1.4	31.9
2011	28.0	2.8	1.8	32.7
2010	26.0	2.0	1.4	29.4

**Figure 8: Total Income for the three months ended June 30 2015**

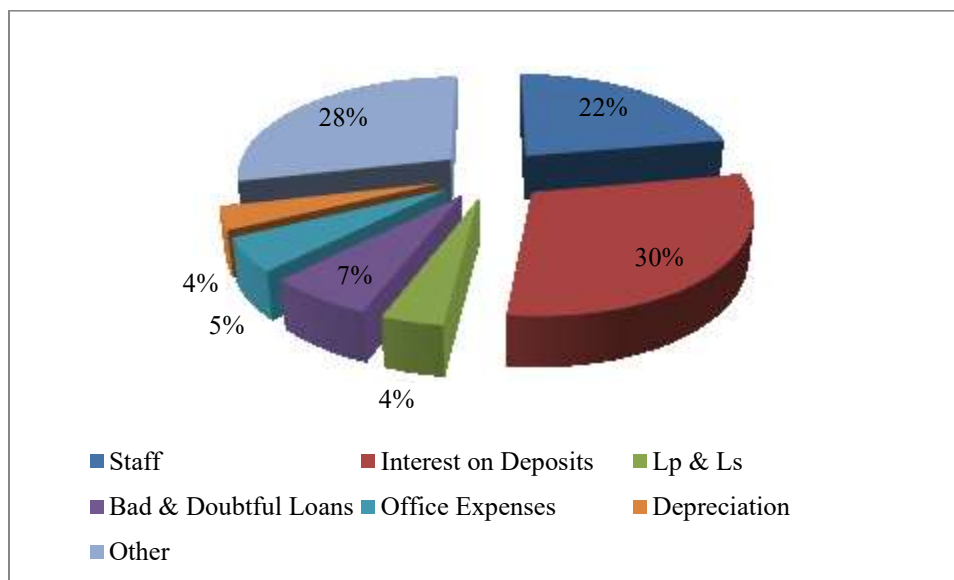




**Table 10: Total Expenditure for the three months ended June 30 (In BDS \$ millions)**

Year	Staff	Interest on Deposits	Lp & Ls	Bad & Doubtful Loans	Office Expenses	Depreciation	Other	Total Expenditure
2015	6.9	9.2	1.2	2.1	1.6	1.1	8.9	31.0
2014	6.5	10.4	1.2	1.9	1.6	1.1	7.4	30.1
2013	6.2	9.7	1.1	1.6	1.8	1.0	7.2	28.7
2012	5.6	9.1	1.1	1.6	1.7	1.0	6.3	26.3
2011	5.8	8.9	1.1	1.4	1.7	1.0	6.2	26.1
2010	6.3	7.8	1.0	1.4	1.5	1.1	5.6	24.6

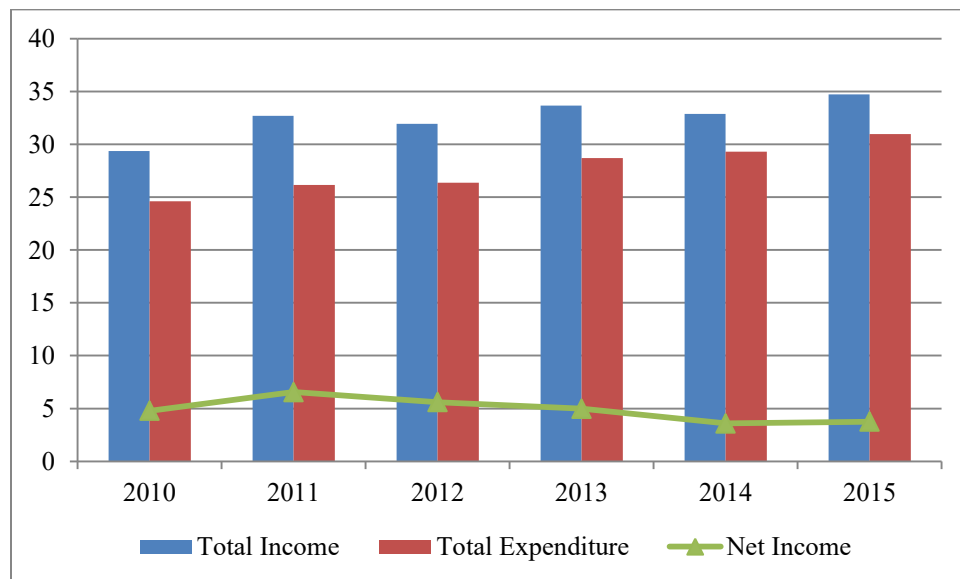
**Figure 9: Total Expenditure for the three months ended June 30 2015**



**Table 11: Income and Expenditure for the three months ended June 30  
(In BDS \$ millions)**

Year	Total Income	Total Expenditure	Net Income
2015	34.7	31.0	3.7
2014	33.8	30.1	3.8
2013	33.7	28.7	5.0
2012	31.9	26.3	5.6
2011	32.7	26.1	6.6
2010	29.4	24.6	4.8

**Figure 10: Income and Expenditure for the three months June 30 (In BDS \$ millions)**



# Securities

## Securities Highlights

- ❖ The number of individuals and entities registered with the Financial Services Commission (FSC) increased from 130 at the end of June 2014 to 156 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 June 2015, there were 14 securities companies, 16 investment advisers, 5 dealers and 6 underwriters registered with the FSC.
- ❖ The number of mutual funds (including sub-funds) licensed with the FSC decreased from 26 to 24. During the review period three domestic mutual funds were liquidated and one international fund was registered.
- ❖ Total assets under management for the domestic mutual fund sector in Barbados stood \$1,935.2 million at the end of June 2015; this represented a marginal increase of 3.9% or \$73.3 million when compared to the same period one year earlier.

**Table 12: Number of Regulated Entities as at June 30**

Category	2013	2014	2015
Market Actors (companies) <sup>3</sup>	15	16	27
Market Actors (individuals) <sup>4</sup>	27	28	48
Self-regulatory organisations	2	2	2
Mutual funds ( <i>including sub-funds</i> )	23	26	24
Mutual fund administrators (general)	10	11	10
Mutual fund administrators (restricted)	1	1	0
Issuers <sup>5</sup>	46	46	45

**Table 13: Barbados Stock Exchange Activity<sup>6</sup> as at June 30**

	2013	2014	2015
Listed companies	25	24	20
Listed securities	27	26	25
Local market index	2,709.11	2,161.03	2,193.49
Cross-listed market index	1,442.59	1,676.68	1,738.13
Composite market index	698.03	611.75	625.59
Local market capitalisation BDS\$ millions	8,662.31	5,423.75	5,498.52
Cross-listed market capitalisation BDS\$ millions	2,407.56	2,798.24	2,914.67
Composite market capitalisation BDS\$ millions	11,089.67	8,221.99	8,413.19
No. of major transactions <sup>7</sup>	1	0	0

<sup>3</sup> 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.

<sup>4</sup> Brokers, Dealers, Traders, Investment Advisers

<sup>5</sup> Listed and unlisted issuers

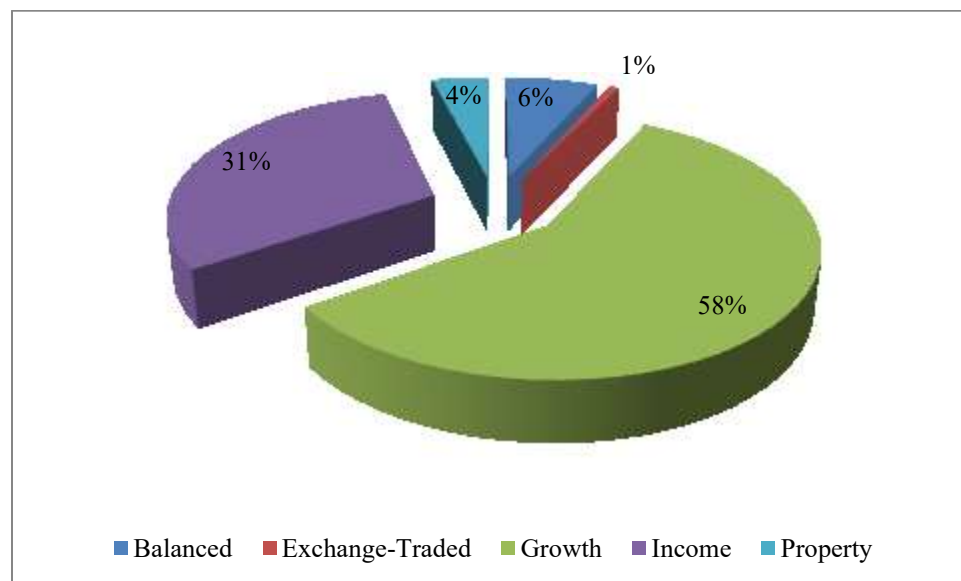
<sup>6</sup> Provided by the Barbados Stock Exchange Inc.

<sup>7</sup> Takeovers, mergers, rights issues etc.

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

Type of Fund	2010	2011	2012	2013	2014	2015
Balanced	3	3	3	3	4	3
Exchange-Traded	2	3	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	17	18	18	22	19

**Figure 11: Assets under Management by Type of Fund as at June 30 2015**



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

Type of Fund	2010	2011	2012	2013	2014	2015
<b>Balanced</b>	114.0	118.8	109.9	108.4	99.0	127.2
<b>Exchange-Traded</b>	7.4	15.5	18.8	20.3	22.5	12.9
<b>Growth</b>	459.8	529.7	518.6	554.8	1,090.6	1,125.1
<b>Income</b>	156.8	195.6	191.4	177.9	569.9	592.7
<b>Property</b>	91.8	90.8	86.4	84.4	79.8	77.3
<b>Total</b>	829.9	950.4	925.1	945.8	1,861.9	1,935.2

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

