

Financial Services Commission

Statistical Bulletin 2016



Volume 3 No. 3

Data to June 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

- ❖ At the end of June 2016 there were thirty-four (34) credit unions registered in Barbados with membership of approximately 181,000 and total assets of an estimated \$1.9 billion.
- ❖ Total assets in the sector have been increasing steadily over the past six years. At the end of June 2016, total assets were \$1,971.9 million; this represented an increase of 8.5% when compared to the same period in 2015.
- ❖ Net loans and investments are currently the two largest asset categories on the consolidated balance sheet accounting for 74% and 16% of total assets, respectively.
- ❖ Consumer loans accounted for the majority of new loans extended to members (43%) followed by real estate loans (approximately 38%) and transport (17%).
- ❖ With regards to asset quality, total non-performing loans (NPLs) decreased from \$113.9 million at the end of June 2015 to \$112.8 million at the end of the same period one year later. The NPL ratio decreased by 0.6 percentage points to reach 7.6% at the end of June 2016.
- ❖ Members' savings increased by 10.1% rising from \$1,521.8 million as at June 2015 to \$1,675.6 million at the end of June 2016.
- ❖ As at June 2016, the capital¹ to asset ratio for the credit union movement was 11.7%, higher than the 10.6% 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 June 30

Year	Number of Credit Unions	Members (thousands)	Total Assets (BDS \$ millions)
2016	34	181	1,971.9
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

Figure 1: Asset Distribution as at June 30 2016

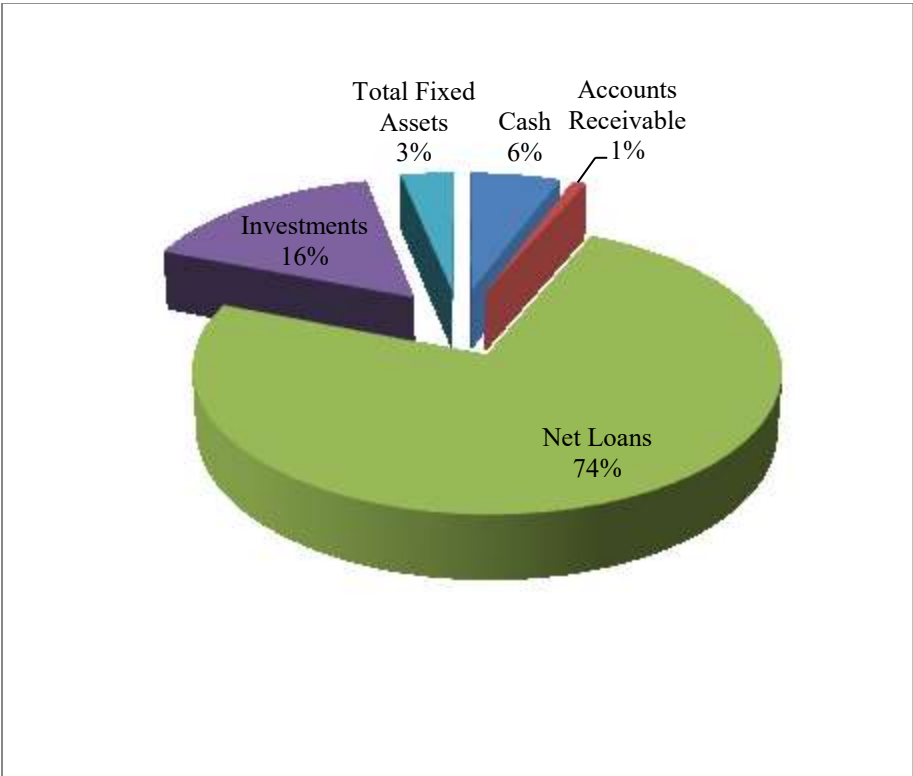
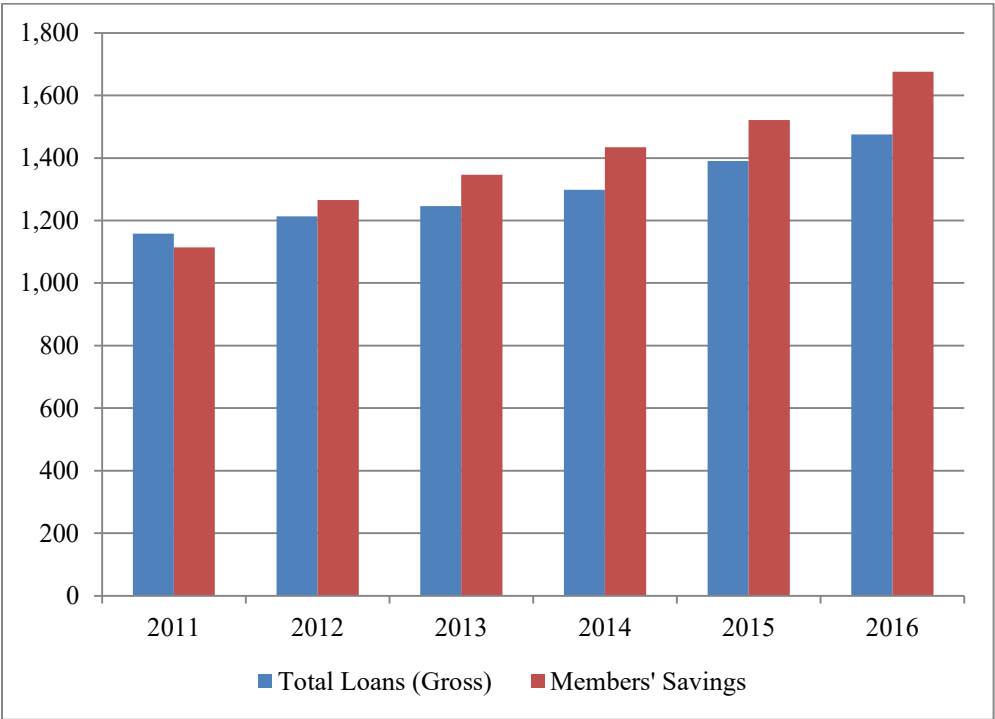


Figure 2: Total Gross Loans vs Members' Savings² as at June 30 (In BDS \$ millions)



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

Assets

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

Year	Cash	Accounts Receivable	Net Loans	Investments	Other	Total Fixed Assets	Total Assets
2016	110.9	16.8	1,438.2	305.4	37.3	63.3	1,971.9
2015	89.9	14.0	1,349.6	270.9	34.2	58.8	1,817.3
2014	102.3	12.3	1,254.6	257.9	37.8	57.6	1,722.3
2013	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

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

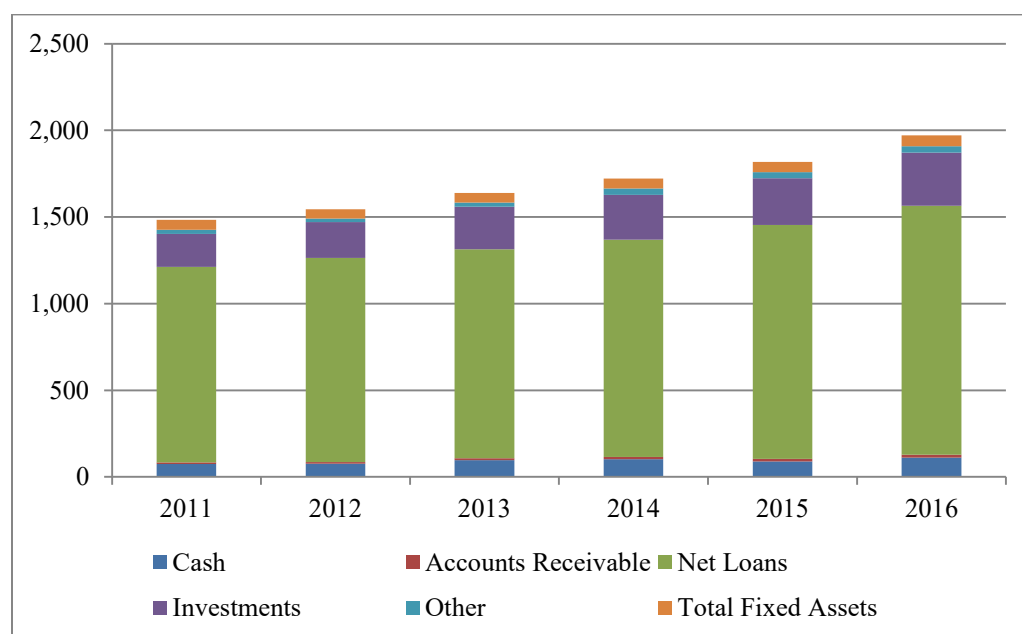


Figure 4: Mortgage vs Total Gross Loans as at June 30 (In BDS \$ millions)

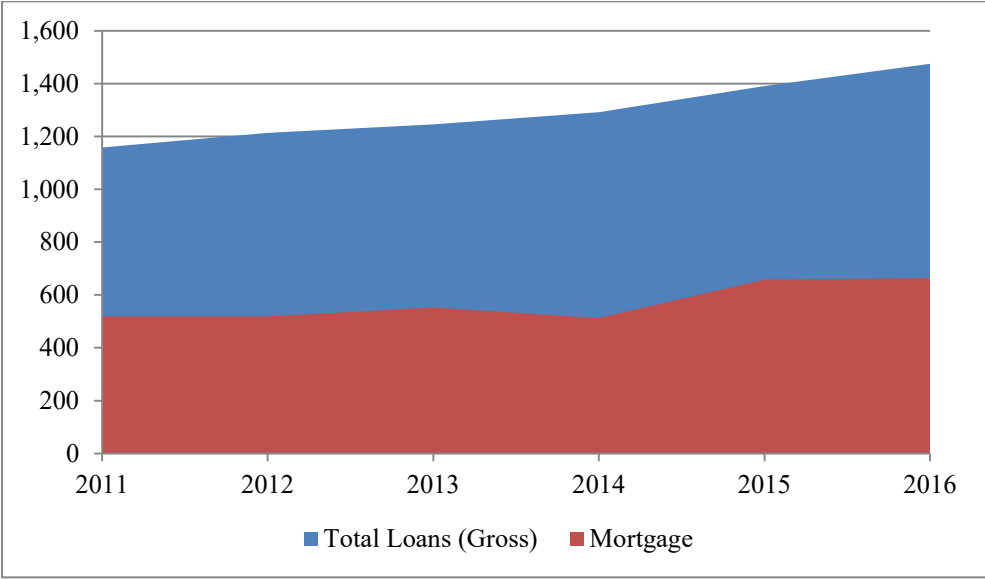


Table 3: New Credit Issued – January to June (In BDS \$ millions)

Year	Consumer	Real Estate	Private Transport	Commercial Transport	Agriculture	Other Business
2016	71.5	43.4	27.3	0.30	0.14	1.64
2015	64.8	37.4	23.7	0.31	0.04	2.18
2014	47.2	21.0	6.2	0.26	0.02	0.82
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

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

Loan Category	2015	% Total 2015	2016	% Total 2016	Change	% Change
Consumer	64.80	50.5%	71.52	49.6%	6.72	10.4%
Real Estate	37.41	29.1%	43.40	30.1%	5.98	16.0%
Private Transport	23.66	18.4%	27.27	18.9%	3.62	15.3%
Commercial Transport	0.31	0.2%	0.30	0.2%	-0.02	-5.5%
Agriculture	0.04	0.0%	0.14	0.1%	0.10	256.3%
Other Business	2.18	1.7%	1.64	1.1%	-0.54	-24.8%
Total	128.41	100.0%	144.27	100.0%	15.86	12.4%

Asset Quality

Figure 5: NPL Ratio

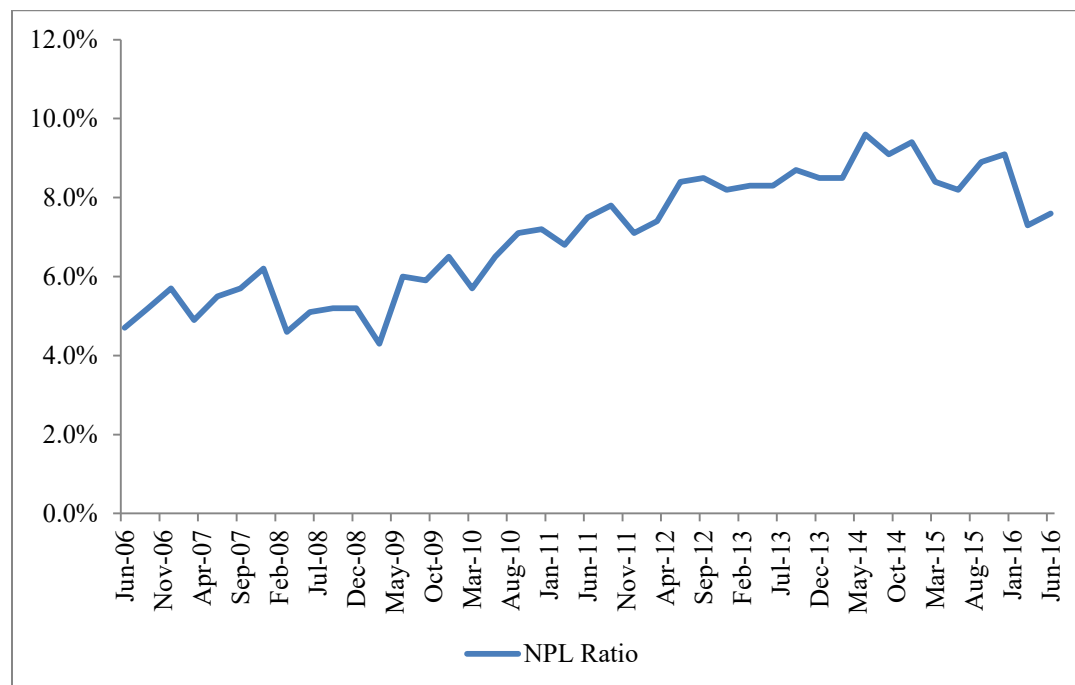


Table 5: NPLs by Category as at June 30 (In BDS \$ millions)

Year	3 to 6 months	6 to 12 months	Over 12 months	Total
2016	20.9	18.8	73.1	112.8
2015	19.2	21.0	73.8	113.9
2014	33.2	24.0	68.0	125.2
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

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

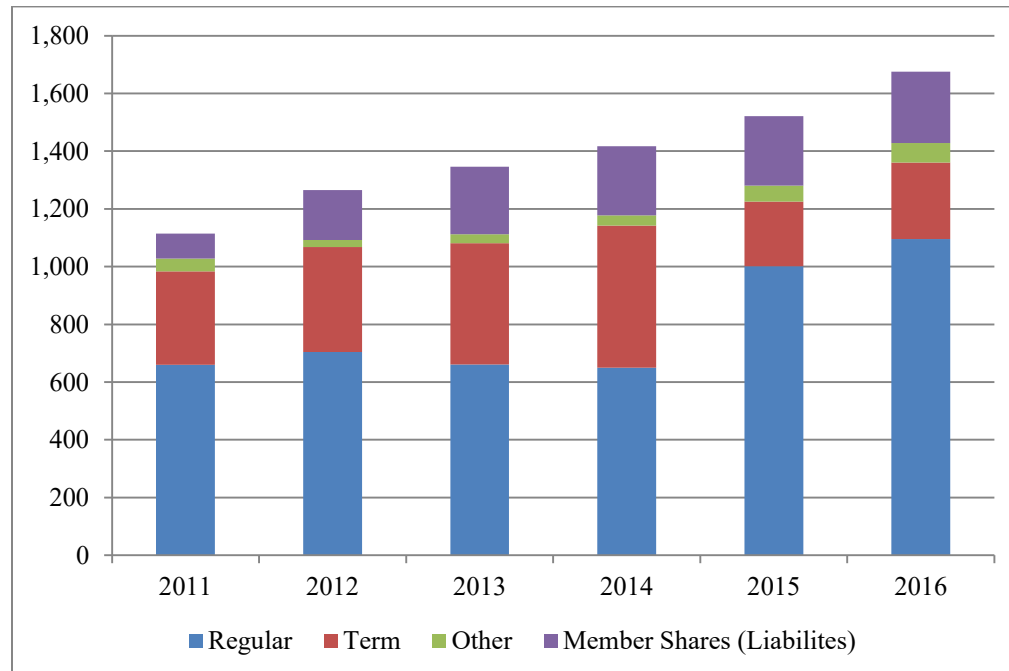
NPL Category	March 2015	% Total March 2015	March 2016	% Total March 2016	Change	% Change
3 to 6 months	19.2	16.8%	20.9	18.5%	1.8	9.1%
6 to 12 months	21.0	18.4%	18.8	16.7%	-2.2	-10.5%
Over 12 months	73.8	64.8%	73.1	64.8%	-0.7	-0.9%
Total	113.9	100.0%	112.8	100.0%	-1.1	-1.0%

Members' Savings

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

Year	Member Deposits			Member Shares (Liabilities)	Total
	Regular	Term	Other		
2016	1,095.9	264.8	67.1	248.0	1,675.9
2015	1,001.2	224.1	55.8	240.7	1,521.8
2014	666.6	492.4	35.6	239.3	1,417.3
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

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					Total	Capital to Assets Ratio
	Share Capital	Statutory Reserves	Liquidity Reserves	Undivided Surplus			
2016	18.0	161.2	9.1	41.9	230.2	11.7%	
2015	17.0	151.7	2.1	38.9	209.6	11.5%	
2014	17.4	147.3	0.8	36.0	201.5	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%	

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

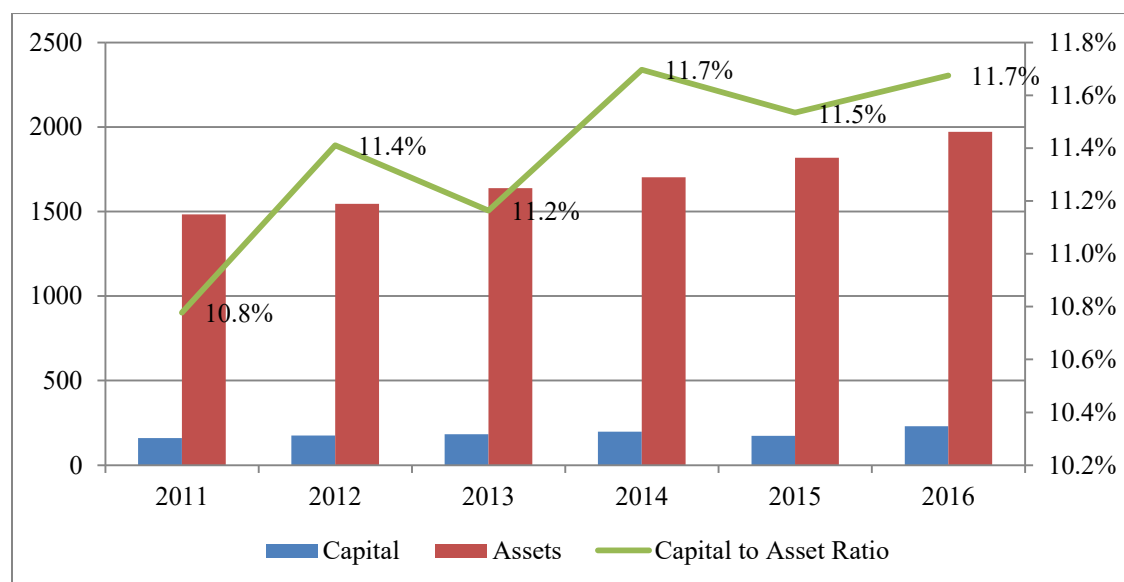


Table 9: Total Income for the three months ended June 30 (In BDS \$ millions)

Year	Interest on Loans	Investment Income	Other	Total Income
2016	32.3	3.1	1.9	37.3
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

Figure 8: Total Income for the three months ended June 30 2016



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
2016	7.6	10.5	1.3	1.7	1.7	1.3	7.7	32.0
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

Figure 9: Total Expenditure for the three months ended June 30 2016

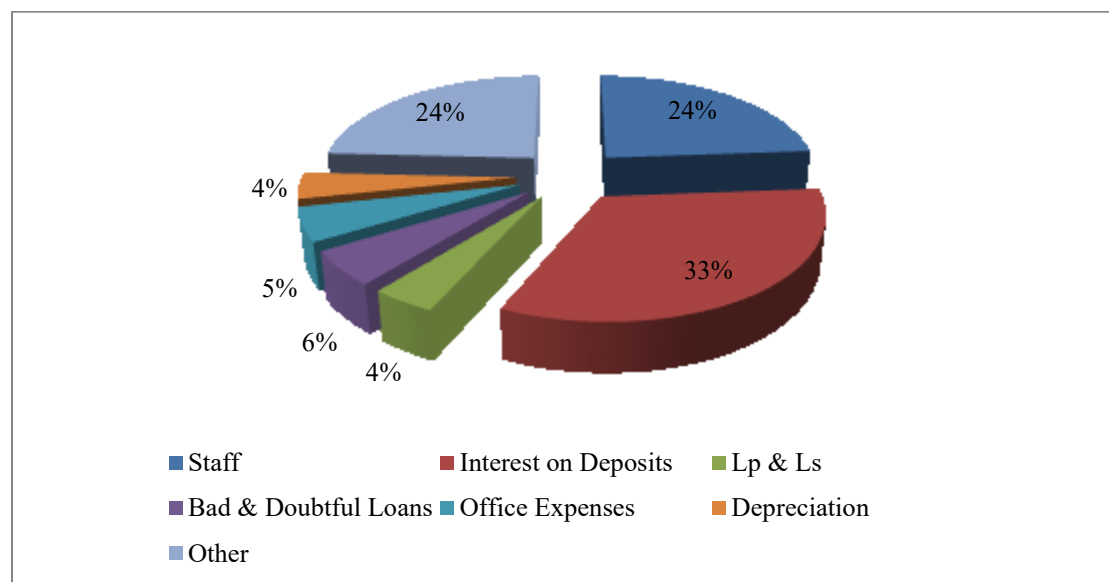
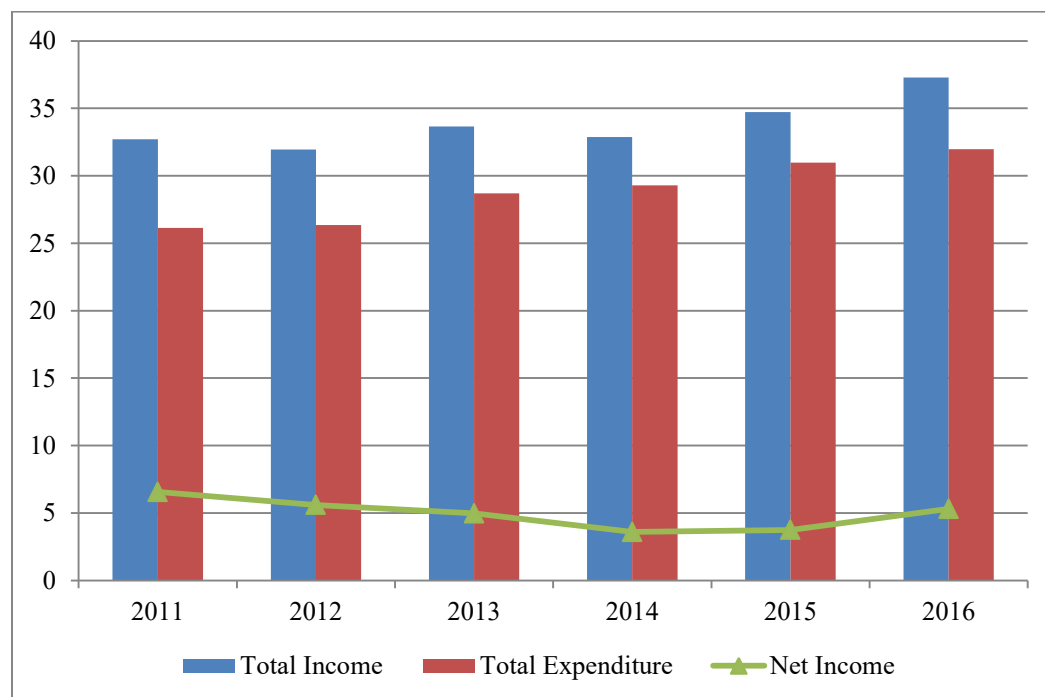


Table 11: Income and Expenditure for the three months ended June 30 (In BDS \$ millions)

Year	Total Income	Total Expenditure	Net Income
2016	37.3	32.0	5.3
2015	34.7	31.0	3.7
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

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



Securities

Securities Highlights

- ❖ The number of market actors (companies and individuals) registered with the FSC increased from 75 at the end of June 2015 to 111 at the end of at the end of June one year later.
- ❖ The number of market actors (companies) registered with the FSC increased from 27 to 52 between June 2015 and June 2016. Increases were recorded for the securities companies, investment advisers and underwriters categories.
- ❖ The number of domestic mutual fund licensed with the FSC declined to 16 during the twelve-month period ended June 30, 2016. However, total assets under management for the domestic mutual fund sector increased from \$1,935.2 million at the end of June 2015 to \$1,969.2 million at the end of June one year later.
- ❖ The category of growth funds continued to account for over 50% of the assets under management even though it only increased marginally by 1.6%. This was followed by income which accounts for 32%.

Table 12: Number of Regulated Entities as at June 30

Category	2013	2014	2015	2016
Market Actors (companies) ³	15	16	27	52
Market Actors (individuals) ⁴	27	28	48	59
Self-regulatory organisations	2	2	2	2
Mutual funds (including sub-funds)	23	26	24	22
Mutual fund administrators (general)	10	11	10	10
Mutual fund administrators (restricted)	1	1	0	0
Issuers ⁵	46	46	45	46

Table 13: Barbados Stock Exchange Activity⁶ as at June 30

	2013	2014	2015	2016
Listed companies	25	24	20	20
Listed securities	27	26	25	24
Local market index	2,709.11	2,161.03	2,193.49	2,528.63
Cross-listed market index	1,442.59	1,676.68	1,738.13	1,738.11
Composite market index	698.03	611.75	625.59	687.38
Local market capitalisation BDS\$ millions	8,662.31	5,423.75	5,498.52	6,393.52
Cross-listed market capitalisation BDS\$ millions	2,407.56	2,798.24	2,914.67	2,862.76
Composite market capitalisation BDS\$ millions	11,089.67	8,221.99	8,413.19	9,256.28
No. of major transactions ⁷	1	0	0	0

³ Securities Companies, Dealers, Investment Advisers, Underwriters

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 June 30

Type of Fund	2011	2012	2013	2014	2015	2016
Balanced	3	3	3	4	3	2
Exchange-Traded	3	4	4	4	2	0
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	22	19	16

Figure 11: Assets under Management by Type of Fund as at June 30 2016

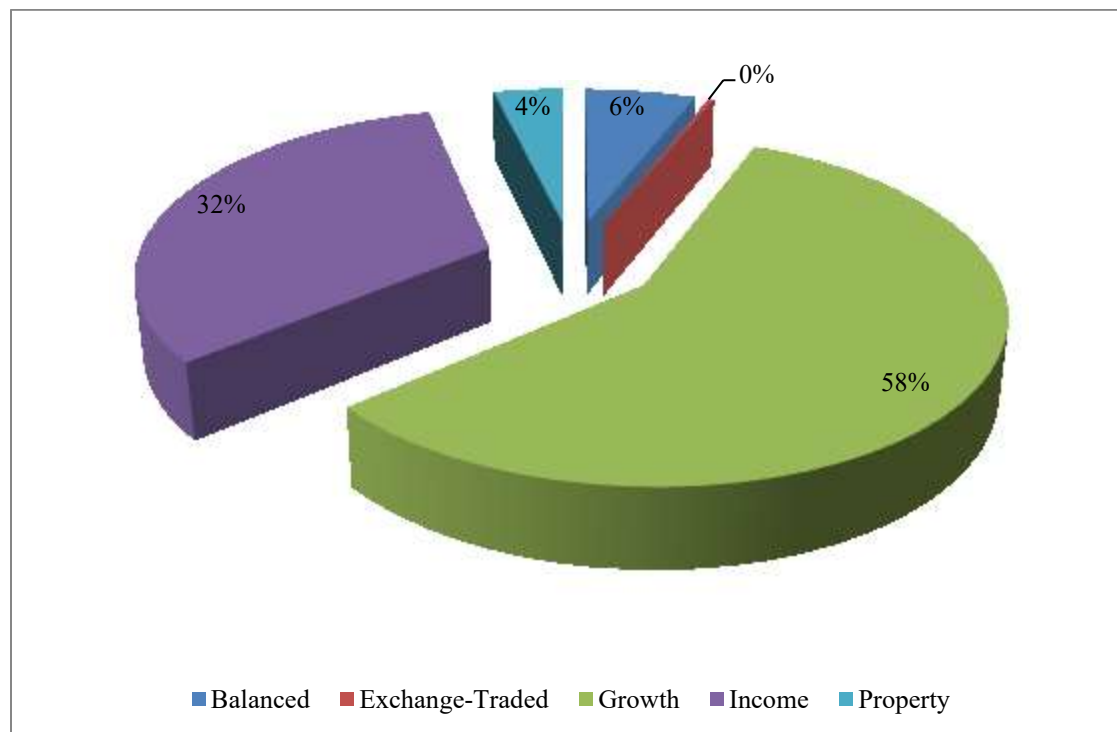


Table 15: Assets under Management by Type of Fund as at June 30 (In BDS \$ millions)

Type of Fund	2011	2012	2013	2014	2015	2016
Balanced	118.8	109.9	108.4	99.0	127.2	117.0
Exchange-Traded	15.5	18.8	20.3	22.5	12.9	0
Growth	529.7	518.6	554.8	1,090.6	1,125.1	1,143.1
Income	195.6	191.4	177.9	569.9	592.7	638.7
Property	90.8	86.4	84.4	79.8	77.3	70.4
Total	950.4	925.1	945.8	1,861.9	1,935.2	1,969.2

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

