

**REGISTERING FINANCIAL
INTERMEDIATION SERVICES
ON THE NATIONAL ACCOUNTS
AS OF 2005**

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ADDENDUM

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ADDENDUM

Departamento de Estadística y Central de Balances

This series disseminates papers of a statistical nature prepared by the Banco de España. The Notes address methodological aspects such as the scope, sectorisation and recording of financial stocks and transactions; characteristics of securities markets and of interest rates; background notes and others.

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Revision of estimates of FISIM for the period 1995-2001 and updating for the period 2002-2004

1. Subsequent to the publication of the document entitled *Recording of financial intermediation services in the national accounts as of 2005*¹, the Banco de España revised the estimates for the period 1995-2001 concerning both resources (output and imports) and destinations (intermediate consumption, final consumption and exports) of FISIM in sub-sectors S.121 Banco de España (table 1A page 37 of the reference document) and S.122 Other financial and monetary institutions, which includes financial and monetary institutions other than the Banco de España (table 3A and 4A, pages 39 and 40). Additionally, the series concerning these items for the period 2002 to 2004 have also been updated. The National Statistics Office (INE) has incorporated the FISIM data for the period 1995 to 2004 in this Addendum into the Base 2000 national accounts, published in May 2005.

2. Table 1 of this document summarises the result of both the revision and the updating, in absolute terms and as a percentage of GDP² of the impact of allocating FISIM to the incomings and destination of resources in the national economy and, also, the increase in GDP deriving from the new method of recording these services. Table 2 shows the same variables, but referring to the previous estimates, i.e. those that were implicitly included in tables 3A and 4A of the reference document. Table 3 also shows, in both absolute terms and percentages of GDP, the differences between the revisions (Table 1) and the previous estimates (Table 2) for all the items covered. As can be seen, the differences, which are minor, affect imports and intermediate consumption. The revision was motivated by access to more detailed information on the balances of both loans and deposits, and their corresponding interest, and the adoption of improvements in the methods of estimation.

3. Lastly, Table 4 includes additional detail of the aggregates in Table 1 in that the sectorial allocation of each of them is shown. This is the relevant information the National Statistics Office needs to integrate these estimates in the Spanish national accounts. This allocation was made following the guidelines given in the document referred to above.

Note that, in addition to the output of FISIM as such, which is that corresponding to subsector S.122 (Other financial and monetary institutions), the table includes the output of intermediation services by subsector S.121 (Banco de España), which, by convention, is measured by costs incurred, and the output of non-market services by sectors S.13 (General government) and S.15 (Non-profit institutions serving households).

The output of sectors S.13 and S.15 is also measured by means of the costs incurred, which means that when its intermediate consumption increases, the value of its output increases by the same amount, giving rise to an increase in the final consumption expenditure. In short, compared to the system in force until 2005, this means of recording implies an increase in GDP equal to this output.

¹ The document to which this Addendum refers was prepared in 2002 and relates to the financial year's data sent at the time to Eurostat. This document was circulated internally as of that time and, since early 2005, as number 1 of the new "Statistical Notes" series.

² Both this table and the following tables have taken GDP from the Base 1995 Spanish national accounts (CNE) up until 1999 (inclusive) and that corresponding to the Base 2000 Spanish national accounts for the period 2000-2004. These accounts were those available at the time of writing.

4. At the time of writing this document in late July 2005, a number of issues were still being discussed by Eurostat and the EU Member States. These include, in particular: a) deciding if subsector 123 (Other financial intermediaries, except insurance companies and pension funds) is a consumer of FISIM, and if so, the specific way in which this consumption should be entered under the relevant headings. For the time being, in this document, and therefore in the Base 2000 Spanish National Accounts, the FISIM produced by subsector S.122 destined for subsector S.123 is entered net. Thus neither the output of the former nor the intermediate consumption of the latter are included, and b) improve the distribution of FISIM intended for households between intermediate consumption and final consumption, and c) improve the treatment of transactions between resident and non-resident credit institutions. At all events, it is estimated that the quantitative importance of the changes that will be produced once these issues have been resolved will not be significant.

Table 1. Revision and updating of June 2005. Summary

	Output	Imports	Total	Intermediate consumption	Final consumption	Exports	Memorandum: GDP growth	GDP Base year 1995	GDP Base year 2000
	1	2	3 = 1 + 2 = 4 to 6	4	5	6	7 = 1 - 4 = 5 + 6 - 2		
Revision of June 2005									
<i>euro millions</i>									
1995	18,251	458	18,709	9,979	7,579	1,151	8,272	437,788	
1996	18,187	475	18,662	10,918	6,735	1,009	7,269	464,253	
1997	18,000	599	18,599	11,432	6,424	743	6,568	494,146	
1998	17,109	928	18,037	11,871	5,682	484	5,238	527,975	
1999	16,765	838	17,603	11,947	5,561	95	4,818	565,419	
2000	18,959	1,361	20,320	11,487	7,921	912	7,472		630,263
2001	22,756	1,952	24,708	14,809	8,492	1,407	7,947		679,848
Updating of June 2005									
<i>euro millions</i>									
2002	23,882	1,766	25,648	16,910	7,152	1,586	6,972		729,004
2003	24,208	1,554	25,762	18,272	6,236	1,257	5,936		780,557
2004	23,966	1,667	25,633	18,514	6,081	1,038	5,452		837,557
<i>percentage of GDP</i>									
1995	4.17	0.10	4.27	2.28	1.73	0.26	1.89		
1996	3.92	0.10	4.02	2.35	1.45	0.22	1.57		
1997	3.64	0.12	3.76	2.31	1.30	0.15	1.33		
1998	3.24	0.18	3.42	2.25	1.08	0.09	0.99		
1999	2.97	0.15	3.11	2.11	0.98	0.02	0.85		
2000	3.01	0.22	3.22	1.82	1.26	0.14	1.19		
2001	3.35	0.29	3.63	2.18	1.25	0.21	1.17		
2002	3.28	0.24	3.52	2.32	0.98	0.22	0.96		
2003	3.10	0.20	3.30	2.34	0.80	0.16	0.76		
2004	2.86	0.20	3.06	2.21	0.73	0.12	0.65		

NOTE Concepts of this table are detailed on Table 4.

Table 2. Estimate prior to the revision and updating of June 2005. Summary

	Output	Imports	Total	Intermediate consumption	Final consumption	Exports	Memorandum: GDP growth	GDP
	1	2	3 = 1 + 2 = 4 to 6	4	5	6	7 = 1 - 4 = 5 + 6 - 2	
	<i>Euro millions</i>							
1995	19.595	1.383	20.978	11.419	8.408	1.151	8.176	437.788
1996	19.419	1.321	20.740	12.232	7.470	1.038	7.187	464.253
1997	19.310	1.963	21.273	13.406	7.102	765	5.904	494.146
1998	18.302	2.024	20.326	13.763	6.057	505	4.539	527.975
1999	18.034	1.444	19.478	13.382	5.978	118	4.652	565.419
2000	20.215	1.903	22.118	12.887	8.257	975	7.328	610.541
2001	24.160	2.175	26.335	15.938	8.852	1.546	8.222	653.927
	<i>percentage of GDP</i>							
1995	4,48	0,32	4,79	2,61	1,92	0,26	1,87	
1996	4,18	0,28	4,47	2,63	1,61	0,22	1,55	
1997	3,91	0,40	4,31	2,71	1,44	0,15	1,19	
1998	3,47	0,38	3,85	2,61	1,15	0,10	0,86	
1999	3,19	0,26	3,44	2,37	1,06	0,02	0,82	
2000	3,31	0,31	3,62	2,11	1,35	0,16	1,20	
2001	3,69	0,33	4,03	2,44	1,35	0,24	1,26	

Table 3. Differences between the June 2005 estimate and the previous estimate. Summary

	Output	Imports	Total	Intermediate consumption	Final consumption	Exports	Memorandum: GDP growth	GDP
	1	2	3 = 1 + 2 = 4 to 6	4	5	6	7 = 1 - 4 = 5 + 6 - 2	
	<i>Euro millions</i>							
1995	-1.344	-925	-2.269	-1.440	-829	-	96	437.788
1996	-1.232	-846	-2.078	-1.314	-735	-29	82	464.253
1997	-1.310	-1.364	-2.674	-1.974	-678	-22	664	494.146
1998	-1.193	-1.096	-2.289	-1.892	-375	-21	699	527.975
1999	-1.269	-606	-1.875	-1.435	-417	-23	166	565.419
2000	-1.256	-542	-1.798	-1.400	-336	-63	144	610.541
2001	-1.404	-223	-1.627	-1.129	-360	-139	-275	653.927
	<i>percentage of GDP</i>							
1995	-0,31	-0,21	-0,52	-0,33	-0,19	0,00	0,02	
1996	-0,27	-0,18	-0,45	-0,28	-0,16	-0,01	0,02	
1997	-0,27	-0,28	-0,54	-0,40	-0,14	0,00	0,13	
1998	-0,23	-0,21	-0,43	-0,36	-0,07	0,00	0,13	
1999	-0,22	-0,11	-0,33	-0,25	-0,07	0,00	0,03	
2000	-0,21	-0,09	-0,29	-0,23	-0,06	-0,01	0,02	
2001	-0,21	-0,03	-0,25	-0,17	-0,06	-0,02	-0,04	

Table 4. Detail of allocation of FISIM to institutional sectors, including variations in the output of non-market services

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
I. TOTAL OUTPUT (I.A+I.B+I.C)	18.251	18.187	18.000	17.109	16.765	18.959	22.756	23.882	24.208	23.966
I. A OUTPUT S.122 (III.A+III.B+IV.B+V)	17.078	17.019	17.003	16.195	15.871	18.147	21.550	22.668	23.136	22.925
III. A INTERMEDIATE CONSUMPTION GG and NPISH	917	910	738	642	595	507	775	801	726	683
General government	683	729	541	462	352	347	594	610	557	514
Non-profit institutions serving households	234	181	197	180	243	160	181	191	169	169
III. B INTERMEDIATE CONSUMPTION OTHER SECTORS	8.544	9.441	10.025	10.337	10.457	9.899	12.278	14.369	15.970	16.205
Non-financial corporations	4.219	4.508	4.793	5.312	4.908	4.514	5.795	7.206	7.690	7.432
Financial auxiliaries	49	58	57	54	58	94	105	67	56	54
Insurance corporations and pension funds	395	261	160	96	264	332	340	278	272	321
Households (as owners of unincorporated enterprises)	3.881	4.614	5.015	4.875	5.227	4.959	6.038	6.818	7.952	8.398
IV. B FINAL CONSUMPTION	6.466	5.659	5.497	4.732	4.724	6.829	7.090	5.912	5.183	4.999
Households (as consumers)	6.466	5.659	5.497	4.732	4.724	6.829	7.090	5.912	5.183	4.999
V. EXPORTS	1.151	1.009	743	484	95	912	1.407	1.586	1.257	1.038
I. B OUTPUT S.121 (III. B)	256	258	259	272	299	305	431	413	346	358
III. B INTERMEDIATE CONSUMPTION OTHER SECTORS	256	258	259	272	299	305	431	413	346	358
Other monetary financial institutions	256	258	259	272	299	305	431	413	346	358
I. C OUTPUT S.13 and S 15 (IV. A = III. A)	917	910	738	642	595	507	775	801	726	683
IV. A FINAL CONSUMPTION	917	910	738	642	595	507	775	801	726	683
General government	683	729	541	462	352	347	594	610	557	514
Non-profit institutions serving households	234	181	197	180	243	160	181	191	169	169
II. IMPORTS (III. B+IV. B)	458	475	599	928	838	1.361	1.952	1.766	1.554	1.667
III. B INTERMEDIATE CONSUMPTION OTHER SECTORS	262	309	410	620	596	776	1.325	1.327	1.230	1.268
Non-financial corporations	191	237	301	408	453	474	1.017	1.111	1.057	1.029
Insurance corporations and pension funds	21	28	59	135	80	156	148	101	86	133
Households (as owners of unincorporated enterprises)	50	44	50	77	63	146	160	115	87	106
IV. B FINAL CONSUMPTION	196	166	189	308	242	585	627	439	324	399
Households (as consumers)	196	166	189	308	242	585	627	439	324	399
TOTAL RESOURCES (I + II) = TOTAL USES (III +IV +V)	18.709	18.662	18.599	18.037	17.603	20.320	24.708	25.648	25.762	25.633
GDP GROWTH (I - III = IV +V - II)	8.272	7.269	6.568	5.238	4.818	7.472	7.947	6.972	5.936	5.452
GDP BASE YEAR 1995 (1995-1999) & GDP BASE YEAR 2000 (2000-2004)	437.788	464.253	494.146	527.975	565.419	630.263	679.848	729.004	780.557	837.557
IV. INCREASE ON GDP (% of GDP)	1,89	1,57	1,33	0,99	0,85	1,19	1,17	0,96	0,76	0,65
Memorandum										
TOTAL INTERMEDIATE DEMAND	9.979	10.918	11.432	11.871	11.947	11.487	14.809	16.910	18.272	18.514
General government and non-profit institutions serving households (III. A)	917	910	738	642	595	507	775	801	726	683
Other (III. B)	9.062	10.008	10.694	11.229	11.352	10.980	14.034	16.109	17.546	17.831
TOTAL FINAL DEMAND (= GDP growth)	8.272	7.269	6.568	5.238	4.818	7.472	7.947	6.972	5.936	5.452
Households (IV. B)	6.662	5.825	5.686	5.040	4.966	7.414	7.717	6.351	5.507	5.398
Non-profit institutions serving households (IV. A)	234	181	197	180	243	160	181	191	169	169
General government (IV. A)	683	729	541	462	352	347	594	610	557	514
Net exports (V - II)	693	534	144	-444	-743	-449	-545	-180	-297	-629

Notes: S.121 Banco de España; S.122 Other monetary financial institutions; S.13 General government; S.15 Non-profit institutions serving households.

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STATISTICAL NOTES

- 0501 DEPARTAMENTO DE ESTADÍSTICA Y CENTRAL DE BALANCES: Registering financial intermediation services on the nacional accounts as of 2005. (The Spanish original of this publication has the same number.)
- 0502 DEPARTAMENTO DE ESTADÍSTICA Y CENTRAL DE BALANCES: Valuation of shares and other equity in the Financial Accounts of the Spanish Economy. (The Spanish original of this publication has the same number.)
- 0503 DEPARTAMENTO DE ESTADÍSTICA Y CENTRAL DE BALANCES: Registering financial intermediation services on the nacional accounts as of 2005. Addendum. (The Spanish original of this publication has the same number.)

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