

# Financial Services Commission

*Statistical Bulletin 2017*



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Data to September 2017

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 2017 there were thirty-three (33) credit unions registered in Barbados with membership of approximately 193,000 and total assets of an estimated \$2.17 billion.
- ❖ At the end of September 2017, total assets were \$2,167.1 million; this represented an increase of 8.4% when compared to the same period in 2016. Net loans and investments remain the two largest asset categories on the consolidated balance sheet accounting for 72% and 15% of total assets, respectively.
- ❖ Consumer loans was the major contributor to new loans extended to members (55%) followed by real estate loans (26%) and private transport loans (17%). As at September 2017, new consumer credit increased by 4.5 percentage points, while new real estate loans fell by 3.1 percentage points when compared to the same period of the prior year.
- ❖ Total non-performing loans (NPLs) increased from \$114.8 million at the end of September 2016 to \$131.0 million at the end of the same period one year later. The NPL ratio rose slightly by 0.6 percentage points to reach 8.2% at the end of September 2017.
- ❖ Members' savings increased by 7.4% rising from \$1,708.1 million as at September 2016 to \$1,834.7million at the end of September 2017.
- ❖ As at September 2017, the capital<sup>1</sup> to asset ratio for the credit union movement was 11.8%, not a significant change as the same figure was reported as at September 2016.

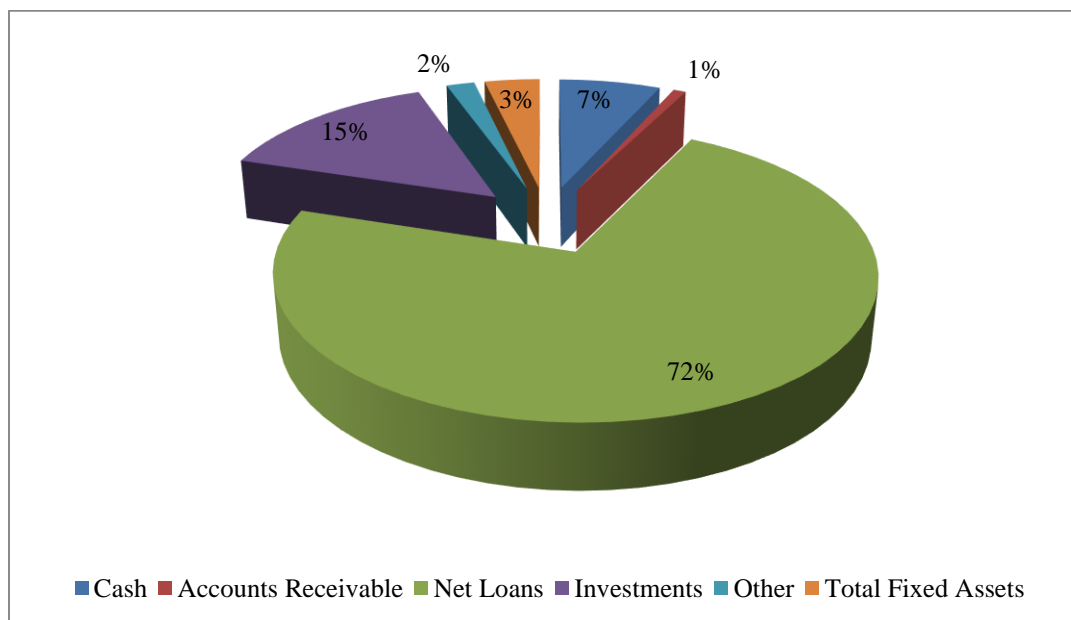
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<sup>1</sup> Capital includes share capital, statutory reserves, liquidity reserves and undivided surplus.

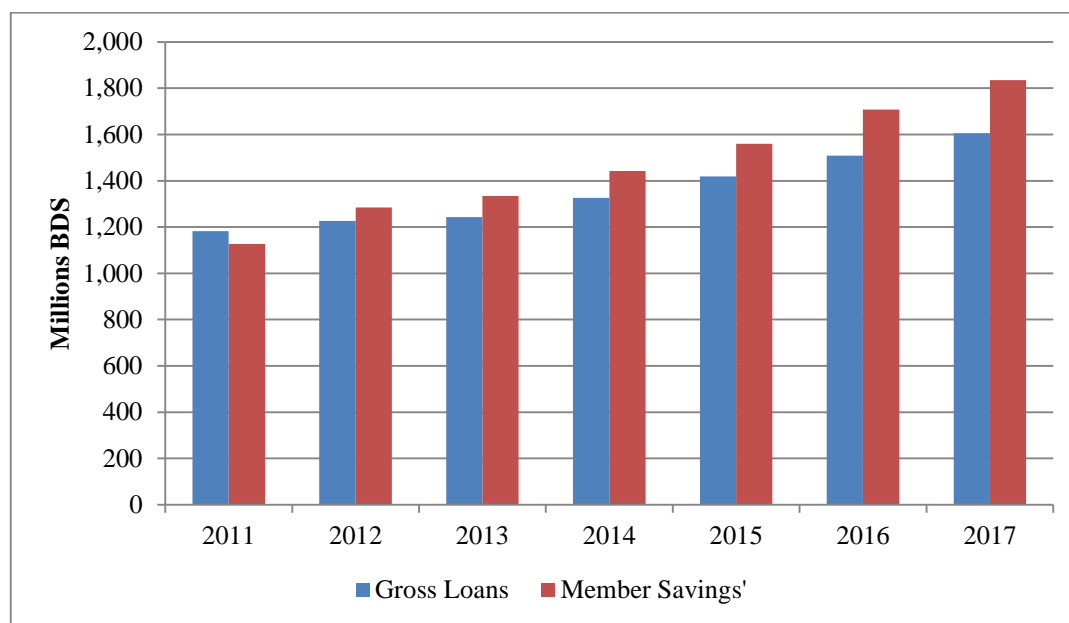
**Table 1: Selected Credit Unions Statistics as at September 30**

Year	Number of Credit Unions	Members (thousands)	Total Assets (BDS \$ millions)
2017	33	193	2,167.1
2016	34	183	1,998.8
2015	34	174	1,850.3
2014	35	166	1,727.5
2013	35	156	1,608.3
2012	35	148	1,560.8
2011	35	155	1,498.3

**Figure 1: Asset Distribution as at September 30 2017**



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



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

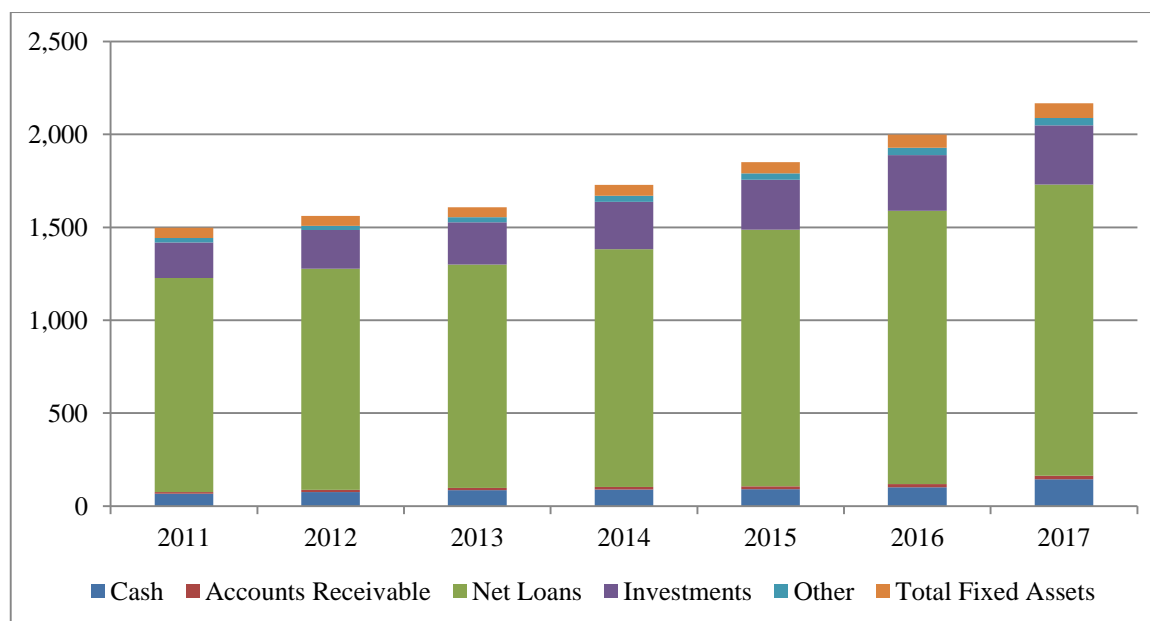


## Assets

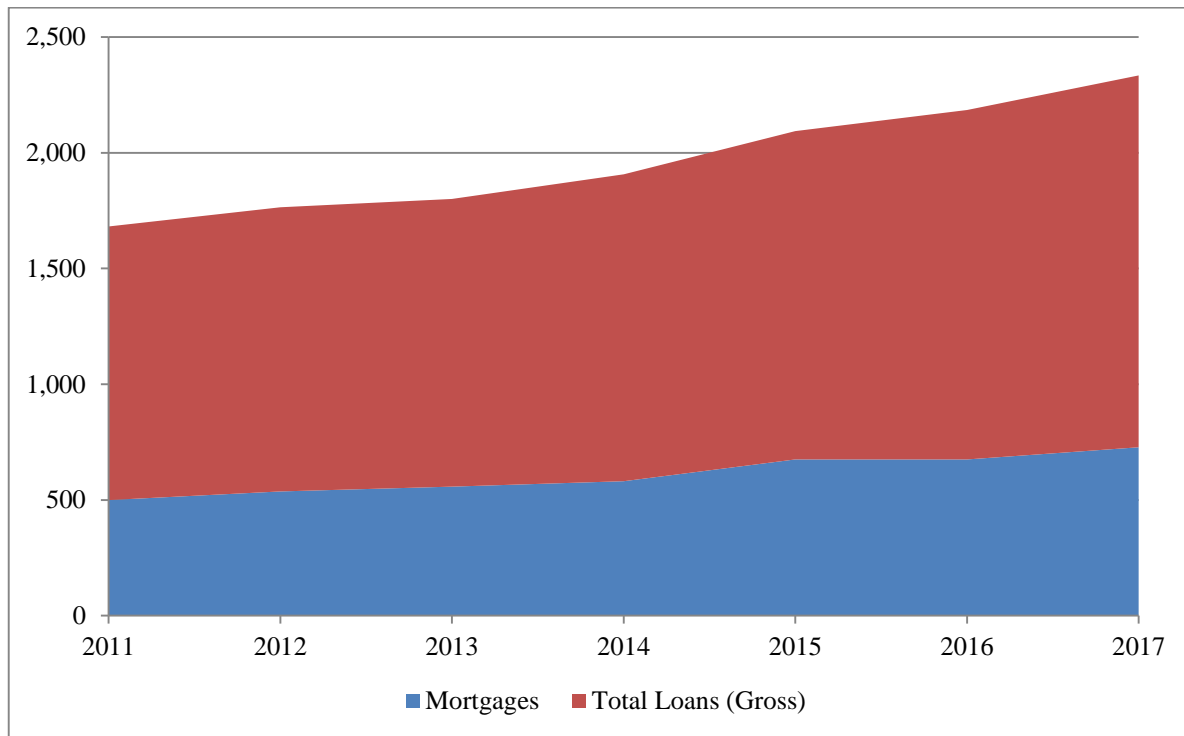
**Table 2: Asset Distribution as at September 30 (In BDS \$ millions)**

Year	Cash	Accounts Receivable	Net Loans	Investments	Other	Total Fixed Assets	Total Assets
2017	145.3	17.9	1,567.0	317.9	40.2	78.9	2,167.1
2016	101.4	17.4	1,470.8	298.5	39.2	71.6	1,998.8
2015	91.2	15.1	1,380.8	269.1	34.6	59.5	1,850.3
2014	90.2	12.8	1,279.6	254.2	33.6	57.1	1,727.5
2013	86.7	10.7	1,202.2	227.6	26.8	54.3	1,608.3
2012	76.2	10.9	1,189.4	208.3	23.0	53.2	1,560.8
2011	66.3	9.4	1,151.2	190.7	25.4	55.5	1,498.4

**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)**

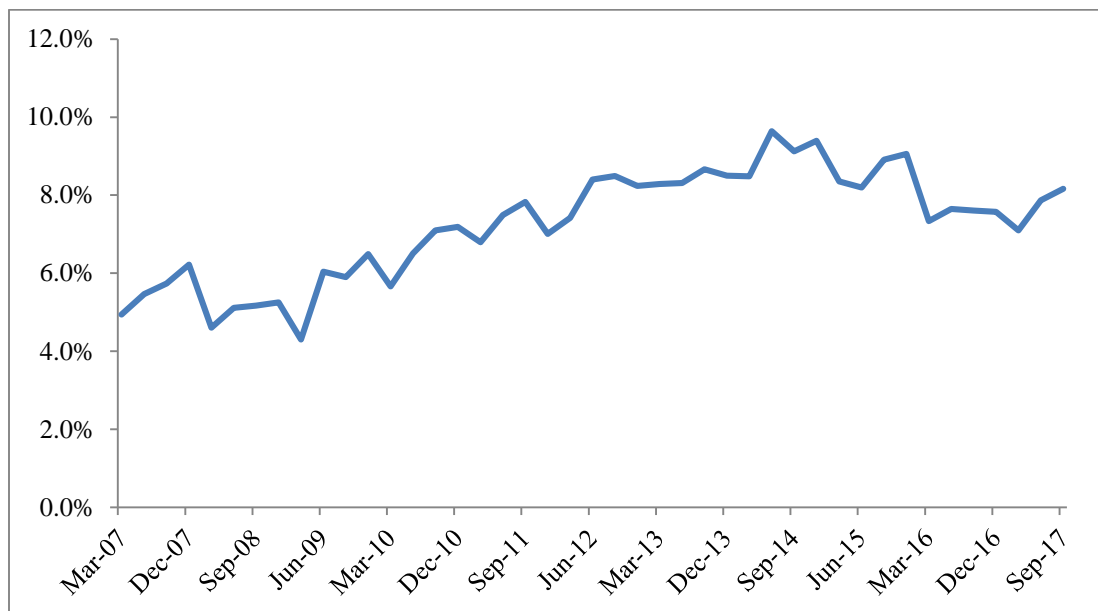
<b>Year</b>	<b>Consumer</b>	<b>Real Estate</b>	<b>Private Transport</b>	<b>Commercial Transport</b>	<b>Agriculture</b>	<b>Other Business</b>
<b>2017</b>	117.9	55.7	37.5	0.16	0.12	2.4
<b>2016</b>	102.2	58.9	38.0	0.07	0.07	2.3
<b>2015</b>	106.4	62.3	35.2	1.16	0.04	2.9
<b>2014</b>	91.6	69.2	23.7	0.33	0.17	1.9
<b>2013</b>	78.5	53.5	20.8	0.04	0.12	1.8
<b>2012</b>	75.4	58.0	19.8	0.41	0.06	2.2
<b>2011</b>	91.4	89.0	28.3	0.36	0.11	2.3

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

<b>Loan Category</b>	<b>2016</b>	<b>% Total 2016</b>	<b>2017</b>	<b>% Total 2017</b>	<b>Change</b>	<b>% Change</b>
<b>Consumer</b>	102,247.5	50.7%	117,881.9	55.2%	15,634.4	15.3%
<b>Real Estate</b>	58,855.4	29.2%	55,667.2	26.1%	-3,188.2	-5.4%
<b>Private Transport</b>	38,020.5	18.9%	37,465.9	17.5%	-554.6	-1.5%
<b>Commercial Transport</b>	65.0	0.0%	158.0	0.1%	93.0	143.1%
<b>Agriculture</b>	74.2	0.0%	118.1	0.1%	43.9	59.2%
<b>Other Business</b>	2,250.2	1.1%	2,250.2	1.1%	0.0	0.0%
<b>Total</b>	201,512.8	100.0%	213,541.3	100.0%	12,028.5	6.0%

## 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
2017	28.3	21.5	81.2	131.0
2016	18.9	17.7	78.2	114.8
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

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

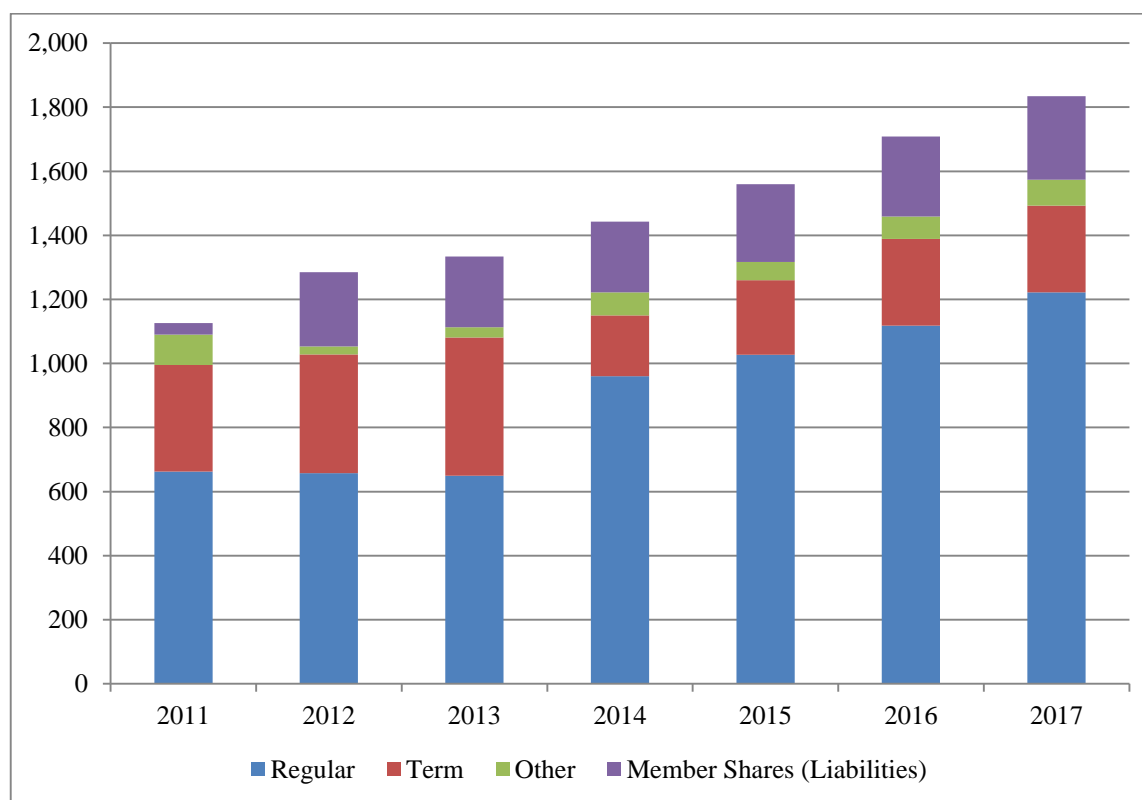
<b>NPL Category</b>	<b>September 2016</b>	<b>% Total September 2016</b>	<b>September 2017</b>	<b>% Total September 2017</b>	<b>Change</b>	<b>% Change</b>
<b>3 to 6 months</b>	18.9	16.5%	28.3	21.6%	9.4	49.6%
<b>6 to 12 months</b>	17.7	15.4%	21.5	16.4%	3.8	21.4%
<b>Over 12 months</b>	78.2	68.1%	81.2	62.0%	3.0	3.9%
<b>Total</b>	114.8	100.0%	131.0	100.0%	16.2	14.1%

## Members' Savings

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

Year	Member Deposits			Member Shares (Liabilities)	Total
	Regular	Term	Other		
<b>2017</b>	1,222.3	270.4	80.6	261.5	1,834.7
<b>2016</b>	1,118.5	270.0	69.8	249.9	1,708.1
<b>2015</b>	1,027.7	232.0	57.5	242.7	1,559.9
<b>2014</b>	960.1	189.9	71.8	220.8	1,442.6
<b>2013</b>	649.7	431.9	31.2	221.4	1,334.3
<b>2012</b>	657.5	371.0	24.6	231.9	1,285.0
<b>2011</b>	662.2	333.0	95.0	36.3	1,126.5

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

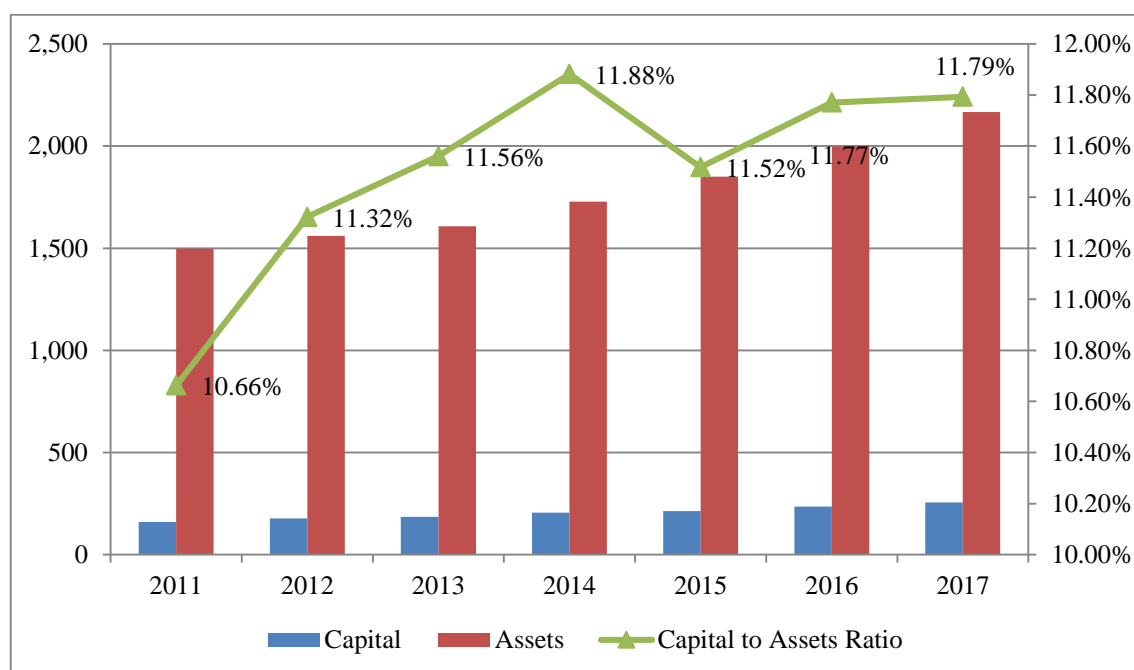


## Capital and Profitability

**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	
2017	19.3	183.1	9.6	43.6	255.6	11.8%
2016	18.3	167.2	9.2	40.6	235.3	11.8%
2015	17.2	154.5	5.1	36.3	213.1	11.5%
2014	17.6	147.6	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%

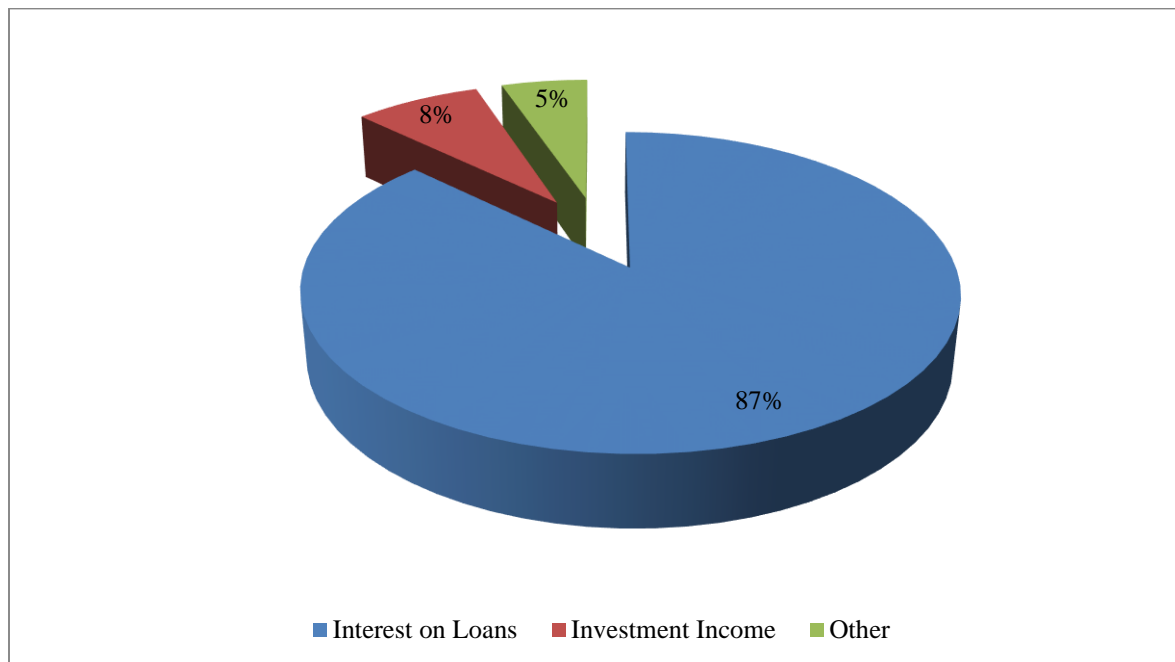
**Figure 7: Capital to Assets Ratio as at September 30 (In BDS \$ millions)**



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

Year	Interest on Loans	Investment Income	Other	Total Income
2017	65.8	5.8	3.9	75.5
2016	62.7	5.6	4.0	72.3
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

**Figure 8: Total Income for the six months ended September 30 2017**

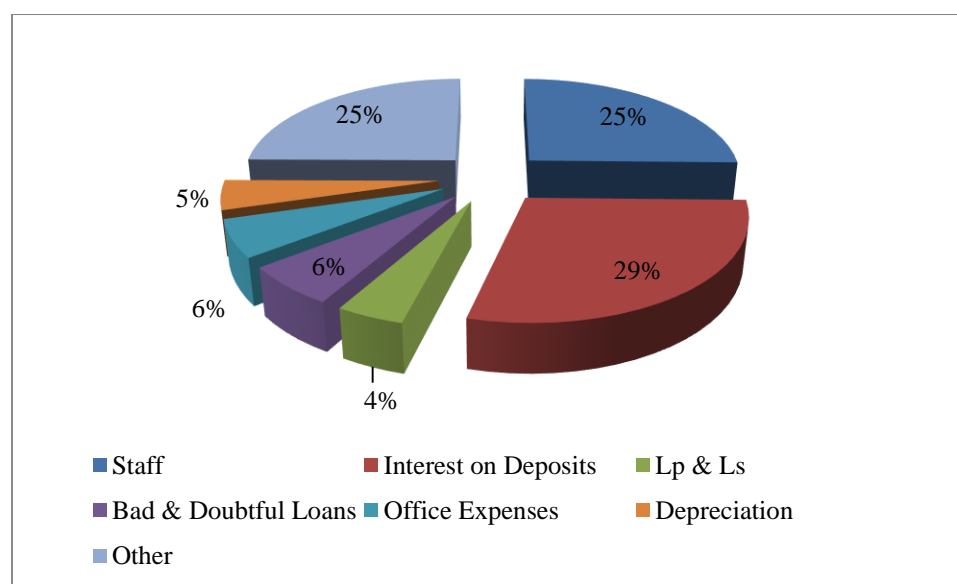




**Table 10: Total Expenditure for the six months ended September 30 (In BDS \$ millions)**

Year	Staff	Interest on Deposits	Lp & Ls	Bad & Doubtful Loans	Office Expenses	Depreciation	Other	Total Expenditure
2017	15.7	17.8	2.7	3.9	3.7	2.9	15.4	62.2
2016	14.7	18.0	2.7	3.5	3.3	2.7	16.5	61.3
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

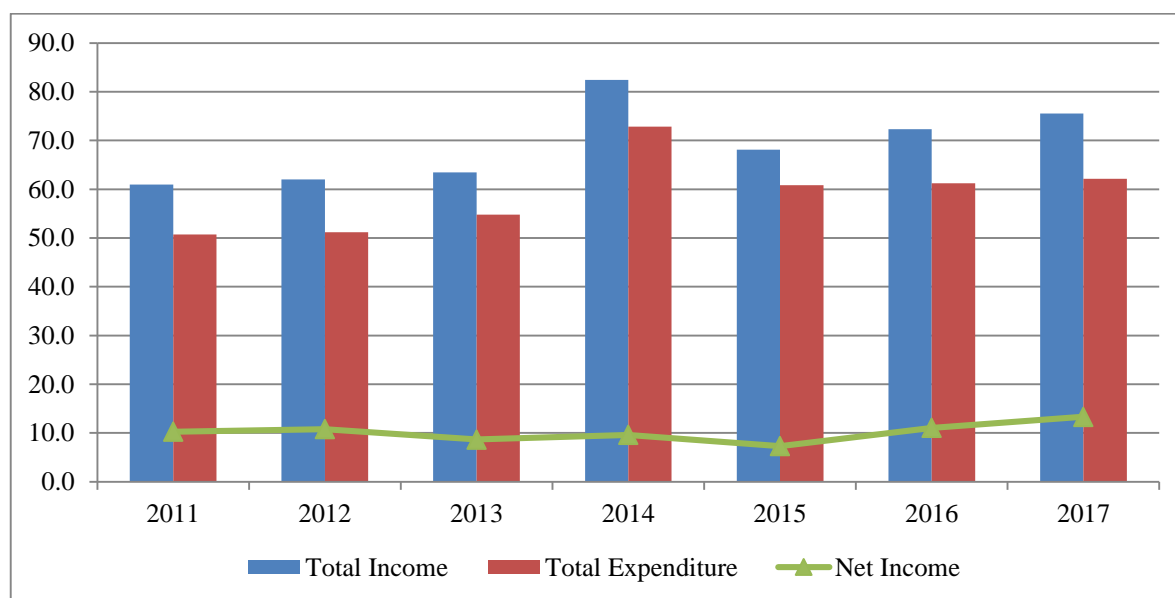
**Figure 9: Total Expenditure for the six months ended September 30 2017**



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

Year	Total Income	Total Expenditure	Net Income
2017	75.5	62.2	13.3
2016	72.3	61.3	11.1
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

**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) decreased by approximately 5% to reach 165 at the end of September 2017.
- ❖ This overall decrease was driven mainly by market actors (individuals).
- ❖ The number of mutual funds (including sub-funds) licensed with the FSC decreased from 24 to 23 during the twelve month period ended September 2017.
- ❖ Total assets under management for the domestic mutual fund sector in Barbados stood \$2,174.6 million at the end of September 2017; this represented an increase of 9.3% when compared to \$1,988.7 million the same period one year earlier.

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

Category	2013	2014	2015	2016	2017
Market Actors (companies) <sup>3</sup>	16	19	30	36	46
Market Actors (individuals) <sup>4</sup>	29	34	50	56	41
Self-regulatory organisations	2	2	2	2	2
Mutual funds ( <i>including sub-funds</i> )	24	26	23	24	23
Mutual fund administrators (general)	10	12	10	10	9
Mutual fund administrators (restricted)	1	1	0	0	0
Issuers <sup>5</sup>	47	46	44	46	44

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

	2013	2014	2015	2016	2017
Listed companies	25	24	22	19	19
Listed securities	27	26	24	23	19
Local market index	2,979.25	2,136.73	2,185.88	2,555.5	3,111.71
Cross-listed market index	1,486.78	1,676.68	1,738.92	1,351.8	980.30
Composite market index	737.33	607.29	624.28	643.1	737.09
Local market capitalisation BDS\$	8,434.73	5,365.90	5,478.35	6,157.0	6,758.24
Cross-listed market capitalisation	2,481.31	2,798.24	2,855.28	2,226.5	661.74
Composite market capitalisation	10,916.04	8,164.14	8,333.63	8,383.5	7,419.98
Number of major transactions <sup>7</sup>	1	0	0	0	0

<sup>3</sup> Securities Companies, Dealers, Investment Advisers, Underwriters

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

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

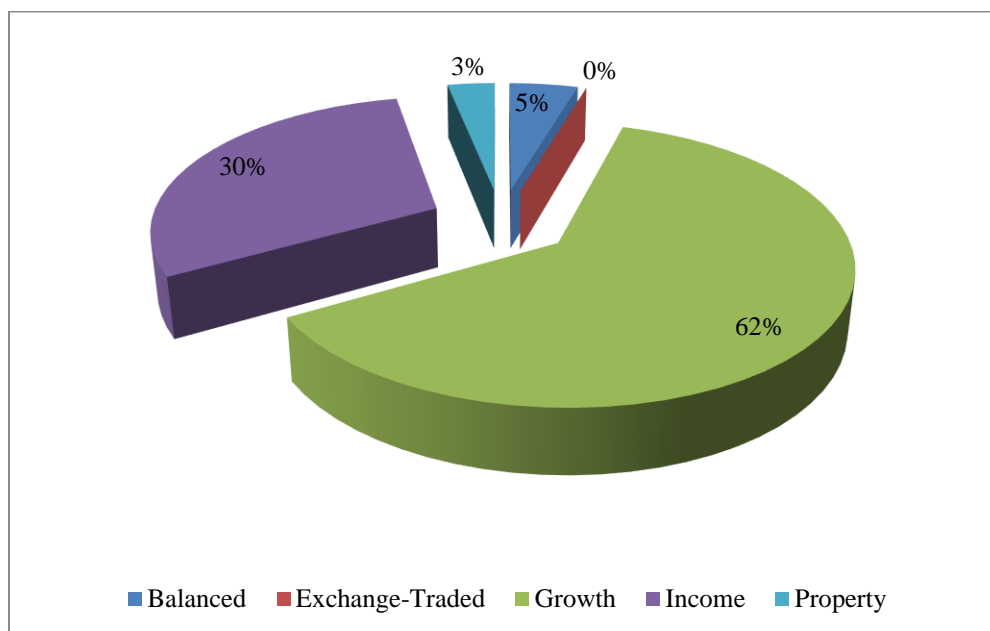
<sup>6</sup> Provided by the Barbados Stock Exchange Inc.

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

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

Type of Fund	2011	2012	2013	2014	2015	2016	2017
Balanced	3	3	3	3	3	2	2
Exchange-Traded	4	4	4	4	2	0	0
Growth	5	5	5	6	6	6	6
Income	4	4	4	5	5	5	5
Property	2	2	2	3	3	3	3
Total	18	18	18	21	19	16	16

**Figure 11: Assets under Management by Type of Fund as at September 30 2017**



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

Type of Fund	2011	2012	2013	2014	2015	2016	2017
<b>Balanced</b>	111.9	111.6	106.9	99.1	87.3	90.0	99.5
<b>Exchange-Traded</b>	18.5	19.2	21.0	22.7	12.6	0.0	0.0
<b>Growth</b>	508.8	540.6	565.4	1,095.6	1,071.5	1,187.9	1,352.1
<b>Income</b>	203.0	188.6	196.8	556.7	585.5	639.8	654.2
<b>Property</b>	86.1	84.6	81.0	76.3	75.0	71.0	68.8
<b>Total</b>	928.3	944.7	971.1	1,850.3	1,831.9	1,988.7	2,174.6

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

