



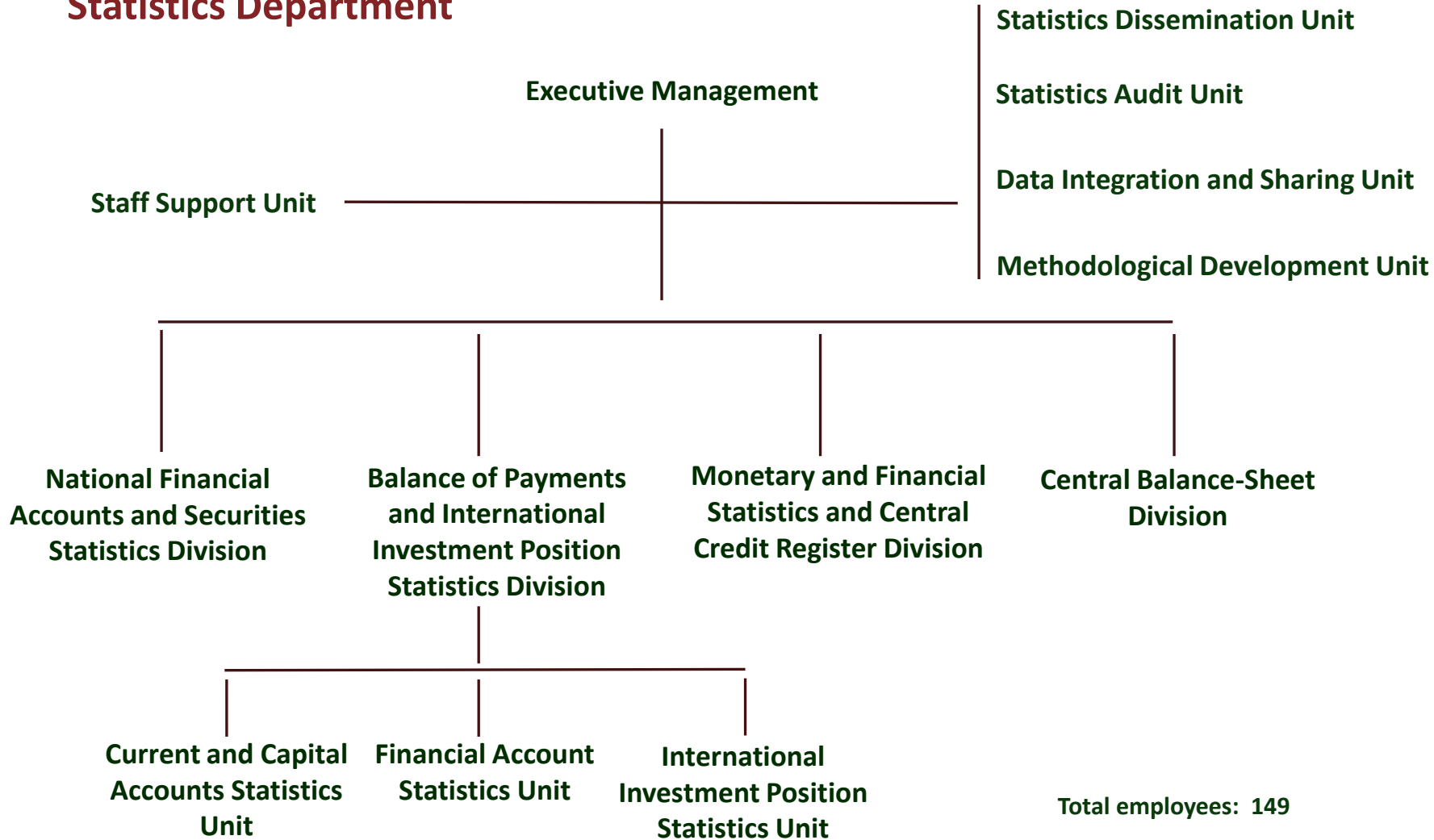
BANCO DE PORTUGAL
EUROSYSTEM

Banco de Portugal – Subsectoring of financial corporations

22nd May 2018

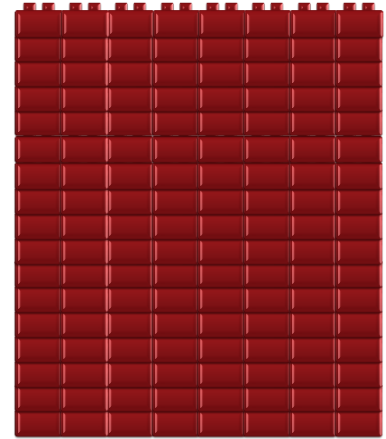


Statistics Department





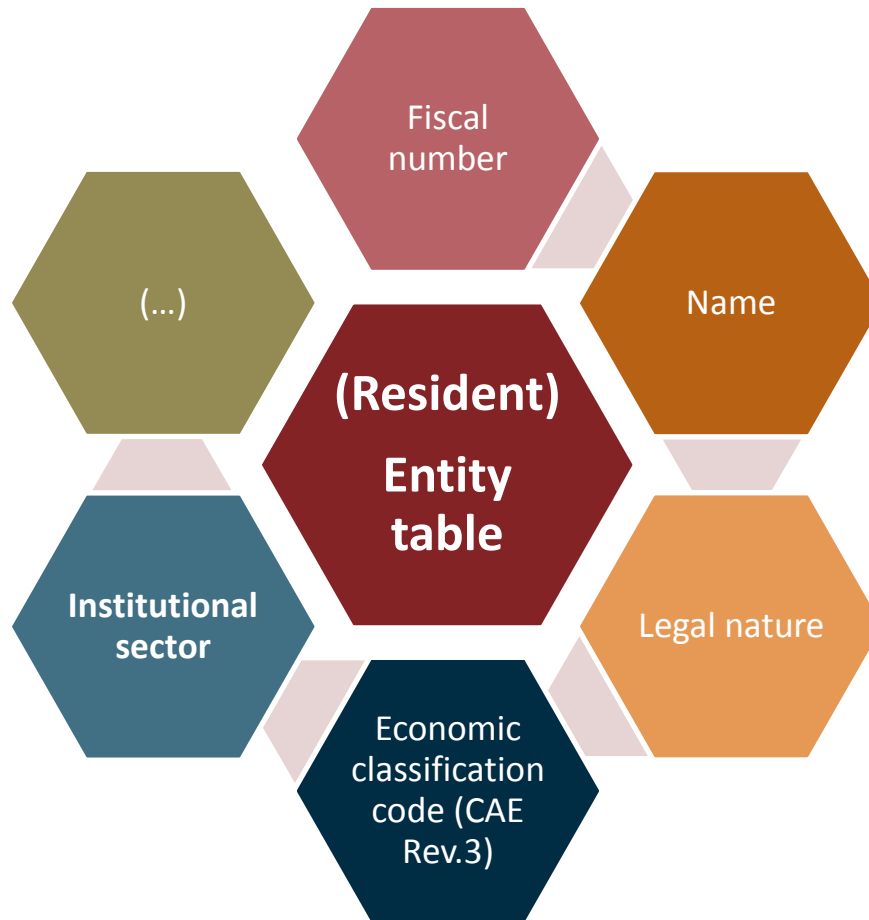
Banco de Portugal - Over the past 20 years there has been a growing focus on micro-data...




...and in the correct characterization of statistical units.



Reference tables for all domains in Banco de Portugal



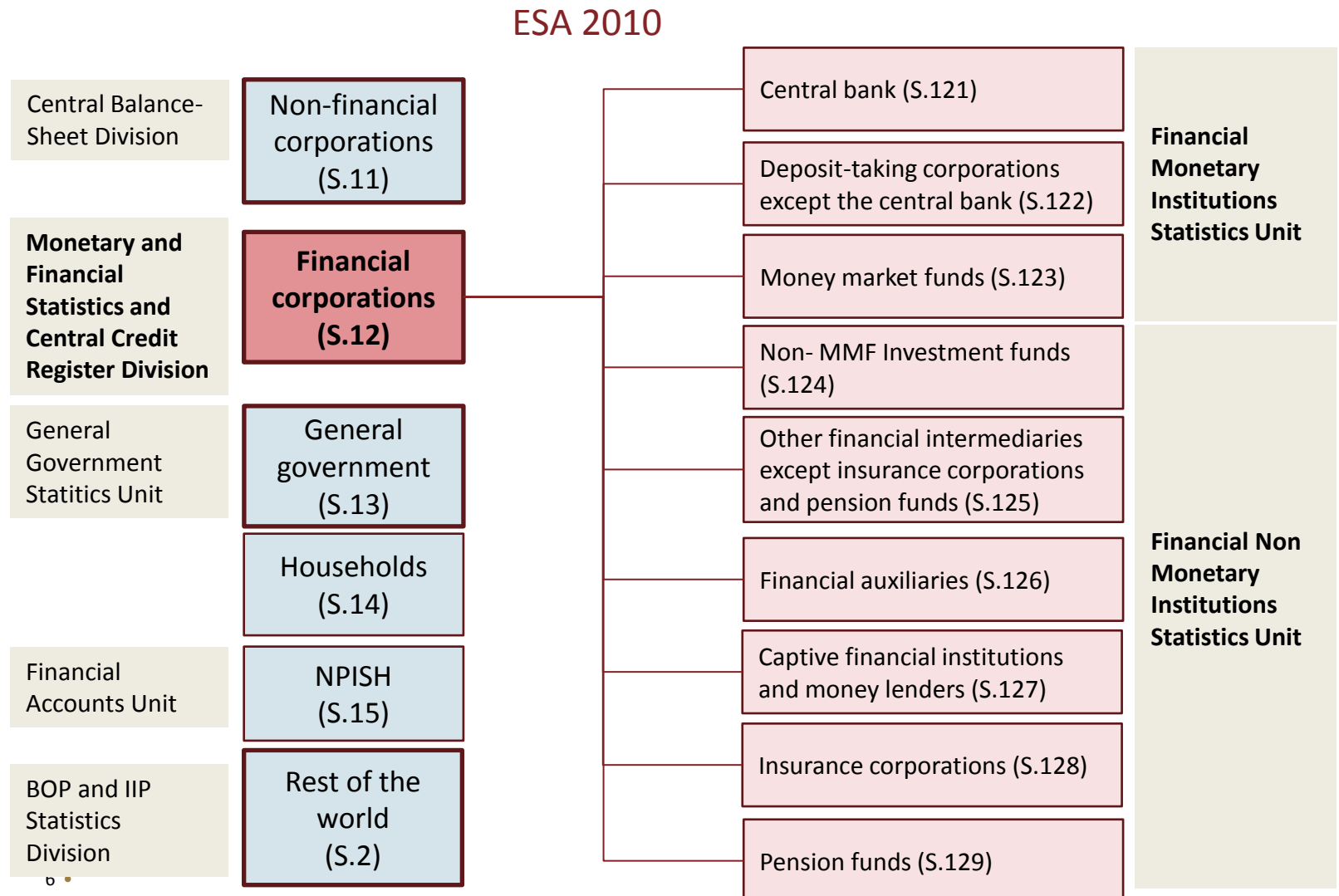
- Collaborative task:
 - IT Department
 - National registry of companies (Ministry of Justice)
 - INE (Statistics Portugal)
-  INSTITUTO NACIONAL DE ESTATÍSTICA
STATISTICS PORTUGAL
 - Definition of an approval process of the institutional sector automatically given and reclassifications



- ❑ Automatic assignment of the institutional sector based on:
 - Fiscal number (9 digits):
 - 5***** legal person
 - 6***** public entity
 - 72***** Investment funds
 - CAE Rev.3 - portuguese activity nomenclature for the classification of economic activities (harmonized with NACE rev. 2)
 - Legal nature
- ❑ Analysis by the unit/division in charge of that sector (with all the available information)

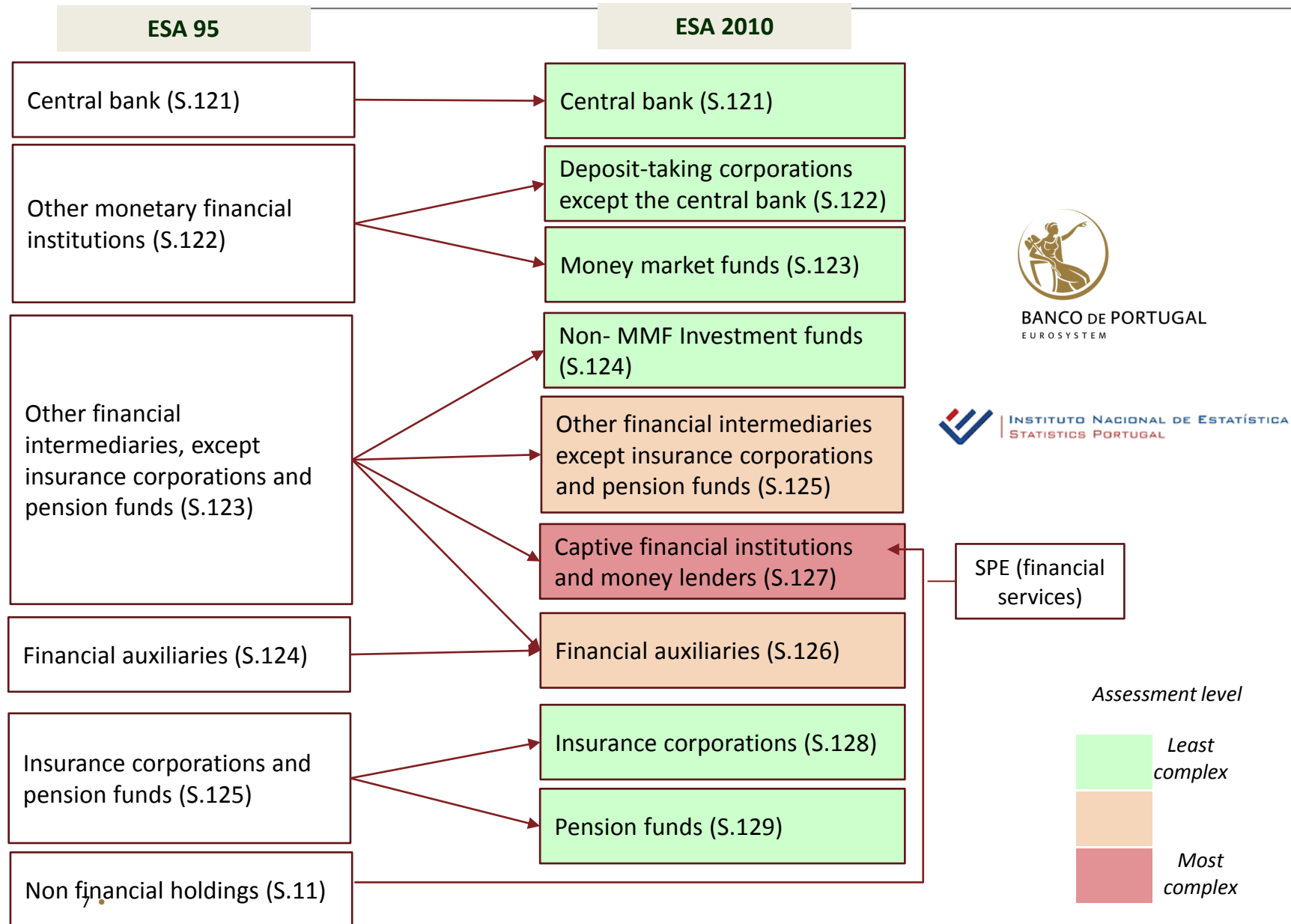


Institutional sector classification - shared responsibility within the Statistics Department





Portugal – Subsectoring of financial corporations





Institutional sector	Identification criteria
Central bank (S.121)	64110 CAE Rev.3; Banco de Portugal
Deposit-taking corporations except the central bank (S.122)	64190 CAE Rev. 3 Prudential Supervision Department BdP (banks, agriculture credit banks – “ <i>caixas de crédito agrícola</i> ”, savings banques – “ <i>caixas económicas</i> ”)
Money market funds (S.123) Non - MMF Investment funds (S.124)	Fiscal number 72***** 64300 CAE Rev. 3 CMVM ¹ Investments fund classification - Money market funds (CMVM code) - Securities investment funds (CMVM code) - Real estate investment funds (CMVM code) - Venture capital investment funds (CMVM code)
Insurance corporations (S.128)	651, 652 CAE Rev.3; ASF ³ code
Pension funds (S.129)	653 CAE Rev.3; ASF code

¹ *Comissão do Mercado de Valores Mobiliários (CMVM)* is the portuguese securities market supervisor.

² *Autoridade de Supervisão de Seguros e Fundos de Pensões (ASF)* is the portuguese supervisor of insurance and pension funds.



Other financial intermediaries except insurance corporations and pension funds (S.125)	§ 2.88 ESA 2010-sub-division	Identification criteria
	Financial vehicle corporations engaged in securitisation transactions (FVC)	<ul style="list-style-type: none"> - Credit securitization corporations (64992 CAE Rev.3; BdP code) - Credit securitization funds (Fiscal number 72*****; CMVM code; BdP code)
	Security and derivative dealers	<ul style="list-style-type: none"> – Financial dealers (“<i>Corretagem</i>”; 64992 CAE Rev.3; BdP code)
	Financial corporations engaged in lending	<ul style="list-style-type: none"> – Factoring corporations (64921 CAE Rev.3; BdP code) – Financial credit institutions (64921 CAE Rev.3; BdP code)
	Specialised financial corporations	<ul style="list-style-type: none"> – Central counterparty clearing houses (66110 CAE Rev.3) – Venture capital corporations (“<i>Sociedades de capital de risco</i>”; 64992 CAE Rev.3; BdP code) – Mutual guarantee corporations (64923 CAE Rev.3; BdP code)



ESA 2010

Financial
auxiliaries
(S.126)

[engaged in
activities
closely related
to financial
intermediatio
n but which
are not
financial
intermediaries
themselves]

- a) Insurance brokers, salvage and average administrators, insurance and pension consultants, etc.
- b) Loan brokers, securities brokers, investment advisers, etc.
- c) Flotation corporations that manage the issue of securities
- d) Corporations whose principal function is to guarantee, by endorsement, bills and similar instruments
- e) Corporations which arrange derivative and hedging instruments, such as swaps, options and futures (without issuing them)
- f) Corporations providing infrastructure for financial markets
- g) Central supervisory authorities of financial intermediaries and financial markets when they are separate institutional units
- h) Managers of pension funds, mutual funds, etc.
- i) Corporations providing stock exchange and insurance exchange
- j) Non-profit institutions recognised as independent legal entities serving financial corporations, but not engaged in financial intermediation
- k) Payment institutions (facilitating payments between buyer and seller).
- +
- Head offices whose subsidiaries are all or mostly financial corporations



ESA 2010

Financial auxiliaries (S.126)

[engaged in activities closely related to financial intermediation but which are not financial intermediaries themselves]

Adopted classification:

- Insurance auxiliaries (“*Mediadores de seguros*”, “*peritagens*”) (66210, 66220, 66290 CAE Rev.3);
- Exchange offices (“*Agências de câmbios*”; 66120 CAE Rev.3; BdP code);
- Brokers (“*Sociedades corretoras*”; 66120 CAE Rev.3; BdP code);
- Management corporations (Investment funds, credit securitization funds, pension funds, wealth; 66300 CAE Rev.3; BdP code)
- Financial head offices (“*SGPS*”) [Head offices with financial corporations subsidiaries]
- Payment institutions (66120 CAE Rev.3; BdP code)
- Other financial auxiliaries (66110, 84130,..., CAE Rev.3; some with BdP code; includes supervisory entities like ASF and CMVM)



ESA 2010

Captive financial institutions and money lenders (S.127)	<p>§ 2.98: <i>Definition:</i> the captive financial institutions and money lenders subsector (S.127) consists of all financial corporations and quasi-corporations which are neither engaged in financial intermediation nor in providing financial auxiliary services, and where most of either their assets or their liabilities are not transacted on open markets.</p>
	<p>Units as legal entities such as trusts, estates, agencies accounts or 'brass plate' companies</p>
	<p>Holding companies that hold controlling-levels of equity of a group of subsidiary corporations and whose principal activity is owning the group without providing any other service to the businesses in which the equity is held, that is, they do not administer or manage other units</p>
	<p>SPEs that qualify as institutional units and raise funds in open markets to be used by their parent corporation</p>
	<p>Units which provide financial services exclusively with own funds, or funds provided by a sponsor, to a range of clients and incur the financial risk of the debtor defaulting. Examples are money lenders, corporations engaged in lending to students or for foreign trade from funds received from a sponsor such as a government unit or a non-profit institution, and pawnshops that predominantly engage in lending</p>
	<p>Special purpose government funds, usually called sovereign wealth funds, if classified as financial corporations</p>



ESA 2010

Captive
financial
institutions and
money lenders
(S.127)

§ 2.98: *Definition:* the captive financial institutions and money lenders subsector (S.127) consists of all financial corporations and quasi-corporations which are neither engaged in financial intermediation nor in providing financial auxiliary services, and where most of either their assets or their liabilities are not transacted on open markets.

trusts

Trusts and other similar activities (64300 CAE Rev.3)

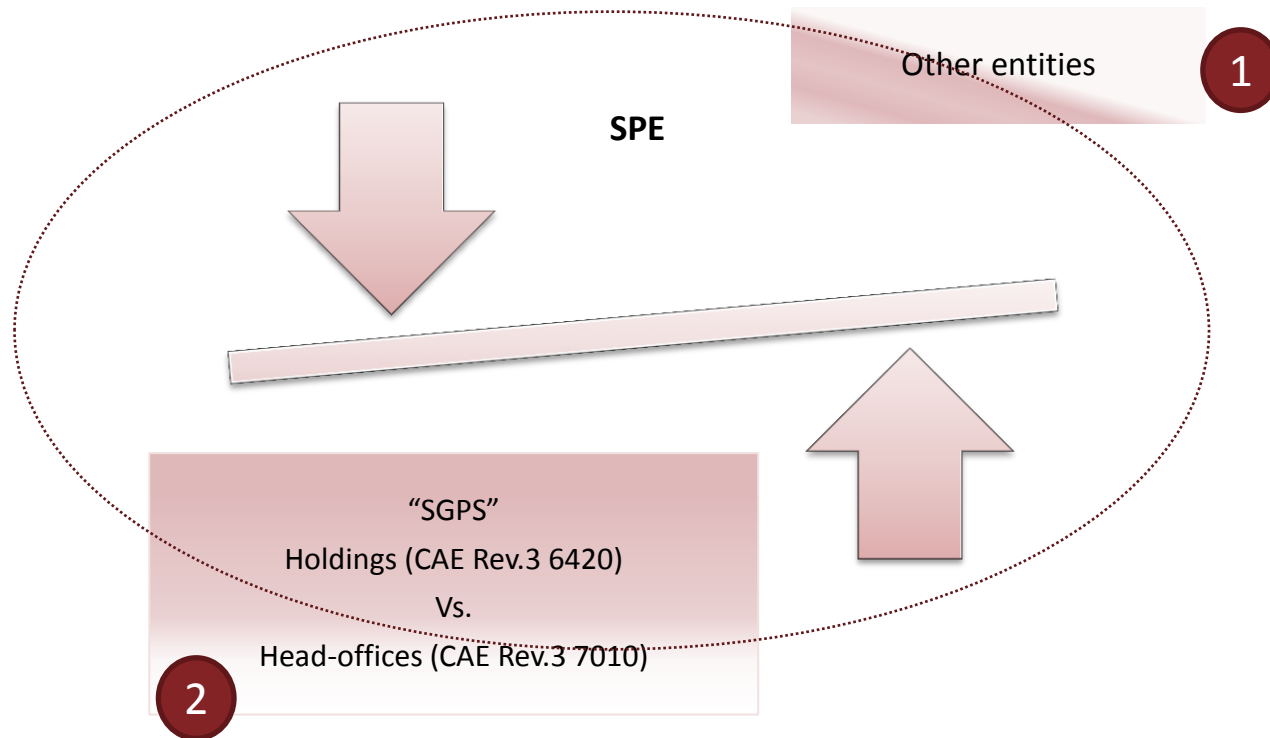
Units which provide financial services exclusively with own funds, or funds provided by a sponsor, to a range of clients and incur the financial risk of the debtor defaulting. Examples are money lenders, corporations engaged in lending to students or for foreign trade from funds received from a sponsor such as a government unit or a non-profit institution, and pawnshops that predominantly engage in lending

Money lenders and pawnshops (64923 CAE Rev.3)



ESA 2010

Captive financial institutions and money lenders (S.127)	<p>§ 2.98: <i>Definition:</i> the captive financial institutions and money lenders subsector (S.127) consists of all financial corporations and quasi-corporations which are neither engaged in financial intermediation nor in providing financial auxiliary services, and where most of either their assets or their liabilities are not transacted on open markets.</p>
	<p>agencies accounts or 'brass plate' companies</p>
	<p>Holding companies that hold controlling-levels of equity of a group of subsidiary corporations and whose principal activity is owning the group without providing any other service to the businesses in which the equity is held, that is, they do not administer or manage other units</p>
	<p>SPEs that qualify as institutional units and raise funds in open markets to be used by their parent corporation</p>
	<p>Special purpose government funds, usually called sovereign wealth funds, if classified as financial corporations</p>





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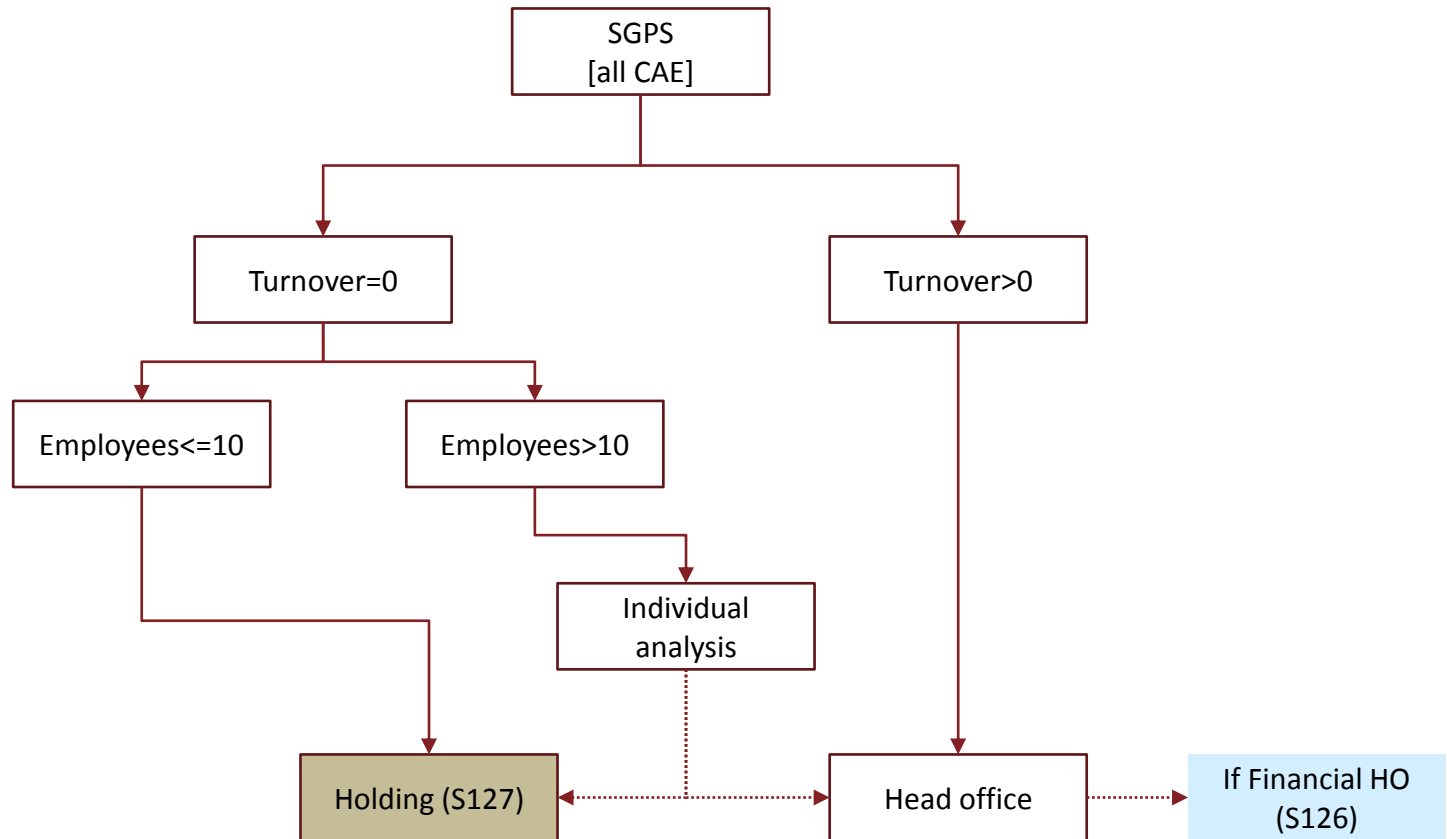
SPE – Identification criteria

- Little or no physical presence (PO Box);
- Little or no employees;
- Relationship with other related entities;
- Managed by employees of other entities (related or not) (service charge);
- Production associated with inflows from the parent company to cover costs and with Investment income;
- Ultimately controlled by a non-resident parent;
- Hints:
 - Fiscal number 511*****
 - Name includes “Zona Franca da Madeira”



2

Holdings vs. Head offices - Decision Tree



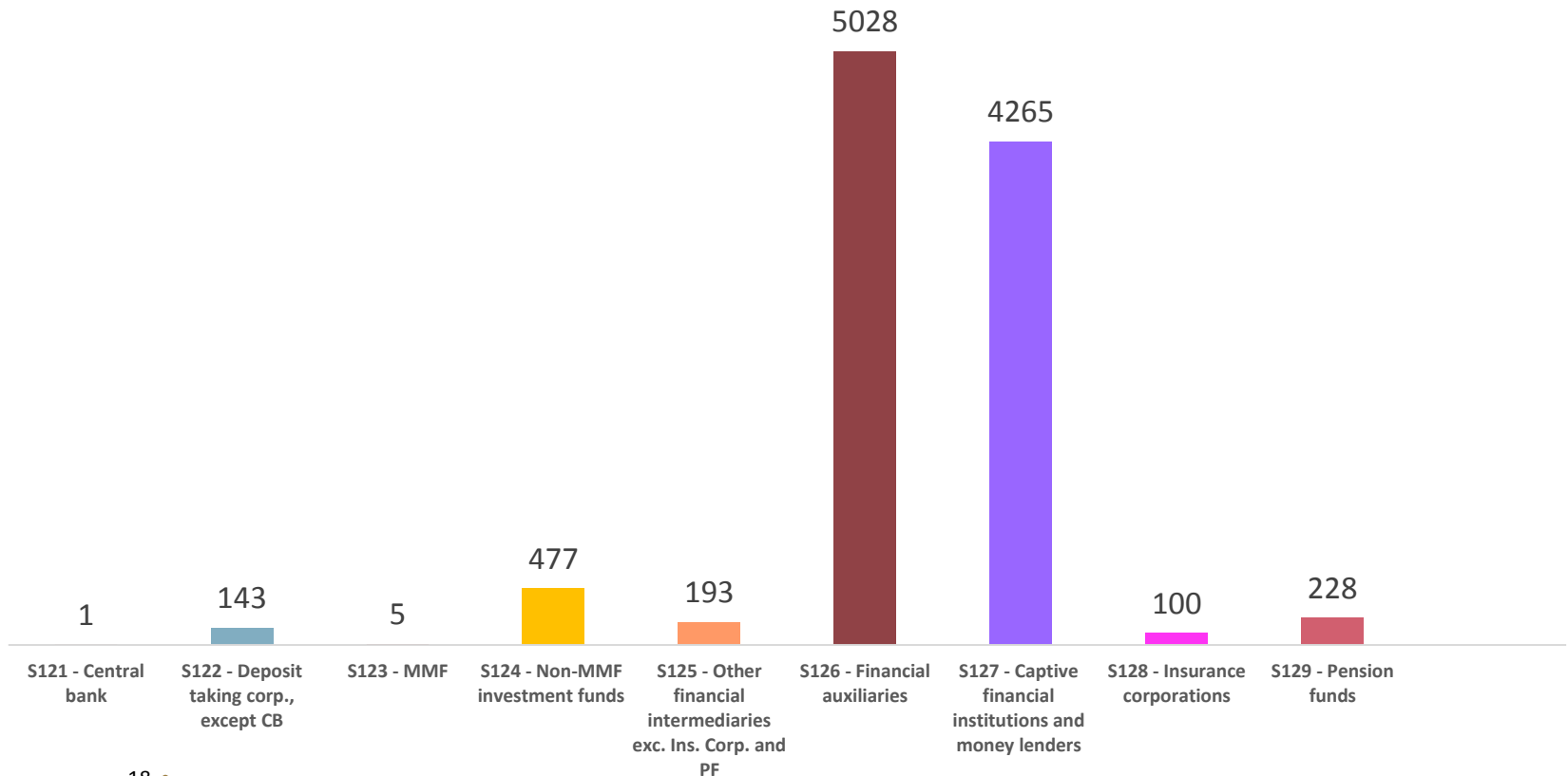


Portugal – Subsectoring of financial corporations

List of entities (financial institutions and general government) for statistical purposes published here:

<https://www.bportugal.pt/en/page/list-institutions-statistical-purposes>

Number of entities by institutional sector
(as published in march 2018)





Thank you for your attention!