

Barbados Financial Services Commission

Statistical Bulletin 2016



Volume 3 No. 2

Data to March 2016

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.

Credit Unions

Credit Unions Highlights

- ❖ As at March 2016 there were thirty-four (34) credit unions registered in Barbados with membership of approximately 178,000 and total assets of an estimated \$1.94 billion.
- ❖ Total assets in the sector have been increasing steadily over the years under review. At the end of March 2016, total assets were \$1,937.6 million; this represented an increase of 8.1 % when compared to the same period in 2015.
- ❖ Net loans and investments are continue to be the two largest asset categories on the consolidated balance sheet accounting for 73% and 15% of total assets, respectively.
- ❖ Consumer loans accounted for the majority of new loans extended to members (43%) followed by real estate loans (41%) and transport (14%). During the first quarter of 2016, new consumer credit decreased by approximately 4%, while new real estate loans rose by 4 % when compared to the same period of the prior year.
- ❖ With regards to asset quality, total non-performing loans (NPLs) decreased from \$113.9 million at the end of March 2015 to \$106.5 million at the end of the same period one year later. The NPL ratio decreased by 1.1 percentage points to reach 7.3% at the end of March 2016.
- ❖ Members' savings increased by 9.6% rising from \$1,498.4 million as at March 2015 to \$1,641.7 million at the end of March 2016.
- ❖ As at March 2016, the capital¹ to asset ratio for the credit union movement was 11.8%, lower than the 12.2% 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 March 31

Year	Number of Credit Unions	Members (thousands)	Total Assets (BDS \$ millions)
2016	34	178	1,937.6
2015	35	170	1,792.8
2014	35	157	1,713.3
2013	35	151	1,617.8
2012	35	145	1,533.9
2011	35	152	1,468.8

Figure 1: Asset Distribution as at March 31 2016

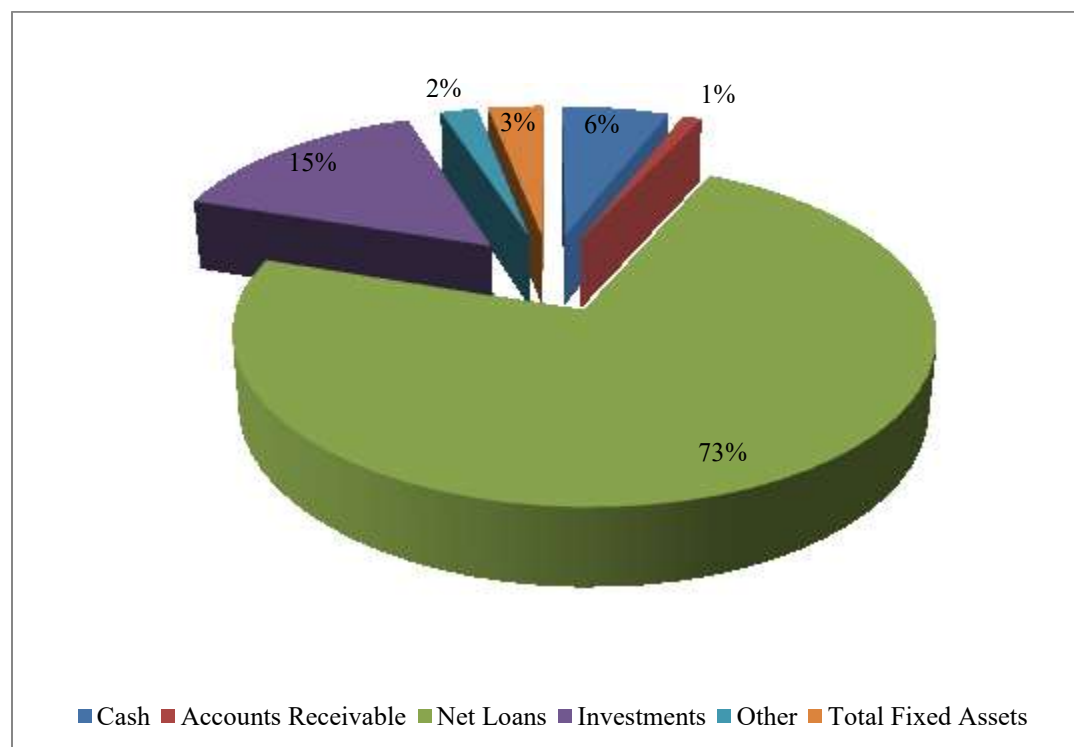
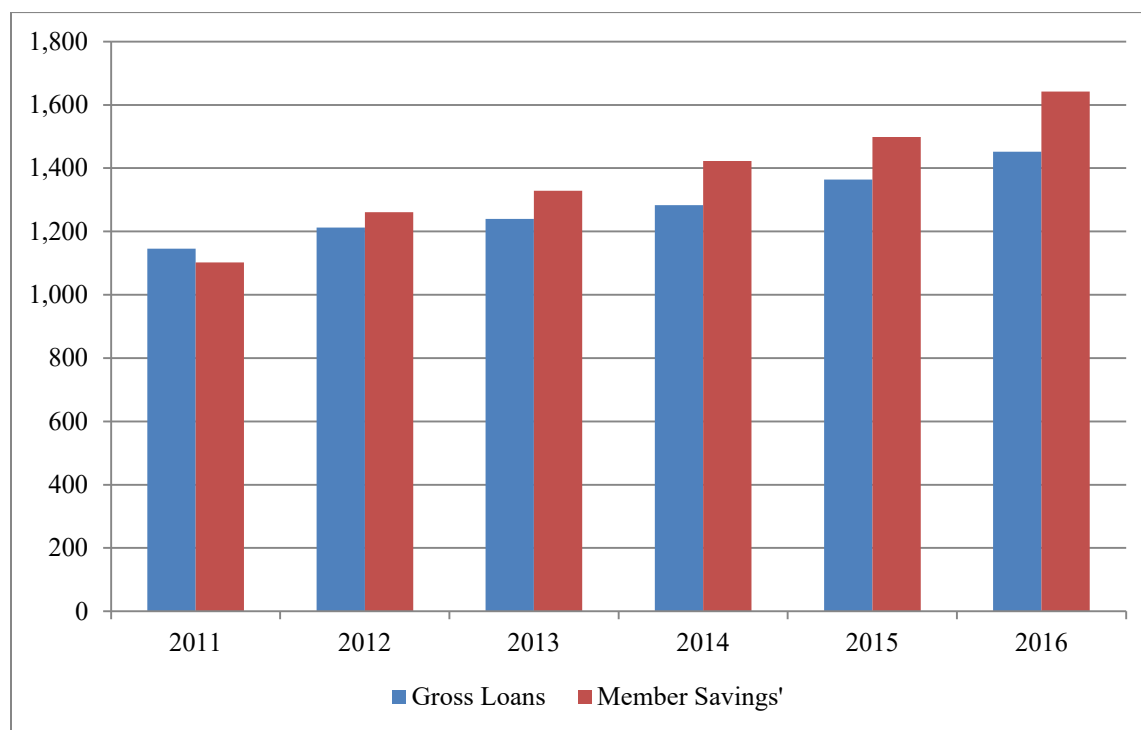


Figure 2: Total Gross Loans vs Members' Savings² as at March 31 (In BDS \$ millions)



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

Assets

Table 2: Asset Distribution as at March 31 (In BDS \$ millions)

Year	Cash	Accounts Receivable	Net Loans	Investments	Other	Total Fixed Assets	Total Assets
2016	115.1	19.4	1,416.7	279.7	47.6	59.0	1,937.6
2015	93.7	13.1	1,324.8	270.9	33.1	57.2	1,792.8
2014	124.7	10.1	1,241.2	251.3	28.4	57.6	1,713.3
2013	98.8	11.2	1,201.1	229.2	21.7	55.8	1,617.8
2012	73.6	9.6	1,178.0	197.8	19.2	55.8	1,533.9
2011	73.6	8.9	1,117.7	187.9	26.7	54.0	1,468.8

Figure 3: Asset Distribution as at March 31 (In BDS \$ millions)

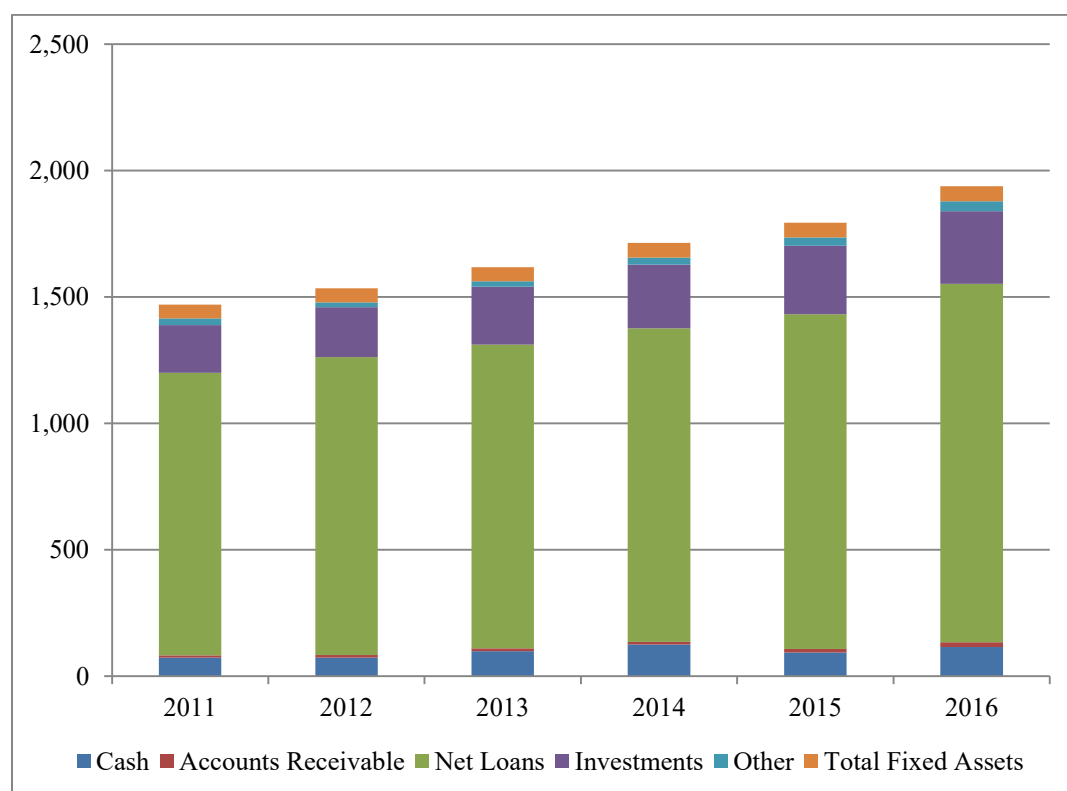


Figure 4: Mortgage vs Total Gross Loans as at March 31 (In BDS \$ millions)

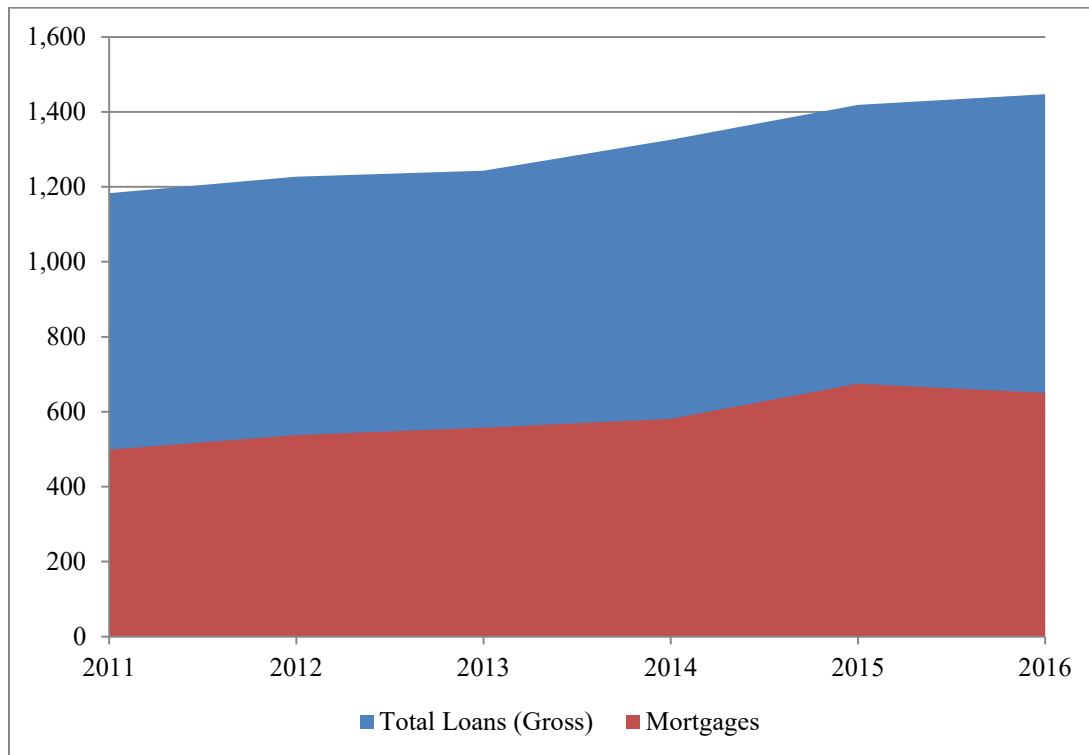


Table 3: New Credit Issued – January to March (In BDS \$ millions)

Year	Consumer	Real Estate	Private Transport	Commercial Transport	Agriculture	Other Business
2016	61.0	58.9	20.4	0.28	0.743	1.42
2015	63.4	57.1	16.4	1.06	0.009	1.02
2014	45.1	36.0	11.3	0.19	0.004	0.38
2013	40.5	47.9	9.9	0.24	0.010	0.51
2012	42.5	46.9	10.0	0.43	0.016	0.64
2011	42.9	55.6	12.4	0.36	0.009	0.60

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

Loan Category	2015	% Total 2015	2016	% Total 2016	Change	% Change
Consumer	63,378.1	45.6%	60,989.7	42.8%	-2,388.40	-3.77%
Real Estate	57,052.0	41.1%	58,856.3	41.3%	1,804.30	3.16%
Private Transport	16,413.3	11.8%	20,380.6	14.3%	3,967.30	24.17%
Commercial Transport	1,056.5	0.8%	278.0	0.2%	-778.50	-73.69%
Agriculture	9.0	0.0%	743.5	0.5%	734.50	8161.11%
Other Business	1,021.3	0.7%	1,417.9	1.0%	396.60	38.83%
Total	138,930.2	100.0%	142,665.9	100.0%	3,735.70	2.69%

Asset Quality

Figure 5: NPL Ratio

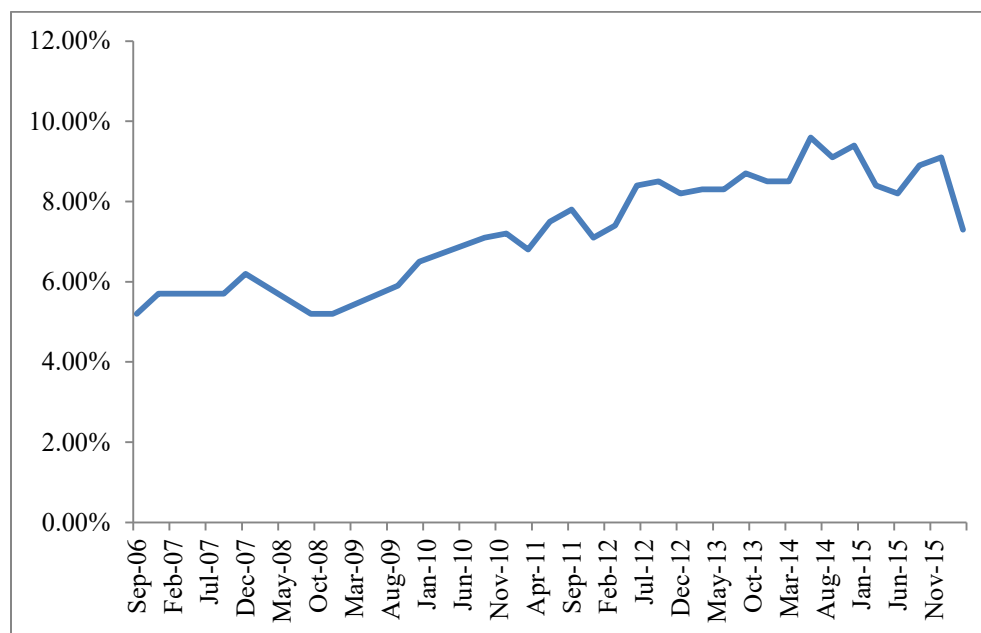


Table 5: NPLs by Category as at March 31 (In BDS \$ millions)

Year	3 to 6 months	6 to 12 months	Over 12 months	Total
2016	14.4	21.3	70.8	106.5
2015	22.2	19.8	71.9	113.9
2014	22.1	22.4	64.4	108.9
2013	25.0	21.1	56.6	102.7
2012	24.5	20.4	45.0	89.9
2011	19.2	20.1	38.6	77.9

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

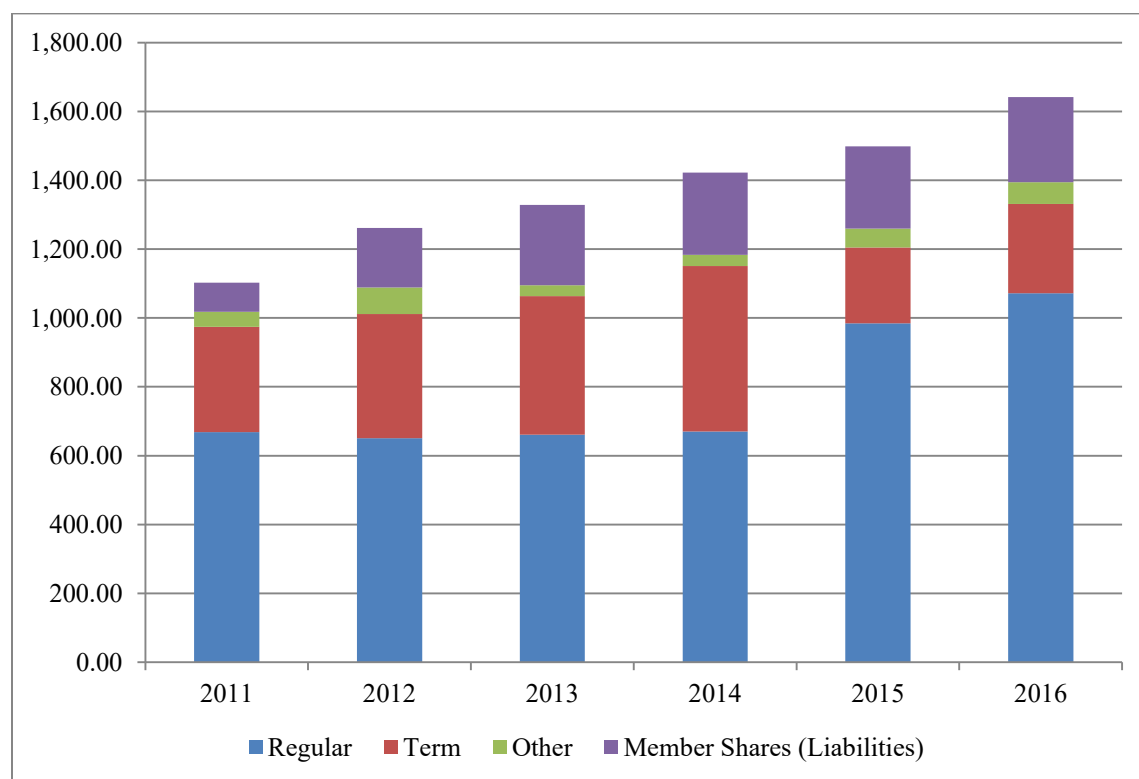
NPL Category	March 2015	% Total March 2015	March 2016	% Total March 2016	Change	% Change
3 to 6 months	22.2	19.5%	14.4	13.5%	-7.8	-35.1%
6 to 12 months	19.8	17.4%	21.3	20.0%	1.5	7.6%
Over 12 months	71.9	63.1%	70.8	66.4%	-1.1	-1.6%
Total	113.9	100.0%	106.5	100.0%	-7.4	-29.0%

Members' Savings

Table 7: Members' Savings as at March 31 (In BDS \$ millions)

Year	Member Deposits			Member Shares (Liabilities)	Total
	Regular	Term	Other		
2016	1,071.6	259.8	62.9	247.4	1,641.7
2015³	984.2	220.3	54.9	239.0	1,498.4
2014	670.4	480.3	32.6	239.2	1,422.5
2013	661.4	402.6	31.0	233.9	1,328.6
2012	650.7	360.4	77.2	172.8	1,261.1
2011	668.4	306.1	43.1	85.0	1,102.6

Figure 6: Members' Savings as at March 31 (In BDS \$ millions)



³During 2014 Credit Unions reclassified some of their deposits to regular deposits.

Capital and Profitability

Table 8: Capital to Assets Ratio as at March 31 (In BDS \$ millions)

Year	Capital					Capital to Assets Ratio
	Share Capital	Statutory Reserves	Liquidity Reserves	Undivided Surplus	Total	
2016	17.7	156.3	5.2	49.4	228.5	11.8%
2015	18.0	150.8	1.8	42.0	212.6	11.9%
2014	19.6	140.9	0.9	40.1	201.6	11.8%
2013	19.1	123.6	0.8	38.5	181.9	11.2%
2012	25.5	114.2	0.8	34.9	175.3	11.4%
2011	22.3	104.8	1.0	30.0	158.1	10.8%

Figure 7: Capital to Assets Ratio as at March 31 (In BDS \$ millions)

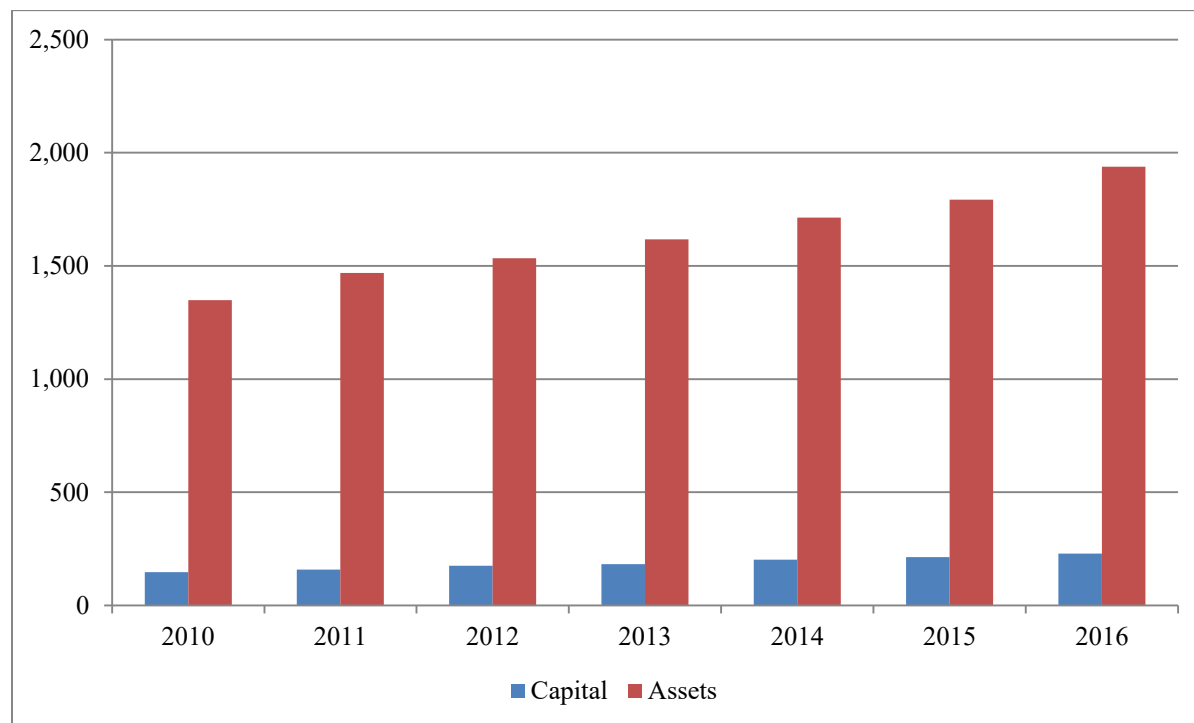


Table 9: Total Income for the year ended March 31 (In BDS \$ millions)

Year	Interest on Loans	Investment Income	Other	Total Income
2016	115.1	9.2	7.6	131.8
2015	106.8	8.4	7.1	122.3
2014	105.5	9.8	4.5	119.8
2013	103.1	8.8	5.1	117.0
2012	102.7	7.9	5.5	116.1
2011	94.6	9.1	6.4	110.1

Figure 8: Total Income for the year ended March 31 2016

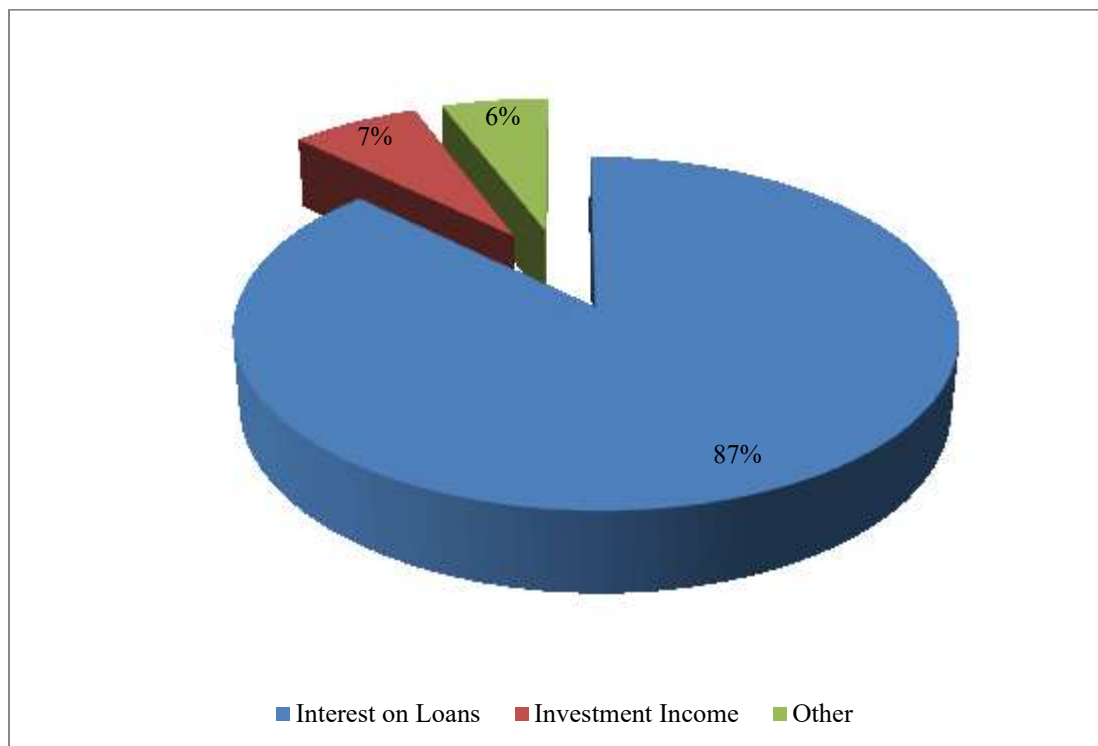


Table 10: Total Expenditure for the year ended March 31 (In BDS \$ millions)

Year	Staff	Interest on Deposits	Lp & Ls	Bad & Doubtful Loans	Office Expenses	Depreciation	Other	Total Expenditure
2016	26.7	39.0	4.3	5.6	5.9	4.8	25.1	111.5
2015	23.4	32.6	3.8	6.0	6.1	4.3	30.7	106.9
2014	23.2	36.2	3.7	6.5	7.3	4.0	21.6	102.6
2013	21.8	34.0	3.9	6.9	6.5	3.6	20.2	97.0
2012	20.5	34.2	3.4	6.6	5.9	3.8	21.4	95.8
2011	20.5	32.9	3.4	7.1	5.3	3.9	20.2	93.3

Figure 9: Total Expenditure for the year ended March 31 2016

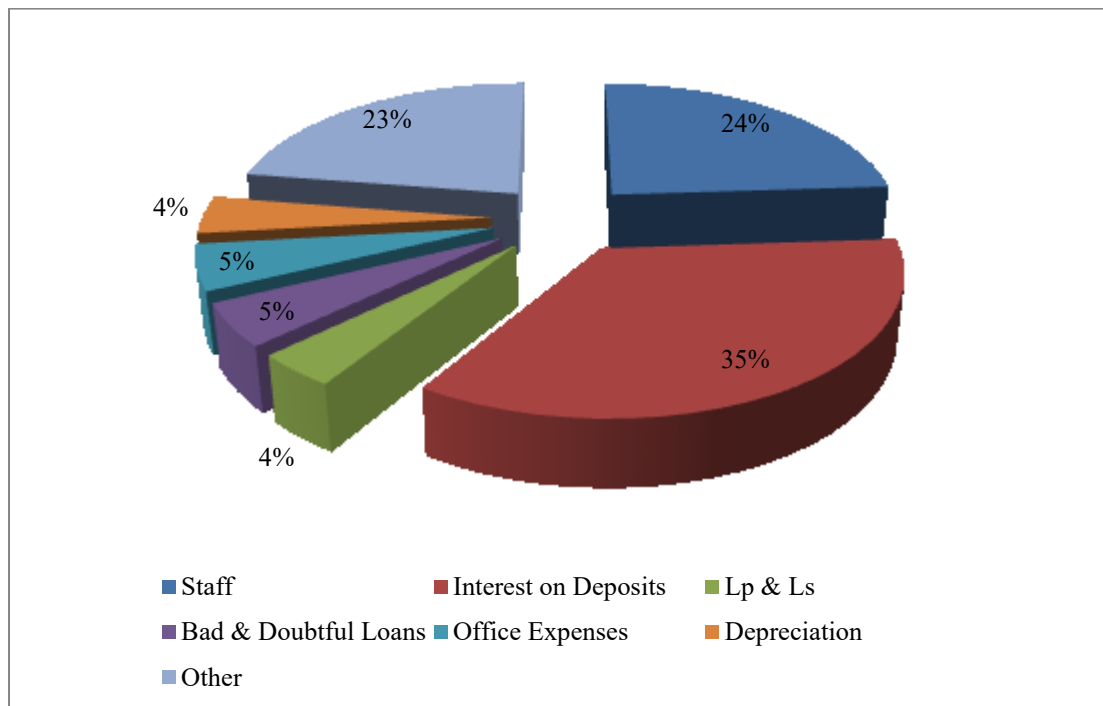
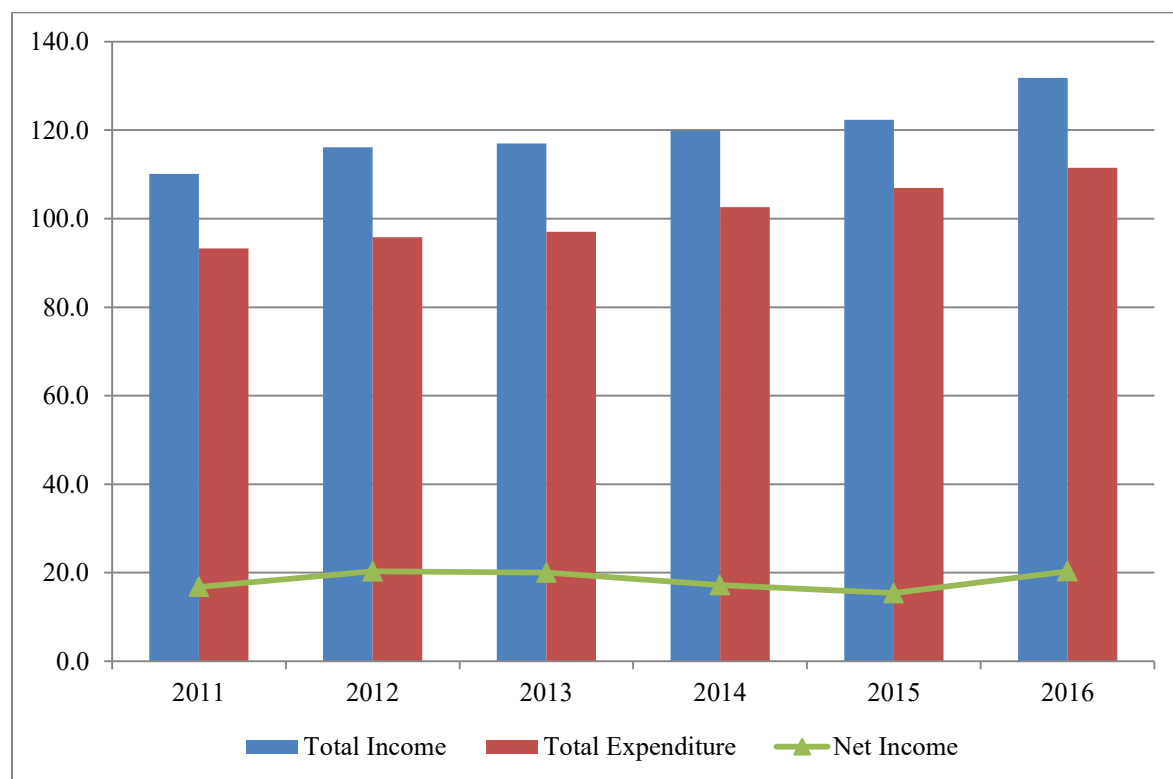


Table 11: Income and Expenditure for the year ended March 31 (In BDS \$ millions)

Year	Total Income	Total Expenditure	Net Income
2016	131.8	111.5	20.4
2015	122.3	106.9	15.4
2014	119.8	102.6	17.2
2013	117.0	97.0	20.0
2012	116.1	95.8	20.3
2011	110.1	93.3	16.8

Figure 10: Income and Expenditure for the year ended March 31 (In BDS \$ millions)



Securities

Securities Highlights

- ❖ The number of firms registered with the FSC decreased from 104 at the end of March 2015 to 103 at the end of at the end of March one year later.
- ❖ The number of market intermediaries⁴ (firms) registered with the FSC increased from 28 to 32 between March 2015 and March 2016. Increases were recorded for the securities companies, investment advisers and underwriters categories.
- ❖ The number of domestic mutual fund licensed with the FSC remained at 20 during the twelve-month period ended March 31, 2016.
- ❖ Total assets under management for the domestic mutual fund sector in Barbados increased from \$1,877.3 million at the end of March 2015 to \$1,951.4million at the end of March one year later.

⁴ Market Intermediaries refers to firms registered in the categories of securities company, underwriter, investment adviser, dealer and mutual fund administrator.

Table 12: Number of Registrants/Licensees (Firms) as at March 31

Type	2014	2015	2016
Market Intermediaries (Firms)	21	28	32
Mutual Funds (including sub-funds)	26	25	22
Other Issuers	1	2	2
Reporting Issuers	47	47	45
Self-regulatory Organisations	2	2	2

Table 13: Breakdown of Market Intermediaries⁵ (Firms) as at March 31

Category	2014	2015	2016
Securities Company	10	13	18
Investment Adviser	7	14	21
Dealer	3	3	6
Underwriter	5	6	7
Mutual Fund Administrator (General)	11	10	10
Mutual Fund Administrator (Restricted)	0	0	0

Table 14: Barbados Stock Exchange Activity⁶ as at March 31

	2013	2014	2015	2016
Listed companies	23	20	20	21
Listed securities	28	26	25	24
Local market index	3,084.37	2,568.58	2,194.13	2,478.82
Cross-listed market index	1,325.98	1,539.55	1,726.65	1,738.11
Composite market index	738.76	668.90	624.23	678.19
Local market capitalisation BDS\$ millions	8,869.16	6,395.32	5,499.74	6,272.04
Cross-listed market capitalisation BDS\$ millions	2,214.57	2,569.38	2,895.43	2,862.76
Composite market capitalisation BDS\$ millions	11,103.53	8,964.69	8,395.17	9,134.8
No. of major transactions ⁷	1	0	0	2

⁵ Some firms are registered in more than one category

⁶ Provided by the Barbados Stock Exchange Inc.

⁷ Takeovers, mergers, rights issues etc.

Table 15: Number of Domestic Mutual Funds by Type as at March 31

Type of Fund	2011	2012	2013	2014	2015	2016
Balanced	3	3	3	3	3	3
Exchange-Traded	3	4	4	4	3	3
Growth	5	5	5	6	6	6
Income	4	4	4	5	5	5
Property	2	2	2	3	3	3
Total	17	18	18	21	20	20

Figure 11: Assets under Management by Type of Fund as at March 31 2016

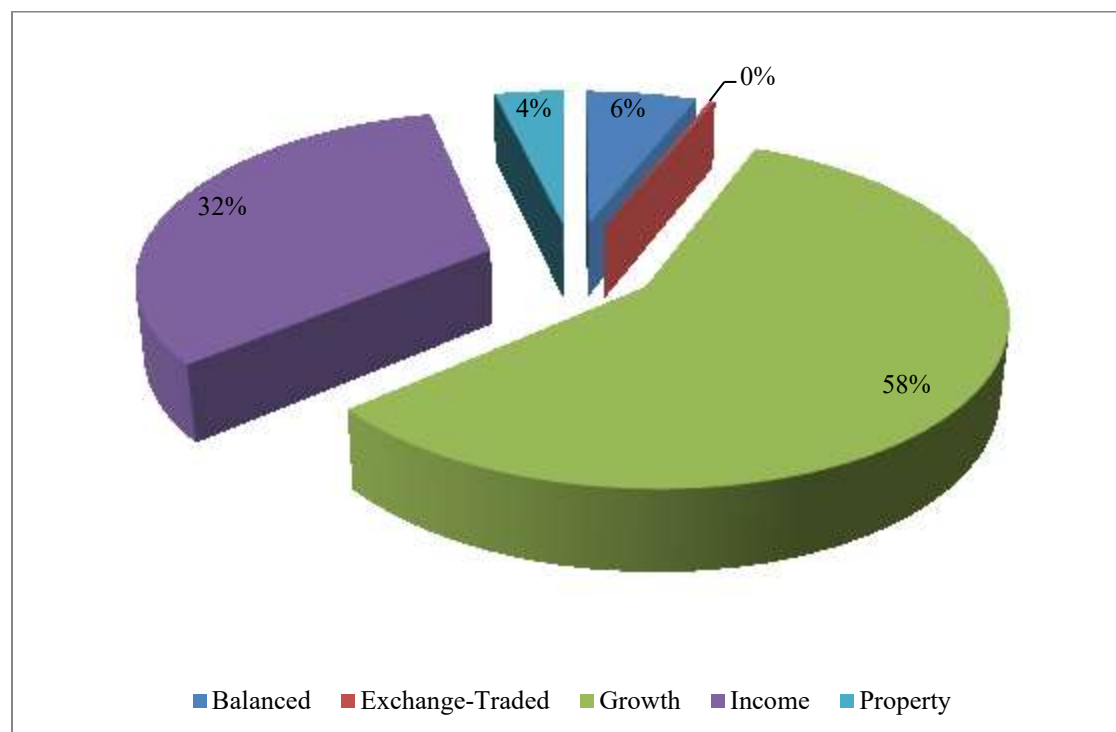


Table 16: Assets under Management by Type of Fund as at March 31 (In BDS \$ millions)

Type of Fund	2011	2012	2013	2014	2015	2016
Balanced	120.4	113.4	110.3	97.7	100.5	116.3
Exchange-Traded	15.7	19.5	20.2	22.1	14.3	4.9
Growth	512.5	527.7	568.2	1,071.8	1,108.3	1,123.7
Income	192.3	196.2	197.2	564.0	577.	633.5
Property	90.3	85.8	83.9	79.1	76.3	73.0
Total	931.2	942.6	979.8	1,834.7	1,877.3	1,951.4

Figure 12: Assets under Management by Type of Fund as at March 31 (In BDS \$ millions)

