

Barbados Financial Services Commission

Statistical Bulletin 2014



Volume 1 No. 1

Data to December 2013

Credit Unions and Insurance Companies

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Introduction

This is the first edition of the Barbados Financial Services Commission's statistical bulletin. This bulletin provides important statistical information related to the sectors regulated by the FSC. The statistical bulletin is one tool utilised by the FSC to show aggregated financial information relevant to each regulated sector.

The Barbados Financial Services Commission is tasked with the responsibility of regulating the Credit Unions, Insurance, Securities and Occupational Pensions sectors of the Barbadian economy. However, the first edition of the bulletin will focus on data for the Credit Unions and Insurance sectors.

Credit Unions

Credit Unions Highlights

- ❖ At the end of December 2013 there were thirty-five (35) Credit Unions registered in Barbados with membership of approximately 161,000 and total assets of an estimated \$1.68 billion.
- ❖ Total assets for the sector have been increasing steadily over the past six years. At the end of 2013 total assets were \$1,683.1 million; this represented an increase of 6.6% when compared to the same period in 2012.
- ❖ Net loans and investments were 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 (50%) followed by real estate loans (34%) and transport (14%). For the twelve-month period ending December 2013, new consumer credit increased by 3.8%, while, real estate loans fell by 5.2% when compared to the same period of the prior year.
- ❖ With regards to asset quality, total non-performing loans rose from \$102.5 million at the end of December 2012 to \$109.7 million at the end of the same period one year later.
- ❖ Members' savings increased by 7.7% going from \$1,294.4 million in 2012 to \$1,394.8 million at the end of 2013. The increase in members' savings was primarily as a result of an increase in members' term deposits which increased by 22.0% or \$83.5 million during the period.
- ❖ As at December 2013, the capital to asset ratio¹ for the credit union movement was 10.6%, marginally higher than the 10.0% reported at the end of 2012.

¹ The capital used in the capital to assets ratio includes statutory reserves, liquidity reserves and undivided surplus.

Table: 1 Number of Credit Unions and Total Assets

Year	Number of Credit Unions	Members (thousands)	Total Assets (BDS \$ millions)
2013	35	161	1,683.1
2012	35	149	1,578.9
2011	35	157	1,513.3
2010	35	146	1,439.2
2009	35	129	1,312.2
2008	35	135	1,202.4

Figure 1: Asset Distribution as at December 2013

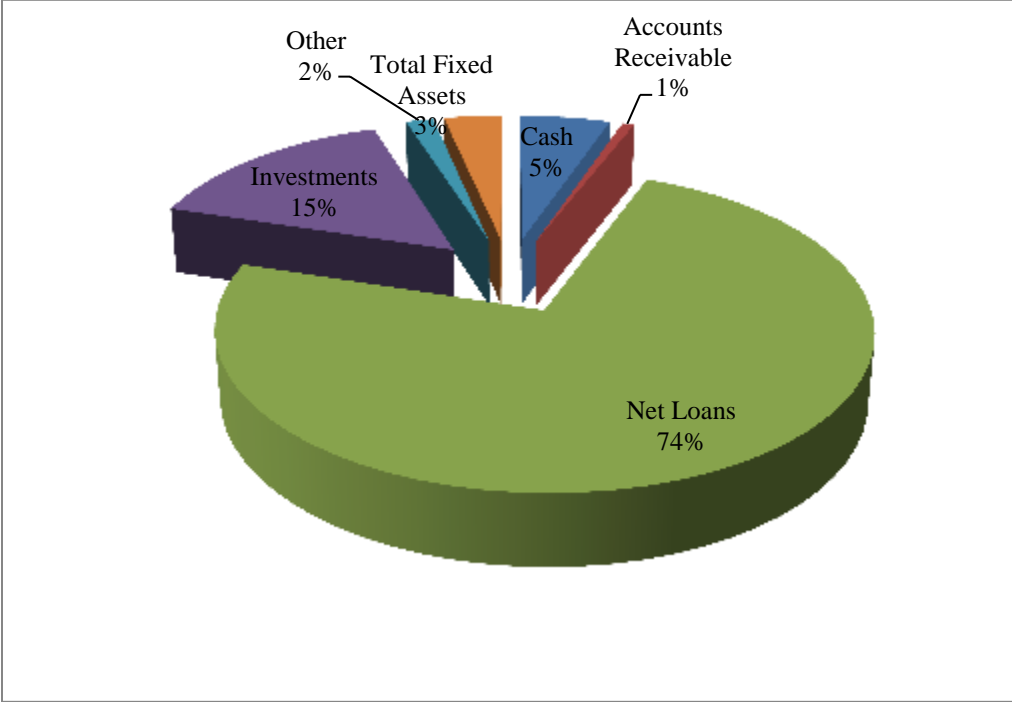
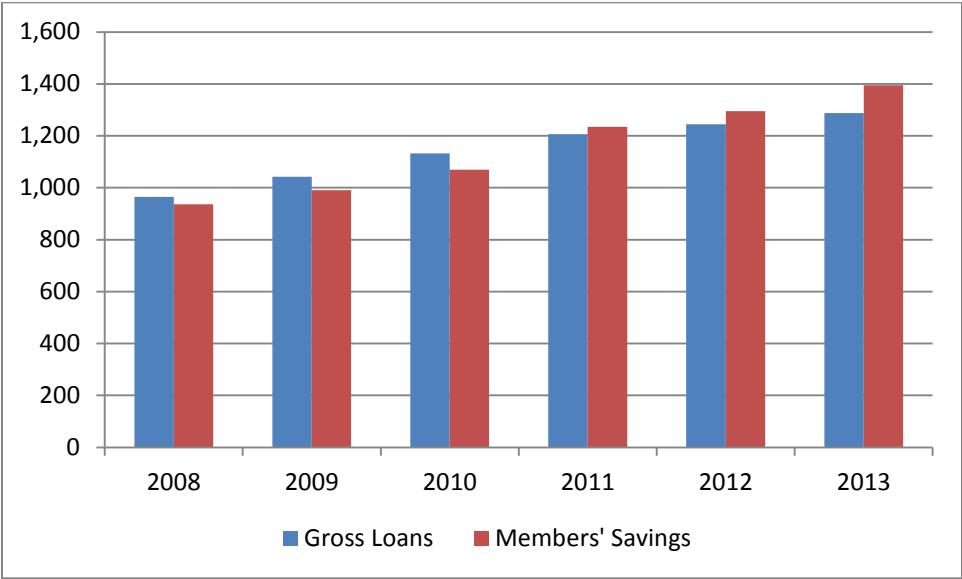


Figure 2: Gross Loans vs Members' Savings² (In BDS \$ millions)



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

Assets

Table 2: Asset Distribution (In BDS \$ millions)

Year	Cash	Accounts Receivable	Net Loans	Investments	Other	Total Fixed Assets	Total Assets
2013	88.9	11.7	1,243.8	254.3	27.3	57.0	1,683.1
2012	71.4	11.5	1,205.0	214.3	23.2	53.4	1,578.9
2011	54.9	9.7	1,172.2	216.7	4.3	55.4	1,513.3
2010	112.9	9.3	1,107.1	143.9	11.6	54.4	1,439.2
2009	109.3	8.8	1,023.1	104.7	11.2	55.0	1,312.2
2008	87.4	9.4	948.0	97.7	8.1	51.7	1,202.4

Figure 3: Asset Distribution (In BDS \$ millions)



Figure 4: Mortgage vs Total Gross Loans (In BDS \$ millions)

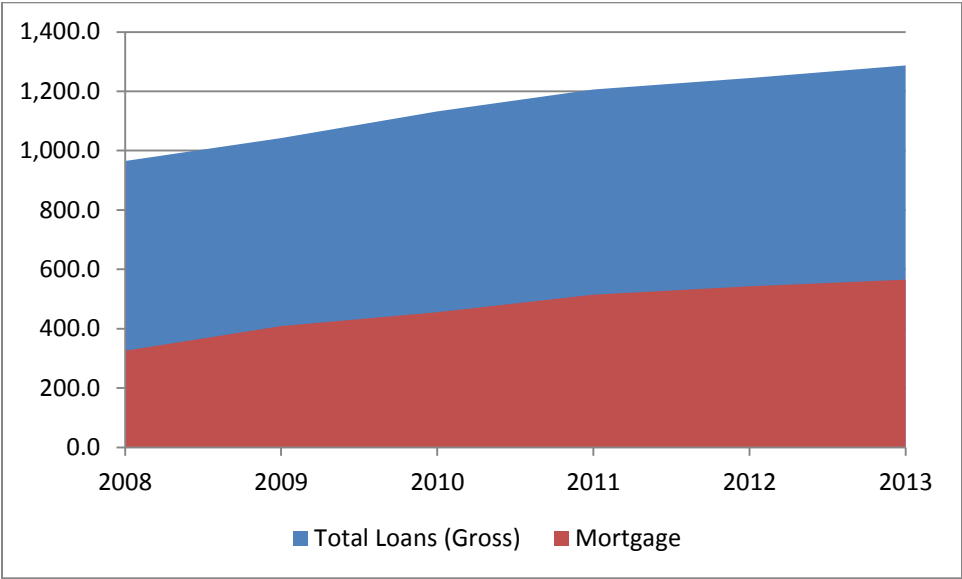


Table 3: New Credit Issued – January to December (In BDS \$ millions)

Year	Consumer	Real Estate	Private Transport	Commercial Transport	Agriculture	Other Business
2013	118.6	80.5	32.8	0.13	0.15	2.6
2012	101.1	84.9	26.2	0.52	0.07	3.4
2011	138.9	93.3	35.9	0.26	0.81	3.8
2010	101.3	94.2	37.5	0.21	0.01	4.3
2009	91.4	87.1	33.6	0.20	0.02	4.4
2008	91.6	72.4	33.7	0.54	0.03	4.9

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

Loan Category	2012	% Total 2012	2013	% Total 2013	Growth (levels)	Growth Rate
Consumer	101,102.3	46.8%	118,558.2	50.5%	17,455.90	17.3%
Real Estate	84,925.3	39.3%	80,473.9	34.3%	-4,451.40	-5.2%
Private Transport	26,216.9	12.1%	32,804.7	14.0%	6,587.80	25.1%
Commercial Transport	515.9	0.2%	129.4	0.1%	-386.50	-74.9%
Agriculture	74.5	0.0%	149.8	0.1%	75.30	101.1%
Other Business	3,398.7	1.6%	2,595.6	1.1%	-803.10	-23.6%
Total	216,233.60	100.0%	234,711.60	100.0%	18,478.00	8.5%

Asset Quality

Figure 5: NPL Ratio

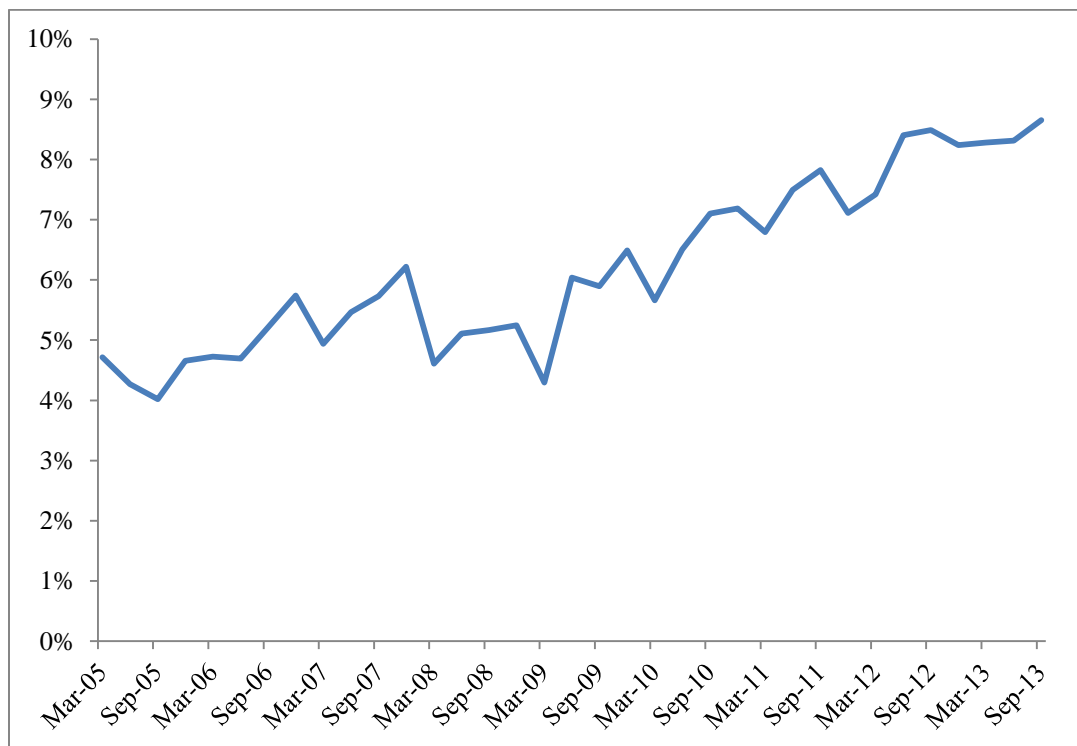


Table 5: NPLs by Category (In BDS \$ millions)

Year	3 to 6 months	6 to 12 months	Over 12 months	Total
2013	22.3	22.3	64.7	109.3
2012	24.2	23.7	54.7	102.5
2011	23.8	19.0	42.7	85.4
2010	23.5	21.7	36.2	81.4
2009	21.7	18.3	27.7	67.7
2008	15.7	12.8	22.2	50.8

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

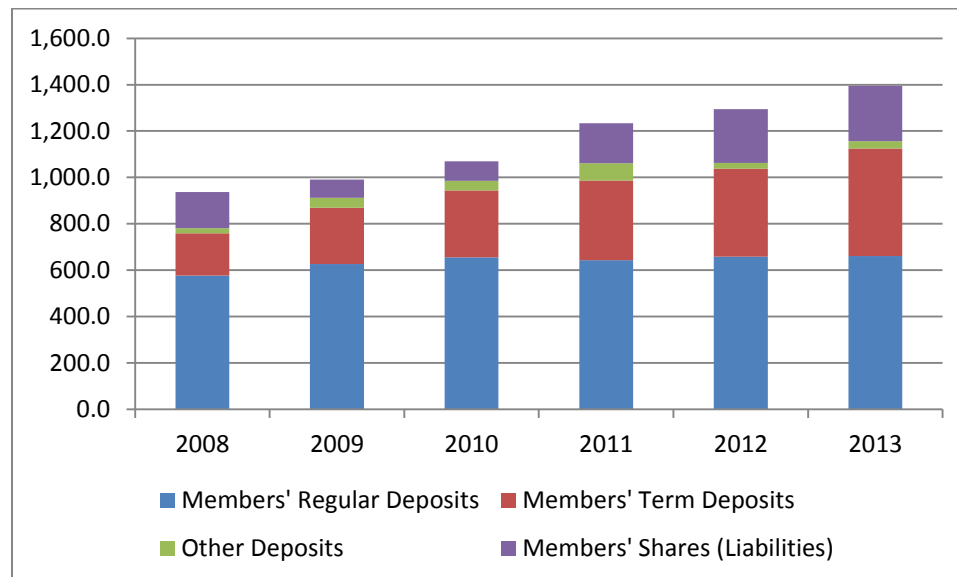
NPL Category	December 2012	% Total December 2012	December 2013	% Total December 2013	Change	Growth Rate
3 to 6 months	24.2	23.6%	22.3	20.4%	-1.9	-7.9%
6 to 12 months	23.7	23.1%	22.3	20.4%	-1.4	-5.9%
Over 12 months	54.7	53.3%	64.7	59.2%	10.0	18.3%
Total	102.6	100.0%	109.3	100.0%	6.7	6.5%

Members' Savings

Table 7: Members' Savings (In BDS \$ millions)

Year	Member Deposits			Member Shares (Liabilities)	Total
	Regular	Term	Other		
2013	661.3	463.1	32.7	237.7	1,394.8
2012	658.7	379.6	24.2	231.9	1,294.4
2011	643.2	343.3	75.3	172.4	1,234.2
2010	655.8	288.8	41.4	83.2	1,069.3
2009	626.1	243.8	42.4	78.3	990.7
2008	577.0	182.2	22.3	155.2	937.1

Figure 6: Members' Savings (In BDS \$ millions)



Capital and Profitability

Table 8: Capital to Assets Ratio (In BDS \$ millions)

Year	Capital				Capital to Assets Ratio
	Statutory Reserves	Liquidity Reserves	Undivided Surplus	Total	
2013	135.2	0.8	42.1	178	10.6%
2012	121.2	0.8	35.9	157.9	10.0%
2011	105.0	0.9	36.4	142.3	9.4%
2010	100.1	1.0	30.9	132	9.2%
2009	89.5	1.0	30.8	121.2	9.2%
2008	80.8	1.4	23.0	105.2	8.7%

Figure 7: Capital to Assets Ratio

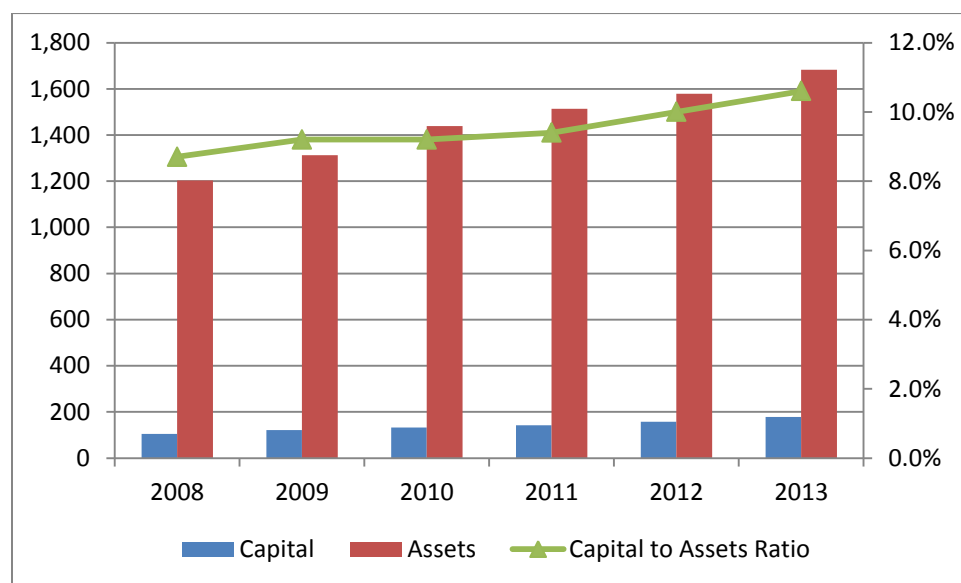
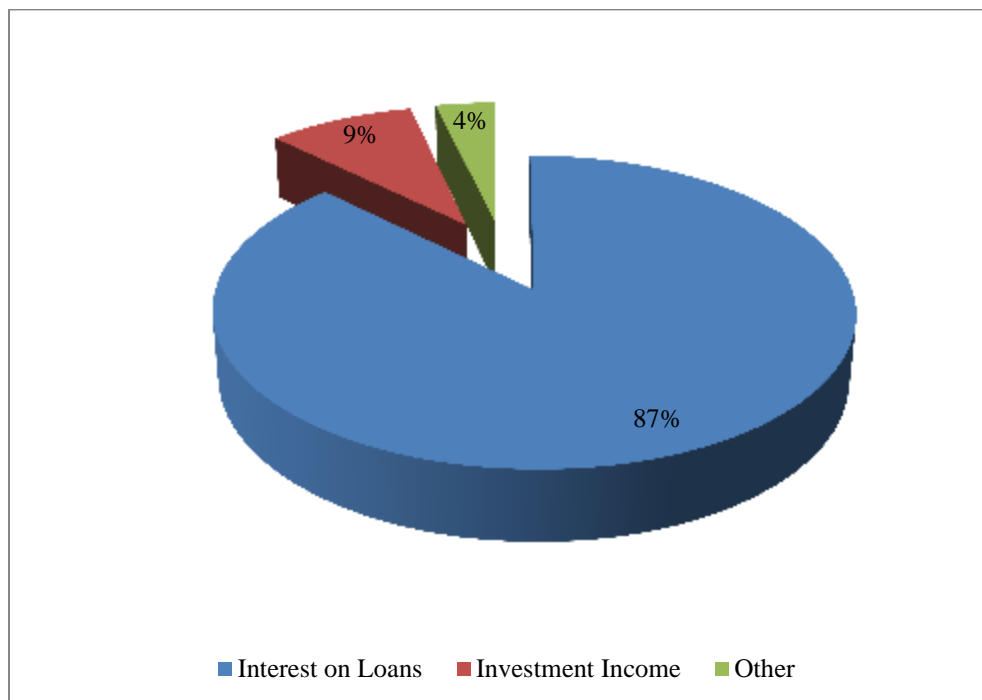


Table 9: Total Income for the 9 months ended December 31 2013 (In BDS \$ millions)

	Interest on Loans	Investment Income	Other	Total Income
2013	83.0	8.5	3.5	94.9
2012	80.8	7.2	4.0	92.1
2011	79.7	7.2	4.6	91.6
2010	72.6	7.1	4.7	84.4
2009	72.4	6.3	4.1	82.8
2008	68.2	6.8	4.4	79.4

Figure 8: Total Income for the 9 months ended December 31 2013



**Table 10: Total Expenditure for the 9 months ended December 31 2013
(In BDS \$ millions)**

	Staff	Interest on Deposits	Lp & Ls	Bad & Doubtful Loans	Office Expenses	Depreciation	Other	Total Expenditure
2013	17.8	28.6	3.0	5.1	5.1	3.0	18.5	81.1
2012	16.6	26.8	2.9	5.3	4.9	2.8	16.6	75.9
2011	16.2	28.9	2.8	5.1	4.5	2.9	17.4	75.9
2010	16.0	24.4	2.6	4.0	4.0	3.1	15.3	69.4
2009	15.3	24.2	2.4	3.2	3.9	2.9	13.2	65.1
2008	14.2	26.9	2.3	2.3	4.1	3.0	11.7	64.6

Figure 9: Total Expenditure for the 9 months ended December 31 2013

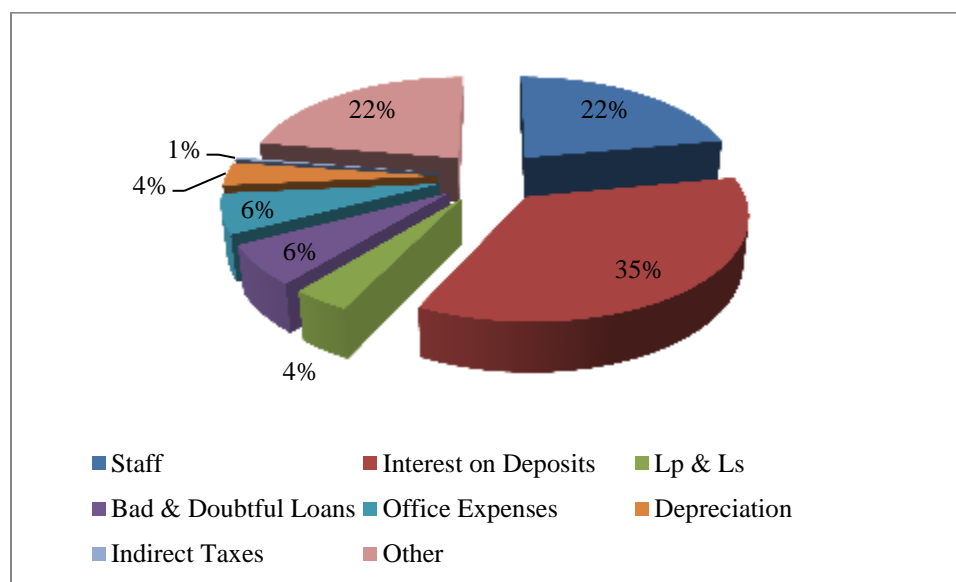
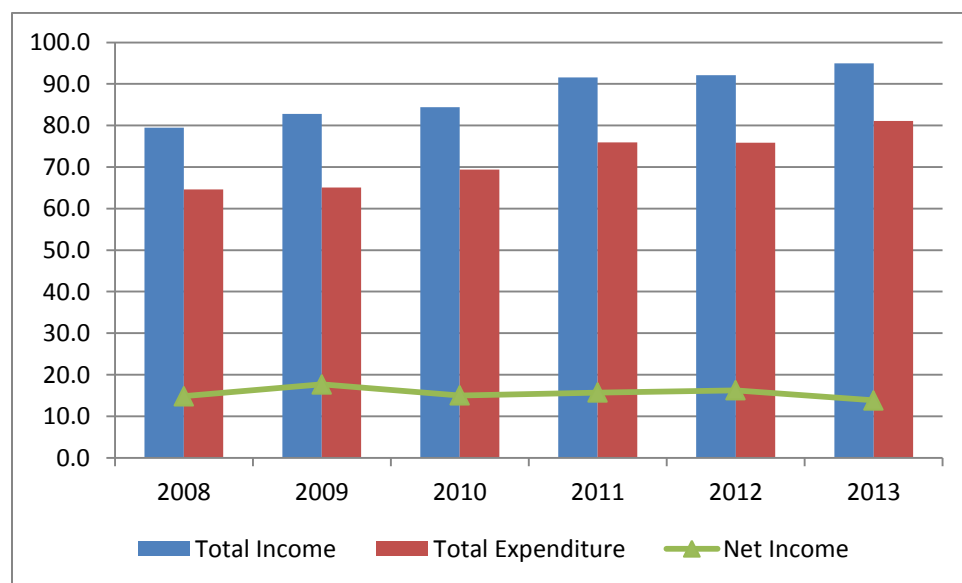


Table 11: Income and Expenditure for the 9 months ended December 31, 2013 (In BDS \$ millions)

	Total Income	Total Expenditure	Net Income
2013	94.9	81.1	13.8
2012	92.1	75.9	16.2
2011	91.6	75.9	15.7
2010	84.4	69.4	15.0
2009	82.8	65.1	17.7
2008	79.4	64.6	14.8

Figure 10: Income and Expenditure for the 9 months ended December 31, 2013 (In BDS \$ millions)



Insurance

Insurance Highlights

- ❖ Gross premiums written for the industry (both general and life insurance) were approximately \$655 million, representing a \$7 million increase from the figure of \$648 million recorded in 2012.
- ❖ Motor and property insurance are the most significant sectors in the general insurance market accounting for 88% of the gross premiums written in 2013. With respect to the life insurance market the most popular products sold are whole life, term life and universal life insurance.
- ❖ Approximately \$279.6 million dollars of reinsurance was ceded by insurance companies in 2013, with net premiums written in the industry standing at \$375.7 million. This showed a decline from the \$290.6 million ceded in 2012. At December 2013 the amount ceded represented 42.7% of gross premiums a decline of 2.2% from the 2012 figure of 44.9%.

Table 12: Insurance Industry - Registered Entities

	Total		
Domestic Insurance (March 31)	2012	2013	2014
General Insurance	15	16	15
Life Insurance Companies	7	9	7
Combined Life and General Insurers	1	1	1
Brokers	24	22	22
Agents, Sub-Agents, Sales Persons	560	516	534
Loss Adjusters/Surveyors	16	7	14
International Insurance Companies (December 31)	2012	2013	2014
Exempt Insurance Companies	166	166	179
Holding Companies	16	16	12
Management Companies	20	22	22
Qualifying Insurers	76	51	45
Segregated Cell Companies	-	12	16

Figure 11: Gross Premiums, Reinsurance Ceded and Net Premiums Written (In BDS \$ millions)

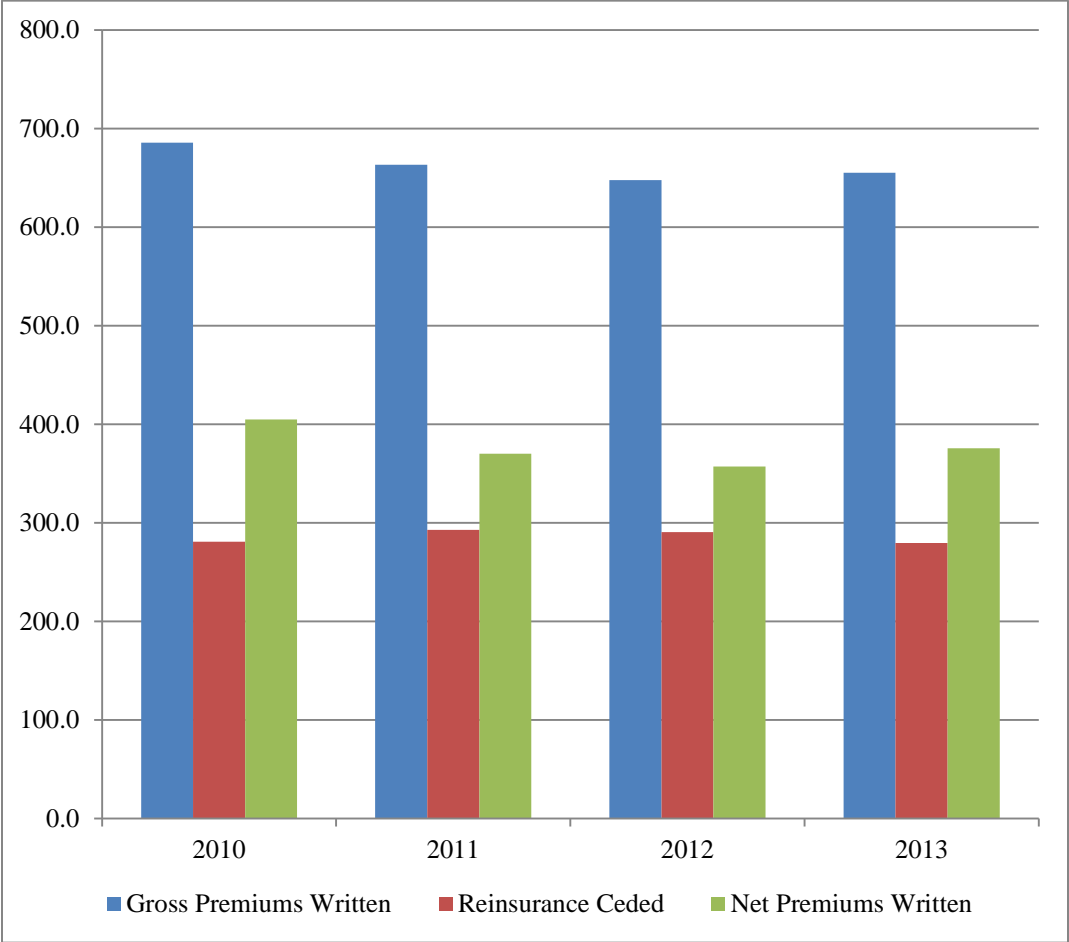


Table 13: Aggregated Consolidate Industry totals Statistics (In BDS \$ millions)

	2009	2010	2011	2012	2013	% Change 2012-2013
Gross premium written	516.7	685.6	663.2	647.7	655.3	1.2
Reinsurance ceded	175.4	280.8	293.0	290.6	279.6	-3.8
Net premiums written	332.6	404.8	370.2	357.2	375.7	5.2
Gross claims paid	169.9	346.5	274.7	160.4	105.9	-34.0
Reinsurance recovered	45.6	83.9	59.4	47.3	131.9	179.0
Commission received	37.4	58.8	69.6	43.1	43.5	0.8
Commission paid	41.8	53.3	55.3	35.6	48.7	37.0
Total assets	2483.5	2489.3	2604.5	3229.5	3092.2	-4.3
Statutory fund requirement	1196.0	1046.9	1102.2	987.1	1340.5	35.8
Net income	232.3	191.6	246.5	38.6	97.1	151.2

Figure 12: Gross Premiums Written vs. Gross Claims Paid (In BDS \$ millions)

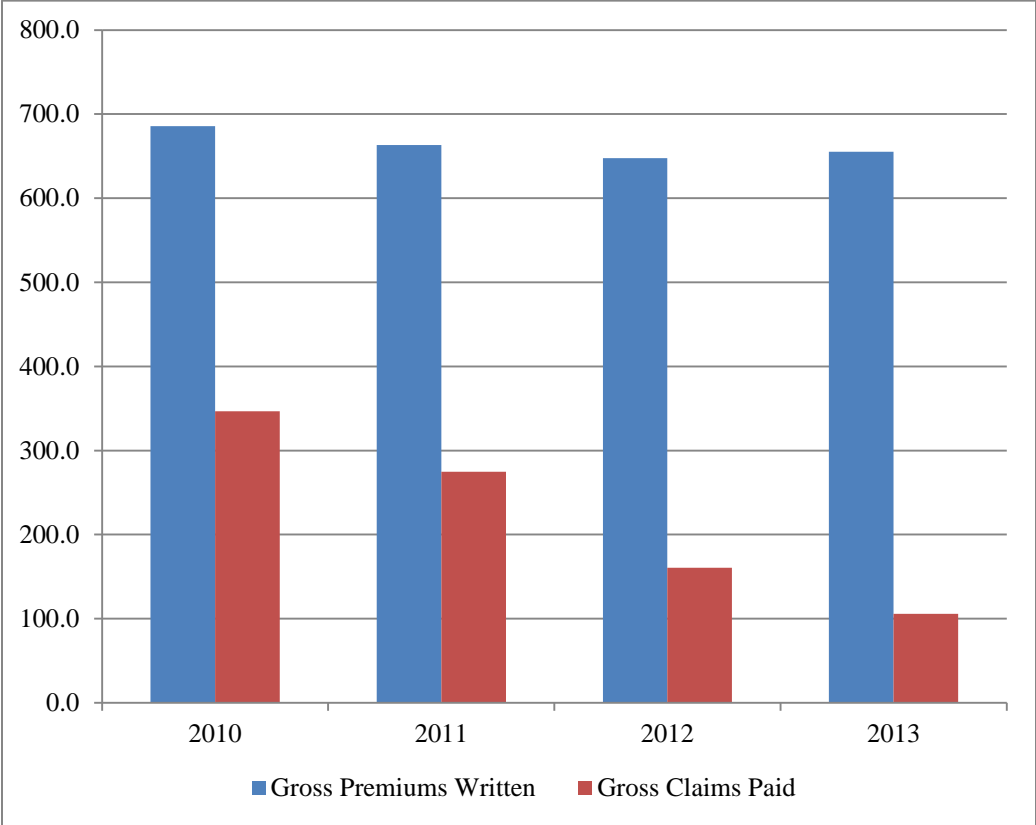


Figure 13: Gross Premiums Written (In BDS \$ millions)

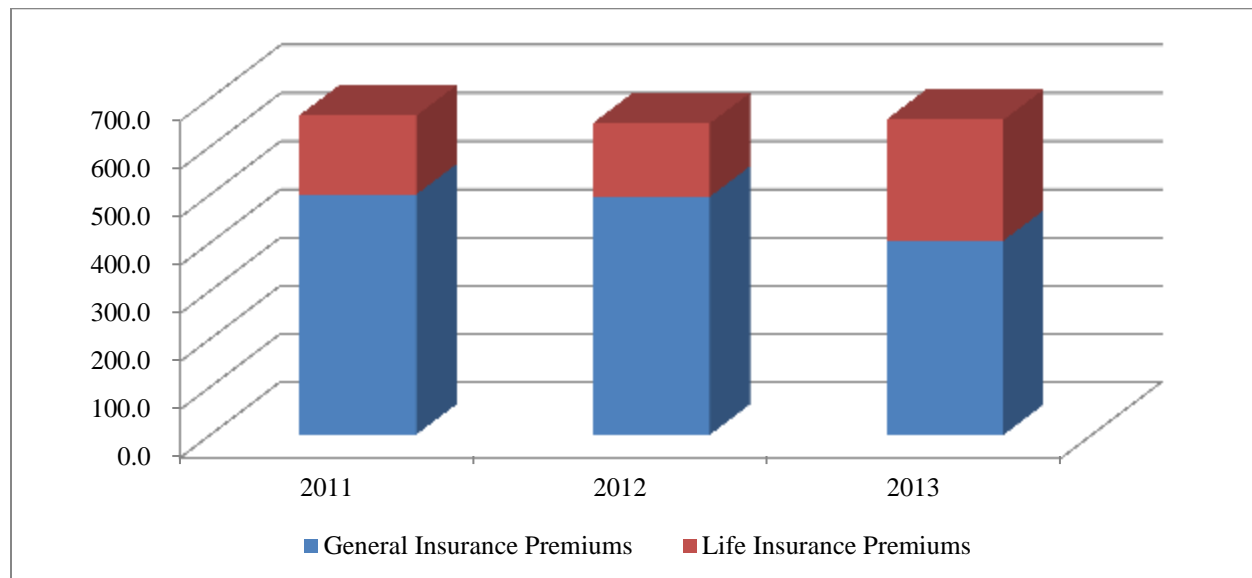


Table 14: Gross Premiums Written (In BDS \$ millions)

	2011	% of Total	2012	% of Total	2013	% of Total
General Insurance Premiums	499.5	75.3%	495.2	76.5%	404.0	61.7%
Life Insurance Premiums	163.7	24.7%	152.5	23.5%	251.3	38.3%
Total Industry Premiums	663.2	100.0%	647.7	100.0%	655.3	100.0%

Figure 14: Premiums by Policy Type at December 2013

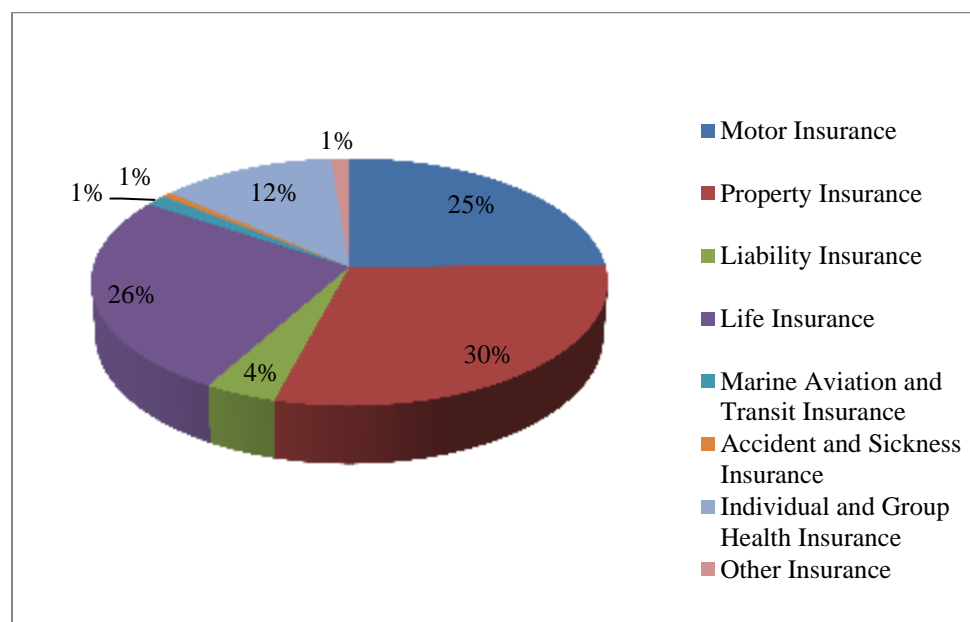


Table 15: Premiums by Policy Type at December 2013 (In BDS \$ millions)

	2011		2012		2013	
Motor Insurance	167.2	25.2%	164.2	25.3%	161.7	24.7%
Property Insurance	207.1	31.2%	211.4	32.6%	193.3	29.5%
Liability Insurance	6.2	0.9%	10.8	1.7%	26.5	4.0%
Life Insurance	163.7	24.7%	152.5	23.5%	170.6	26.0%
Marine Aviation and Transit Insurance	10.7	1.6%	8.5	1.3%	9.7	1.5%
Accident and Sickness Insurance	79.5	12.0%	80.9	12.5%	4.4	0.7%
Individual and Group Health Insurance³	-	0.0%	-	0.0%	80.7	12.3%
Other Insurance	28.8	4.3%	19.4	3.0%	8.5	1.3%

³ New reporting forms capture information under group health and individual health. Previously this information was captured under accident and sickness insurance.