

Classification of financial assets and liabilities

The ISWGNA basically accepted the outcome of the questionnaire on the classification of financial assets and liabilities. Further discussion within the IMF, particularly with the BOP and financial staff, suggested a number of minor modifications. I have checked with Reimund Mink who can see no objection to these proposals. The changes are itemised below.

It was noted that the listed/unlisted dichotomy could apply to debt securities and to investment funds as well as to shares.

It was preferred that the sixth item be described as “insurance, pension and standardised guarantee schemes” and the second sub-item to be described as “life insurance and annuity entitlements” in parallel to pension entitlements.

It was suggested that to keep in line with the proposed changes to the Benchmark definition on direct investment, two further memorandum items should be added, for debt securities and trade credit.

Table 1, attached, shows the proposed classification with changes from the version in the questionnaire outcome paper in italics.

Table 1: Proposed modified classification of financial assets and liabilities in the 1993 SNA Rev 1

| Financial asset (transaction) | SNA code (transaction) |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|
| Monetary gold and special drawing rights (SDRs) Monetary gold Special drawing rights | F.1 |
| Currency and deposits Currency Transferable deposits <i>Interbank positions</i> <i>Other transferable deposits</i> Other deposits | F.2 |
| Debt securities * Short-term Long-term | F.3 |
| Loans Short-term Long-term | F.4 |
| Equity and investment fund shares ** Equity <i>Listed</i> shares <i>Unlisted</i> shares Other equity Investment fund shares/units* Money market fund shares/units Other investment fund shares/units | F.5 |
| <i>Insurance, pension and standardised guarantee schemes</i> Non-life insurance technical provisions <i>Life insurance and annuity entitlements</i> Pension entitlements Provisions for calls under standardised guarantees | F.6 |
| Financial derivatives and employee stock options Financial derivatives Options Forwards*** Employee stock options | F.7 |
| Other accounts receivable / payable Trade credit and advances Other | F.8 |
| Memorandum item: Direct foreign investment Equity Loans <i>Debt security</i> <i>Trade Credit</i> Other | |

* *The listed/unlisted split is relevant for debt securities and investment funds also*

** *Reinvested earnings can exist under any of these*

*** Credit default swaps to cover for guarantees *are included* within this item.