

Financial Services Commission

Statistical Bulletin 2016



Volume 3 No. 4

Data to September 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 sectors.

Credit Unions

Credit Unions Highlights

- ❖ At the end of September 2016 there were thirty-four (34) credit unions registered in Barbados with membership of approximately 183,000 and total assets of an estimated \$2.00 billion.
- ❖ Total assets in the sector have been increasing steadily over the past six years. At the end of September 2015, total assets were \$1,998.8 million; this represented an increase of 8.0% 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 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 private transport loans (19%). During the nine months ending September 2016, new consumer credit decreased by 3.9%, while new real estate loans fell by 5.5 % when compared to the same period of the prior year.
- ❖ With regards to asset quality, total non-performing loans (NPLs) decreased from \$126.5 million at the end of September 2015 to \$114.8 million at the end of the same period one year later. The NPL ratio fell marginally by 1.3 percentage points to reach 7.6% at the end of September 2016.
- ❖ Members' savings increased by 9.5% rising from \$1,559.9 million as at September 2015 to \$1,708.1 million at the end of September 2016.
- ❖ As at September 2016, the capital¹ to asset ratio for the credit union movement was 11.8%, marginally higher than the 11.5% 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 September 30

Year	Number of Credit Unions	Members (thousands)	Total Assets (BDS \$ millions)
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 2016

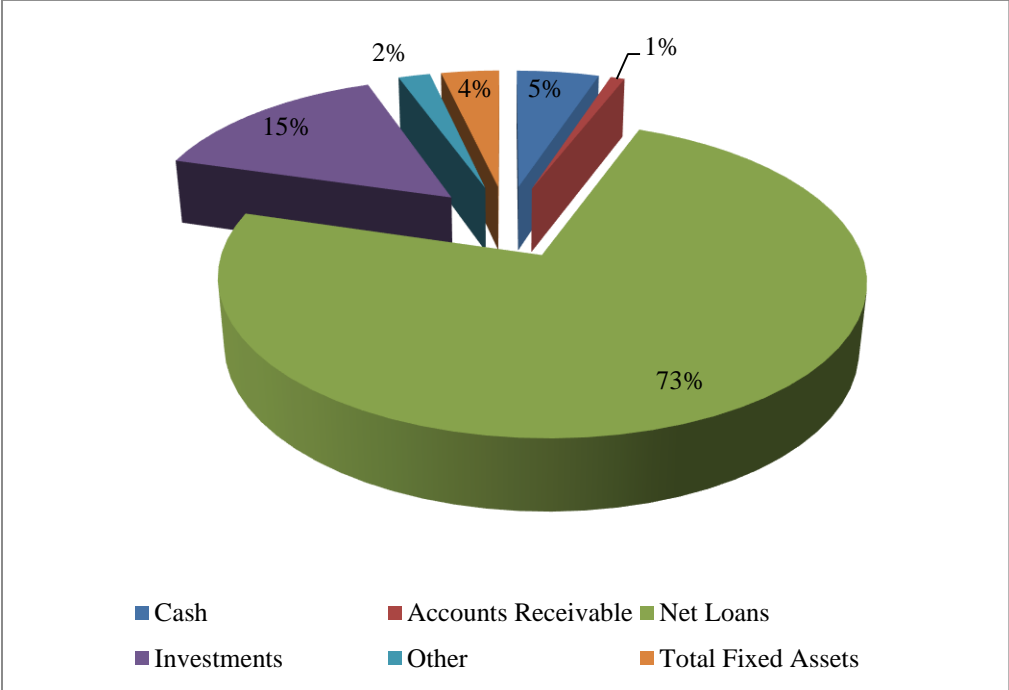
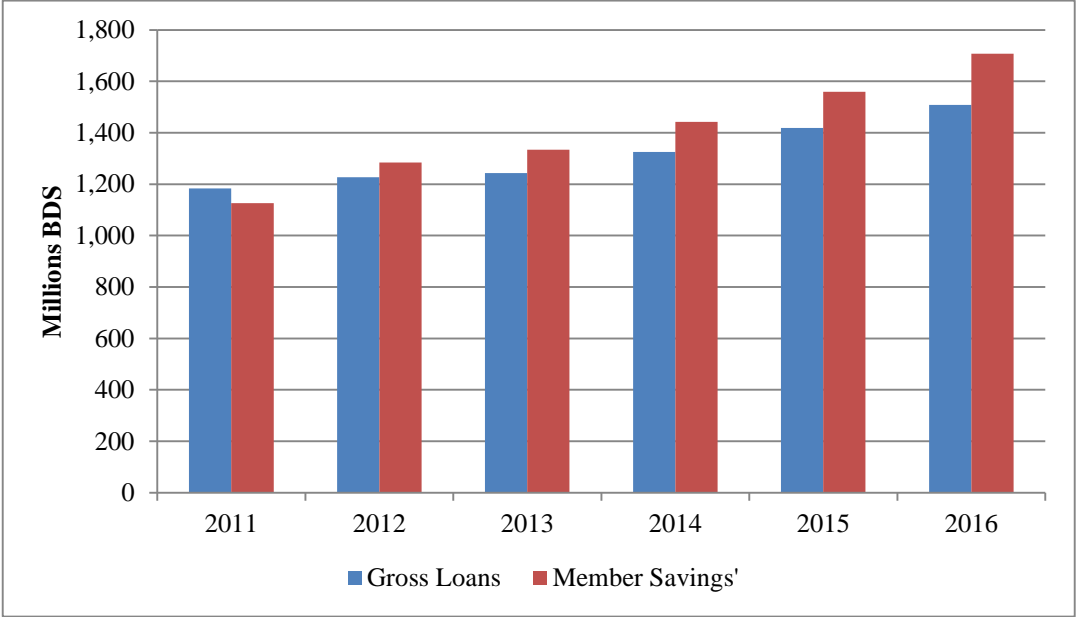


Figure 2: Total Gross Loans vs Members' Savings² as at September 30 (In BDS \$ millions)



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

Assets

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

Year	Cash	Accounts Receivable	Net Loans	Investments	Other	Total Fixed Assets	Total Assets
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)

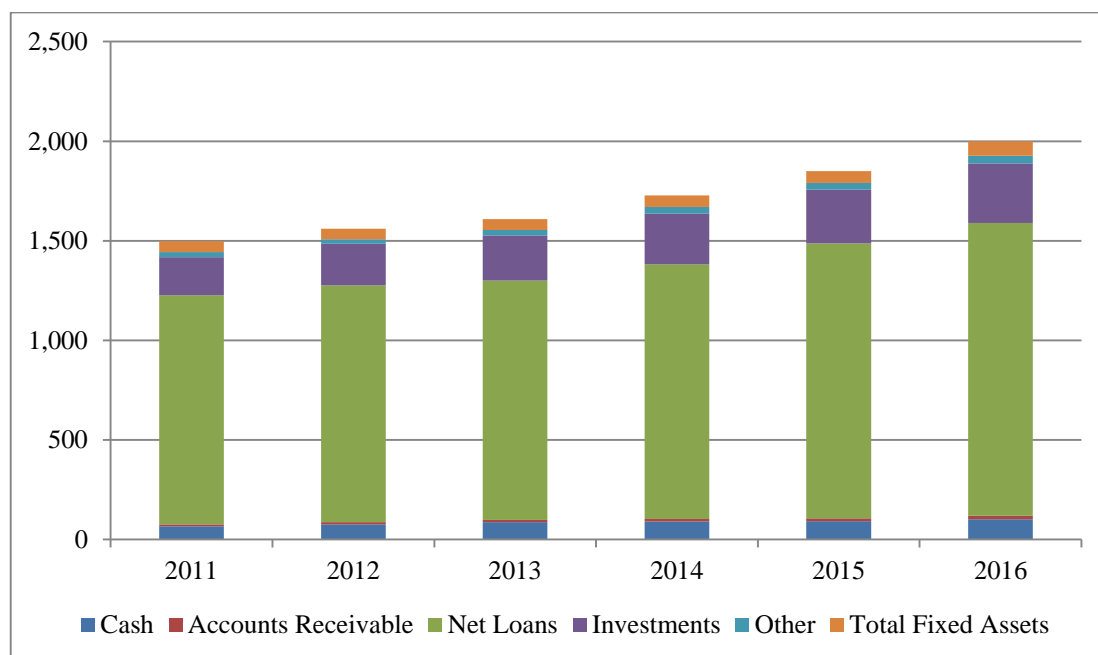


Figure 4: Mortgage vs Total Gross Loans as at September 30 (In BDS \$ millions)

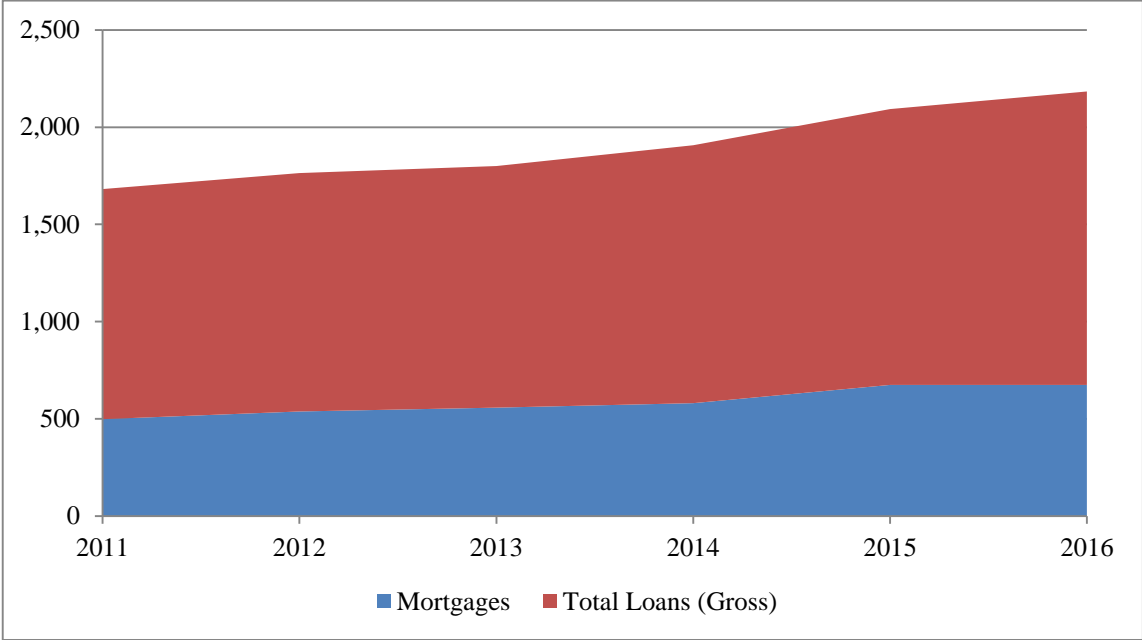


Table 3: New Credit Issued – January to September (In BDS \$ thousands)

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

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

Loan Category	2015	% Total 2015	2016	% Total 2016	Change	% Change
Consumer	106,417.0	51.2%	102,247.5	50.7%	-4,169.5	-3.9%
Real Estate	62,279.9	29.9%	58,855.4	29.2%	-3,424.5	-5.5%
Private Transport	35,204.6	16.9%	38,020.5	18.9%	2,815.9	8.0%
Commercial Transport	1,156.0	0.6%	65.0	0.0%	-1,091.0	-94.4%
Agriculture	42.5	0.0%	74.2	0.0%	31.7	74.5%
Other Business	2,872.9	1.4%	2,250.2	1.1%	-622.7	-21.7%
Total	207,972.9	100.0%	201,512.8	100.0%	-6,460.1	-3.1%

Asset Quality

Figure 5: NPL Ratio

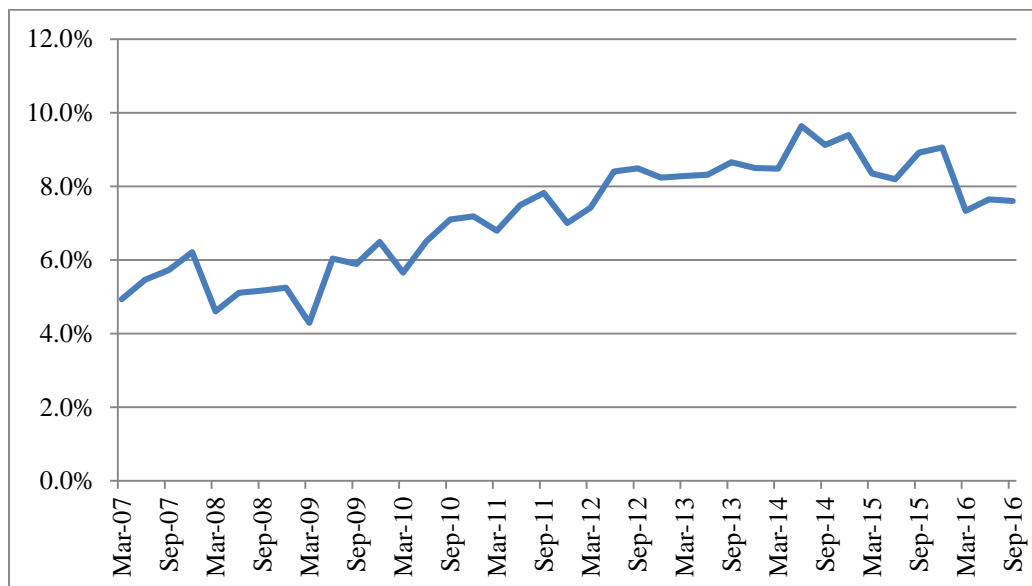


Table 5: NPLs by Category as at September 30 (In BDS \$ millions)

Year	3 to 6 months	6 to 12 months	Over 12 months	Total
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)

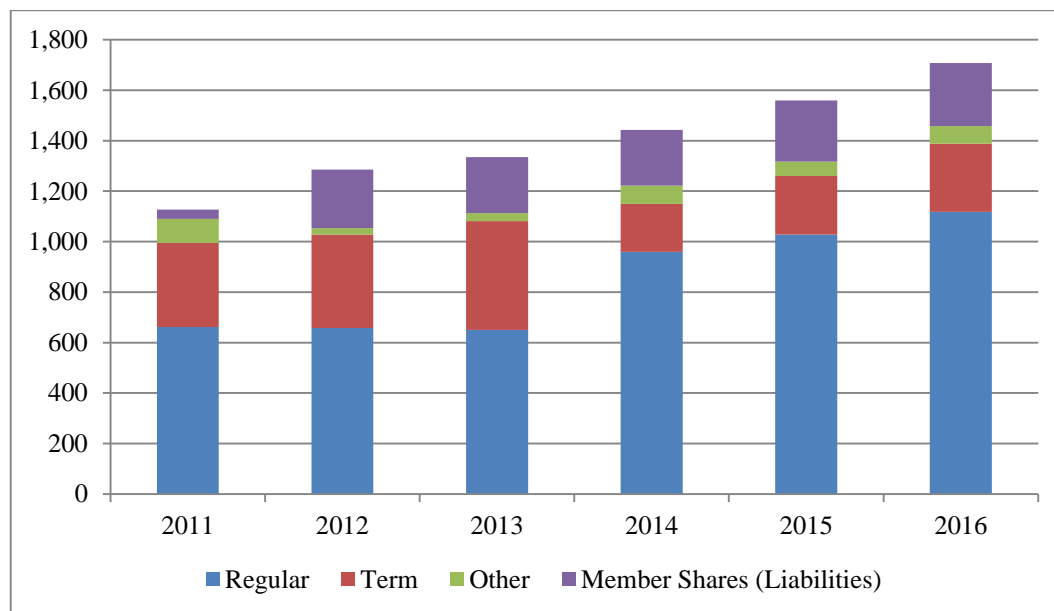
NPL Category	September 2015	% Total September 2015	September 2016	% Total September 2015	Change	% Change
3 to 6 months	31.2	24.7%	18.9	16.5%	-12.3	-39.4%
6 to 12 months	22.5	17.8%	17.7	15.4%	-4.8	-21.3%
Over 12 months	72.8	57.5%	78.2	68.1%	5.4	7.4%
Total	126.5	100.0%	114.8	100.0%	-11.7	-9.2%

Members' Savings

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

Year	Member Deposits			Member Shares (Liabilities)	Total
	Regular	Term	Other		
2016	1,118.5	270.0	69.8	249.9	1,708.1
2015	1,027.7	232.0	57.5	242.7	1,559.9
2014	960.1	189.9	71.8	220.8	1,442.6
2013	649.7	431.9	31.2	221.4	1,334.3
2012	657.5	371.0	24.6	231.9	1,285.0
2011	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	
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)

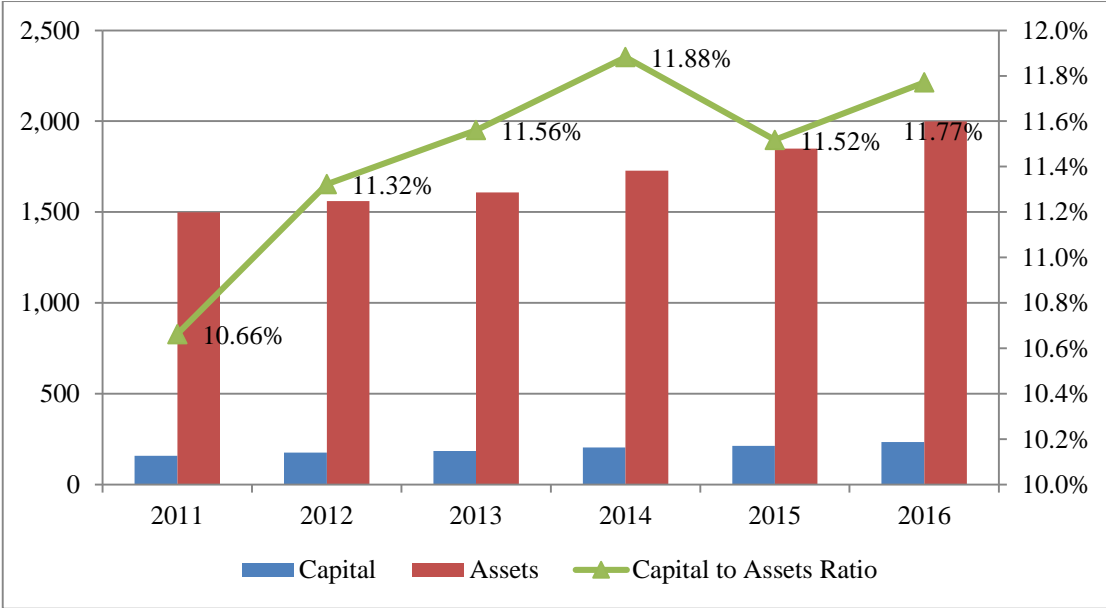


Table 9: Total Income for the six months ended September 30 (In BDS \$ millions)

Year	Interest on Loans	Investment Income	Other	Total Income
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 2016

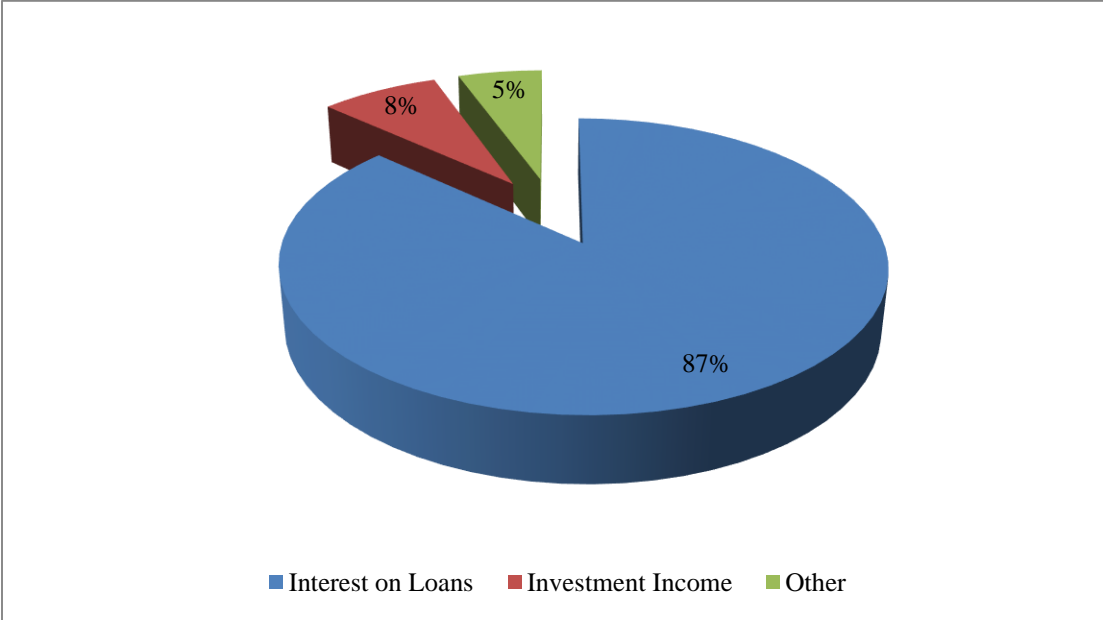


Table 10: Total Expenditure for the six months ended September 30 (In BDS \$ millions)

Year	Staff	Interest on Deposits	Lp & Ls	Bad & Doubtful Loans	Office Expenses	Depreciation	Other	Total Expenditure
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 2016

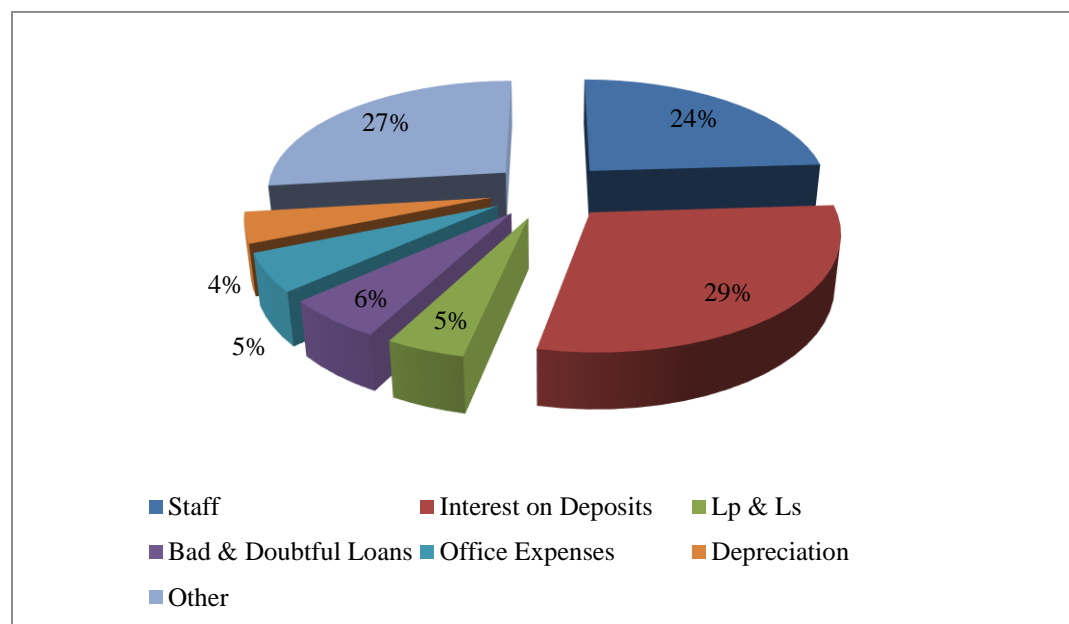
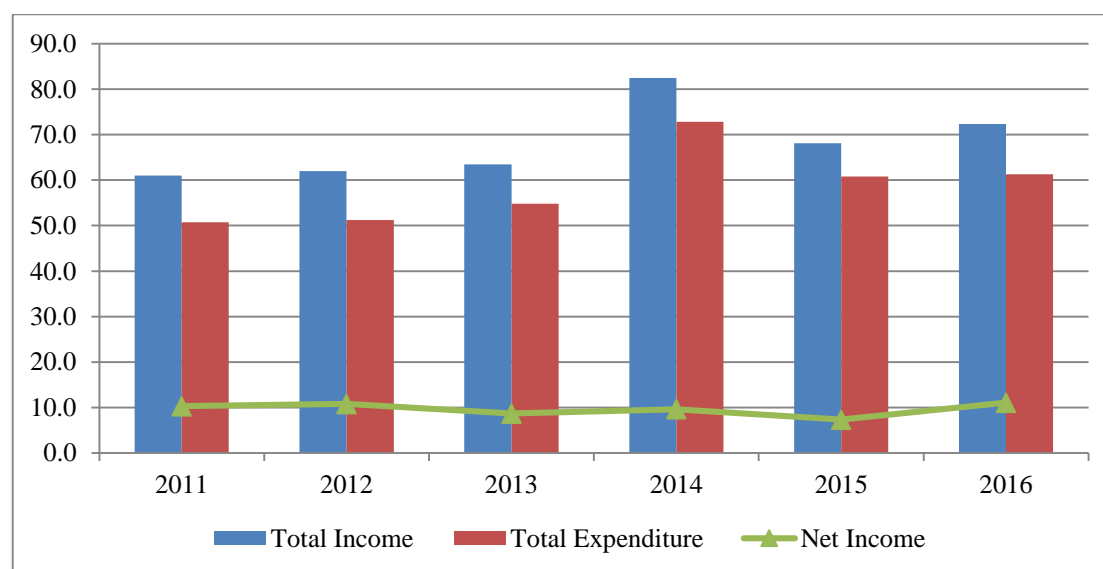


Table 11: Income and Expenditure for the six months ended September 30 (In BDS \$ millions)

Year	Total Income	Total Expenditure	Net Income
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) increased from 159 at the end of September 2015 to 174 at the end of September 2016.
- ❖ This overall increase was driven mainly by market actors (companies) and market actors (individuals) and to lesser extent issuers and mutual funds.
- ❖ The number of mutual funds (including sub-funds) licensed with the FSC increased from 23 to 24 during the twelve month period ended September 2016. This was the net effect of the registration of four international funds and the liquidation of three domestic funds.
- ❖ Total assets under management for the domestic mutual fund sector in Barbados stood \$1,988.7 million at the end of September 2016; this represented a marginal increase of 8.6% or \$156.8 million when compared to the same period one year earlier.

Table 12: Number of Regulated Entities as at September 30

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

Table 13: Barbados Stock Exchange Activity⁶ as at September 30

	2013	2014	2015	2016
Listed companies	25	24	22	19
Listed securities	27	26	24	23
Local market index	2,979.25	2,136.73	2,185.88	2,555.5
Cross-listed market index	1,486.78	1,676.68	1,738.92	1,351.8
Composite market index	737.33	607.29	624.28	643.1
Local market capitalisation BDS\$ millions	8,434.73	5,365.90	5,478.35	6,157.0
Cross-listed market capitalisation BDS\$	2,481.31	2,798.24	2,855.28	2,226.5
Composite market capitalisation BDS\$	10,916.04	8,164.14	8,333.63	8,383.5
Number 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

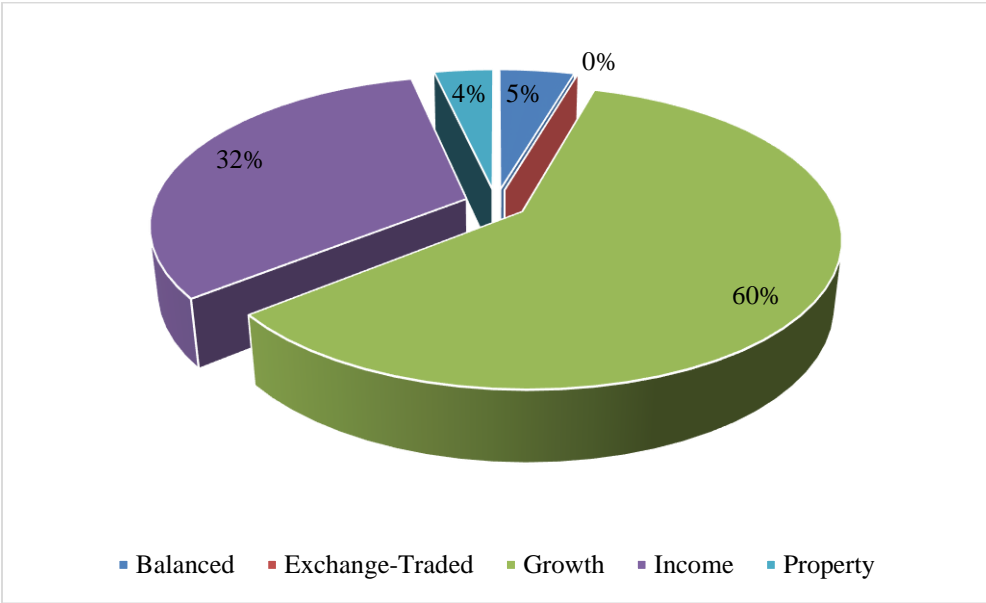
⁶ Provided by the Barbados Stock Exchange Inc.

⁷ Takeovers, mergers, rights issues etc.

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

Type of Fund	2011	2012	2013	2014	2015	2016
Balanced	3	3	3	3	3	2
Exchange-Traded	4	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	18	18	18	21	19	16

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



**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
Balanced	111.9	111.6	106.9	99.1	87.3	90.0
Exchange-Traded	18.5	19.2	21.0	22.7	12.6	0.0
Growth	508.8	540.6	565.4	1,095.6	1,071.5	1,187.9
Income	203.0	188.6	196.8	556.7	585.5	639.8
Property	86.1	84.6	81.0	76.3	75.0	71.0
Total	928.3	944.7	971.1	1,850.3	1,831.9	1,988.7

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

