

## **General Notes and Abbreviations List**

Malta adopted the euro on 1 January 2008. For ease of comparison, all data relating to earlier periods presented in this part of the website are converted into euro at the fixed exchange rate of Lm0.4293=EUR1. The reasons for this approach were explained in a note which is currently shown in the introductory part to the Statistics section of the Central Bank of Malta's website.

## **MONETARY, BANKING, INVESTMENT FUNDS, FINANCIAL MARKETS**

### **General monetary statistical standards**

Prior to January 2008, the compilation of monetary statistics was broadly in line with the IMF's Monetary and Financial Statistics Manual (2000). Since January 2008, the compilation of monetary statistics has been consistent with the statistical concepts and methodologies as set out in ECB Regulation 2008/32 of 19 December 2008 concerning the consolidated balance sheet of the monetary financial institutions (MFI) sector and the European System of National and Regional Accounts (ESA 1995). As from September 2013, ESA 1995 was replaced by the European System of National and Regional Accounts (ESA 2010).

### **Institutional balance sheets and financial statements**

The '[Financial statement of the Central Bank of Malta](#)' is based on accounting principles as established in ECB Guideline 2010/20 (as amended) of 11 November 2010 on the legal framework for accounting and reporting in the ESCB. Consequently, the data in this table may differ from those shown in the '[Balance sheet of the Central Bank of Malta based on statistical principles](#)', which are compiled according to a statistical description of instrument categories as stipulated in ECB Regulation 2008/32. Important changes to data on currency issued and reserve assets following the adoption of the euro are explained below in the 'measures of money' and in the 'external statistics' section, respectively.

The '[Aggregated balance sheet of the other monetary financial institutions](#)' is also based on a detailed description of instrument categories as stipulated in Regulation ECB/2008/32 (Recast) and ECB/2013/33 (Recast).

### **Determination of “residence”**

Monetary data are based on the classification of transactions and positions by the residence of the transactor or holder. A transactor is an economic entity that is capable in its own right of owning assets, incurring liabilities and engaging in economic activities with other entities. ESA 2010 stipulates that the units which constitute the economy of a country are those which are resident in the economy. An institutional unit is resident in a country when it has its 'centre of predominant economic interest' in the economic territory of that country. Such units are known as resident units, irrespective of nationality, legal form or presence on the economic territory at the time they carry out a transaction. 'Centre of predominant economic interest' indicates that a location exists within the economic territory of a country where a unit engages in economic activities and transactions on a significant scale, either indefinitely or over a finite but long period

of time (a year or more). The ownership of land and buildings within the economic territory is deemed to be sufficient for the owner to have a centre of predominant economic interest there. In the absence of any physical dimension to an enterprise, its residence is determined according to the economic territory under whose laws the enterprise is incorporated or registered. Whereas special purposes entities (SPE) were classified as non-residents, in accordance with ESA 1995, ESA 2010 requires that these are classified as residents of Malta. Data has been revised at least as from June 2010. An SPE is usually a limited company or a limited partnership, created to fulfil narrow, specific or temporary objectives and to isolate a financial risk, a specific taxation or a regulatory risk. There is no common definition of an SPE, but the following characteristics are typical: They have only one or few employees and do not have non-financial assets; They have little physical presence beyond a 'brass plate' or sign confirming their place of registration; They are always related to another corporation, often as a subsidiary; and they are resident in a different territory from the territory of residence of the related corporations.

Diplomatic bodies, embassies, consulates and other entities of foreign governments are considered to be residents of the country they represent.

In national monetary statistics, the key distinction between residents and non-residents of Malta remains relevant for national statistical purposes. After Malta joined the euro area, the key distinction, in particular for the purposes of the table entitled, '[The contribution of resident MFIs to the euro area monetary aggregates](#)' and in other tables, is between residence in Malta or elsewhere in the euro area and residence outside the euro area.

### **Sector classification**

In accordance with ESA 2010 and ECB Regulation 2008/32 (Recast), the main sectors of the Maltese (and euro area) economy, for statistical reporting purposes, are currently subdivided by their primary activity into:

#### (a) Financial Corporations

##### (1) Monetary financial institutions (MFIs)

- i. Central Bank
- ii. Other Monetary Financial Institutions

##### (2) Other Financial Corporations:

- i. Non-MMF Investment Funds
- ii. Other financial intermediaries and financial auxiliaries
- iii. Captive Financial Institutions and money lenders

#### (b) Insurance corporations and pension funds

#### (c) General government

- i. Central government
- ii. Other General Government

#### (d) Non-financial corporations

- i. Public non-financial corporations

## ii. Private non-financial corporations

### (e) Households and non-profit institutions serving households (NPISH).

Entities that are considered to be non-residents are classified in the 'external sector' or the 'rest of the world'. As noted above, in many statistical tables, and starting with data for 2008, they are split into other euro area residents and non-residents of the euro area (and may be further sub-classified by sector according to their primary activity).

### (a) Financial Corporations

The Financial Corporations sector comprises the Monetary Financial Institutions (MFIs) sector and the rest of the Financial Corporations sector, the latter known as the Other Financial Corporations (OFIs) sector:

#### (1) Monetary financial institutions consist of:

i. The central bank, which is the national financial institution that exercises control over key aspects of the financial system conducts financial market operations, and holds the international reserves of the country. The Central Bank of Malta is part of the Eurosystem, which comprises the ECB and the NCBs of the member countries of the euro area.

ii. Other monetary financial institutions (OMFIs), consist almost entirely of credit institutions. The business of OMFIs is to receive deposits and/or close substitutes for deposits from entities other than MFIs and, for their own account (at least in economic terms), to grant credits and/or make investments in securities. Credit institutions licensed in Malta comprise banks licensed by the competent authority under the Banking Act (Cap. 371). In accordance with the REGULATION (EU) No 575/2013 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/, a credit institution is an undertaking the business of which is to take deposits or other repayable funds from the public and to grant credits for its own account. OMFIs include the resident branches and subsidiaries of banks with headquarters abroad. Money Market Funds (MMFs) fulfil the MFI definition and the agreed conditions for liquidity and are therefore included in the OMFI sector. MMFs are defined as those collective investment undertakings of which the units are, in terms of liquidity, close substitutes for deposits and which primarily invest in money market instruments and/or in MMF shares/units and/or in other transferable debt instruments with a residual maturity of up to and including one year, and/or in bank deposits, and/or which pursue a rate of return that approaches the interest rates of money market instruments.

#### (2) Other Financial Corporations consist of:

##### i. Non-MMF Investment Funds

The non-MMF Investment Funds subsector consists of all collective investment schemes which are principally engaged in financial intermediation. MMFs are excluded from this sub-sector. The business of the non-MMF Investment Funds sector is to issue investment fund shares or units which are not close substitutes for deposits and on their

own account to make investments primarily in financial assets other than short-term financial assets and in non-financial assets (usually real estate)

ii. Other financial intermediaries and financial auxiliaries:

Other financial intermediaries are, broadly speaking, financial intermediaries which are not MFIs or insurance corporations and pension funds (see below). The principal activities of these institutions may include one or more of the following: financial vehicle corporations engaged in securitisation transactions, long-term financing, financial leasing, factoring, security and derivative dealing.

Financial auxiliaries are companies that are principally engaged in auxiliary financial activities, that is, activities closely related to financial intermediation, but which are not financial intermediaries themselves. The following are examples of companies classified in this sector: Payment institutions insurance, loan and securities brokers, investment advisers, flotation companies that manage issues of securities, central supervisory authorities of financial intermediaries and financial markets when these are separate institutional units, managers of pension funds and mutual funds, companies providing stock exchange and insurance exchange services and Head Offices whose subsidiaries are all or mostly financial corporations.

iii. Captive Financial Institutions and money lenders

In accordance with ESA 2010, holding corporations are to be classified within the financial sector as captive financial institutions. The adoption of ESA 2010 in the domestic context required a reclassification resulting in a shift of financial assets and liabilities from the non-financial corporations sector to the financial corporations sector. Special Purpose Entities (SPEs) are to be classified under this subsector with the exception of captive insurance companies and professional investment funds which will be classified in the insurance sector and investment funds categories, respectively.

(b) Insurance corporations and pension funds:

This sector comprises non-monetary financial corporations principally engaged in financial intermediation as the consequence of the pooling of risks. Insurance corporations are principally engaged in such activities mainly in the form of direct insurance or reinsurance. They consist of incorporated, mutual and other entities whose principal function is to provide life, accident, health, fire or other forms of insurance to individual institutional units or groups of units. This sector also includes services of reinsurance to other insurance corporations and captive insurance companies. The latter consists of insurers which are normally owned by a non-financial corporation and mostly insure the risks of their shareholders.

Pension funds are principally engaged in financial intermediation as the consequence of the pooling of social risks and needs of the insured persons (social insurance). Pension funds as social insurance schemes provide income in retirement, and often benefits for death and disability.

(c) General government:

General government includes all institutional units principally engaged in the production of non-market goods and services intended for individual and collective consumption and/or in the redistribution of national income and wealth. Broadly speaking, non-market production means that the entity does not charge “economically significant” prices such that sales cover at least 50% of production costs. The sector is sub-divided into:

- i. Central government, which includes all administrative departments of the state and other central agencies whose competence extends over the whole economic territory of the country. Central government thus includes departments, ministries, and offices of government located in the country together with embassies, consulates, military establishments and other institutions of government located outside the country. Also included in the central government sector are extra-budgetary units, also termed public non-market units. These comprise institutional units under public control that are principally engaged in the production of goods and services not usually sold on a market and/or that are involved in the redistribution of national income and wealth.
- ii. Other general government, which in Malta comprises the local government sector only. Local government includes administrative departments, councils or agencies whose competence covers only a restricted part of the economic territory of the country.

The public sector (which is not an institutional sector in the ESA 2010) comprises the general government sector and public corporations (which may be financial or non-financial corporations in the ESA 2010), the latter being those companies that are owned by government or are subject to government control. State-owned corporations are to be distinguished from the extra-budgetary units included in the general government sector, since they are considered to be producing goods and services for the market (i.e. charging “economically significant” prices such that sales cover at least 50% of production costs).

(d) Non-financial corporations:

This sector comprises corporations engaged principally in the production of market goods and non-financial services. Included in this sector are market-producing co-operatives, partnerships and sole proprietorships recognised as independent legal entities, which are subdivided into:

- i. Public non-financial corporations, i.e. companies that are subject to control by government units - see the notes on non-monetary financial corporations for a definition of control.
- ii. Private non-financial corporations, i.e. companies that are controlled by non-government units, whether resident or non-resident.

(e) Households and non-profit institutions serving households (NPISH):

This sector comprises individuals or groups of individuals that are consumers and producers of goods and non-financial services exclusively intended for their own final consumption. It includes also non-profit institutions serving households. They are separate legal entities, serving households and which are private non-market producers. Their principal resources are voluntary contributions in cash or in kind from households in their capacity as consumers, from payments made by general government and from

property income. They are principally engaged in the production of non-market goods and services intended for particular sections of households (churches, clubs, societies, trade unions, etc.) and market-producing cooperatives, partnerships and sole proprietorships that are not recognised as independent legal entities. Thus many small businesses are included in the household sector.

### **Classification of economic activities**

The classification of economic activities follows the standards of Regulation EC No 1893/2006 of the European Parliament and of the Council of 20 December 2006, entitled "Statistical classification of economic activities in the European Community", known by the acronym NACE Rev.2.

### **Measures of money**

Since January 2008, the Central Bank of Malta has been transmitting to the ECB data collected from MFIs in Malta as a contribution to the euro area monetary aggregates compiled by the ECB. The euro area aggregates are defined in a similar way to the Maltese monetary aggregates formerly compiled by the Bank. However it is not possible to calculate the money holdings of Maltese residents within the euro area totals. In the euro area, by agreement between the members, the share of each central bank in the Eurosystem (comprising the ECB and the national central banks of the other EU Member States in the euro area) in the total issue of banknotes in the area is deemed to be that central bank's share in the capital of the ECB adjusted for a notional 8% of the total issue, which is attributed to the ECB itself. This is called the banknote allocation key. In the euro area, the Central Bank of Malta may in practice issue more than this, or less, in response to demand; the excess or shortfall will appear elsewhere in the Bank's balance sheet as an intra-Eurosystem liability or asset. The main point is that the entry in the column 'Banknotes in circulation' in the ['Financial Statements of the Bank'](#) will be a notional amount conforming to the banknote allocation key, and may be quite different from the amount of euro banknotes in the hands of Maltese residents. Moreover, Maltese residents' holdings of M3 within the euro area aggregate will include their holdings of deposits and other monetary instruments issued by MFIs anywhere in the euro area, the amount of which is not known.

The Table entitled ['The contribution of resident MFIs to the euro area monetary aggregates'](#) shows the contribution of Maltese MFIs to the euro area totals. This comprises the notional issue of euro currency attributed to the Bank according to the banknote allocation key, plus the issue of coins (where the Central Bank acts as agent of the Treasury), and, for 2008 only, remaining amounts of Maltese lira currency notes outstanding *less* holdings of euro banknotes and coins and, temporarily, of Maltese lira currency reported by MFIs in Malta; deposits held by Maltese residents and by residents of other euro area countries with MFIs in Malta excluding any holdings belonging to central governments (since central government holdings of deposits are excluded from the ECB's monetary aggregates) and any interbank deposits; repurchase agreements that are not conducted through central counterparties; any marketable instruments of the kind included in euro area M3 issued by MFIs in Malta *less* holdings by Maltese MFIs of such instruments issued by MFIs resident anywhere in the euro area (because Maltese MFIs may hold more of these instruments than they issued, this part of the Maltese contribution to euro area M3 may be negative); and MMFs shares/units issued *less* holdings in such units by MMFs and credit institutions resident in the euro area and

holdings by non-residents of the euro area. Similarly, in the Table entitled '[The contribution of resident MFIs to selected counterparts to euro area M3](#)', the 'credit counterpart' to euro area M3 contributed by Maltese MFIs comprises all Maltese MFI lending (including through the acquisition of securities in any form) to Maltese and all other euro area residents (other than MFIs). The so-called 'external counterpart' will be limited to their net claims on non-residents of the euro area. The computation of the net claims on non-residents of the euro area consist of Maltese MFIs' (including the Central Bank of Malta's) claims on non-residents of the euro area, minus their liabilities to non-residents of the euro area, in all forms and in foreign currency as well as in euro. 'Other counterparts (net)' comprise other items in the balance sheets of Maltese MFIs (including the Central Bank of Malta).

### **Compilation and valuation principles**

Monetary statistics are based on the monthly balance sheets provided by the Central Bank of Malta and the local OMFIs. The local credit institutions must submit data to the Central Bank of Malta not later than fifteen calendar days following the end of the reporting period. Bank branches and subsidiaries operating in Malta but whose head offices/parent companies are located abroad are OMFIs and are obliged to submit the same data. The reporting institutions report monthly financial information to the Central Bank of Malta in line with ECB Regulation 2008/32 (Recast) and (recast) Guideline of the ECB of 4 April 2014 on monetary and financial statistics (ECB/2014/15). In addition, in certain instances, the OMFIs are required to submit returns in accordance with specific statistical requirements as instructed by the Central Bank of Malta.

MFIs report stock positions, which are outstanding balances as at the end of the reference period, and for certain items transactions during the period. They show separately positions and transactions with residents of Malta, with residents of other euro area countries, and with non-residents of the euro area. Assets and liabilities are generally reported at market or fair value and on an accruals basis; deposits and loans are reported at nominal value. Thus, the effects of transactions and other events are recognised when they occur rather than when cash is received or paid. Transactions are recorded at the time of change in ownership of a financial asset. In this context, change in ownership is accomplished when all rights, obligations and risks are discharged by one party and assumed by another. Instruments are reported in accordance with their maturity at issue, i.e. by original maturity. Original maturity refers to the fixed period of life of a financial instrument before which it cannot be redeemed, or can be redeemed only with some significant penalty.

All financial assets and liabilities are reported on a gross basis. Loans - which include overdrafts, bills discounted and any other facility whereby funds are lent - are reported gross of all related provisions, both general and specific. Claims include assets in the form of loans, deposits and repurchase agreements (or repos). Financial assets and liabilities that have demonstrable value - as well as non-financial assets - are considered as on-balance sheet items. Other financial instruments, whose value is conditional on the occurrence of uncertain future events, such as contingent instruments, are not recorded on the statistical balance sheet.

## **Release of monetary statistics**

Monetary aggregates for the euro area are published by the ECB on the 19th working day of the month following the reference month. The ECB also publishes a more detailed monetary data on a quarterly basis. The Maltese contribution to the monthly aggregates is then posted on the Central Bank of Malta's website. When first published, monetary statistics are considered provisional since the Bank may need to revise the data referring to the periods prior to the current reference period arising from, for example, reclassifications or improved reporting procedures. The ECB accepts revisions to the previous month's data with each monthly submission; revisions to earlier periods are normally submitted with the next provision of quarterly data. Malta's contributions to the euro area aggregates published by the Central Bank of Malta must be consistent with the latest euro area aggregates published by the ECB. Subsequently, such provisional data are released to the press by the Central Bank of Malta on a monthly basis and in more detail in the Central Bank of Malta's *Quarterly Review* and *Annual Report*. The statistics released in the *Quarterly Review* and *Annual Report* are generally considered to be final. Major revisions to the data are also highlighted by means of footnotes in these publications. When major revisions to the compilation methodology are carried out, the Bank releases advance notices in its official publications.

## **Investment funds**

In line with ESA 2010, as from 2009 the '[Aggregated statement of assets and liabilities – investment funds](#)' comprise the statistics submitted to the Central Bank of Malta by all IF registered by the Malta Financial Services Authority (MFSA). IF submit such data to the CBM on a monthly, quarterly or annual basis depending on the size of their balance sheet. The definitions, methodology and standards of reporting are in line with Regulation (EU) No 1073/2013 of the ECB of 18 October 2013 concerning statistics on the assets and liabilities of IF (recast). Accounting rules followed by IF for reporting under this Regulation are those laid down in the relevant national law implementing Council Directive 86/635/EEC of December 1986 on the annual accounts and consolidated accounts of banks and other financial institutions or, if the former is not applicable, in any other national or international standards that apply to IFs.

The IF sector excludes all money market funds as, according to ECB Regulation 2008/32 (Recast), these form part of the MFI sector. The balance sheet is aggregated, not consolidated, and therefore includes, among the assets and liabilities, holdings by investment funds of shares/units issued by other investment funds.

## **Insurance corporations**

The table entitled '[Aggregated statement of assets and liabilities – insurance corporations](#)' shows the aggregated statement of assets and liabilities of all the IC registered in Malta by the MFSA. The IC sector comprises non-monetary financial institutions principally engaged in financial intermediation as the consequence of the pooling of risk. Therefore, the principal function of insurance corporations is the provision of life, accident, health, fire, reinsurance and/or other forms of insurance. Such statistics are based on standards specified in ESA 2010, while accounting rules are those laid down in the relevant national law implementing the European Council Directive 91/674/EEC on the annual accounts and the consolidated accounts of insurance

undertakings. All financial assets and liabilities are reported on a gross basis and are generally valued at market or fair value.

## **Financial markets**

Monetary Financial Institutions interest rate (MIR) statistics relate to the interest rates which are applied by resident credit institutions to euro denominated deposits and loans vis-à-vis non-financial corporations and households (including non-profit organisations) resident in Malta and in the euro area. MIR statistics are compiled in accordance with Regulation ECB/2009/7 (as amended) of 31 March 2009 and are therefore harmonised across the euro area. Interest rates are shown for both outstanding amounts and new business. Outstanding amounts cover the stock of all kinds of deposits and loans granted to households and non-financial corporations. New business consists of any new agreement between the household or non-financial corporation and the bank during the period under review. Two types of interest rates are quoted: (a) the Annualised Agreed Rate (AAR) and (b) the Annual Percentage Rate of Charge (APRC). The AAR is the rate which is agreed between the customer and the bank, quoted in percentage per annum. This rate covers all interest payments, excluding any other charges that may apply on deposits and loans. The APRC covers only two categories, namely lending for house purchase and consumer credit. It is the annual percentage rate that covers the total costs of the credit to the consumer such as the cost of inquiries, administration, guarantees, legal fees and other additional costs associated with the transaction.

As from 2009, in the Tables entitled '[Debt securities, by Sector of Resident Issuers](#)' and '[Quoted Shares, by Sector of Resident issuers](#)', such issuers comprise all corporations that are resident in Malta, including their issuances of securities and shares in foreign exchanges. Debt securities comprise all financial assets that are usually negotiable and traded on recognised exchanges and do not grant the holder any ownership rights in the institutional unit issuing them. Quoted shares cover all shares whose prices are quoted on a recognised stock exchange or other form of regulated market. They comprise all financial assets that represent property rights in corporations. Issues of unquoted shares, investment fund shares/units and financial derivatives are excluded.

As from 1 January 2008, the Central Bank of Malta ceased to declare interest rates for its operations as the Maltese money market became part of the integrated euro area-wide interbank market. Thus, as from that date, the financial market interest rates shown are the key interest rates determined by the ECB for central bank operations throughout the euro area, and overnight (EONIA) and fixed-term (EURIBOR) rates on wholesale business in euro-denominated deposits as reported daily by a panel of active institutions in the euro area interbank market.

All outstanding Treasury bills and government securities denominated in Maltese lira were redenominated in euro at the beginning of 2008. The primary market rates on Treasury bills are the weighted averages of the rates attached to the bills that are taken up by bidders at the weekly auction. Treasury bills are classified by original maturity. A "-" sign means that no transactions occurred during the reference period.

Interest rates on Malta Government long-term debt securities represent average International Securities Market Association (ISMA) redemption yields on applicable stocks with the periods specified referring to the remaining term to maturity. ISMA yields are quoted on the basis of an annual compounding period, irrespective of how many

coupon periods per annum the stock has. The MSE share index is based on the last closing trade prices of the shares of all eligible companies weighted by their current market capitalisation. The index has a base of 1,000 on 27 December 1995.

[Monetary, Banking, Investment Funds and Financial Market Statistics](#)

## **FINANCIAL ACCOUNTS STATISTICS**

Financial accounts statistics form part of the general statistical framework of a country's economy known as the 'national accounts'. Such statistics show the most relevant financial assets and liabilities of the economy and the rest of the world and such instruments vis-à-vis their counterpart institutional sector i.e. financial corporations, general government, non-financial corporations, households & non-profit institutions and the rest of the world (the rest of the world account shows the financial claims of residents on non-residents, and vice versa). Institutional sector classification is fundamental since, for instance, it identifies those sectors that hold or issue financial instruments. Statistics are presented in non-consolidated format and in the form of a balance sheet (i.e. in outstanding stock positions). The two tables in this section are compiled on a quarterly basis and in accordance with the methodological framework established by the European System of Accounts 2010 (ESA 2010). As from 2009, such tables include statistics on the Special Purpose Entities. Regulating the compilation of Financial Accounts statistics is also the (recast) Guideline of the European Central Bank of 25 July 2013 (ECB/2013/24) on the statistical reporting requirements in the field of quarterly financial accounts as well as Regulation (EC) No 1392/2007 of the European Parliament and of the Council of 13 November 2007 with respect to the transmission of national accounts data.

[Financial Accounts Statistics](#)

## **GOVERNMENT FINANCE STATISTICS**

Tables in this section show the general government fiscal position compiled on the basis of ESA 2010 methodology. The data are consolidated between the sectors of government. The sources for such data are the NSO and Eurostat. Government expenditure classified by function is based on the OECD's Classification of the Functions of Government (COFOG), which is a classification of the functions, or socio-economic objectives, that the general government sector aims to achieve through various outlays.

The Table on the general government deficit-debt adjustment (DDA) shows the relationship between the general government balance and Maastricht debt. The DDA thus reconciles the balance over a given period with the change in Maastricht debt between the beginning and the end of that period. The difference is mainly explained by government transactions in financial assets, such as through privatization receipts or the utilization of its deposit accounts, and by valuation effects on debt.

The general government debt is defined as the total gross debt at nominal value outstanding at the end of a period and consolidated between and within the various sections of the government. Also shown are data on debt guaranteed by the

government, which mainly relate to the debts of non-financial public sector corporations. Government-guaranteed debt excludes guarantees on the MIGA and IBRD positions and government guarantees on foreign loans taken by the Central Bank of Malta on behalf of government, which loans already feature in the calculation of government external debt. Government-guaranteed debt includes guarantees issued by the extra-budgetary units but excludes guarantees issued to them as they already feature in the general government debt. The methodology underlying the compilation of data on the external loans of general government sector is generally consistent with the IMF's *External debt statistics - guide for compilers and users*. Debt is recognised when disbursement of funds is effected.

### [Government Finance Statistics](#)

## **EXTERNAL STATISTICS**

The concepts and definitions used in the compilation of balance of payments and international investment position (IIP) statistics are generally in line with the IMF Balance of Payments Manual (BPM06) and in accordance with Guideline ECB/2011/23. Credit entries are recorded for e.g. exports, income receivable, and financial transactions reflecting reductions in the economy's foreign assets or increases in its foreign liabilities. Conversely, debit entries are recorded for e.g. imports, income payable, and financial transactions reflecting increases in assets or decreases in liabilities. The concepts of economic territory, residence, valuation and time of recording are broadly identical to those used in the compilation of monetary statistics. The IIP statistics are based on positions vis-à-vis non-residents of Malta and are, in most cases, valued at current market prices.

From 2008, official reserve assets correspond to the part of the reserve assets of the Eurosystem held by the Central Bank of Malta, and are confined to gold, claims on the IMF, and liquid claims held by the Central Bank of Malta on entities resident outside the euro area and denominated in currencies other than the euro. All euro-denominated assets, and assets denominated in any currency representing claims on entities resident in the euro area held by the Bank and classified as official reserve assets up to the end of 2007, were on Malta's entry into the euro area reclassified as portfolio investment or other investment, depending on the nature of the instrument.

Latest trade data are based on the respective NSO press release and other supplementary information received from the NSO. Historical data are updated by the Central Bank of Malta on a monthly basis, going back at least thirteen months, while every calendar quarter data are revised going back three years.

### [External Statistics](#)

## **REAL ECONOMY INDICATORS (SELECTED)**

National accounts and other general economic statistics are mostly produced by the NSO in accordance with ESA 2010 standards. Labour market statistics are also compiled on the basis of the NSO's Labour Force Survey (LFS). The LFS is based on a random sample of private households using concepts and definitions outlined by

Eurostat according to methodologies established by the International Labour Organisation (ILO). From March 2004, data are based on a weekly survey carried out throughout the reference quarter. The labour market data based on the administrative records of Jobsplus represent a measure of the gainfully occupied population using information obtained from the engagement and termination forms filed with Jobsplus itself. Jobsplus data on unemployment are based on the number of persons registering for work under Part 1 and Part 2 of the unemployment register.

The RPI covers all monetary consumption expenditure incurred by Maltese residents weighted according to the spending pattern derived from the Household Budgetary Survey. The HICP by contrast covers all household final consumption expenditure irrespective of nationality or residence status.

Consequently, the HICP uses weights that cover not only resident private and institutional household expenditure but also expenditure by tourists in Malta. The differences in these weighting schemes account significantly for the monthly disparities between the RPI and the HICP. The sources of the data used in the compilation of the Central Bank of Malta's property prices index are the advertisements for the sale of properties in all localities in Malta and Gozo published in a local Sunday newspaper. Data for a particular quarter are derived from the newspapers published on the first Sunday of each month within the quarter. The property types include flats and maisonettes, both in shell and in finished form, together with terraced houses, townhouses, houses of character and villas. Indices for each property type are derived on the basis of median prices weighted by the number of observations in each property category. The overall index is a Fischer chained index, calculated as the square root of the product of the chained Laspeyres and the chained Paasche indices. Annual data are derived as an average of the quarterly indices. Prices of commercial properties are excluded from the index.

### [Real Economy Indicators](#)

#### **ABBREVIATIONS LIST**

COICOP	Classification of Individual Consumption by Purpose
ECB	European Central Bank
ecu	european currency unit
EONIA	Euro OverNight Index Average
EURIBOR	Euro Interbank Offered Rate
ESA 95	European System of Accounts 1995
ESA 2010	European System of Accounts 2010
ESCB	European System of Central Banks
GDP	Gross Domestic Product
HICP	Harmonised Index of Consumer Prices
IMF	International Monetary Fund
IF	Investment Funds
IC	Insurance Corporations
LFS	Labour Force Survey

MFI	monetary financial institution
MFSA	Malta Financial Services Authority
MSE	Malta Stock Exchange
NACE	statistical classification of economic activities in the European Community
NCB	national central bank
NPISH	Non-Profit Institutions Serving Households
NSO	National Statistics Office
OMFI	Other Monetary Financial Institution
RPI	Retail Price Index
SPE	Special Purpose Entities