



TECHNICAL ASSISTANCE REPORT

VIETNAM

Financial Soundness Indicators Mission
(April 3–7, 2023)

AUGUST 2024

Prepared By:

Phousnith Kay

Authoring Department:

Statistics Department

DISCLAIMER

The contents of this report constitute technical advice provided by the staff of the International Monetary Fund (IMF) to the authorities of Vietnam (the "TA recipient") in response to their request for technical assistance. This report (in whole or in part) or summaries thereof may be disclosed by the IMF to IMF Executive Directors and members of their staff, as well as to other agencies or instrumentalities of the TA recipient, and upon their request, to World Bank staff and other technical assistance providers and donors with legitimate interest, unless the TA recipient specifically objects to such disclosure (see Operational Guidelines for the Dissemination of Technical Assistance Information—<http://www.IMF.org/external/np/pp/eng/2013/061013.pdf>). Disclosure of this report (in whole or in part) or summaries thereof to parties outside the IMF other than agencies or instrumentalities of the TA recipient, World Bank staff, other technical assistance providers and donors with legitimate interest shall require the explicit consent of the TA recipient and the IMF's Statistics Department.

This TA was financed by the Financial Sector Stability Fund.

CD RECIPIENTS



Vietnam

Table of Contents

Acronyms and Abbreviations	2
Summary of Mission Outcomes and Priority Recommendations.....	3
I. Introduction	5
A. Background	5
B. The Financial Sector in Vietnam	5
II. Detailed Technical Assessment and Recommendations	8
A. Financial Soundness Indicators for Deposit Takers.....	8
B. Institutional Coverage and Consolidation Basis.....	9
C. Accounting and Regulatory Frameworks Underlying the FSIs Data.....	10
D. Source Data for Deposit Takers.....	11
E. FSIs Compilation Framework.....	12
F. FSIs Metadata	14
G. FSIs Data and Metadata Reporting.....	15
H. Future Training and Technical Assistance	15
Appendices	16
I. Credit Institutions' Aggregated Financial Statements	16
II. Additional Source Data for Compiling New FSIs	19
III. Bridge Table with Source Data Mapping to New FSIs Report Forms	20
IV. FSI Metadata Table 2	24

Acronyms and Abbreviations

BSA	Bank Supervisory Agency, SBV
CIs	Credit institutions
DTs	Deposit takers
DL	Domestic location
FSIs	Financial soundness indicators
FBBs	Foreign bank branches
GDP	Gross domestic product
ISA	Insurance Supervisory Agency
IFRS	International Financial Reporting Standards
IMF	International Monetary Fund
JSCBs	Joint-stock commercial banks
MPSD	Macroprudential Supervision Department, SBV
MFI	Microfinance institutions
MOF	Ministry of Finance
MPD	Monetary Policy Department, SBV
MSFD	Monetary Statistics and Forecasting Department, SBV
OFCs	Other financial corporations
PCFs	People's Credit Funds
ROA	Return on assets
ROE	Return on equity
RWAs	Risk-weighted assets
SBV	State Bank of Vietnam
SOCBs	State-owned commercial banks
STA	Statistics Department, IMF
TA	Technical assistance
VAS	Vietnamese Accounting Standards
VBSP	Vietnam Bank for Social Policies
VDB	Vietnam Development Bank
WFOBs	Whole foreign-owned banks

Summary of Mission Outcomes and Priority Recommendations

- 1. At the request of the State Bank of Vietnam (SBV), and with the support of the International Monetary Fund's (IMF's) Asia and Pacific Department, the IMF's Statistics Department (STA) conducted a technical assistance (TA) mission on financial soundness indicators (FSIs) in Hanoi, Vietnam, during April 3–7, 2023.** The mission (i) reviewed available source data for the deposit takers (DTs) to assess their adequacy for compiling FSIs; (ii) prepared spreadsheets for compiling FSIs for DTs; and (iii) used the spreadsheets to compile FSIs for DTs from available source data, using the new FSIs report forms in line with the *2019 FSIs Compilation Guide (2019 FSIs Guide)*.
- 2. The DTs sector in Vietnam is dominated by state-owned commercial banks (SOCBs) and joint-stock commercial banks (JSCBs).** As of December 2022, their combined total assets accounted for 84.6 percent of the banking system's total assets (equivalent to 168 percent of GDP). The remaining DTs were relatively small in terms of market share. The FSIs compilation during the mission covered almost all credit institutions (CIs) that are sectorized as DTs.¹ Only a few DTs were excluded as their data were not adequate, but their market share was small, equivalent to only 2.4 percent of the DTs' total assets. In this regard, the institutional coverage of the FSIs for DTs is virtually complete.
- 3. At the time of the mission the SBV reported 10 core and 7 additional FSIs for DTs and one FSI for real estate markets for posting on the IMF's FSIs data portal.** The FSIs are compiled and reported on a semi-annual basis, using the old report forms, based on the *2006 FSIs Guide*. The FSIs methodology was updated as reflected in the *2019 FSIs Guide* in response to the need for more and better financial sector data to strengthen macrofinancial surveillance. As part of the implementation of the new FSIs methodology, STA started using new FSIs report forms to collect FSIs data from reporting authorities. Therefore, there is a need to develop new compilation spreadsheets to compile and report FSIs for Vietnam in line with the new reporting procedures.
- 4. The mission worked with the SBV officials to implement the new FSIs report forms in line with the 2019 FSIs Guide.** This task involved preparing spreadsheets, in which available source data for DTs are electronically linked to the new FSIs report forms based on the account classification and sectoring recommended in the *2019 FSIs Guide*. This framework provides a tool to electronically derive the FSIs for DTs from source data, thus minimizing manual work and errors. As a result of the mission, the SBV is positioned to start compiling and reporting FSIs, using the new FSIs report forms for dissemination on the IMF's FSIs data portal.
- 5. The CIs' aggregated financial statements used as source data provide adequate breakdowns for the FSIs compilation based on the 2019 FSIs Guide.** These source data include balance sheet, income statement, and supervisory series that are needed for compiling FSIs. The account descriptions used in the financial statements are sufficiently clear to facilitate source data mapping to the new FSIs report forms. Nevertheless, the mission worked with the SBV officials to improve breakdowns of a few accounts in the source data, such as splitting provisions into those for loan losses and for other financial assets and splitting loans by counterpart sectors.
- 6. The current data collection system is adequate for compiling FSIs.** The balance sheet and income statement are collected from CIs on a quarterly basis. CIs are required to submit data for the first three quarters within 30 days and data for the last quarter within 45 days after the end of the reference quarter. During the mission, data for the third quarter of 2022 were used as source data to develop the new FSIs compilation spreadsheets. The SBV officials explained that there is a plan to improve FSIs data

¹ Based on the SBV's Circular No: 49/2014/TT-NHNN, CIs include banks, non-bank CIs, and foreign bank branches.

frequency from the current semi-annual frequency to quarterly frequency, but this plan will require the SBV management’s approval.

7. The mission worked with the SBV officials to compile FSIs, using the new spreadsheets, and prepared metadata based on the new report forms. As noted earlier, the quarterly data for the third quarter of 2022 were used for the FSIs compilation during the mission. As a result, eleven core and six additional FSIs for DTs and one real estate market indicator were compiled. The mission recommended that the Macprudential Supervision Department (MPSD) of the Bank Supervisory Agency (BSA), which is responsible for the FSIs compilation, should collaborate with the Monetary Policy Department (MPD) and Monetary Statistics and Forecasting Department (MSFD) to obtain additional source data to compile new FSIs for DTs as set forth in the *2019 FSIs Guide*. During the mission, the new FSIs metadata forms were completed based on available information on accounting and regulatory frameworks, and the compilation practices. The FSIs metadata should be disseminated along with the FSIs.

8. In addition to the focus on DTs, the mission discussed with the SBV officials the possibility of compiling FSIs for the insurance sector, which is becoming increasingly important for macroprudential surveillance. The insurance sector in Vietnam has grown rapidly in recent years with total assets increasing on average by about 23 percent annually from 2016 to 2021. The sector’s 2021 total assets were equivalent to 8.4 percent of GDP. As available data on insurance sector were limited and inadequate for the FSIs compilation, the SBV should establish a data sharing agreement with the insurance supervisory agency (ISA) to obtain the necessary data.

9. A timeframe for reporting the FSIs for DTs to STA was also discussed and agreed on with the authorities. Based on this timeframe, the SBV will (i) submit to STA for review the FSIs for DTs (Table 5.1 DT) and the FSIs metadata in the new FSIs report forms; (ii) provide data for additional breakdowns to improve source data in the FSIs compilation spreadsheets developed during the mission; and (iii) start regular reporting of the FSIs for DTs in the new FSIs report forms (Table 5.1 DT) to STA for dissemination on the IMF’s FSIs data portal.

10. To support progress in the compilation and dissemination of the FSIs for DTs in line with the 2019 FSIs Guide, the mission recommended a detailed action plan with the priority recommendations summarized in Table 1. Further details on the other recommendations and the related actions/milestones can be found in the section on Detailed Technical Assessment and Recommendations.

Table 1. Vietnam: Priority Recommendations

Target Date	Priority Recommendations	Responsible Institutions
September 2024	<i>Report the FSIs for the DTs (Table 5.1 DT), including data from the first quarter of 2022 (or the second quarter of 2022 for semi-annual frequency) and the finalized FSIs metadata in the new report forms to STA for review.</i>	SBV
October 2024	<i>Start regular reporting of the FSIs for DTs in the new FSIs report forms (Table 5.1 DT) to STA for dissemination on the IMF’s FSIs data portal.</i>	SBV

I. Introduction

A. Background

11. The FSIs methodology was updated and reflected in the (new) 2019 FSIs Guide in response to the need for more and better financial sector data to strengthen macrofinancial surveillance. As part of this methodological enhancement, the original list of FSIs in the *2006 FSIs Guide* was expanded to include more FSIs and to cover more sectors. In this regard, the *2019 FSIs Guide* recommends compiling and disseminating 17 core and 12 additional FSIs for DTs, one core FSI on residential real estate prices, and 23 additional FSIs for other sectors. The IMF's FSIs data portal disseminates FSIs data and metadata of 153 countries. The site acts as a hub where users have a point of easy access to FSIs that comply with accepted methodological standards, promoting cross-country comparability.

12. The SBV's work on FSIs started in 2009 with support of a TA mission from STA. This mission worked with the SBV officials to identify the coverage of DTs and source data for compiling FSIs. The compilation spreadsheets were developed to derive FSIs for DTs from available data for the CIs that were sectorized as DTs. Another STA TA mission in 2009 worked with officials of the BSA to advance work on the FSIs compilation. As a result, the SBV currently reports 10 core and 7 additional FSIs for DTs and one FSI for real estate markets for posting on the IMF's FSI data portal. The FSIs data are compiled and reported on a semi-annual basis, based on the *2006 FSIs Guide*.

13. The main objective of this mission was to work with the SBV officials to implement the new FSIs report forms in line with the 2019 FSIs Guide. This will facilitate the FSIs reporting going forward as STA already started using the new report forms to collect FSIs data from reporting countries. The mission's focus was on developing spreadsheets to electronically derive FSIs for DTs from source data based on the updated methodology. This new compilation framework will enhance the FSIs compilation and minimize manual work and potential errors. The mission achieved its objective thanks to the excellent cooperation from the SBV's relevant officials.

B. The Financial Sector in Vietnam

14. The financial sector in Vietnam consists of all financial corporations' sectors as defined in the 2019 FSIs Guide, namely the central bank, deposit takers (DTs), and other financial corporations (OFCs). The SBV is the country's central bank, whose functions and responsibilities are contained in the Government Decree No. 96 of August 2008. The SBV's functions include (i) issuance of currency, (ii) management of the country's international reserves, (iii) banker for the government and banks, (iv) formulation and conduct of monetary policy, (v) organization and conduct of the payment system, and (vi) monitoring and supervision of the banking and credit activities. The MPD in the BSA is responsible for compiling FSIs.

15. The DTs subsector in Vietnam covers almost all CIs as only a few CIs do not take deposits. Based on the SBV's Circular No: 49/2014/TT-NHNN,² CIs include banks, non-bank CIs, and foreign bank branches (FBBs). CIs, whose principal financial activities include deposit taking, are state-owned commercial banks (SOCBs), joint stock commercial banks (JSCBs), joint venture commercial banks (JVCBs), whole foreign-owned banks (WFOBs), Vietnam Bank for Social Policies (VBSP), Cooperative

² Circular dated December 31, 2014, amending and supplementing a number of terms and conditions of the financial reporting regime for CIs issued together with Decision No. 1 6/2007/QĐ-NHNN dated 18/4/2007 and the system of accounting accounts of CIs promulgated together with Decision No. 479 /2004/QĐ-NHNN dated April 29, 2004, of the Governor of the State Bank.

Bank, finance companies, microfinance institutions (MFIs), FBBs, and People's Credit Funds (PCFs). The Postal Savings Services (PSS), which also takes deposits, has been merged with one of JSCBs. Non-deposit taking CIs are the Vietnam Development Bank (VDB) and leasing companies, although there are deposits from customers of a small amount on the liability side of VDB's balance sheet (about 0.35 percent of total liabilities). The number and market share of CIs are presented in Table 2 below.

Table 2. Vietnam: Structure of CIs System

Credit Institutions (as of December 2022)	Number of institutions	Total assets		
		(in billions of VND)	Percent of total CI system assets	Percent of GDP
Deposit takers	1,296	18,241,164	98	195.5
Banks	48	16,762,031	90	179.7
State-owned commercial banks	7	7,679,165.7	41.4	82.3
Joint stock commercial banks*	28	8,000,502.4	43.2	85.8
Joint venture commercial banks	2	82,092.6	0.4	0.9
Foreign-owned banks	9	649,917.6	3.5	7.0
Vietnam Bank for Social Policies	1	300,553.5	1.6	3.2
Cooperative Bank	1	49,799.5	0.3	0.5
Non-bank credit Institutions	16	266,064	1.4	2.9
Finance companies	16	266,064.4	1.4	2.9
Other credit Institutions	1,182	174,315	0.9	1.9
Microfinance institutions	4	10,073.7	0.1	0.1
People's Credit Funds	1,178	164,241.1	0.9	1.8
Foreign bank branches	50	1,038,753.3	5.6	11.1
Non-deposit takers	11	286,874.6	1.5	3.1
Leasing companies	10	44,812.6	0.2	0.5
Vietnam Development Bank**	1	242,062.0	1.3	2.6
Total CI system	1,307	18,538,039	100	198.6
* Include Postal Savings Services.				
** The feasibility of inclusion of the VDB in the calculation of FSIs for OFCs will depend on the final decision whether the VDB is classified as a financial or government unit. The tentative recommendations of the November 2023 mission on public sector debt statistics and government finance statistics is to classify the VDB as a government unit. This classification will need to be reviewed by the future missions focusing on the compilation of OFCs data.				
Memo: 2022 GDP = VND 9,329,244.8 billion (World Economic Outlook Database)				

Source: SBV

16. The CI system is dominated by SOCBs and JSCBs as their total assets combined account for 84.6 percent of the CI system's total assets (equivalent to 168 percent of GDP). As of December 2022, FBBs were the third largest group of CIs with total assets equivalent to 5.6 percent, while WOFBs accounted for 3.5 percent of the CIs' total assets. Therefore, the remaining CIs, namely JVCBs, VBSP, VDB, finance companies, Cooperative Bank, PCFs, and MFIs were relatively small in terms of market share, with total assets combined accounting for only about 6.3 percent of the CI system's total assets.

17. The OFCs are those financial corporations, excluding the central bank, that do not fall under the category of DTs. In Vietnam, the major OFCs are insurance corporations. Other institutions sectorized as OFCs are securities firms, fund management companies, provincial investment funds for development, several other nonbank financial institutions, and financial auxiliaries, such as representative

offices of foreign banks, the Stock Exchange, and foreign exchange bureaux. In Vietnam, there are no pension funds as defined in the *2019 FSIs Guide*.

18. The insurance sector in Vietnam has grown rapidly in recent years and has therefore become increasingly important for macrofinancial surveillance. Based on the Ministry of Finance’s (MOF’s) Annual Report of Vietnam Insurance Market 2021, the insurance sector consisted of 32 non-life insurance companies, 19 life insurance companies, 2 professional reinsurers, and 24 insurance brokers. The sector’s total assets increased on average by about 23 percent annually from 2016 to 2021. Life insurance accounted for about 73 percent of total insurance premium. As shown in Table 3 below, the insurance sector’s annual percent growth of assets surpassed that of the deposit takers. The sector’s 2021 total assets were equivalent to 8.4 percent of GDP.³ However, available data on OFCs, especially on insurance sector were limited and inadequate for the FSIs compilation.

Table 3. Asset Growth of the Financial Sector in Vietnam

Institutions	Total assets (in billions of VND) and annual percent growth (%)						Percent growth from 2016 to 2021 (%)
	2016	2017	2018	2019	2020	2021	
Insurance subsector*	248,247	316,487	395,215	462,964	573,368	708,534	185.4
	22.7	27.5	24.9	17.1	23.8	23.6	
Deposit takers subsector**	8,116,532	9,638,331	10,661,565	12,092,503	13,638,707	15,597,473	92.2
	16.4	18.7	10.6	13.4	12.8	14.4	

Data source:

*The Annual Report of Vietnam Insurance Market 2021.

**FSIs data for Vietnam disseminated on the IMF’s FSIs data portal.

Recommendation:

- The SBV to establish a data sharing agreement with the Insurance Supervisory Agency (ISA) under the MOF to obtain data for compiling the FSIs on insurance sector.
- The SBV to start collecting data on insurance sector from the ISA for compiling the FSIs on insurance sector.

³ 2021 GDP = VND 8,389,837.7 billion (World Economic Outlook Database).

II. Detailed Technical Assessment and Recommendations

19. **The Action Plan below includes steps to accomplish milestones as well as the target completion dates.** Actions are identified as high (H), medium (M), and priority recommendations (PR).

Priority	Recommendations	Target Completion Date
A new data set has been compiled and disseminated internally and/or to the public		
PR	Report the FSIs for the DTs (Table 5.1 DT), including data from the first quarter of 2022 (or the second quarter of 2022 for semi-annual frequency) and the finalized FSIs metadata in the new report forms to STA for review.	September 2024
H	Start regular compilation of the FSIs for DTs using the spreadsheets developed during this TA mission.	September 2024
PR	Start regular reporting of the FSIs for DTs in the new FSIs report forms (Table 5.1 DT) to STA for dissemination on the IMF's FSIs data portal.	October 2024
Improved data and metadata accessibility		
H	Finalize the FSIs metadata for Vietnam, which were prepared during the mission to reflect the compilation and reporting of the FSIs based on the <i>2019 FSIs Guide</i> .	September 2024
H	Update FSIs metadata prepared during the mission when there are changes in the accounting and regulatory framework, as well as data definitions or calculation of underlying FSIs data.	Continuous
Source data are adequate for the compilation of these macroeconomic statistics		
PR	Provide data for addition breakdowns, which were added in the source data templates during the mission.	September 2024
H	Collect additional data from other departments within the SBV to compile new FSIs as discussed during the mission (see Appendix II).	October 2024
H	Establish a data sharing agreement with the Insurance Supervisory Agency (ISA) under the MOF to obtain data for compiling the FSIs on insurance sector.	October 2024
H	Start collecting data on insurance sector from the ISA for compiling the FSIs on insurance sector.	October 2024
Methodological basis for the statistics follows internationally accepted standards, guidelines, or good practices		
H	Use the formulas provided during the mission to compile the memorandum series for annualized net income before and after tax and average total assets and equity for calculation of return on assets (ROA) and return on equity (ROE).	Continuous
Strengthening staff capacity		
M	Nominate officials responsible for the FSIs compilation that have not yet participated in the IMF's FSIs training to attend training courses to be conducted by STA.	Continuous

A. Financial Soundness Indicators for Deposit Takers

20. **The mission developed a framework to electronically derive the FSIs for DTs from source data based on the 2019 FSIs Guide.** This task involved preparing spreadsheets, in which source data are electronically mapped to the new FSIs report forms through a bridge table, providing a tool to automatically derive DTs' sectoral financial statements. The source data mapping was carried out based

on the account classification and sectorization recommended in the *2019 FSIs Guide*. Using these spreadsheets to compile the FSIs will minimize manual work and errors, while the information on account classifications in the bridge table will be useful for future reference and for staff training. As a result of this mission, the SBV is positioned to use these spreadsheets to compile and report the FSIs for DTs based on the new FSIs report forms.

21. The mission worked with the BSA officials to improve source data. In addition to the development of the compilation framework, the focus was on improving the source data reported by the CIs to provide more information that is needed for appropriate account classification as set out in the *2019 FSIs Guide*. In this context, the mission in collaboration with the BSA officials expanded the source data templates to include several additional breakdowns, such as provisions for loan losses and for other financial assets and loans by counterpart sectors.

B. Institutional Coverage and Consolidation Basis

22. The mission focused on compiling the FSIs for CIs that are sectorized as DTs. In this regard, the institutional coverage of the FSIs for DTs is virtually complete as almost all CIs that are sectorized as DTs are included in the FSIs compilation. The deposit-taking CIs that are not included in the FSI compilation are only MFIs, finance companies, and PCFs with their combined market share equivalent to 2.4 percent of the CIs' total assets. So, their exclusion will not materially affect the FSIs for DTs.

23. Some DTs in Vietnam have subsidiaries in the banking and non-bank sectors and nonresident subsidiaries. Subsidiaries in the non-bank sector include non-bank financial subsidiaries (such as security firms and insurance companies) and nonfinancial subsidiaries. In addition, a few banks have nonresident subsidiaries. Based on the SBV's Circular No 49 / 2014 / TT-NHNN (2014), CIs having subsidiaries are required to submit solo data on each entity in the group as well as the group consolidated data for supervisory purposes. However, the consolidated financial statement also covers nonfinancial subsidiaries. This consolidation is not in line with the group consolidation recommended by the *2019 FSIs Guide*.⁴

24. Although CI parents are required to report both group-consolidated data and solo data, only solo data are used to compile FSIs. Currently, the BSA focuses on supervision of each individual CI rather than a group of CIs. According to the BSA officials, lack of staff capacity and creditability of group consolidation, and the coverage of group consolidation, including subsidiaries in the nonfinancial sector are obstacle to supervising CIs at the CIs' group level. All these are also the reasons that the consolidated data are not used to compile the FSIs.

25. Domestic location (DL) basis is used to compile the FSIs for DTs. As solo data without group consolidation are used as source data for the FSIs compilation, cross-sector and cross-border consolidation is not relevant. Therefore, the DL basis is an appropriate choice for the FSIs compilation. The DL basis includes domestically incorporated DTs and FBBs. In this regard, the FSIs compiled for DTs in Vietnam include domestically-controlled and foreign-controlled domestically incorporated DTs and FBBs.

⁴ Based on the *2019 FSIs Guide*, consolidated group reporting by a resident DT includes coverage of its own activities and those of its branches and financial subsidiaries (except insurance corporations), with any transactions and positions among these entities eliminated on consolidation. That is, nonfinancial subsidiaries are not covered in the consolidation group for the FSIs compilation.

C. Accounting and Regulatory Frameworks Underlying the FSIs Data

26. The regulatory framework underlying FSIs source data consists of the SBV's Circulars 22, 23, and 41. Those CIs that are subject to Circular 41 have adopted Basel II (since 2020), while those CIs that are not yet ready to adopt Basel II are allowed to follow Basel I Plus according to Circular 22. Finance companies follow Basel I Plus based on Circular 23. Basel I Plus is Basel I with a few additional requirements, such as reporting additional leverage ratios.⁵ According to section 2, Article 6 of Circular No. 41/2016/TT-NHNN on capital adequacy ratios on banks and foreign bank branches, banks without subsidiaries, foreign bank branches are obliged to regularly maintain the capital adequacy ratio, determined based on the financial statements of banks and foreign bank branches of at least 8%. Currently, the minimum capital adequacy requirement is measured by a ratio of total regulatory capital to risk-weighted assets (RWAs) at 8 percent for CIs that follow Basel II and 9 percent for CIs and finance companies that follow Basel I Plus.

27. The definition of nonperforming loans (NPLs) used for bank supervision in Vietnam is in line with the 2019 FSIs Guide. In addition to the criterion of overdue payments of principal or interest by more than 90 days, loans can be classified as NPLs if there is evidence of the counterparty's inadequate cash flows, one or more renewals, insufficient primary source of payment to service the payment, etc. Circular No. 11/2021/TT-NHNN dated July 30, 2021 prescribes classification of assets, amounts and methods of risk provisioning and use of provisions for control and management of risks arising from operations of CIs and FBBs.

28. Another important indicator for the FSI calculation and interpretation is provision for loan losses. The 2019 FSIs Guide defers to the national legal framework for provisioning, which should be documented in the metadata. This also applies to the allocation of allowances for expected credit loss under International Financial Reporting Standards (IFRS) to general and specific provisions. In Vietnam, interest stops accruing when a loan becomes an arrear, even before it becomes NPL. Therefore, interest accrued on NPLs does not exist in Vietnam. Below is a summary of provisioning that CIs should adhere to.

Table 4. Vietnam – Provisioning for Loan Losses

Loan classification	Required Provisioning (In percent)
Group 1 (standard debts)	0
Group 2 (debts with attention being paid to)	5
Group 3 (Sub-standard debts)	20
Group 4 (doubtful debts)	50
Group 5 (debts with possibly irrecoverable principals)	100

⁵ Ratios of short-term deposits to medium-term and long-term lending and loan to deposit.

Table 5. Vietnam: Summary of Risk-Weighted Coefficients by Type of Claims (Some examples under Basel I Plus subject to Circulars 22 and 23)

Type of Claim	Risk Weights (in percent)
Cash, gold, deposits with SBV	0
Precious metal, excluding gold, claims on general government, deposits, and loans among Cis	20
Claims on CIs, excluding deposits and loans specified in Clause 9, Article 148.dd of the Law on Cis	50
Capital contribution and share acquisition, excluding those that are deducted from Tier 1 capital	100
Claims on subsidiaries and affiliates of Cis	150
Real estate business related claims	200

29. In Vietnam, CIs are required to adopt Vietnamese Accounting Standards (VAS). There are a few deviations of VAS from the *2019 FSIs Guide* in terms of the asset valuation. The *2019 FSIs Guide* follows IFRS 9 regarding accounting principles for the recognition and measurement (valuation) of financial assets. IFRS 9 requires measurement using amortized cost,⁶ fair value through other comprehensive income (FVOCI), or fair value through profit and loss (FVTPL),⁷ based on the entity's business model for managing financial assets and the contractual cash flow characteristics. Below is a summary of comparison of VAS and IFRS 9 in terms of asset valuation.

Table 6. Comparison of Asset Valuation Based on VAS and IFRS 9

Type of Financial Instruments	VAS	IFRS 9
Shares and other equities	Historical cost	FVTPL
Debt securities available for sale	Historical cost	FVOCI
Debt securities held to maturity investments	Historical cost	Amortized cost
Debt securities held for trading	FVTPL	FVTPL
Loans	Book value	Amortized cost

30. Based on the 2019 FSIs Guide, the most appropriate exchange rate for conversion of positions denominated in foreign currency into national currency unit is the market (spot) exchange rate. Assets and liabilities shall be translated at the closing rate at the date of the financial statement position, while income and expenses and other comprehensive income shall be translated at the exchange rate at the dates of the transactions. The midpoint between buying and selling rates is preferred to ensure consistency of approach among the reporting population. In Vietnam, CIs use their own exchange rates, which are fixed within a certain band of the SBV's central official exchange rate, to cover positions in foreign currency into Vietnamese Dong. This practice is broadly in line with the *2019 FSIs Guide*.⁸

D. Source Data for Deposit Takers

31. Source data used for compiling FSIs are collected from CIs based on the SBV's Circular No: 49/2014/TT-NHNN. Based on this Circular, CIs should report balance sheet and income statement on

⁶ Amortized cost is the amount at which the financial asset or financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance (IFRS 9, Appendix A).

⁷ Fair value is "the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date" (IFRS 13 Fair Value Measurement, paragraph 9. 23).

⁸ See paragraph 4.55 in the *2019 FSIs Guide* for details on exchange rates for conversion.

a quarterly basis. For the first three quarters, the balance sheet and income statement shall be submitted to the SBV within 30 days after the end of the reference quarter, while for the fourth quarter they should be submitted within 45 days after the end of the reference quarter. Data are reported electronically via the SBV's website platform and stored in data warehouse, which is accessible to the BSA. As noted earlier, CIs that have subsidiaries submit solo data as well as group-consolidated data, covering all subsidiaries regardless of the sector, in which they operate. Therefore, the consolidated data are not suitable for the FSIs compilation.

32. The current data collection system is adequate for compiling FSIs with quarterly frequency. As noted earlier, balance sheet and income statement are collected from CIs on a quarterly basis. These financial statements are used as FSIs source data. During the mission, data for the third quarter of 2022 were used to develop the FSIs compilation spreadsheets. So, it is possible to compile quarterly FSIs for DTs. The BSA officials explained that there is a plan to improve FSIs data frequency from semi-annual to quarterly frequency, but this plan will require the SBV management's approval.

33. The CIs' aggregated financial statements used as FSIs source data templates provide adequate breakdowns for the FSIs compilation based on the 2019 FSIs Guide. The report forms include (1) balance sheet, (2) income statement with supplemental data on operating expenses, (3) loan classification and provisioning, and (4) a list of supervisory and memorandum series that are needed to compile FSIs. The account descriptions used in the report forms are sufficiently clear to facilitate source data mapping to the new FSIs report forms. Nevertheless, the mission worked with the BSA officials to improve breakdowns for a few items to ensure precise classification, such as splitting provisions into those for loan losses and for other financial assets and splitting loans by counterpart sectors. Breakdown of accrued interest by underlying financial instruments and by counterpart sector is not available and, therefore, accrued interest is included in other assets or other liabilities. The CIs' aggregated financial statements are presented in Appendix I.

Recommendation:

- *The BSA to provide data for addition breakdowns, which were added in the source data templates during the mission.*

34. The mission discussed with the BSA officials the possibility of collecting additional data to compile new FSIs. The mission proposed to collect data on credit to private sector, net open position in foreign exchange, residential real estate loans, spread between reference lending and deposit rates, and spread between highest and lowest interbank rates as they are useful to support the interpretation of FSIs. The mission also proposed to calculate additional FSIs, including foreign-currency-denominated liabilities to total liabilities as the underlying data are available from the SBV's other departments. The BSA officials explained that there will be a need for collaboration with the relevant departments, such as the MPD and the MSFD. A list of these additional data and their definition is presented in Appendix II.

Recommendation:

- *The BSA to collect additional data from other departments within the SBV to compile new FSIs as discussed during the mission.*

E. FSIs Compilation Framework

35. The mission focused on compiling the FSIs for DTs, covering CIs that accept deposits. As noted earlier, DTs in Vietnam include SOCBs, JSCBs, JVCBs, WFOBs, FBBs, finance companies, VBSP, MFIs, PCFs, and Cooperative Bank. However, MFIs, finance companies, and PCFs were not included in the FSIs compilation as their data were not adequate, but their combined market share was relatively

small (2.5 percent of the CIs' total assets). This means that the coverage of the FSIs for DTs compiled during the mission was equivalent to 97.5 percent of DTs' total assets based on available data as of December 2022 (equivalent to 190 percent of GDP).

36. The mission developed a framework for electronically deriving a set of FSIs for DTs from available source data. The process involved linking the aggregated balance sheet, income statement, and supervisory series for DTs to the new FSIs report forms through a bridge table. This framework provides a tool to electronically derive the sectoral financial statements and memorandum series (Table 5.1 for DTs) once source data are entered in the source data sheets. This process will minimize manual work and errors and ensure a smooth FSIs compilation even in case of the SBV staff turnover. The bridge table, which shows account allocation under relevant asset, liability, income, and expense categories, is useful for future reference. The bridge table is presented in Appendix III.

37. Income statement for CIs is compiled on an accumulative basis in line with the 2019 FSIs Guide's recommendation. In this case, data in the sectoral income statement are accumulated from the beginning of the reference year to the end of the reporting period. This reporting is to promote the comparability among countries given different frequency of data reported by countries. In this regard, the SBV will continue this practice and compile income and expense data on an accumulative basis.

38. There is a need to calculate annualized net income and averaged total assets and capital for the computation of return on asset (ROA) and return on equity (ROE). The annualization of the numerator and averaging of denominator is necessary as ROA and ROE are ratios of flow data to stock data. As noted earlier, the SBV currently reports FSIs on a semi-annual basis, using the old report forms based on the 2006 FSIs Guide. When the SBV is ready to report FSIs in the new FSIs report forms, the following calculations should be used, and the resulted data should be reported appropriately in the relevant rows in the new FSIs report forms. The preferred methods for annualization and averaging of quarterly data are as follows:

Table 7. Annualization and Averaging Formulas for Quarterly Data (Example for 2022 data)

Year/Quarter	Averaging equity and total assets			
2022Q1	$(2021Q4+2022Q1)/2$			
2022Q2	$(2021Q4+2022Q1+2022Q2)/3$			
2022Q3	$(2021Q4+2022Q1+2022Q2+2022Q3)/4$			
2022Q4	$(2021Q4+2022Q1+2022Q2+2022Q3+2022Q4)/5$			
Annualizing net income	2022Q1	2022Q2	2022Q4	2022Q4
	$2022Q1*4$	$2022Q2*2$	$2022Q3*3/4$	$2022Q4$

Table 8. Data Series in the New FSIs Report Forms for Compiling ROA and ROE

Data series for compiling FSIs: ROA and ROE
63. Annualized net income before taxes
64. Annualized net income after taxes
65. Average total assets
66. Average capital and reserves

Recommendation:

- The BSA to use the formulas provided during the mission to compile the memorandum series for annualized net income before and after tax and average total assets and equity.

39. A set of FSIs for DTs was compiled using the spreadsheets that were developed during the mission. The quarterly data for the third quarter of 2022 were used for the FSIs compilation. This was part of the testing of source data mapping to identify some teething problems with the compilation spreadsheets. The identified problems were addressed during the mission to ensure that the spreadsheets work smoothly going forward. As a result, eleven core and six additional FSIs for DTs and one real estate market indicator were compiled during the mission. The BSA will work with the SBV's other relevant departments (MPD and MSFD) to obtain additional source data to compile new FSIs for DTs as set forth in the *2019 FSIs Guide*.

40. The BSA is positioned to compile the FSIs for DTs, using the compilation spreadsheets developed during the mission. The mission provided the developed spreadsheets to the BSA officials and demonstrated how to use them and to make changes as needed to reflect source data improvement or new developments going forward.

Recommendation

- *The BSA to start regular compilation of the FSIs for DTs, using the spreadsheets developed by this TA mission.*

F. FSIs Metadata

41. The mission highlighted the need to complement the FSIs data with the corresponding metadata. Metadata are key to interpret FSIs and to allow for cross-country comparisons. Metadata should contain information on the content and coverage of the FSIs, as well as the accounting conventions and other national guidelines. Although the *2019 FSIs Guide* provides guidance on the calculation of FSIs underlying series, the calculation of some data series used by national FSIs compilers is not always fully in line with the *2019 FSIs Guide* due to lack of required detail. Furthermore, there might be some adjustments to the underlying series for the FSIs calculation. The *2019 FSIs Guide* also defers to national practices for the calculation of some underlying series. So, any deviations from the recommendations of the *2019 FSIs Guide* should be explained in the metadata and updated when necessary.

42. The mission worked with the BSA officials to complete the new FSIs metadata templates based on available information. The new FSIs metadata Table 2 and Table 3 were completed based on information on accounting and regulatory frameworks underlying the FSIs data and the compilation practices. The FSIs metadata should be disseminated along with the FSIs to support the data users' interpretation of the FSI data. The draft FSIs metadata Table 2 is presented in Appendix IV.

Recommendations:

- *The BSA to finalize the FSIs metadata for Vietnam, which was prepared during the mission to reflect the compilation and reporting of the FSIs based on the 2019 FSIs Guide.*
- *The BSA to update FSIs metadata prepared during the mission when there are changes in the accounting and regulatory framework, as well as data definitions or calculation of underlying FSIs data on a continuous basis.*

G. FSIs Data and Metadata Reporting

43. The compilation of FSIs, using the spreadsheets developed during the mission, will facilitate the FSIs reporting to STA for dissemination.⁹ As mentioned earlier, the developed spreadsheets provide a tool to electronically populate Table 5.1, which is the new report form for DTs' sectoral financial statement and memorandum series that reporting authorities should use to submit data for dissemination. Therefore, the BSA is positioned to implement the new FSIs report forms in line with the *2019 FSIs Guide*.

Recommendations:

- *The SBV to report the FSIs for the DTs (Table 5.1 DT), including data from the first quarter of 2022 (or the second quarter of 2022 for semi-annual frequency) and the finalized FSIs metadata in the new report forms to STA for review.*
- *The SBV to start regular reporting of the FSIs for DTs in the new FSIs report forms (Table 5.1 DT) to STA for dissemination on the IMF's FSIs data portal.*

H. Future Training and Technical Assistance

44. The BSA officials have been familiarized with the compilation spreadsheets, they know how source data are mapped and will be able to update them when needed and use them to compile the FSIs for DTs going forward. Nevertheless, staff capacity could be further enhanced through training. Currently, three officials of the MPSD are responsible for compiling the FSIs, but none of them have participated in the IMF's FSIs training courses. A Deputy Head and another official of the MPSD and an official of the International Cooperation Department closely worked with this mission. Training continues to be essential for the relevant officials to enhance their understanding of the data concepts and definitions as well as their capacity to collect and compile good quality data to support financial sector surveillance.

Recommendation:

- *The SBV to nominate the relevant officials that have not yet participated in the IMF's FSIs training to attend training courses to be conducted by STA both at the IMF's headquarters or Singapore Regional Training Institute.*

⁹ The authorities are still considering which FSIs to report to STA for dissemination on the IMF's FSIs data portal.

Appendices

APPENDIX I. CREDIT INSTITUTIONS' AGGREGATED FINANCIAL STATEMENTS

INCOME STATEMENT		2022Q1
	Unit: billion dong	
	Indicator	
1	Interest and similar incomes	
2	Interest and similar expenses	
I	Net interest incomes	
3	Incomes from services activity	
4	Expenses from services activity	
II	Net gains/(losses) from services activity	
III	Net gains/(losses) from FX trading activity	
IV	Net gains/(losses) from buying and selling trading securities	
V	Net gains/(losses) from buying and selling investment securities	
13	Incomes from other activities	
14	Expenses from other activities	
VI	Net gains/(losses) from other activities	
VII	Incomes from capital contribution and share acquisition	
VIII	Operating expenses	
IX	Net gains from business operations before provisioning for credit risk	
X	Credit risk provisioning	
1	Of which: Provision for loan losses	
2	Of which: Provisions for other financial assets	
XI	Gross profits before tax	
28	Current CIT expenses	
29	Deferred CIT expenses	
XII	CIT expenses	
XIII	After-tax profits	

OPERATING EXPENSES	
	Unit: billion dong
STT	Indicator
1	Payment of tax, fees and charges
2	Employee expenses
	- Salaries and allowances
	- Salary-based contributions
	- Subsidies
	- Other employee expenses
3	Asset expenses
	- Of which: fixed asset depreciations
4	Administrative expenses:
	- Travel and subsistence
	- Employee associations/employee morale expenses
5	Payment of insurance premiums for deposits of customers
6	Provisioning expenses (excluding credit risk provisions and securities risk provisions)
7	Other operating expenses
	Operating expenses

BALANCE SHEET

Unit: billion dong

Indicator	
I	Cash, gold, silver, and precious stones on hand
1	Of which: cash
2	Of which: gold, silver, and precious stones on hand
II	Balances with the SBV
III	Deposits with and lending to other credit institutions (1 + 2 + 3)
1	Deposits with other credit institutions
2	Lending to other credit institutions
3	Risk provisions
IV	Trading securities
1	Trading securities
2	Risk provisions for trading securities
V	Financial derivatives and other financial assets
VI	Lending to customers
1	Lending to customers
1.1.	Of which: Other financial corporations
1.2	Of which: Nonfinancial corporations
1.3	Of which: Other domestic sectors
2	Risk provisions for lending to customers
VII	Purchasing of debts
1	Purchasing of debts
2	Risk provisions for debts purchasing
VIII	Investment securities
1	Investment securities available for sale
2	Investment securities held to maturity
4	Risk provisions for investment securities
IX	Long-term investments and capital contribution
1	Investment in subsidiaries
2	Capital contribution in joint-ventures
3	Investments in affiliate companies
4	Other long-term investments
5	Provisions for diminution in the value of long-term investments
X	Fixed assets
1	Tangible fixed assets
a	Historical cost
b	Depreciation
2	Financial leasing fixed assets
a	Historical cost
b	Depreciation
3	Intangible fixed assets
a	Historical cost
b	Amortization
XI	Investment real property
a	Historical cost
b	Depreciation
XII	Other assets
1	Receivables
2	Interests and fees receivable
3	Deferred CIT assets
4	Other assets
5	Risk provisions for other on-balance sheet assets

	TOTAL ASSETS
B	LIABILITIES AND EQUITY
I	Claims by the Government and by the SBV
II	Deposits and borrowings from other credit institutions
1	Deposits from other credit institutions
2	Borrowings from other credit institutions
III	Deposits from customers
IV	Financial derivatives and other financial liabilities
V	Funding capital, entrusted investments, and loans to credit institutions at risk
VI	Issuance of securities
VII	Other liabilities
1	Interests and fees payable
2	Deferred CIT payable
3	Other payables and liabilities
4	Other risk provisions (Provisions for contingent liabilities)
	TOTAL LIABILITIES
VIII	EQUITY
1	Capital
a	Charter capital
b	CAPEX investments / Procurement of physical assets
c	Share premium
d	Treasury stocks
e	Preferred stocks
g	Other capital
2	Reserves
3	Foreign exchange differences
4	Asset revaluation differences
5	Undistributed profits/Cumulative losses
6	Non-controlling shareholder interests
	TOTAL LIABILITIES AND EQUITY
LOAN CLASSIFICATION AND RISK PROVISIONING	
	Unit: billion dongs, %
No.	Indicator
I	Loan classification
1	Group 1 loans
2	Group 2 loans
3	Group 3 loans
4	Group 4 loans
5	Group 5 loans
6	Non-performing loans
7	Total loans
8	NPL rate (%)
II	Institutional vs individual breakdown
1	Institutional
2	Individual
3	Other
III	Risk provisioning
1	Regulatory general risk provisions
2	Regulatory specific provisioning for Group 2 loans
3	Regulatory specific provisioning for Group 3 loans
4	Regulatory specific provisioning for Group 4 loans
5	Regulatory specific provisioning for Group 5 loans

APPENDIX II. ADDITIONAL SOURCE DATA FOR COMPILING NEW FSIS

Data Series	Definition
Foreign currency liabilities	Foreign currency liabilities are those liabilities that are denominated in a currency other than VND. If applicable, data should also include those liabilities that are denominated in VND but with the amounts to be paid linked to a foreign currency.
Net open position in foreign currency for on-balance-sheet items	DTs' net open position should be calculated in accordance with BCBS guidance. See BCBS, 2005, Amendment to the Capital Accord to Incorporate Market Risk, Basel, p. 25. This method is called the "shorthand" method by the BCBS. At supervisory discretion, DTs could use internal models.
Total net open position in foreign currency	This is the sum of net open position in foreign currency for on-balance-sheet items and off-balance-sheet items.
Credit to the private sector	Data include gross loans extended by DTs to the nonfinancial private sector, plus debt securities issued by private nonfinance corporations and held by DTs. Total credit is calculated on a gross basis, that is, excluding provisions for doubtful loans or debt securities.
Reference lending rates	It is a weighted average loan rate, excluding interest charged on loans between DTs.
Reference deposit rates	This is a weighted average deposit rate, excluding interest charged on deposits between DTs.
Highest interbank rate	Highest interest rate on lending among DTs.
Lowest interbank rate	Lowest interest rate on lending among DTs.
Residential real estate loans	Loans that are collateralized by residential real estate, such as houses, apartments and other dwellings (e.g., houseboats and mobile homes), and any associated land intended for occupancy by individual households.

APPENDIX III. BRIDGE TABLE WITH SOURCE DATA MAPPING TO NEW FSIS REPORT FORMS

(Items in red font are accounts reported in CI's financial statements and memorandum series)

Table 5.1. Deposit Takers	
(In millions of VND)	
Income and Expense Statement*	
	1. Interest income
	i. Gross interest income
1	Interest and similar incomes
	ii. Less provisions for accrued interest on nonperforming assets
	2. Interest expense
2	Interest and similar expenses
	3. Net interest income (= 1 – 2)
	4. Noninterest income
	i. Fees and commissions receivable
3	Incomes from services activity
	ii. Gains or losses on financial instruments
III	Net gains/(losses) from FX trading activity
IV	Net gains/(losses) from buying and selling trading securities
V	Net gains/(losses) from buying and selling investment securities
13	Incomes from other activities
	iii. Prorated earnings
	iv. Other income
VII	Incomes from capital contribution and share acquisition
	5. Gross income (= 3 + 4)
	6. Noninterest expenses
	i. Personnel costs
2	Employee expenses
	ii. Other expenses
4	Expenses from services activity
14	Expenses from other activities
1	Payment of tax, fees and charges
3	Asset expenses
4	Administrative expenses:
5	Payment of insurance premiums for deposits of customers
6	Provisioning expenses (excluding credit risk provisions and securities risk provisions)
7	Other operating expenses
	7. Provisions (net)
	i. Loan loss provisions
1	Of which: Provision for loan losses
	ii. Other financial asset provisions
2	Of which: Provisions for other financial assets
	8. Net income before taxes (= 5 – (6 + 7))
	9. Income tax
XII	CIT expenses
	10. Net income after taxes (= 8 – 9)
	11. Other comprehensive income (loss) net of tax
	12. Dividends payable
	13. Retained earnings (= 10 – 12)
Balance Sheet	
	14. Total assets (= 15 + 16 = 23 + 31)
	15. Nonfinancial assets
2	Of which: gold, silver, and precious stones on hand
X	Fixed assets
XI	Investment real property
	16. Financial assets (= 17 through 22)
	17. Currency and deposits

APPENDIX III. BRIDGE TABLE WITH SOURCE DATA MAPPING TO NEW FSIS REPORT FORMS

(Items in red font are accounts reported in CI's financial statements and memorandum series)

1	Of which: cash
II	Balances with the SBV
1	Deposits with other credit institutions
	18. Loans (after specific provisions) (= 18.i – 18.ii)
	i. Gross loans
	i.i. Interbank loans
	i.i.i. Resident
2	Lending to other credit institutions
	i.i.ii. Nonresident
	i.ii. Noninterbank loans
	i.ii.i. Central bank
	i.ii.ii. General government
	i.ii.iii. Other financial corporations
1.1.	Of which: Other financial corporations
	i.ii.iv. Nonfinancial corporations
1.2	Of which: Nonfinancial corporations
	i.ii.v. Other domestic sectors
1.3	Of which: Other domestic sectors
1	Purchasing of debts
	i.ii.vi. Nonresidents
	ii. Specific provisions
3	Regulatory specific provisioning for Group 3 loans
4	Regulatory specific provisioning for Group 4 loans
5	Regulatory specific provisioning for Group 5 loans
	19. Debt securities
1	Trading securities
1	Investment securities available for sale
2	Investment securities held to maturity
	20. Equity and investment fund shares
1	Investment in subsidiaries
2	Capital contribution in joint-ventures
3	Investments in affiliate companies
4	Other long-term investments
	21. Financial derivatives
V	Financial derivatives and other financial assets
	22. Other financial assets
1	Receivables
2	Interests and fees receivable
3	Deferred CIT assets
4	Other assets
	23. Liabilities (= 28 + 29 + 30)
	24. Currency and deposits
	i. Customer deposits
III	Deposits from customers
	ii. Interbank deposits
	ii.i. Resident
1	Deposits from other credit institutions
	ii.ii. Nonresident
	iii. Other currency and deposits
I	Claims by the Government and by the SBV
	25. Loans
2	Borrowings from other credit institutions
V	Funding capital, entrusted investments and loans to credit institutions at risk
	26. Debt securities
VI	Issuance of securities

APPENDIX III. BRIDGE TABLE WITH SOURCE DATA MAPPING TO NEW FSIS REPORT FORMS

(Items in red font are accounts reported in CI's financial statements and memorandum series)

	27. Other liabilities
1	Interests and fees payable
2	Deferred CIT payable
3	Other payables and liabilities
	28. Debt (= 24 through 27)
	29. Financial derivatives and employee stock options
IV	Financial derivatives and other financial liabilities
	30. General and other provisions
1	Regulatory general risk provisions
2	Regulatory specific provisioning for Group 2 loans
Memo	Difference between risk provisions in B/S and LC = (a) minus (b)
	31. Capital and reserves
VIII	EQUITY
	32. Balance sheet total (=23 + 31 = 14)
	V-check
	Memorandum Series
	Other series required to calculate FSIs:
	Supervisory-based series
	33. Tier 1 capital less corresponding supervisory deductions
1	Tier-1 capital
	34. Common Equity Tier 1 (CET1) capital less corresponding supervisory deductions
	35. Additional Tier 1 (AT1) capital less corresponding supervisory deductions ⁴
	36. Tier 2 capital less corresponding supervisory deductions
2	Tier-2 capital
	37. Tier 3 capital
	38. Other supervisory deductions
3	Deductions from equity
	39. Total regulatory capital (= 33 + 36+ 37- 38)
	40. Risk-weighted assets
5	Risk weighted assets
	41. Basel III total exposure measure
	42. High-quality liquid assets
	43. Total net cash outflows over the next 30 calendar days
	44. Available amount of stable funding
	45. Required amount of stable funding
	46. Large exposures
	Series that provide a further analysis of the balance sheet:
	47. Liquid assets
	Liquid assets
	48. Short-term liabilities
	49. Nonperforming loans
6	Non-performing loans
	50. Residential real estate loans
	51. Commercial real estate loans
	Commercial real estate loans
	52. Geographic distribution of loans
	(i) Domestic economy
	(ii) Advanced economies
	(iii) Emerging market and developing economies
	ii.i. Emerging and developing Asia
	ii.ii. Emerging and developing Europe
	ii.iii. Latin America and the Caribbean
	ii.iv. Middle East and Central Asia
	ii.v. Sub-Saharan Africa
	53. Foreign currency loans

APPENDIX III. BRIDGE TABLE WITH SOURCE DATA MAPPING TO NEW FSIS REPORT FORMS

(Items in red font are accounts reported in CI's financial statements and memorandum series)

	Foreign currency loans
54.	Foreign currency liabilities
	Foreign currency liabilities
55.	Net open position in foreign currency for on-balance-sheet items
	Net open position in foreign currency for on-balance-sheet items
56.	Total net open position in foreign currency
	Total net open position in foreign currency
57.	Credit to the private sector
	Credit to the private sector
58.	Loan concentration by economic activity
59.	Reference lending rates
	Reference lending rates
60.	Reference deposit rates
	Reference deposit rates
61.	Highest interbank rate
	Highest interbank rate
62.	Lowest interbank rate
	Lowest interbank rate
	Data series for compiling FSIs: ROA and ROE
63.	Annualized net income before taxes
64.	Annualized net income after taxes
65.	Average total assets
66.	Average capital and reserves

APPENDIX IV. FSI METADATA TABLE 2

Table 2. Metadata: Financial Soundness Indicators and Underlying Series				
Indicator	Definition	Consolidation Basis	Intra-Group Adjustments	Accounting Standards
Core Set				
Deposit takers				
Regulatory capital to risk-weighted assets				
Total regulatory capital	Basel I and Basel II	DL	No adjustments	National GAAP
Risk-weighted assets	Basel I and Basel II	DL	No adjustments	National GAAP
Tier 1 capital to risk-weighted assets				
Tier 1 capital	Basel I and Basel II	DL	No adjustments	National GAAP
Risk-weighted assets	Basel I and Basel II	DL	No adjustments	National GAAP
loans net of provisions to capital				
Nonperforming loans net of provisions	>90 days	DL	No adjustments	National GAAP
Total regulatory capital	Basel I and Basel II	DL	No adjustments	National GAAP
Common Equity Tier 1 capital to risk-weighted assets				
Common Equity Tier 1 capital				
Risk-weighted assets				
Tier 1 capital to assets				
Tier 1 capital	Basel I and Basel II	DL	No adjustments	National GAAP
Total assets		DL	No adjustments	National GAAP
Nonperforming loans to total gross loans				
Nonperforming loans	>90 days	DL	No adjustments	National GAAP
Total gross loans		DL	No adjustments	National GAAP
Loan concentration by economic activity				
Loan concentration by economic activity				
Total gross loans to nonfinancial corporations				
Provisions to nonperforming loans				
Specific provisions		DL	No adjustments	National GAAP
Nonperforming loans	>90 days			
Return on assets				
Net income before taxes		DL	No adjustments	National GAAP
Total assets		DL	No adjustments	National GAAP
Return on equity				
Net income after taxes		DL	No adjustments	National GAAP
Capital		DL	No adjustments	National GAAP
Interest margin to gross income				
Interest margin		DL	No adjustments	National GAAP
Gross income		DL	No adjustments	National GAAP
Noninterest expense to gross income		DL	No adjustments	National GAAP
Noninterest expenses		DL	No adjustments	National GAAP
Gross income				
Liquid assets to total assets		DL	No adjustments	National GAAP
Liquid assets		DL	No adjustments	National GAAP
Total assets				
Liquid assets to short-term liabilities				
Liquid assets				
Short-term liabilities				
Liquidity coverage ratio				
High-quality liquid assets				
Total net cash outflows				
Net stable funding ratio				
Available amount of stable funding				
Required amount of stable funding				
Net open position in foreign exchange to capital				
Net open position in foreign exchange				
Total regulatory capital				

Real Estate Markets				
Residential real estate prices (Percentage change/last 12 months)				
Additional Set				
Deposit takers				
Large exposures to capital				
Value of large exposures				
Tier 1 capital				
Geographical distribution of loans to total loans				
Gross asset position in financial derivatives to capital				
Gross asset position in financial derivatives		DL	No adjustments	National GAAP
Total regulatory capital	Basel I and Basel II	DL	No adjustments	National GAAP
Gross liability position in financial derivatives to capital				
Gross liability position in financial derivatives		DL	No adjustments	National GAAP
Total regulatory capital	Basel I and Basel II	DL	No adjustments	National GAAP
Trading income to total income				
Trading income		DL	No adjustments	National GAAP
Gross income		DL	No adjustments	National GAAP
Personnel expenses to noninterest expenses				
Personnel expenses		DL	No adjustments	National GAAP
Noninterest expenses		DL	No adjustments	National GAAP
Spread between reference lending and deposit rates (base points)				
Reference lending rates				
Reference deposit rates				
Spread between highest and lowest interbank rates (base points)				
Highest interbank rate				
Lowest interbank rate				
Customer deposits to total (noninterbank) loans				
Customer deposits		DL	No adjustments	National GAAP
Total (noninterbank) loans		DL	No adjustments	National GAAP
Foreign-currency-denominated loans to total loans				
Foreign-currency-denominated loans		DL	No adjustments	National GAAP
Total gross loans		DL	No adjustments	National GAAP
Foreign-currency-denominated liabilities to total liabilities				
Foreign-currency-denominated liabilities				
Total liabilities				
Credit growth to private sector				
Credit to private sector				
Other financial corporations				
Money Market funds (MMF)				
Insurance Corporations				
Pension Funds				
Households				
Real estate markets				
Commercial real estate prices (Percentage change/last 12 months)				
Residential real estate loans to total gross loans				
Residential real estate loans				
Total gross loans				
Commercial real estate loans to total gross loans				
Commercial real estate loans		DL	No adjustments	National GAAP
Total gross loans		DL	No adjustments	National GAAP