

**Comments on draft SNA chapter:  
Chapter 11: The financial account**

**Deadline for comments: 12 February 2007  
Send comments to: [sna@un.org](mailto:sna@un.org)**

Your name:	Robert Heath
Your country/organization:	Statistics Department, International Monetary Fund
Contact (e.g. email address):	<a href="mailto:rheath@imf.org">rheath@imf.org</a> ; cc: <a href="mailto:livas@imf.org">livas@imf.org</a>

This three-part template allows you to record your comments on draft chapter 11 easily and, at the same time, makes it easy for us to use your comments in considering revisions to the draft chapter. You may complete any one, any two, or all of the three parts of the template.

Save this template and send it as an attachment to the following e-mail address:  
[sna@un.org](mailto:sna@un.org)

**Part I: General comments**

In the space below, please provide any general comments, such as about the clarity with which the new recommendations were incorporated (30 words or less).

*Comment:*

The general presentation is clear, and the text reads easily. At a later stage, once the comment period for the new SNA and BPM6 is complete we need to ensure that the texts are the same.

However, the sense of the chapter is essentially on how the financial account is the counterpart to non-financial activity (whether the measurement of production - FISIM - or the settlement of trade activity), while we consider the text should also reflect that the financial account has value in its own right. An example in paragraph 11.11, which focuses on financing net positions, whereas in reality the net position is likely to reflect large gross transactions.

In addition, there is a lack of rationale behind the classification of financial assets. What is proposed is more a list than a classification. This classification aspect is addressed in chapter 26.B and should probably be better placed in chapter 11.

**Part II: Comments on specific draft paragraphs or passages**

In your review of draft chapter 11, you may wish to devote particular attention to the passages listed below. There is space after each issue for any comment you wish to make.

1. One of the points that has been under discussion even as the chapter was being draft was the treatment of inter-bank deposits. Are you satisfied with the inclusion of inter-bank deposits under currency and deposits for the reasons explained in section C2?

*Comment:*

The reasons for identifying interbank deposits separately are well explained. However, the text of paragraph 11.46 is not absolutely clear: are we talking of interbank deposits only, or do we include also interbank loans ? In such case, the questions arises as to whether interbank loans should be distinguished from interbank deposits, and an "interbank position" item should also appear under the general item "loans". Looking at table 11.2, and last sentence of paragraph 11.46, it seems that the item interbank position also includes interbank loans.

2. Is there sufficient, too much or too little detail on the different types of debt securities in section C3?

*Comment:*

The level of details seems appropriate. However, there is a need to review the text due to some repetitions, mistakes, and inappropriate wording. See text for relevant examples. There should also be a reference to stripped securities and depository receipt. The latter are covered in the new BPM. This chapter should be consistent wherever possible with the new BPM.

3. Is the coverage of the items related to insurance, pension and standardised guarantees satisfactory? (There will be an overview of all items relating to these schemes in chapter 17 on Cross-cutting and Other Special Issues).

*Comment:*

The coverage seems appropriate.

4. Sections F to I describe briefly other possible dimensions to the accounts.

*Comment:*

We do not see Sections F to I in chapter 11

5. Do you agree to moving the section on flow of funds from this chapter to one (chapter 26) dealing with the link between the SNA and monetary and financial statistics?

*Comment:*

We prefer the flow of funds section in chapter 26 to be an annex to this chapter (as it is in the current SNA). In addition, as indicated above, section B on "classification of financial instruments" would perfectly fit into the core of chapter 11.

### **Part III. Other specific comments**

You are welcome to make other comments. Please do so by using Adobe Acrobat Version 6 or 7 to comments directly on the PDF of the draft chapter.

If you don't have Adobe Acrobat Version 6 or 7 and would like to make very detailed comments please send a message to [sna@un.org](mailto:sna@un.org) requesting to receive a version of the draft chapter permitting you to comment. To optimize your commenting tools please download Adobe Reader 7.0 for free from <http://www.adobe.com/products/acrobat/readstep2.html>