

# Barbados Financial Services Commission

*Statistical Bulletin 2014*



Volume 1 No. 3

Data to June 2014

Credit Unions, Securities and Occupational Pension Plans

# 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 2014 .....	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 – April to June (In BDS \$ millions) .....	11
Table 4 New Credit Issued – April 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 year ended June 30 (In BDS \$ millions) .....	16
Figure 8: Total Income for the year ended June 30 2014.....	16
Table 10: Total Expenditure for the year ended June 30 (In BDS \$ millions) .....	17
Figure 9: Total Expenditure for the year ended June 30 2014.....	17
Table 11: Income and Expenditure for the year ended June 30 (In BDS \$ millions) .....	18
Figure 10: Income and Expenditure for the year ended 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 2014.....	22
Table 15: Assets under Management by Type of Fund as at June 30 (In BDS \$ millions) .....	23
Occupational Pension Plans .....	24
Occupational Pension Plans Highlights .....	25
Table 16: Number of Occupational Pension Plans in Barbados by Type as at June 30.....	26
Figure 13: Occupation Pension Plan Sponsors by Sector as at June 30.....	26
Table 17: Occupation Pension Plan Sponsors by Sector as at June 30 .....	27
Figure 14: Plan Membership Distribution as at June 30 2014 .....	27
Table 18: Plan Membership Distribution as at June 30 .....	28

# Introduction

The Barbados Financial Services Commission is tasked with the responsibility of regulating the credit unions, insurance, securities and occupational pension sectors of the Barbadian economy. The Financial Services Commission's 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 union, securities and occupational pension sectors.

# Credit Unions

## Credit Unions Highlights

- ❖ At the end of June 2014 there were thirty-five (35) credit unions registered in Barbados with membership of approximately 162,000 and total assets of an estimated \$1.7 billion.
- ❖ Total assets in the sector have been increasing steadily over the past six years. At the end of June 2014, total assets were \$1,722.6 million; this represented an increase of 5.1% when compared to the same period in 2013.
- ❖ Net loans and investments were 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 (47%) followed by real estate loans (approximately 36%) and transport (16%). During the second quarter of 2014, new consumer credit decreased by 2.7%, while new real estate loans rose by 3% when compared to the same period of the prior year.
- ❖ With regards to asset quality, total non-performing loans (NPLs) increased from \$103.6 million at the end of June 2013 to \$125.1 million at the end of the same period one year later. The NPL ratio increased by 1.4 percentage points to reach 9.7% at the end of June 2014.
- ❖ Members' savings increased by 6.6% rising from \$1,345.8 million as at June 2013 to \$1,434.7 million at the end of June 2014. The increase in members' savings was primarily as a result of an increase in members' term deposits which increased by 17.4% or \$73.1 million during the period.
- ❖ As at June 2014, the capital<sup>1</sup> to asset ratio for the credit union movement was 10.6%, marginally higher than the 10.0% reported at the end of the same period one year earlier.

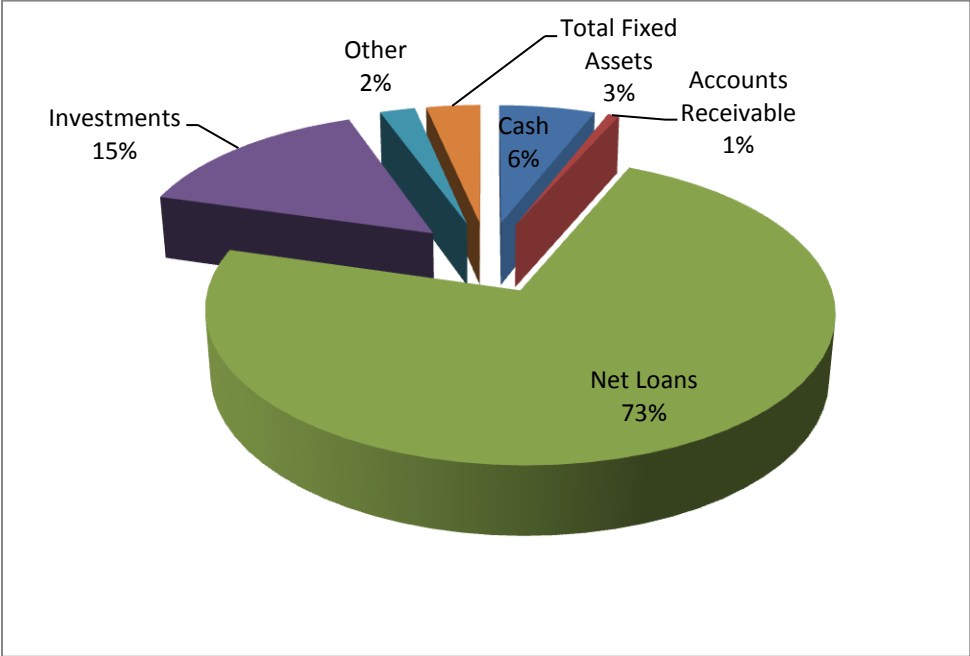
---

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

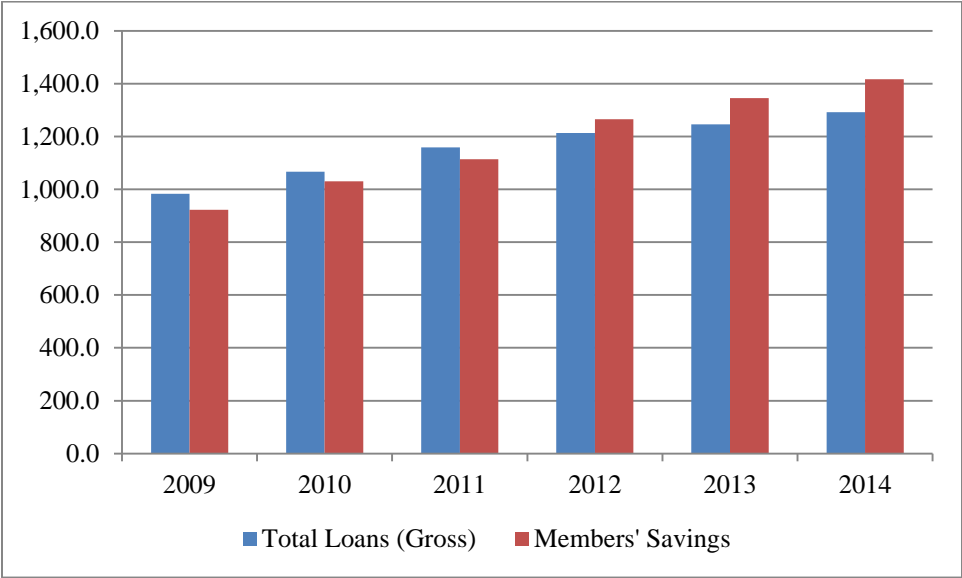
**Table 1: Selected Credit Unions Statistics as at June 30 (for the years 2009-2014)**

Year	Number of Credit Unions	Members (thousands)	Total Assets (BDS \$ millions)
2014	35	162	1,702.1
2013	35	157	1,639.0
2012	35	147	1,544.9
2011	35	153	1,483.2
2010	35	133	1,366.0
2009	35	128	1,270.0

**Figure 1: Asset Distribution as at June 30 2014**



**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).

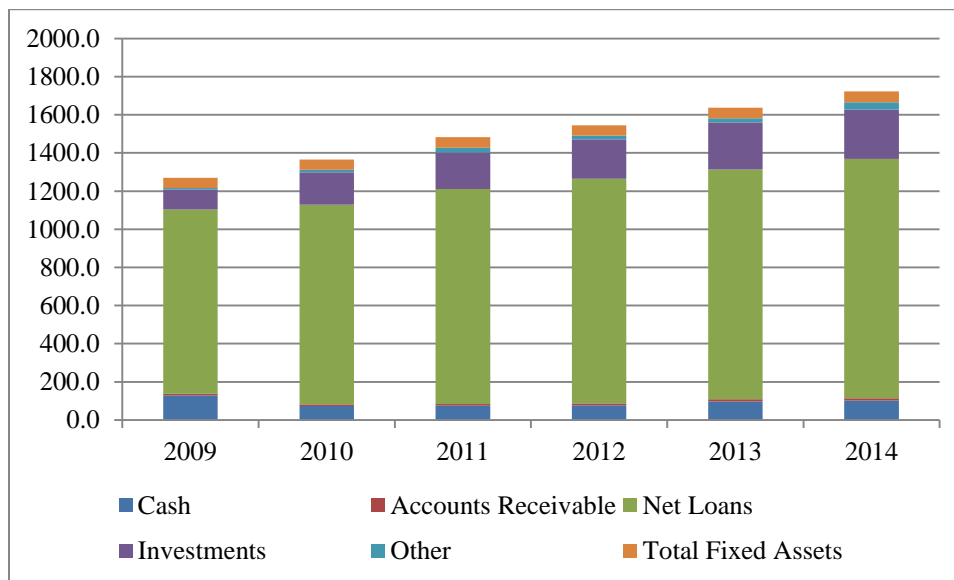


## Assets

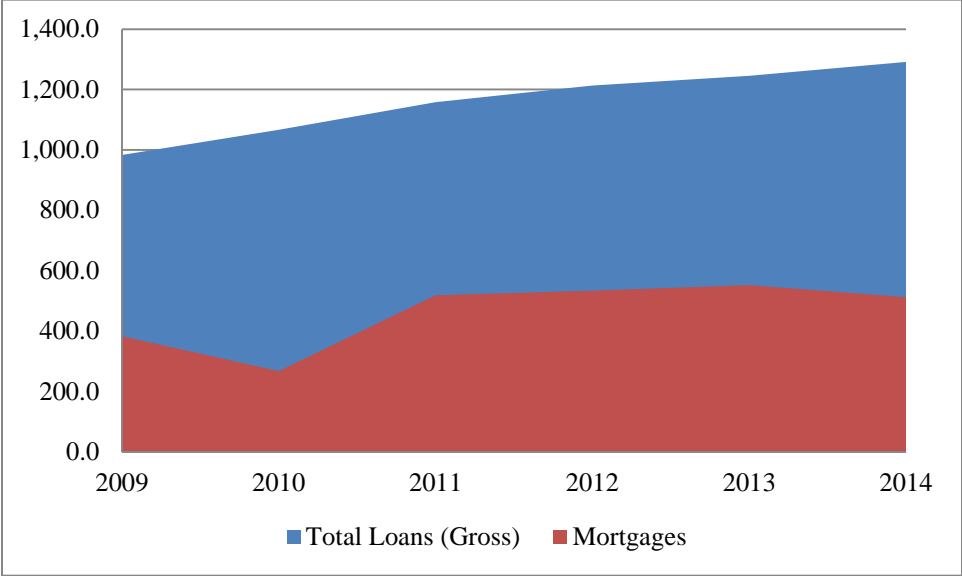
**Table 2: Asset Distribution as at June 30 (In BDS \$ millions)**

Year	Cash	Accounts Receivable	Net Loans	Investments	Other	Total Fixed Assets	Total Assets
2014	102.1	12.3	1254.8	258.0	37.8	57.6	1,722.6
2013	97.7	10.6	1205.7	246.0	21.7	56.1	1,639.0
2012	76.4	10.0	1177.5	206.3	21.6	53.1	1,544.9
2011	74.5	9.2	1127.9	190.5	25.3	55.9	1,483.2
2010	73.7	8.0	1046.8	169.4	13.7	54.5	1,366.0
2009	129.4	8.0	966.3	103.1	9.8	53.4	1,270.0

**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
2014	47.5	36.0	15.9	0.26	0.020	0.99
2013	48.8	34.8	13.9	0.03	0.038	0.94
2012	46.1	34.0	13.6	0.25	0.106	1.02
2011	66.3	71.0	20.4	0.35	0.030	1.27
2010	42.4	37.5	17.2	0.01	0.010	1.57
2009	36.8	36.5	15.4	0.16	0.004	1.73

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

Loan Category	2013	% Total 2013	2014	% Total 2014	Change	% Change
Consumer	48,830.3	49.6%	47,512.2	47.2%	-1,318.0	-2.7%
Real Estate	34,827.6	35.3%	35,966.1	35.7%	1,138.5	3.3%
Private Transport	13,877.0	14.1%	15,939.0	15.8%	2,062.1	14.9%
Commercial Transport	26.6	0.0%	262.3	0.3%	235.7	887.6%
Agriculture	37.7	0.0%	19.5	0.0%	-18.2	-48.2%
Other Business	936.7	1.0%	986.1	1.0%	49.3	5.3%
<b>Total</b>	<b>98,535.8</b>	<b>100.0%</b>	<b>100,685.2</b>	<b>100.0%</b>	<b>2,149.4</b>	<b>2.2%</b>

## Asset Quality

Figure 5: NPL Ratio

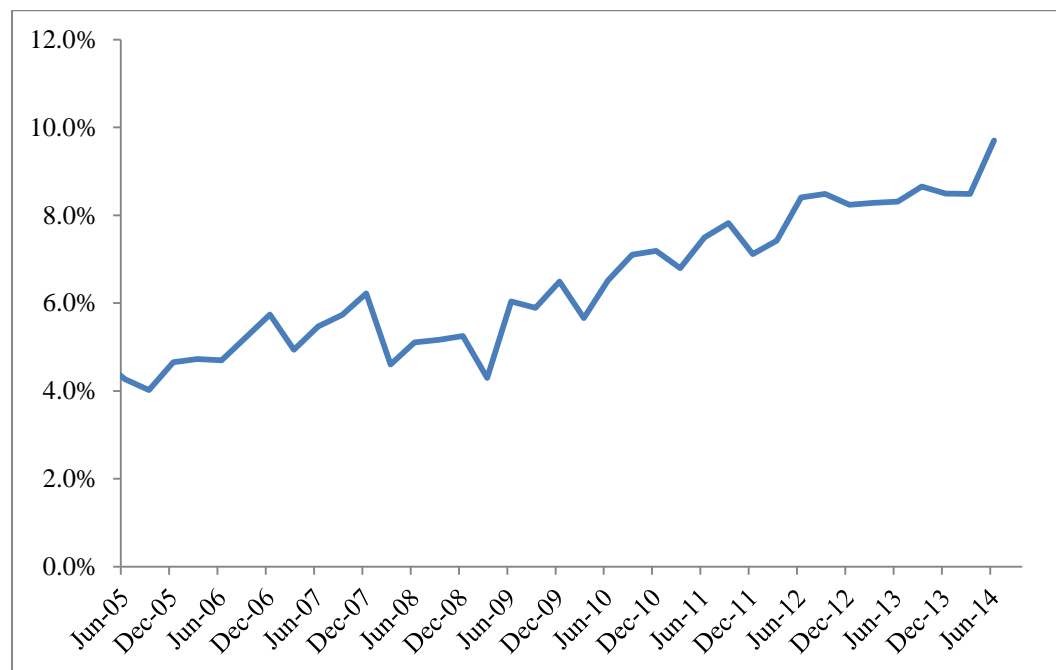


Table 5: NPLs by Category as at June 30 (for the years 2009-2014)  
(In BDS \$ millions)

Year	3 to 6 months	6 to 12 months	Over 12 months	Total
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
2009	23.3	12.8	23.3	59.4

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

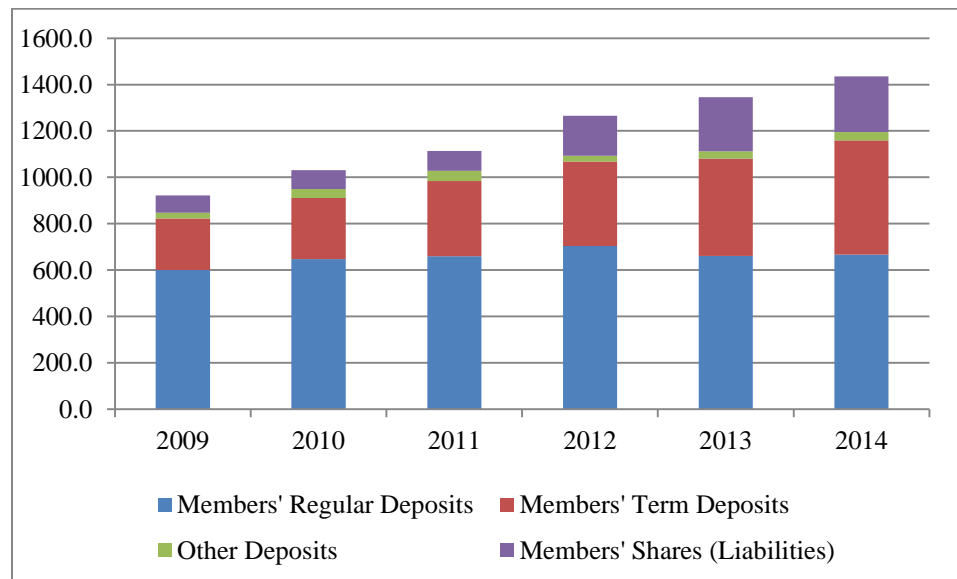
<b>NPL Category</b>	<b>June 2013</b>	<b>% Total June 2013</b>	<b>June 2014</b>	<b>% Total June 2014</b>	<b>Change</b>	<b>% Change</b>
<b>3 to 6 months</b>	25.0	24.2	33.2	26.5	8.1	32.5
<b>6 to 12 months</b>	19.8	19.1	24.0	19.2	4.2	21.5
<b>Over 12 months</b>	58.8	56.8	68.0	54.3	9.2	15.6
<b>Total</b>	103.6	100.0	125.1	100.0	21.6	20.8

## Members' Savings

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

Year	Member Deposits			Member Shares (Liabilities)	Total
	Regular	Term	Other		
2014	666.6	492.5	35.6	240.1	1,434.7
2013	661.4	419.4	31.6	233.5	1,345.8
2012	704.3	363.6	24.5	173.3	1,265.8
2011	660.0	324.1	44.2	85.8	1,114.1
2010	646.9	264.0	39.4	80.4	1,030.7
2009	600.3	222.2	24.7	75.4	922.6

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

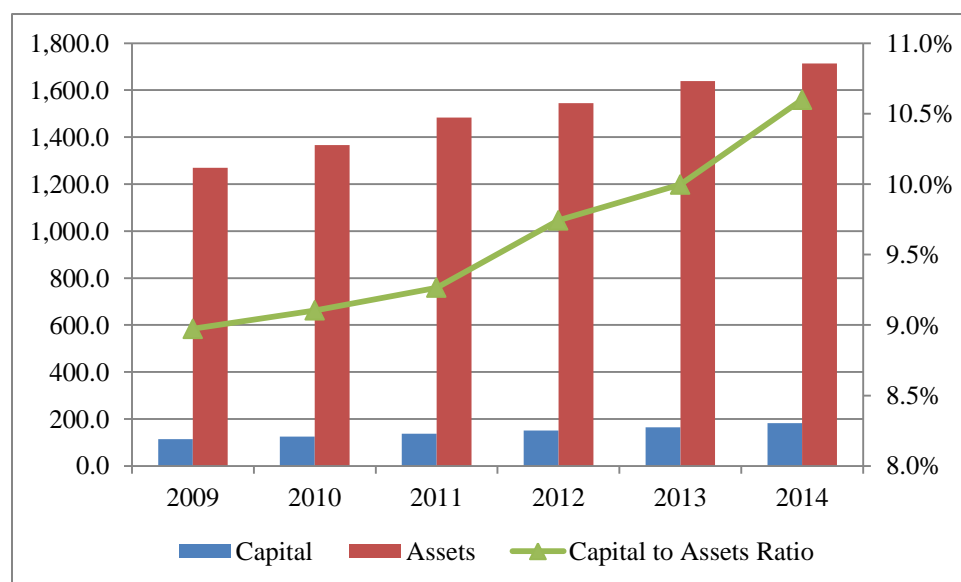


## Capital and Profitability

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

Year	Capital				Capital to Assets Ratio
	Statutory Reserves	Liquidity Reserves	Undivided Surplus	Total	
2014	140.6	0.9	40.1	181.6	10.6%
2013	133.1	0.8	30.0	163.9	10.0%
2012	117.0	0.8	32.7	150.5	9.7%
2011	105.4	1.0	31.1	137.4	9.3%
2010	99.1	1.1	24.2	124.4	9.1%
2009	88.5	3.1	22.4	114.0	9.0%

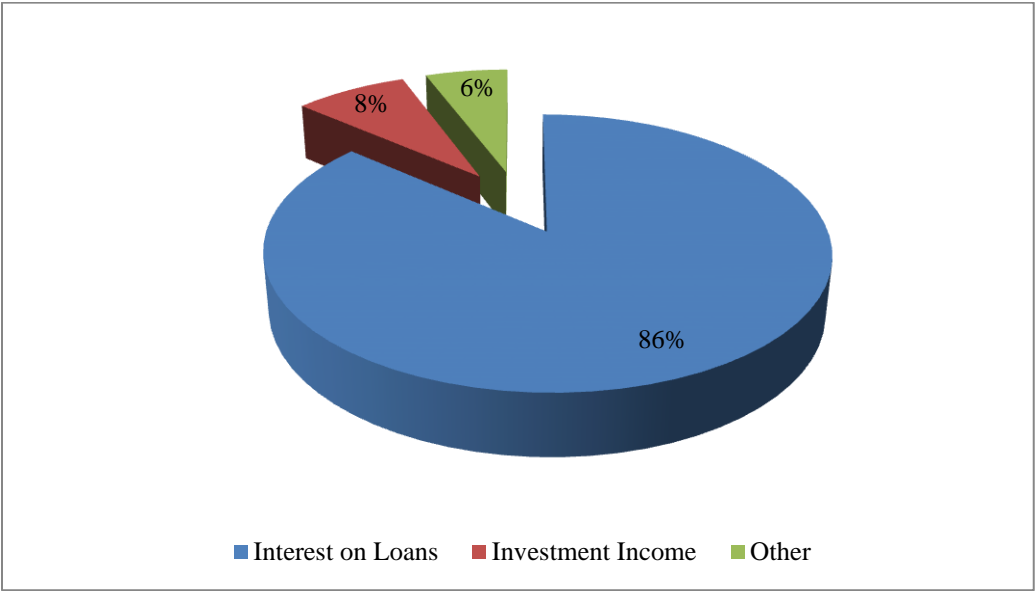
**Figure 7: Capital to Assets Ratio as at June 30 (In BDS \$ millions)**



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

Year	Interest on Loans	Investment Income	Other	Total Income
2014	28.4	2.6	1.9	32.9
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
2009	26.2	2.4	1.4	30.0

**Figure 8: Total Income for the year ended June 30 2014**

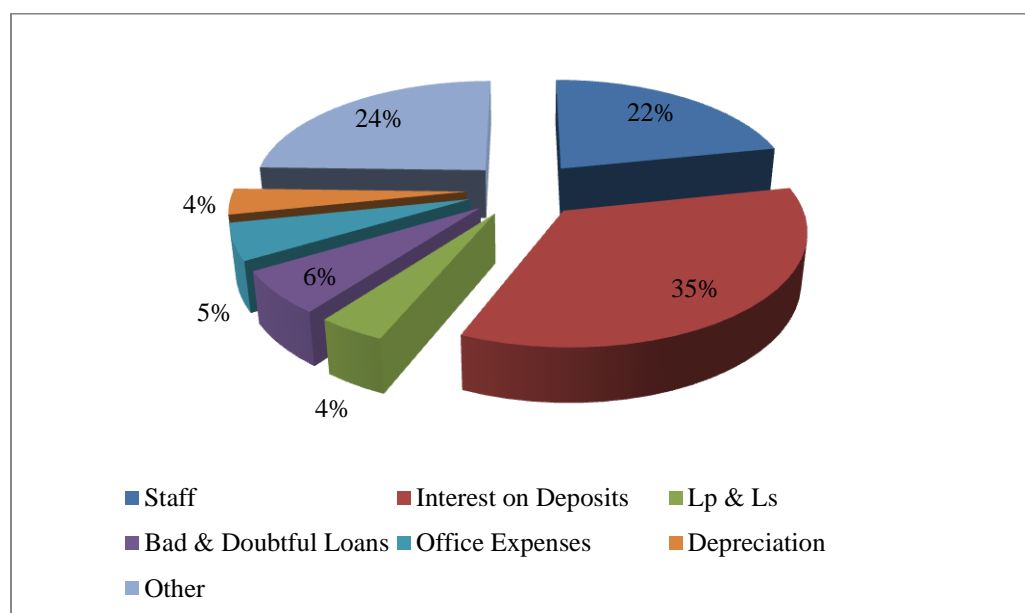




**Table 10: Total Expenditure for the year ended June 30 (In BDS \$ millions)**

Year	Staff	Interest on Deposits	Lp & Ls	Bad & Doubtful Loans	Office Expenses	Depreciation	Other	Total Expenditure
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
2009	5.6	8.8	0.9	1.0	1.4	1.0	4.7	23.6

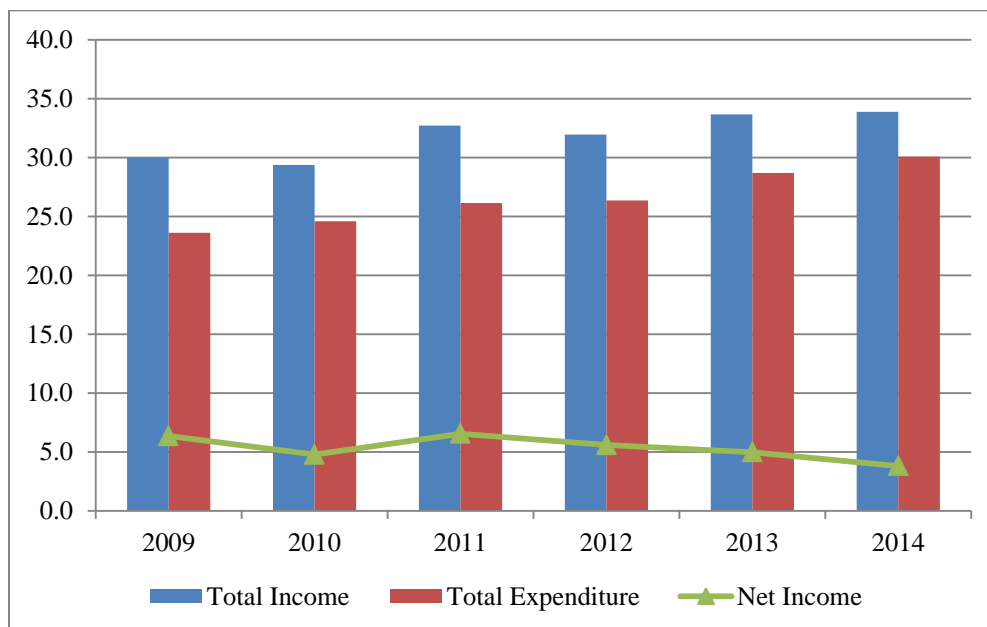
**Figure 9: Total Expenditure for the year ended June 30 2014**



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

Year	Total Income	Total Expenditure	Net Income
2014	33.9	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
2009	30.0	23.6	6.4

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



# Securities

## Securities Highlights

- ❖ The number of individuals and entities registered with the Financial Services Commission (FSC) at the end of June 2014 remained relatively constant when compared with the same period of the prior year.
- ❖ Small increases were noted with respect to market actors; mutual funds/sub-funds; fund administrators and issuers.
- ❖ The number of domestic mutual fund licensed with the FSC increased from 23 to 26 as three mutual funds (including sub-funds) were registered during the twelve-month period ended June 30, 2014.
- ❖ Total assets under management for the domestic mutual fund sector in Barbados stood \$1,782 million at the end of June 2014 an increase of \$837 million when compared to the same period one year earlier. This rate of increase was significantly higher than the average for the previous four years of 4.6%, and it can be mainly attributed to an increase in the number of licensed funds as well as the size of these funds.

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

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

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

	2013	2014
Listed companies	25	24
Listed securities	27	26
Local market index	2,709.11	2,161.03
Cross-listed market index	1,442.59	1,676.68
Composite market index	698.03	611.75
Local market capitalisation BDS\$ millions	8,662,310,000	5,423,749,948
Cross-listed market capitalisation BDS\$ millions	2,407,560,000	2,798,239,354
Composite market capitalisation BDS\$ millions	11,089,670,000	8,221,989,303
No. of major transactions <sup>7</sup>	1	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

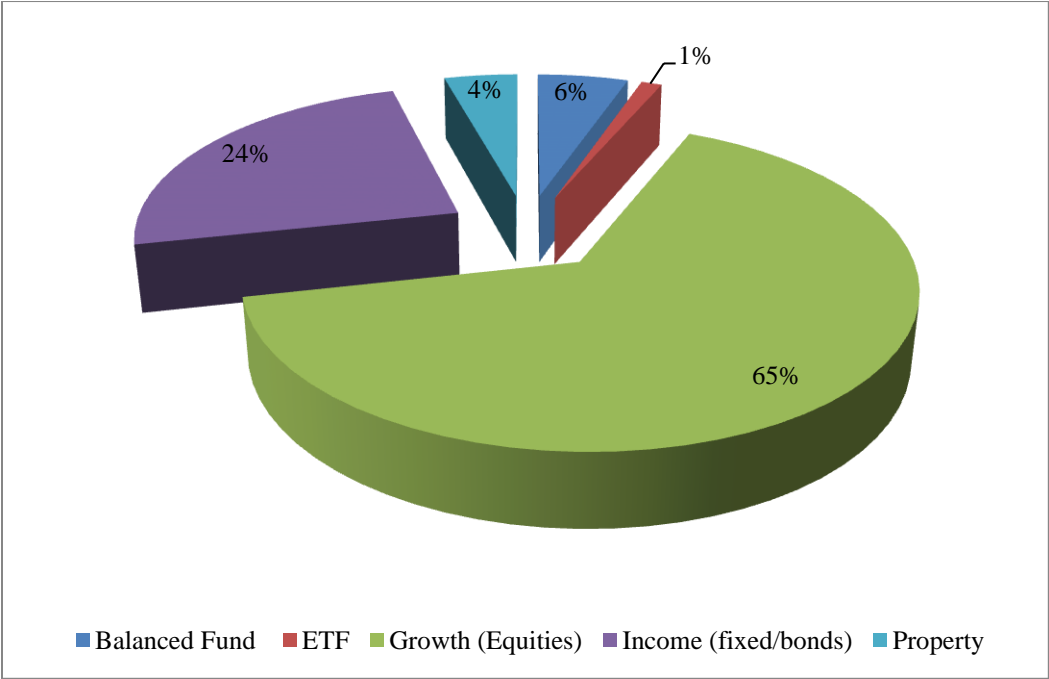
<sup>6</sup> Provided by the Barbados Stock Exchange Inc.

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

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

Type of Fund	2009	2010	2011	2012	2013	2014
Balanced	3	3	3	3	3	4
Exchange-	0	2	3	4	4	4
Growth	5	5	5	5	5	6
Income	4	4	2	4	4	5
Property	2	2	2	2	2	3
<b>Total</b>	<b>14</b>	<b>16</b>	<b>15</b>	<b>18</b>	<b>18</b>	<b>22</b>

**Figure 11: Assets under Management by Type of Fund as at June 30 2014**



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

<b>Type of Fund</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>Balanced</b>	203.8	229.1	259.3	262.4	287.9	300.9
<b>Exchange-Traded</b>	0.0	7.4	15.5	18.8	20.3	22.5
<b>Growth</b>	316.9	344.7	389.2	366.0	375.4	888.7
<b>Income</b>	184.3	156.8	195.6	191.4	177.9	569.9
<b>Property</b>	89.7	91.8	90.8	86.4	84.4	79.9
<b>Total</b>	794.8	829.9	950.4	925.0	945.8	1782.0

# Occupational Pension Plans



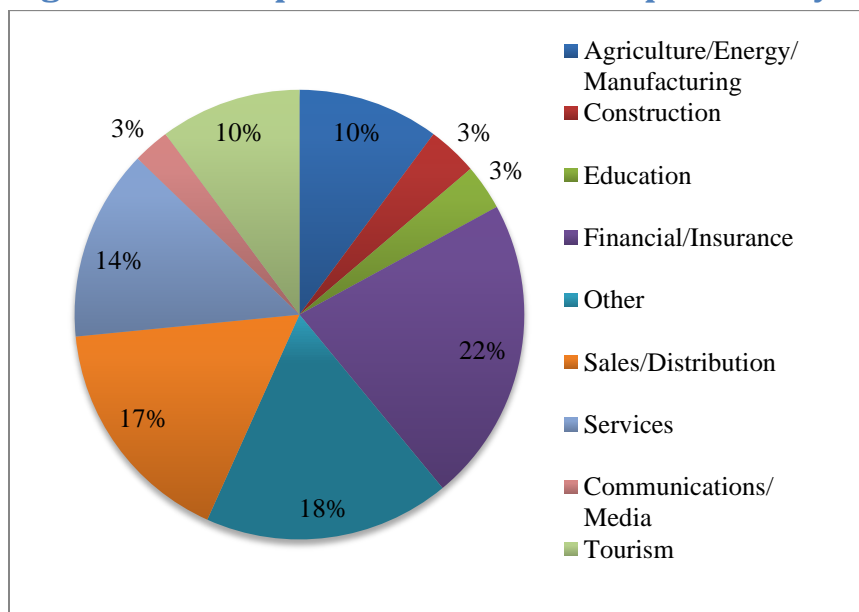
## Occupational Pension Plans Highlights

- ❖ As at June 2014, the total number of applications submitted for the registration of occupational pension plans was 305. Of these, 161 pension plans have since been fully registered with the Financial Services Commission.
- ❖ Defined contribution pension plans accounted for approximately 65% of the occupational pension plans, while the number of defined benefit plans represented 33%.
- ❖ The distribution of pension plan membership per plan is fairly skewed with 246 pension plans or approximately 80% of the total having membership of less than one hundred persons.
- ❖ The sponsors of occupational pension plans originate from various sectors in the economy, with the financial/insurance sector accounting for the largest percentage followed by the sales/distribution sector.

**Table 16: Number of Occupational Pension Plans in Barbados by Type as at June 30**

Type of Pension Plan	2013			2014		
	Not Registered	Registered	Total	Not Registered	Registered	Total
<b>Defined Contribution (DC)</b>	124	63	187	67	124	191
<b>Defined Benefit (DB)</b>	89	9	98	34	63	97
<b>DB and DC Combination</b>	11	1	12	9	4	13
<b>DB and DC Multi-Unit</b>	0	0	0	2	1	3
<b>Multi-Employer DC</b>	1	0	1	0	1	1
<b>Total</b>	225	73	297	112	192	305

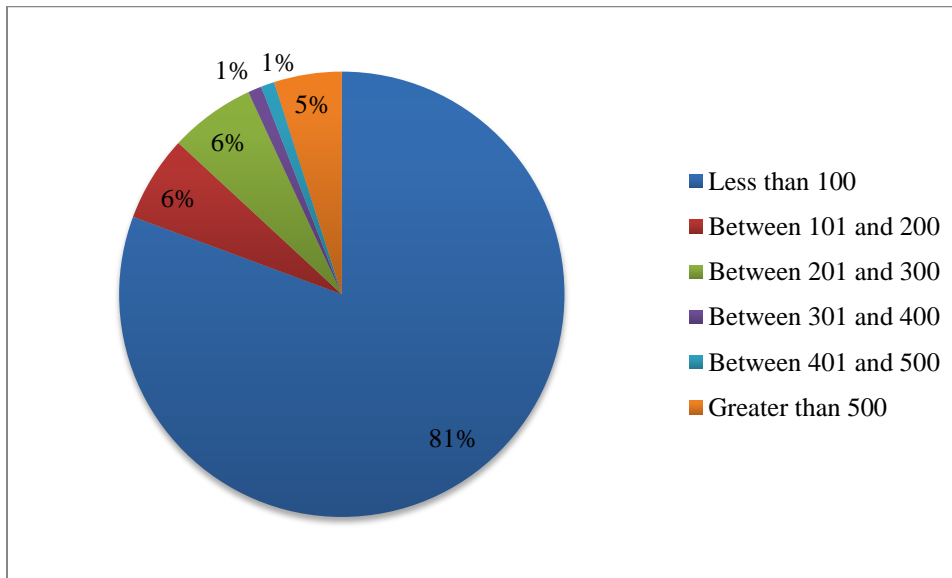
**Figure 13: Occupation Pension Plan Sponsors by Sector as at June 30**



**Table 17: Occupation Pension Plan Sponsors by Sector as at June 30**

Sector	2013	2014	Change	% Change
<b>Agriculture/Energy/ Manufacturing</b>	28	31	3	10.7%
<b>Construction</b>	10	11	1	10.0%
<b>Education</b>	9	10	1	11.1%
<b>Financial/Insurance</b>	64	67	3	4.7%
<b>Other</b>	41	54	13	31.7%
<b>Sales/Distribution</b>	42	51	9	21.4%
<b>Services</b>	66	42	-24	-36.4%
<b>Communications/Media</b>	7	8	1	14.3%
<b>Tourism</b>	30	31	1	3.3%
<b>Total</b>	297	305	8	2.7%

**Figure 14: Plan Membership Distribution as at June 30 2014**



**Table 18: Plan Membership Distribution as at June 30**

<b>Membership</b>	<b>2013</b>	<b>2014</b>	<b>Change</b>	<b>% Change</b>
<b>Less than 100</b>	242	246	4	1.7%
<b>Between 101 and 200</b>	17	19	2	11.8%
<b>Between 201 and 300</b>	18	19	1	5.6%
<b>Between 301 and 400</b>	4	3	-1	-25.0%
<b>Between 401 and 500</b>	3	3	0	0.0%
<b>Greater than 500</b>	13	15	2	15.4%
<b>Total</b>	297	305	8	2.7%