

Zurich, April 2011

Statistics
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Notes on the current account survey for banks

I. General remarks

Purpose of survey

This survey is used for drawing up the current account, which covers the trade in goods and services, labour and investment income, as well as transfers between Switzerland or the Principality of Liechtenstein and other countries.

Legal basis

According to the Federal Act on the Swiss National Bank of 3 October 2003 (National Bank Act), the Ordinance on the National Bank Act of 18 March 2004 (National Bank Ordinance), and the annexes to the currency treaty between the Swiss Confederation and the Principality of Liechtenstein of 3 November 1998, the Swiss National Bank is authorised to collect the statistical data required for drawing up the balance of payments and the statistics on the international investment position.

Reporting institutions

Pursuant to the Appendix to the National Bank Ordinance, legal entities and companies are obliged to supply information if the transaction value of a reporting item (cf. description of categories) exceeds CHF 100,000 in the period under review.

Reporting period

Data reporting covers one calendar quarter or one calendar year. Data for the second, third or fourth quarter must not be combined with data for the preceding quarters. Receipts and expenses must be reported on an accrual basis.

Submission deadline

Quarterly survey: One month after the end of the reporting quarter (e.g. for first quarter of 2012 -> submission deadline, 30 April 2012).

Annual survey: Three months after the end of the reporting year (e.g. for 2012 -> submission deadline, 31 March 2013).

Confidentiality and data protection

The Swiss National Bank will treat the data collected as confidential. Confidentiality and data protection are governed by the National Bank Act and the National Bank Ordinance as well as by the Federal Act on Data Protection of 19 June 1992.

Queries and information

Questions regarding contents of the survey	e-mail: serviceBOP@snb.ch ; tel: +41 44 631 35 34
Technical questions regarding online delivery	to be announced
Questions regarding forms in Excel format	to be announced

II. Explanations**Definition of cross-border transactions**

One of the contracting parties (private or public entity) is resident in Switzerland and the other is either resident in a foreign country or is a foreign state. In principle, the distinction between resident and non-resident, and between individual countries, will be made according to the country of domicile of the contracting parties and not according to the place where the service is performed. The Principality of Liechtenstein is classed as part of the domestic market.

Receipts: The service recipient is resident in a foreign country, while the service provider is resident in Switzerland or the Principality of Liechtenstein.

Expenses: The service recipient is resident in Switzerland or the Principality of Liechtenstein, while the service provider is resident in a foreign country.

If both contracting parties are resident in Switzerland or the Principality of Liechtenstein, transactions shall not be reported. If both contracting parties are resident in a foreign country, transactions shall not be reported.

Geographical breakdown

All items must be broken down by country.

Estimates

Data estimates will be accepted for all items as long as the estimates have been made on a best efforts basis.

Intragroup transactions

Cross-border transactions within a corporate group must also be reported. Intragroup transactions must be reported at market prices; should these be unavailable, intragroup transfer prices will be accepted.

Centralised/decentralised reporting

Where several companies within a group are required to report in Switzerland, the group has the choice between submitting an aggregated report for all group companies in Switzerland or instructing the individual reporting companies to report their transactions themselves. If a group submits an aggregated report, it should notify the SNB which companies in Switzerland are covered by the report.

Conversion rules for transactions in foreign currency

Quarterly survey: It is recommended that the quarterly average exchange rate be used.

Annual survey: It is recommended that the annual average exchange rate be used.

Accuracy and zero entries

All figures should be entered in thousands of Swiss francs (CHF 1,000s). Reporting institutions may state figures to as many decimal places as they wish. If the figure for a particular entry is zero, the entry field should be left blank. No zero entries may be made. If a value is less than the unit required, a fractional amount must be stated using decimal places.

III. Description of categories

Item	Category	
1.	Net income from banks' cross-border commission business and services	<p>Description This category includes remuneration in the form of commissions, brokerage fees, charges for financial intermediation and associated services such as credit brokerage, management of operating/custody accounts, asset management, investment advice, securities underwriting, financial leasing, documentary credit business, factoring, custody, securities trading and settlement, mergers and acquisitions, and fiduciary transactions.</p> <p><u>1.1 Commission income</u> Income from financial services performed on behalf of non-resident customers.</p> <p><u>1.2. Commission expenses</u> Expenses for financial services performed by a non-resident contracting party.</p> <p><u>1.X.1 of which intragroup</u> The net income earned within the group.</p> <p><i>Excluding:</i> Interest payments -> Net income from banks' cross-border interest business (2.)</p>
2.	Net income from banks' cross-border interest business	<p>Description</p> <p><u>2.1 Interest and discount income</u></p> <p><u>2.1.1 Interest income from claims against customers</u> Interest income from claims against non-resident customers</p> <p><u>2.1.2 Interest income from claims against banks</u> Interest income from claims against non-resident banks</p>

		<p><u>2.1.3 Other interest and discount income</u> Credit commission considered part of interest; earnings from the discounting of bills; earnings from refinancing of trading positions, inasmuch as this is offset against trading income; similar components directly associated with interest business.</p> <p><i>2.2 Interest and dividend income from trading portfolios and financial investments</i> Income from trading portfolios is to be reported only when the bank does not offset the interest and dividend income from trading portfolios against the cost of refinancing trading portfolios under 'Profits/losses from dealing' in accordance with art. 25a para. 1 (1.3) Banking Ordinance.</p> <p><i>2.3. Interest expenses</i></p> <p><u>2.3.1 Interest expenses on liabilities towards customers</u> Interest expenses on liabilities towards non-resident customers</p> <p><u>2.3.2 Interest expenses on liabilities towards banks</u> Interest expenses on liabilities towards non-resident banks</p> <p><u>2.3.3 Other interest expenses</u> Other expenses similar to interest; interest on subordinated loans; interest on third-party mortgages on own properties, including the interest components on real estate financial leasing instalments.</p>
3.	Banks' commission expenses incurred abroad and charged to resident customers	<p>Description The item refers to the following business transaction: Acting on behalf of a resident customer, a bank resident in Switzerland undertakes transactions together with non-resident banks and possibly other non-resident financial intermediaries (such as the purchase and sale of securities abroad as part of an asset management mandate). Commission expenses incurred in this respect, which the resident bank pays to non-resident banks and passes on to its resident bank customers, should be reported under this item.</p>
4.	Income from banks' trading business for non-resident customers (excluding proprietary trading)	<p>Description The figure to be reported is the spread arising from the purchase and subsequent sale of financial instruments in trading business conducted by a bank on behalf of non-resident bank customers and not remunerated through commissions. Such trading business relates to, in particular, trading in securities, foreign exchange, commodities and precious metals.</p> <p><u>Recommended method of estimation:</u> In the event that estimates are made, the following method is recommended: Income = (average trading margin) x (trading volume)</p>