

METHODOLOGY FOR THE COUNTRY TABLES

Basic statistical data

Population: End of the year

GDP: Nominal GDP

GDP per capita: GDP divided by population

CPI inflation (end of year, in per cent): Changes in the price of consumer goods and services.

Exchange rate (Domestic currency/USD): Both a year-end value and an average for the year.

Settlement media used by non-banks

Banknotes and coins in circulation outside banks: The value of cash in circulation which hold by residents or non-residents, excluding kept in vaults in central banks or at banks.

Transferable deposits: Deposits which are immediately convertible into currency without any significant restrictions or penalty and/or which are included in the national definition of M1.

Narrow money supply (M1): Cash in circulation and transferable deposits held by non-banks including non-residents.

Other: Items other than those included in M1.

Settlement media used by banks

Transferable balances held at the central bank (end of year): Deposits held by banks at the central bank which can be used for payment purposes regardless of the type of account(it can be held in the current account, reserve account, settlement account and clearing account.)

Required reserves: Funds that banks are required to hold at the central bank. These funds can be taken into account if it is used for payment purposes.

Free reserves: Funds held voluntarily at the central bank that can be used for payment purposes.

Transferable balances held at other banks: Deposits held at the other banks in the country which are convertible into currency and/or can be used for payment purposes.

Credit extended by the central bank (year total): Borrowings from the central bank in the interbank market as intraday credit, overnight credit and longer-term refinancing operations.

Intraday credit is extended by the central bank for a period of less than one business day.

Overnight credit is extended by the central bank at the end of the day, in order to cover any (unexpected) overdrafts caused by bank's payment activities.

Longer-term refinancing operations is a credit of varying maturities extended by the central bank through its monetary policy operations. The forms of the borrowing can be specified by the respective country.

Banknotes and coins

Total banknotes and coin in circulation (end of year): Value of banknotes and coin excluding those kept in vaults at central bank or at treasury departments.

Institutions offering payment service to non-banks

Categories: Selection of institutions are based on the individual countries' own financial system. When it is important to mention any particular categories, and where there are subsidiaries of foreign banks with legal personality and post office recognized as a bank, they are also counted separately.

Branches of foreign banks: All places of business located in the reporting country of banks headquartered in other countries which have no legal personality.

Other institutions offering payment services: Non-banking institutions offering payment services to non-banks, such as the post office (when it is not considered as a bank), money remitters, card schemes or public authorities offering such services.

Number of institutions: Any institutions which offers payment services is included even if it does not hold deposits for customers.

Number of branches or offices: All places of business of an institution that offer cashless payment services to non-banks. Head office of the institution is counted as an office if it offers such services.

Number of accounts: The number of accounts held by banks for non-banks (including the government) and individuals, which can be debited directly. It may include time deposits, but savings accounts are excluded.

Value of accounts: The aggregate amount of deposits held by non-banks at institutions offering payment services.

Retail Payment Instruments

Payment card functions and accepting devices

1) Cards

Since a card has several functions which is indicated below, card figures generally should not be added because of the risk double-counting. But if certain functions is grouped together, this is indicated in the table concerned.

Each country reports the number of cards that have been issued in the country and not the number of cards used in the country.

All valid cards and issued by three-party schemes are included but expired and withdrawn cards are not included.

Cards with a cash function: Cards enabling the holder to withdraw cash from a cash dispenser and/or to deposit cash.

Cards with a debit function: Cards which enable the holder to have purchases directly charged to funds on his/her account at a bank.

Cards with a credit function: A card holder has been granted a line of credit which enable him/her to make purchases and/or draw cash up to a prearranges ceiling. The credit granted may be settled in full or in part by the end of specific period.

Other: Other payment card functions and accepting devices (e.g. delayed debit, retailer cards).

2) Terminals

ATMs with several functions are counted in each relevant line. Therefore, in general, these figures should not be added because of the risk of double counting.

ATM (automated teller machines): Electromechanical devices allowing authorised users, by using a payment card, to withdraw cash from their account and in some cases to access a range of other services, such as balance enquiries, transfers of funds and acceptance of deposits. ATMs may be operated online (with real-time reference to an authorisation database) or offline. ATMs allowing their users, by using a card, to withdraw cash from their accounts and to make credit transfers.

POS (point of sale): This term refers to the use of payment cards at a retail location. The payment information is captured either by paper vouchers or by electronic terminals. Each single terminal is counted separately, independent of the existence of several terminals within one merchant location. Countries reporting each merchant location as one terminal will specify this in a footnote.

Indicators of the use of payment instruments and terminals by non-banks (volume and value of transactions)

A. Payment instruments

Credit transfers: Payment orders or possibly sequences of payment orders made for the purpose of placing funds at the disposal of the beneficiary. Both the payment orders and the funds move from the payer's bank to the payee's bank, possibly via several other banks as intermediaries and/or one or more interbank funds transfer systems. Payments are counted on the payer's side. Credit transfers performed via ATMs with a credit transfer function are included. Credit transfers which have cash at one or both ends of the payment transaction, eg money and postal orders, are also included. Cross-border credit transfers (sent) are included.

Direct debits: Preauthorised debits, possibly recurrent, of the payer's account by the payee. Both one-off and recurrent direct debits are included. In the case of recurrent direct debits, each individual payment is counted as one transaction. Direct debits resulting from the settlement of an individual card transaction should not be reported because of the risk of double-counting. Payments are counted on the payee's side.

Card payments with cards issued in the country: Payment transactions performed with cards with a debit, credit or delayed debit function issued in the reporting country, at a terminal or via other channels. Payments can have been made in the reporting country or abroad. Cash withdrawals/deposits at ATMs or credit transfers at ATMs are not included.

Cheques: A written order from one party (the drawer) to another (the drawee, normally a bank) requiring the drawee to pay a specified sum on demand to the drawer or to a third party specified by the drawer. Cheques may be used for settling debts and withdrawing money from banks. Cheques are counted on the payee's side when submitted for cheque clearing. Cheques issued but not submitted for clearing are not included.

Other payment instruments: Includes payment instruments that exist in some countries and cannot be included in any of the other categories.

Interbank Funds Transfer Systems (IFTSs)

Participation in selected interbank funds transfer systems

Total number of participants: Any institution that is identified/recognized by the system and which is allowed to send transfer orders to and receive transfer orders from the system, either as a direct participant or an indirect participant.

Direct participants: Any participant in a system that directly exchanges transfer orders with

other participants in the system, without an intermediary, and is directly responsible for settling them.

Banks: Any institution identified as a bank by the national jurisdiction which is a direct participant in the system.

Central bank: The central bank is a direct participant in the system when it directly exchanges transfer orders with other participants in the system.

General government: Central, regional or local government, government agencies and other (semi-) public institutions which are direct participants in the system.

Postal institutions: The postal institution is only counted separately when it i) participates directly in the system and ii) is not considered (and supervised) as a bank (if this is the case, it is counted together with other banks)

Clearing and settlement organizations: All clearing and settlement organizations are generally direct participants in the system.

Other financial institutions: All other financial institutions that are under the supervision of the relevant authorities (either the central bank or the prudential supervisor), but are not considered as banks.

Other: All other entities directly participating in the system.

Payments processed by selected interbank funds transfer systems (volume and value of transactions)

With regard to the volume and value of transactions, each payment instruction is counted once.

Interbank funds transfer systems (IFTSs): Transfer systems in which most (or all) direct participants are banks and which are used primarily to process cashless payments.

As a rule, all IFTSs with significant business for the country are mentioned here, both those managed by the central bank and those managed by the private operators.

Figures are provided system by system, with categories of various payment instruments when relevant (cheques, direct debits, credit transfers, ATM transactions, card payments etc) as sub-items.

Concentration ratio in terms of volume/value: market share of the five largest senders of payment messages in each system (this may include the central bank)

Participation in SWIFT by domestic institutions

These figures are provided by SWIFT. Totals and their components (members, sub-members, participants) refer to “legal” users, ie users who have been approved by SWIFT’s Board via the monthly Board Paper. Live users are those that have cutover and are connected on SWIFT.

Sub-members: Domestic users sponsored by members abroad.

Participants: Participants are not shareholders of SWIFT and their message traffic over the network is restricted.

SWIFT message flows to/from domestic users

These figures are provided by SWIFT. All traffic for domestic and international Market Infrastructures is allocated to the country of the SWIFT destination making the payment. The traffic exchanged between Market Infrastructures and their participants is excluded from the domestic traffic.

Category I: Messages used by banks to transfer funds to an account of a customer (i.e. messages relating to payments that are category I messages, e.g. MT100 messages).

Category II: Messages used by banks to transfer funds to an account of another bank (i.e. messages relating to payments that are category II messages, e.g. MT200 messages).

Domestic traffic: Messages sent to/received from domestic users.

Securities and Derivatives Trading, Clearing and Settlement

Exchanges and Trading Systems

Number of participants in exchanges and trading systems

Trading System: An infrastructure or mechanism aimed at facilitating securities or derivatives transactions between those who wish to buy and sell. A trading system can be a legal entity recognized as an exchange or an integrated part of a stock exchange; it can also be a multilateral trading facility or an OTC trading platform.

Participant: A participant is a legal entity that can submit (buy and sell) orders to the trading system on its own behalf or on behalf of its customers.

Domestic vs. foreign participants: Any participant that is located in the country of incorporation of the trading system (which is also the reporting country) is considered as a domestic participant.

When it is not possible to distinguish between the location of the participants in the system, the categories of participants appear as sub-items under *Total number of participants*, instead

of under the two subcategories *Number of domestic participants* and *Number of foreign participants*.

Central counterparty (CCP): An entity that interposes itself between counterparties to contracts traded in one or more financial markets, becoming the buyer to every seller and the seller to every buyer.

A CCP may at the same time be a bank. In that case, it is classified as a CCP (ie according to its function) and not as a bank.

Bank: Any institution recognized as a bank by the national jurisdiction. If a bank is at the same time a CCP, the institution is classified as a CCP and not as a bank.

Other: Other counterparties, for example dealers and brokers.

Number of listed securities

Total number of securities admitted to trading: The number of securities admitted to trading on the reported trading system. Securities are distinguished according to their ISIN code, or any other national code used in the reporting country.

Debt securities: A debt security is a promise on the part of the issuer (the borrower) to make one or more payment(s) to the holder (the lender) on a specified future date or dates.

The number of securities can be approximated by the number of codes listed.

Equity: Securities representing ownership of a stake in a corporation, ie shares traded on a stock exchange (quoted or listed shares), unquoted or unlisted shares and other forms of equity. Equities usually produce income in the form of dividends. Equity includes investment fund shares and depository receipts.

Other: Other instruments for example warrants.

Number and value of executed trades

Total number of executed securities trades: Each transaction is counted once, regardless of whether the transaction has been executed on an order-driven or on a quote-driven system.

Total value of executed securities trades: Transactions in debt securities, ie bonds and short-term papers, are valued at nominal value. Transactions in equity securities are valued at market value. The monthly average securities price can be used as market value.

The value of transactions denominated in other than the reporting currency are converted to the reporting currency taking the exchange rate on the day when the transaction takes place (transactions) or the exchange rate of the last business day of the year (stocks). The monthly exchange rate can also be used as a proxy.

Total number of executed derivatives trades: Number of derivatives contracts entered into in the reporting period.

Total value of executed derivatives trades: Gross nominal or notional value of all contracts entered into in the reporting period.

Central Counterparties (CCPs) or Clearing Houses

A CCP is an entity that interposes itself between counterparties to contracts traded in one or more financial markets, becoming the buyer to every seller and the seller to every buyer. A clearing house is a central location or central processing mechanism reconciling and, in some cases, confirming payment orders or securities transfer instructions prior to settlement, possibly including the netting of instructions and the establishment of final positions for settlement. Only entities that do not novate transactions and assume the role of CCP are reported as clearing houses.

Number of clearing members

Figures are provided separately for each CCP or clearing house with categories of various participants as sub-items. When countries are unable to provide a breakdown, only the total number of participants is reported.

Number of clearing members: All members of the clearing house or CCP. Includes direct clearing members (participants that are able to clear only their own obligations) and general clearing members (participants that are able to clear their own obligations as well as those of clients).

Domestic vs. foreign clearing members: Any clearing member that is located in the country of incorporation of the CCP or clearing house (which is also the reporting country) is considered as a domestic clearing member. A footnote specifies whether participants located in some other countries are also counted as domestic. A clearing member who is registered outside the reporting country, but has a branch in this country, is also reported as a domestic clearing member.

When it is not possible to distinguish between the location of the clearing members, then the categories of clearing members appear as sub-items under *Total number of clearing members*, instead of under the two subcategories *Number of domestic clearing members* and *Number of foreign clearing members*.

Central counterparty (CCP): CCPs which are clearing members of the reporting CCP or clearing house, and which are also banks, are classified as CCPs and not as banks.

Banks: If a bank is at the same time a CCP, the institution is classified as a CCP and not as a bank.

Number and value of contracts and transactions cleared

Contracts/transactions denominated in another currency than the reported currency are converted to the reporting currency using the exchange rate on the day at which the transaction takes place. As a proxy, the monthly average exchange rate can be used.

Securities transactions cleared: Includes both outright securities transactions and repurchase transactions.

Number of securities transactions cleared: For CCPs, the number and value of securities transactions is reported on a post-novation basis (counting the transactions with the CCP as it interposes itself as buyer to every seller and seller to every buyer).

Value of securities transactions cleared: Transactions in debt instruments and equity securities are valued at transaction values. When the transactions cleared are free-of-payment, the securities are valued at market value. The monthly average price may be used as a proxy for the market value of transactions. When market value is not available, the latest available price is used.

Derivatives contracts: Financial contracts whose value depends on the value of one or more underlying reference assets, rates or indices.

OTC derivatives transactions: Derivatives transactions that have not been executed on trading platforms of recognized and/or supervised exchanges or trading systems.

Financial futures: Standardized contracts, traded on an exchange, that obligate one party to buy, and the other to sell, an underlying asset at a specific price and date in the future. In the case of financial futures, the underlying can be a financial instrument (e.g. securities) or an index (e.g. interest rates).

Financial options: Contracts that give the buyer the right, but not the obligation, to buy or sell an underlying asset by (or on) a specific date for a specific price. For this right the

purchaser pays a premium. In the case of financial options, the underlying asset is a financial instrument (e.g. securities).

Other financial derivatives: Any financial derivatives other than future and option contracts, for example swaps.

Commodity futures Standardized contracts, traded on an exchange, that obligate one party to buy, and the other to sell, a commodity (agricultural product, oil etc) at a specific price and date in the future.

Commodity options: Contracts that give the buyer the right, but not the obligation, to buy or sell a commodity by (or on) a specific date for a specific price. For this right the purchaser pays a premium.

Other commodity derivatives: Any commodity derivatives other than future and option contracts.

Number of derivatives contracts cleared: Several contracts may be traded in one transaction. This item does not refer to the number of transactions, but to the number of contracts. For CCPs, contracts are reported on a post-novation basis (counting the contract with the CCP as it interposes itself as buyer to every seller and seller to every buyer).

Transfers of underlying assets to fulfill obligations from open positions in derivatives at expiration of a derivatives contract are not counted as derivatives transactions. If the underlying is a security, such a transfer is counted as a securities transaction.

Value of derivatives contracts cleared: Derivatives transactions are valued at market value. The market value of an option is the actual premium to be paid by the option buyer. The market value of a futures contract is the market value of the underlying or, for futures with notional underlying, the market price of the futures contract itself.

Central Securities Depositories

A central securities depository (CSD) is a facility (or an institution) for holding securities which enables securities transactions to be processed by book entry. Physical securities may be immobilized by the depository or securities may be dematerialized (i.e. so that they exist only as electronic records). In addition to safekeeping, a CSD may incorporate comparison, clearing and settlement functions. When a single entity performs the functions of both clearing house or CCP and CSD, Tables 22 to 24 are completed, when relevant, with data on its clearing house or CCP activities.

Number of direct participants in CSDs

Figures are provided separately for each CSD, with categories of various participants as sub items. When countries are unable to provide a breakdown, only the total number of participants is reported.

Direct participants: Direct account holders in a tiered system or account operators in a non-tiered system.

Tiered vs. non-tiered system: In a tiered system, custodian banks or other CSDs hold accounts with the CSD. Individual customers will only be allowed to open accounts with a custodian bank, but not directly with the CSD.

In a non-tiered system, every private individual can have an account with the CSD. However, the accounts are operated by only a few companies, the account operators.

Account operator: A company operating the account of (private) customers in non-tiered systems. Account operators are typically banks

Domestic vs. foreign participants: Any participant that is located in the country of incorporation of the CSD (which is also the reporting country) is considered as a domestic participant.

When it is not possible to distinguish between the location of the participants, then the categories of participants appear as sub-items under Total number of participants, instead of under the two sub-categories Number of domestic participants and Number of foreign participants.

Banks: If a bank is at the same time a CCP or a CSD, the institution is classified as a CCP or a CSD and not as a bank.

Number of securities held on accounts at CSDs

Total number of ISIN codes held: The number of securities (ISIN codes or national codes) held on accounts with the reporting CSD, comprising all securities issued or safe-kept in the reporting CSD, or transferred into the CSD through a link.

Debt securities: A debt security is a promise on the part of the issuer (the borrower) to make one or more payment(s) to the holder (the lender) on a specified future date or dates. Such securities usually carry a specific rate of interest (the coupon) and/or are sold at a discount to the amount that will be repaid at maturity.

Non-debt securities: All other securities (mainly equities).

Bonds: Debt securities (including convertible securities) with an original maturity of more than one year.

Short-term paper: Debt securities (including convertible securities) with an original maturity of one year or less.

Value of securities held on account at CSDs

Total value of securities held The value of securities held on accounts with the reporting CSD, comprising all securities issued or safe-kept in the reporting CSD, or transferred into the CSD through a link. The value of securities denominated in a currency other than the reporting currency is converted to the reporting currency using the exchange rate on the last business day of the year.

Debt securities: Valued at nominal value.

Equity and other: Valued at market value. The monthly average price may be used as a proxy for market value. When market values are not available, the latest available price is used (as specified in a footnote).

When no price and no recent payment value can be associated with the security (e.g. in DVP transactions), each security is valued at one unit of national currency.

Securities for which no market price is available: This item aims at providing information about the relative importance of non-debt securities (ISIN or national codes) for which the valuation rule has been applied.