

## SNA Chapter 25

Chapter Title: Selected issues on financial  
instruments

Annotated Outline

**Chapter 25 2025 SNA :**  
**Selected issues on financial instruments**  
(New SNA chapter)  
**Annotated Outline<sup>1</sup>**

**I. Introduction**

(Section A of the Schematic Overview following SNA chapter ordering convention)

- This new SNA chapter will include parts of what was covered in SNA08 Chapter 17 (Cross-cutting and other special issues). As such, it discusses additional details specific to certain instruments<sup>2</sup>. It does not require a major re-write, but the discussion and exposition of certain topics can likely be improved.
- One small, proposed change is to move the section on recording of flows associated with financial assets and liabilities to the end of the chapter.
- The following topics are covered in this chapter: Section II will discuss the treatment of standardized guarantees; Section III will deal with employee stock options; and Section IV will cover more details regarding the recording of flows associated with financial assets and liabilities.

**II. The treatment of standardized guarantees**

(Section B of the Schematic Overview following SNA chapter ordering convention)

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<sup>1</sup> Prepared by Patrick O'Hagan and cleared by SNA/BPM Project Managers

<sup>2</sup> AEG members are invited to suggest other financial instruments which may require a more detailed discussion in this chapter.

- There are no material conceptual issues to underline with respect to this section. It is proposed that the interpretability of the text can be improved by adding some examples.

### **III. Employee stock options (ESOs)**

(Section C of the Schematic Overview following SNA chapter ordering convention)

- The guidance for this section has not really changed, except to note that by the new classification standards for derivatives the following applies: ESO are equity instruments (market risk category), equity (instrument category) and not cleared by trading venue and clearing status (akin to over-the-counter (OTC) derivatives).
- The existing discussion in SNA08 Chapter 17 is quite dense and likely quite difficult to follow for all compilers, and it could be elaborated on in parts. It is proposed to expand and clarify the discussion using numerical examples and diagrams that illustrate the sequence of accounts entries under different situations (e.g., scenarios under grant, vesting and exercise dates).
- Another small change would be to distinguish more clearly between ESO's and other stock options.

### **IV. The recording of flows associated with financial assets and liabilities**

(Section D of the Schematic Overview following SNA chapter ordering convention)

- The groundwork for this section could be better laid by including in the introduction a discussion of transactions versus other flows and linking these to the sequence of accounts. This could be followed by the objectives of the section.
- The table (or tables) *Indications of the flows associated with different financial instruments* could be expanded to include other transactions as well as other changes in the volume of assets while not downplaying the entries in the production (implicit financial services), primary income, or revaluation account. This would imply corresponding adjustments in the text.
- In particular, the section on financial derivatives should be expanded to better account for the challenges in properly accounting for the flows.

## Schematic Overview

<b>A</b>	<b>Introduction</b> (focus on what this chapter is trying to do)
<b>B</b>	<b>The treatment of standardized guarantees in the SNA</b>
<b>C</b>	<b>Employee stock options</b>
<b>D</b>	<b>The recording of flows associated with financial assets and liabilities</b>
	ANNEX (if required)

### Questions for the Advisory Expert Group on National Accounts (AEG)/IMF Committee on Balance of Payments Statistics (Committee)

Does the Committee and the AEG have any suggestions on the draft outline of the chapter?

Does the Committee and the AEG agree with the proposed structure and coverage of topics in the chapter presented in this outline?

Does the Committee and the AEG support the usefulness of expanding this chapter to have more detailed discussion of other financial instruments, such as financial derivatives?

In addition, please add any specific questions that are considered relevant (not related to the recommendation of the GNs)

### References

Financial production, flows and stocks in the system of national accounts

GN F.14 Treatment of Factoring Transactions

GN F.7 Impact of FinTech on Macroeconomic statistics

GN F.6 Capturing Non-bank Financial Intermediations in the System of National Accounts and External Sector Statistics.

GN F.4 – Financial Derivatives by Type.

GN F.5 – Treatment of Credit Default Swaps.

GN F.1 – More Disaggregated Institutional Sector and Financial Instrument Breakdowns.

### **Key Stakeholders Consulted**

- SNA and BPM Editors
- IMF Statistics Department, Monetary and Financial Statistics